

Integrated Lidar and Software Solution for ADAS L3 and L2+

MicroVision FY 2021 Financial results and update

February 24, 2022



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MicroVision Quarterly Update

- Ongoing Engagement with OEMs and Tier 1s
 - Key differentiators for our product:
 - Highway Pilot capabilities with high resolution and low latency
 - Low system costs
 - Edge Computing powered proprietary software on custom ASIC
- Business Update
 - Highway Pilot feature track testing on Lidar Technology vehicles in Q2 2022 in US & Germany
 - Class 1 certification through 3rd party testing in Q3 2022
 - Start strategic sales of samples to OEMs and Tier 1s in Q4 2022
- Financial Update
 - \$29.4 million cash used in operating activities in 2021
 - Added ~\$100 million during H1 2021 to finish the year with \$115 million of liquidity on balance sheet



MicroVision

a High-Tech Software and Lidar Hardware Company

- Core technology developed and delivered to U.S. military



- Delivered technologies to leading global tech giants



- Established semi-conductor partnership network



- Strong leadership roots



Uniquely positioned to win in ADAS

Leading automotive product suite

- Low-cost, high-fidelity Lidar
- Custom ASIC with proprietary software

Strong IP foundation & tech talent

- Strong IP, with over 430 patents in MEMS-based core technology
- 20+ years of experience

Positioned for growth

- Publicly-traded company
- Strong balance sheet

Technology partnerships are more fully described in MicroVision's public filings with the U.S. Securities and Exchange Commission.

MicroVision's Solution Provides Compelling Advantages to OEMs

Superior Highway Pilot functionality

- Capable up to **130km/h**
- **Fewer restrictions** than existing systems

Seamless integration into an OEM's architecture

- **Perceptive Point Cloud** (obstacles / free space clusters) and raw Lidar & radar data
- Radar and **domain controller-agnostic**



Saved development cost & time

- **No training** required for Lidar/radar sensor fused output
- **Reduced training** requirements for OEMs

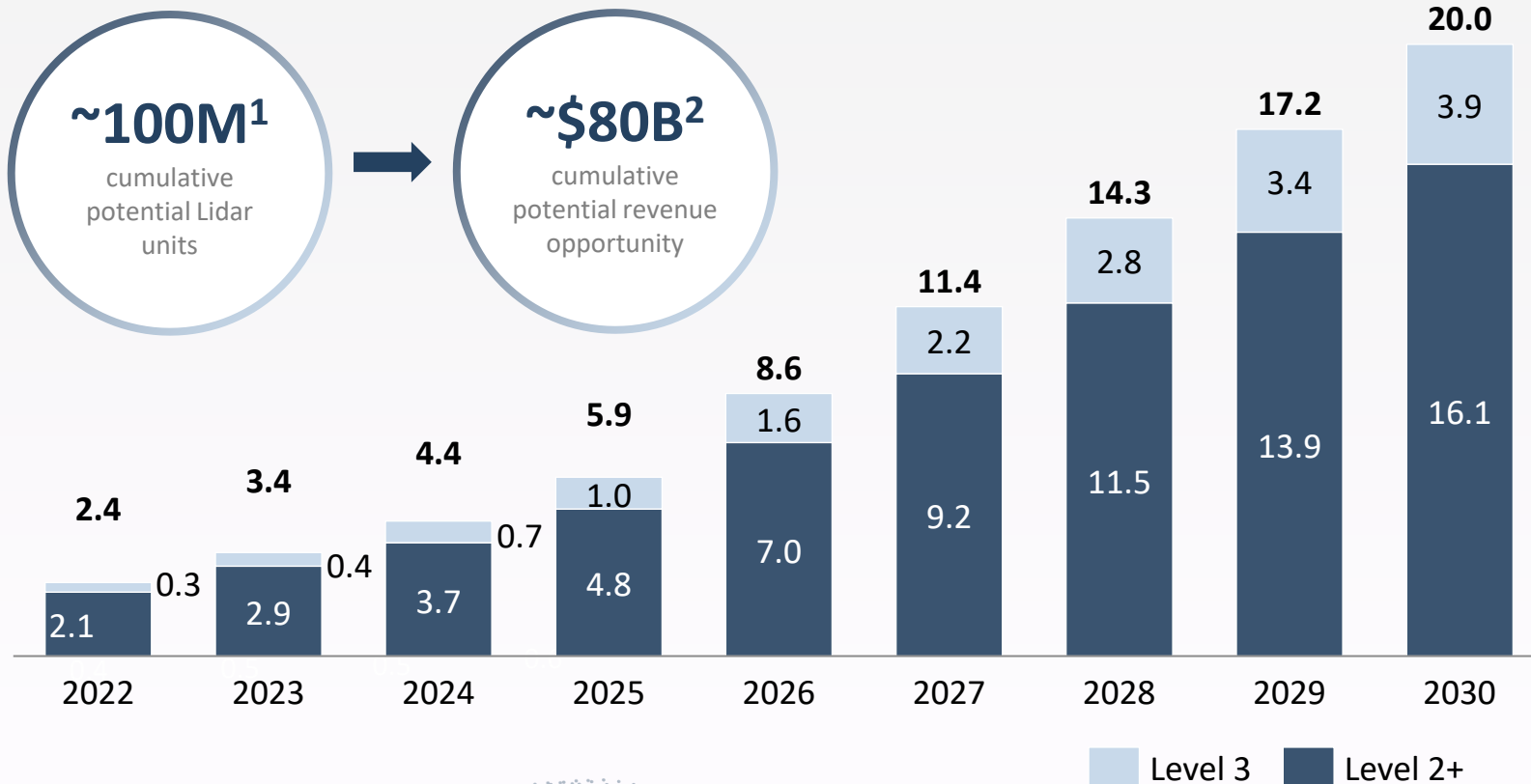
Lower relative system cost

- Fewer and **cheaper** sensors
- **Reduced processing** requirements



Focused on the ADAS Level 2+/3 Market

Forecasted MicroVision SAM, vehicles produced with Lidar potential (millions)



Growth drivers

Rapidly decreasing cost and higher scalability of Lidar-based systems makes it viable for Level 2+ and accelerates push to Level 3

By 2030, global ADAS level 2, 2+ and 3 market growing to ~\$120B annually

ADAS regulations require multimodal redundancy

1. Assumes two Lidar units for L3 vehicles and one Lidar unit for L2+ vehicles. 2. Assumes industry average ASP of \$800.

Source: IHS Markit, company analysis



Our Measures of Future Success

Cumulative metrics through 2030

Partnerships

2+ OEMs

Sales Volume

~25 – 30M+
units

Revenue

~\$2 – \$4B+

EBITDA

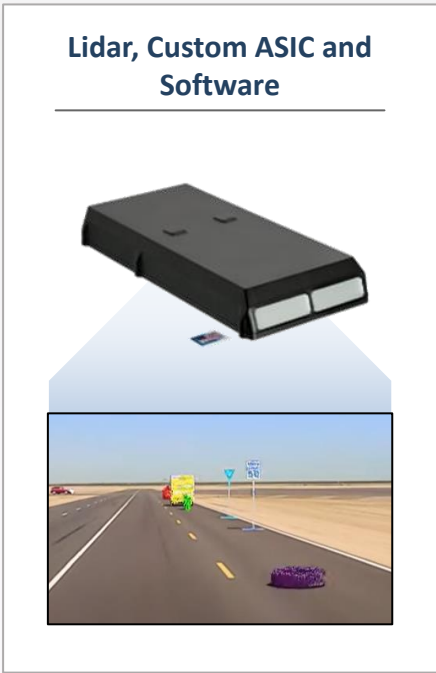
~\$1 – \$2B

Source: IHS Markit, company estimates. EBITDA is a non-GAAP measure useful to management and investors as a performance measure and for comparison to peers but is not intended as a substitute for GAAP.

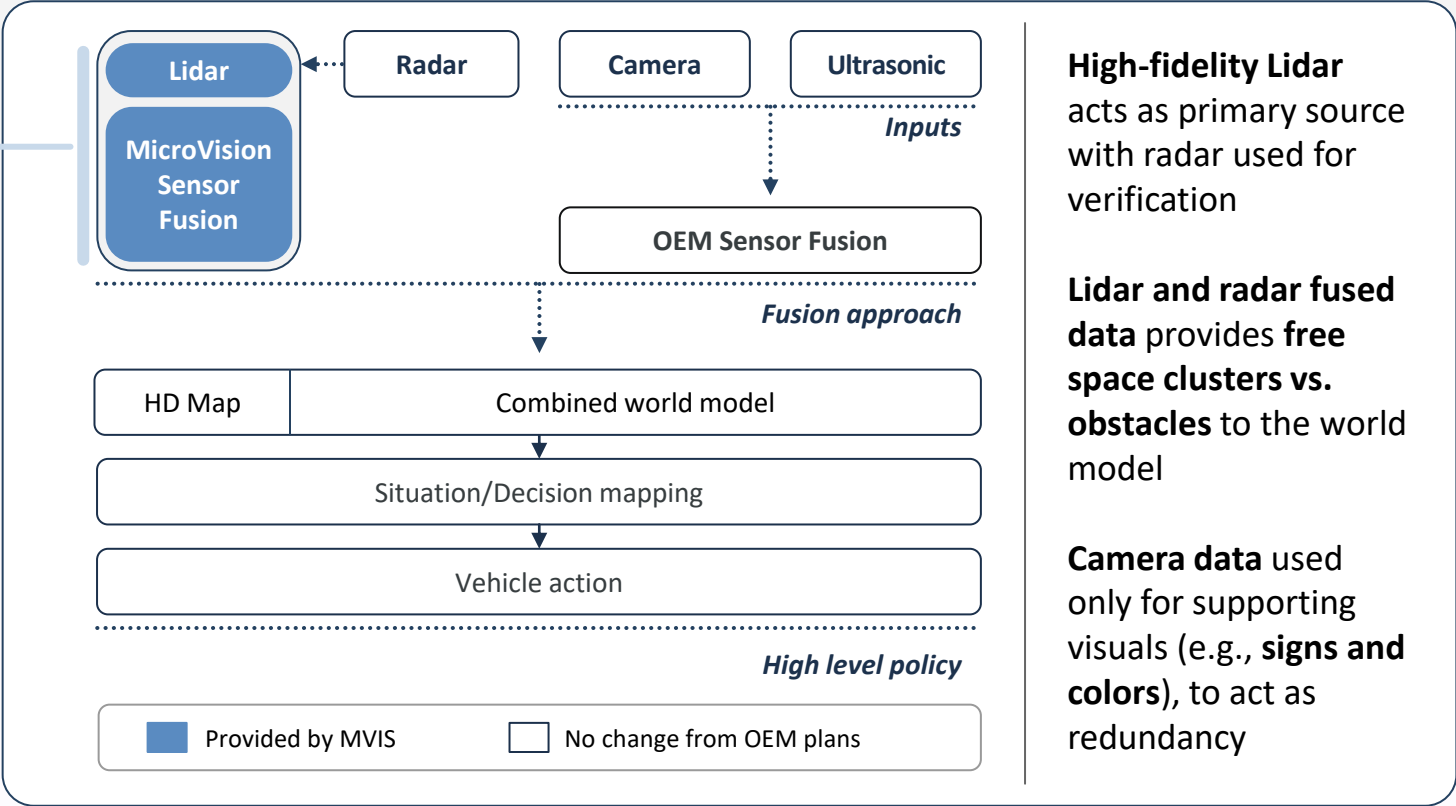


Our Unique Approach

MicroVision's Offering



How MicroVision Integrates into the ADAS Stack



High-fidelity Lidar acts as primary source with radar used for verification


Lidar and radar fused data provides free space clusters vs. **obstacles** to the world model

Camera data used only for supporting visuals (e.g., **signs and colors**), to act as redundancy

Our Sensor Fusion approach enables low latency with increased performance.



Our Lidar Outperforms Others in the Market

	Data rate (pts/sec)	Frame latency (Hz)	Max field of view (H x V) ¹	Range (m @ 10% refl.)	Sun/Lidar interference	Module cost ²	Wavelength (nm)
Example OEM specs	≥ 4,000,000	24	100° x 25°	200	Immune	Lowest while meeting spec.	N/A
 MicroVision	10,800,000	30	100° x 25°	220	Immune	\$	905
Competitor A	Not disclosed ³	20	120° x 30°	250	Immune	\$\$\$	1550
Competitor B	Not disclosed ³	20	125° x 40°	220	Partial	\$\$	905
Competitor C	~445,000	25	133° x 10°	100	Partial	\$	905
Competitor D	~250,000	25	60° x 30°	140	Partial	\$\$	885
Competitor E	945,000	5,10,20	60° x 20°	< 300	Partial	\$\$	1550
Competitor F	15,000	20	177.5° x 16°	20	Partial	\$\$\$	905

 = **At/Exceed** OEM specs

1. H = Horizontal, V = Vertical. 2. Based on estimate BoMs. 3. Publicly available specs unclear.
Source: product data sheets, company websites, investor presentations



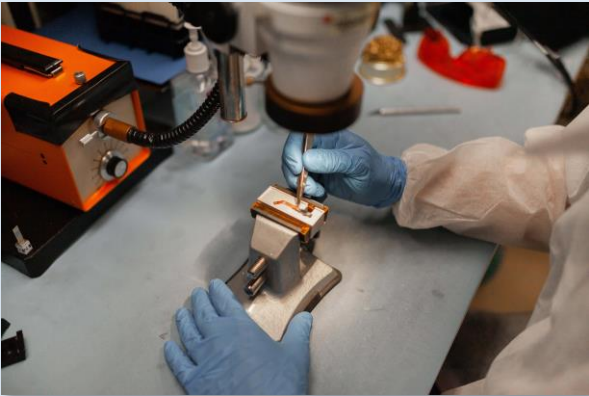
Highway Pilot feature track testing in Q2 2022

- This is the **next step to capitalize on the positive reception** MicroVision has received from OEMs and Tier 1s
- Vehicles to be tested in both **US & Germany**
- Demo vehicles are intended to demonstrate **the quality and feasibility of MicroVision's hardware & software solution** to prospective OEM partners and allows for collection of ground truth data



We Are Investing in State-of-the-Art Assets to Support our Continued Solution Buildout

Top-of-the-line laboratories and R&D infrastructure



Leading tools for automation and reliability testing



Financial Results Overview



2021 Financial Results Highlights

(\$ in millions)	FY 2021
<u>Income Statement</u>	
License & Royalty Revenue	\$2.5
R&D Expense	\$24.1
SG&A Expense	\$22.3
<u>Non-Cash Expenses</u>	
Depreciation & Amortization incl. impairment	\$2.3
Stock-based compensation expense	\$15.3
<u>Cash flow items</u>	
Purchases of property & equipment	\$2.5
Net Proceeds from ATM	\$131.7
<u>Balance Sheet</u>	
Cash & cash equivalents	\$82.6
Investment securities	\$32.7

- **Revenue:** License and royalty revenue of \$2.5 million earned under license agreements to our PicoP® scanning technology with Microsoft. No cash was received for this royalty revenue as it was netted against the 2017 prepayment
- **R&D Expense:** \$24.1 million for 2021 included higher non-cash stock compensation, increased headcount and scaling up sensor development
- **SG&A Expense:** \$22.3 million for 2021 included higher non-cash stock compensation, professional services, business development and other related costs
- **Proceeds from ATM:** \$140 million ATM program currently available. Raised about \$68 million of net proceeds under this program issuing about 4 million shares during H1 2021; Program not used in H2 2021
- **Strong Liquidity:** \$115 million of cash and cash equivalents including marketable securities

Disciplined use of cash as we prudently invest in growth and scale up sensor solution development



Key Investment Highlights

Large SAM

1

Uniquely positioned to capture the cumulative potential revenue opportunity of **\$80 Billion** through 2030

Best-in-Class Lidar Specifications

2

Highway Pilot capabilities up to 130 km/h enabled by our MEMS-based Lidar and edge computing with significantly reduced training and development costs for OEMs

Unique Go-to-Market Strategy

3

Establish attractive **software-centric margins** with low operating expenses through direct partnerships with OEMs and production relationships with Tier 1s

Mature Technology and Strong IP Portfolio

4

Over **430 issued patents** in MEMS-based core technology (more patents than any other publicly traded Lidar company) with 20+ years developing and productizing our technology

Compelling Financial Profile

5

Strong balance sheet, attractive business model, low asset intensity, and high margins



Thank you

