

Q2 2024 Earnings Call
Presentation

August 8, 2024

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Welcome to Gauzy's Q2 2024 Earnings Call

Nasdaq: GAUZ

Exceptional Start to 2024:

Strong Double-Digit Revenue Growth to \$24.4M in Q2 and \$49.1M in H1

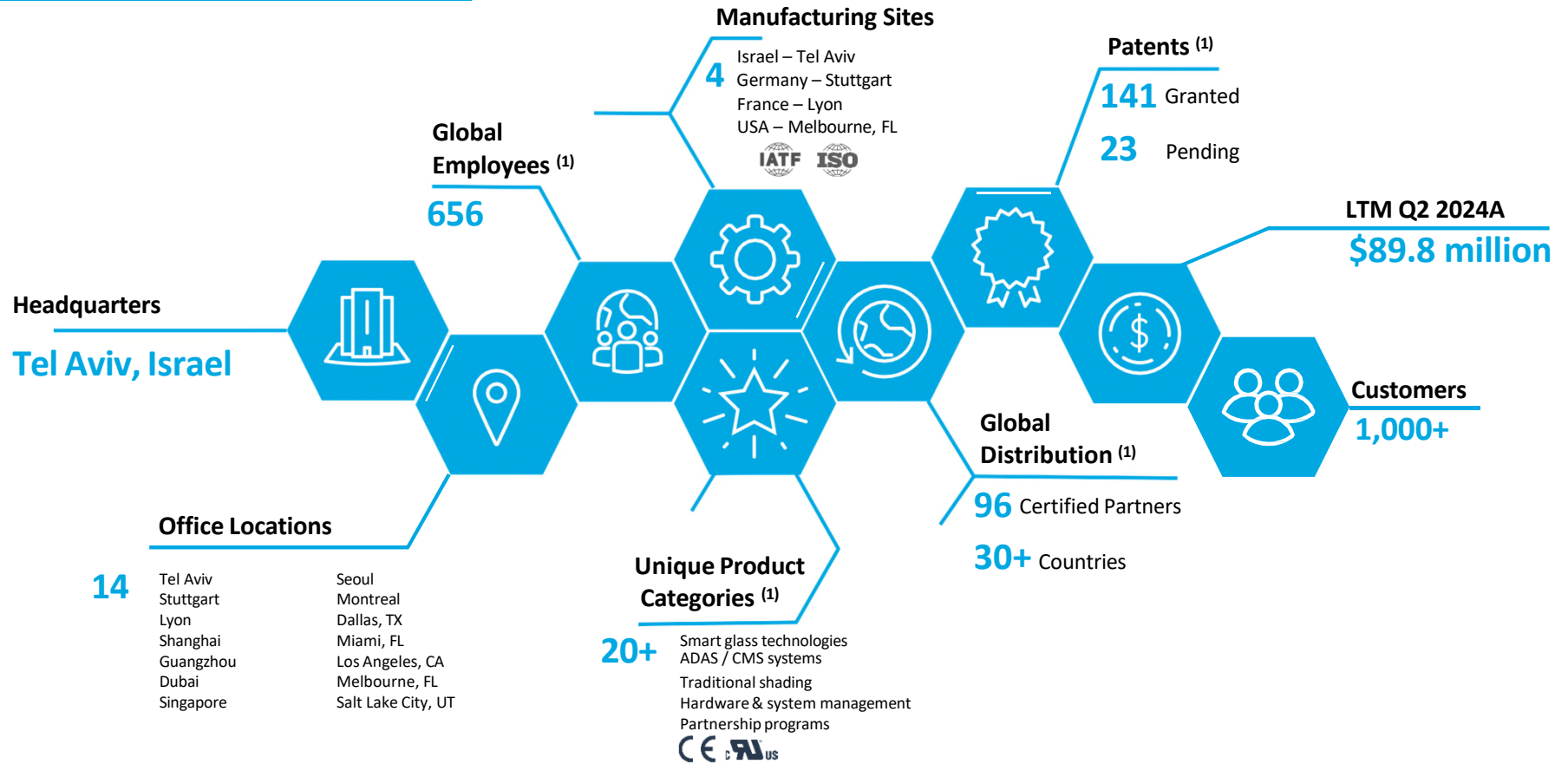
Significant Expansion in Gross Margin to 27.0% in Q2 and 26.1% in H1

Robust Results and Solid Customer Order Book Reinforce Growth Outlook

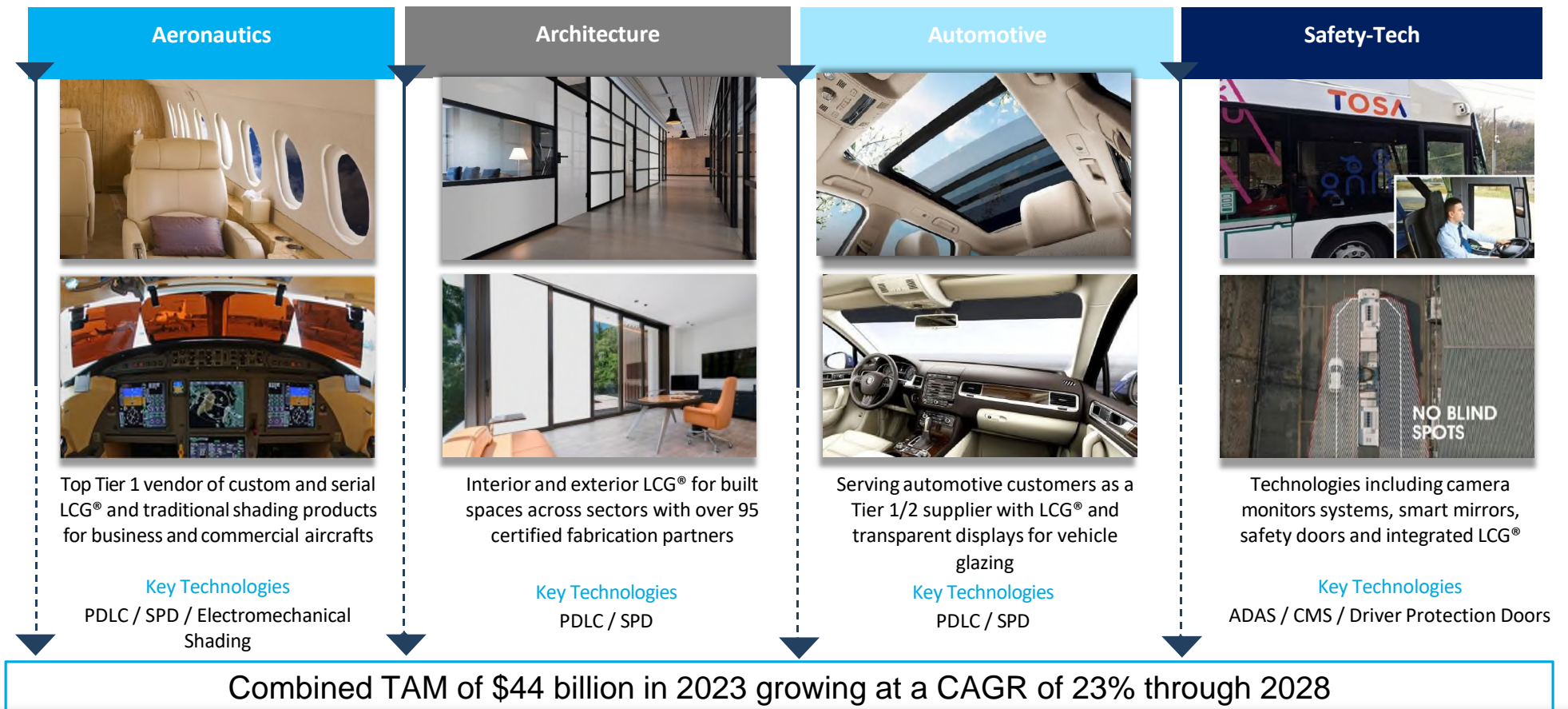
Successfully Completed \$75 Million⁽¹⁾ Initial Public Offering in June



A Global Leader in Vision & Light Control



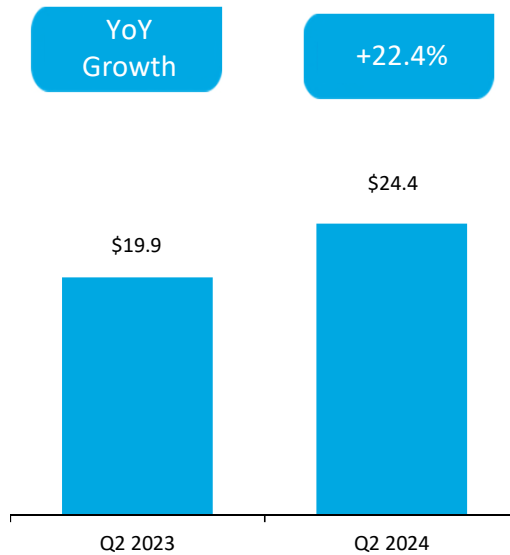
Four Business Divisions Defined by Distinct End Markets



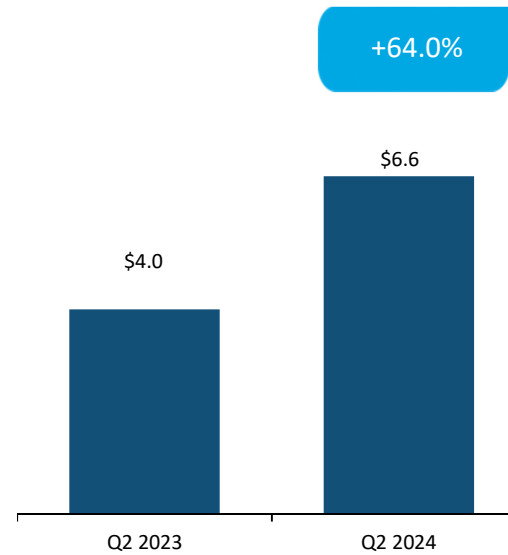
Financial Highlights Q2 2024

\$ in millions

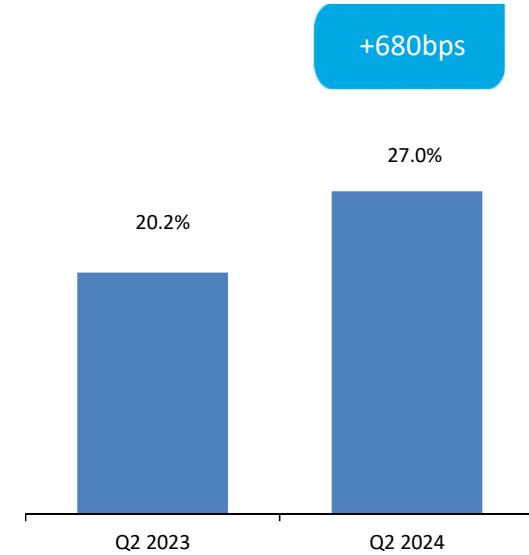
Revenue



Gross Profit



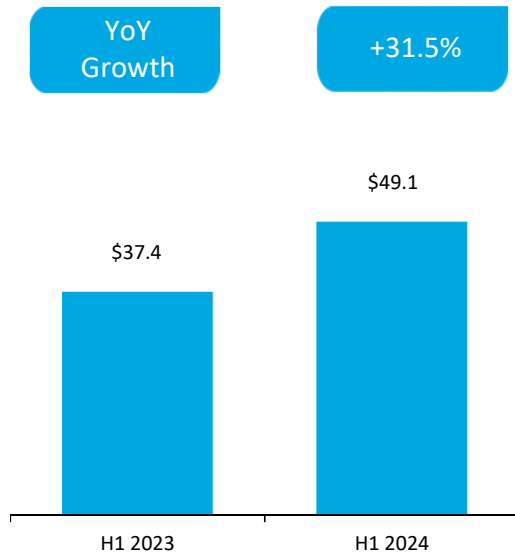
Gross Margin



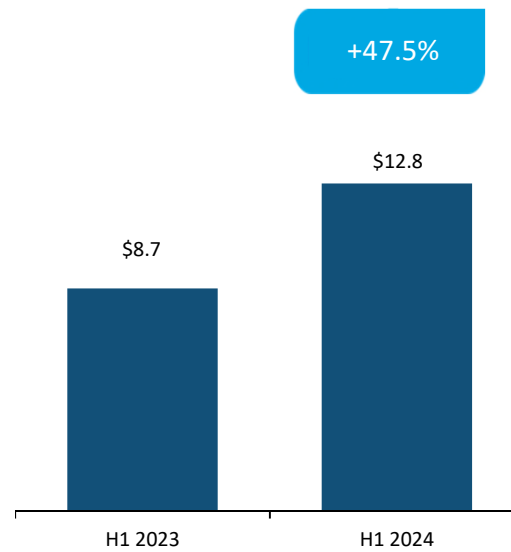
Financial Highlights H1 2024

\$ in millions

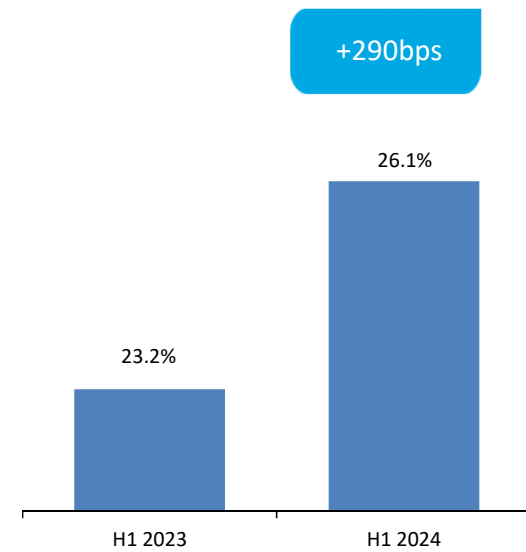
Revenue



Gross Profit

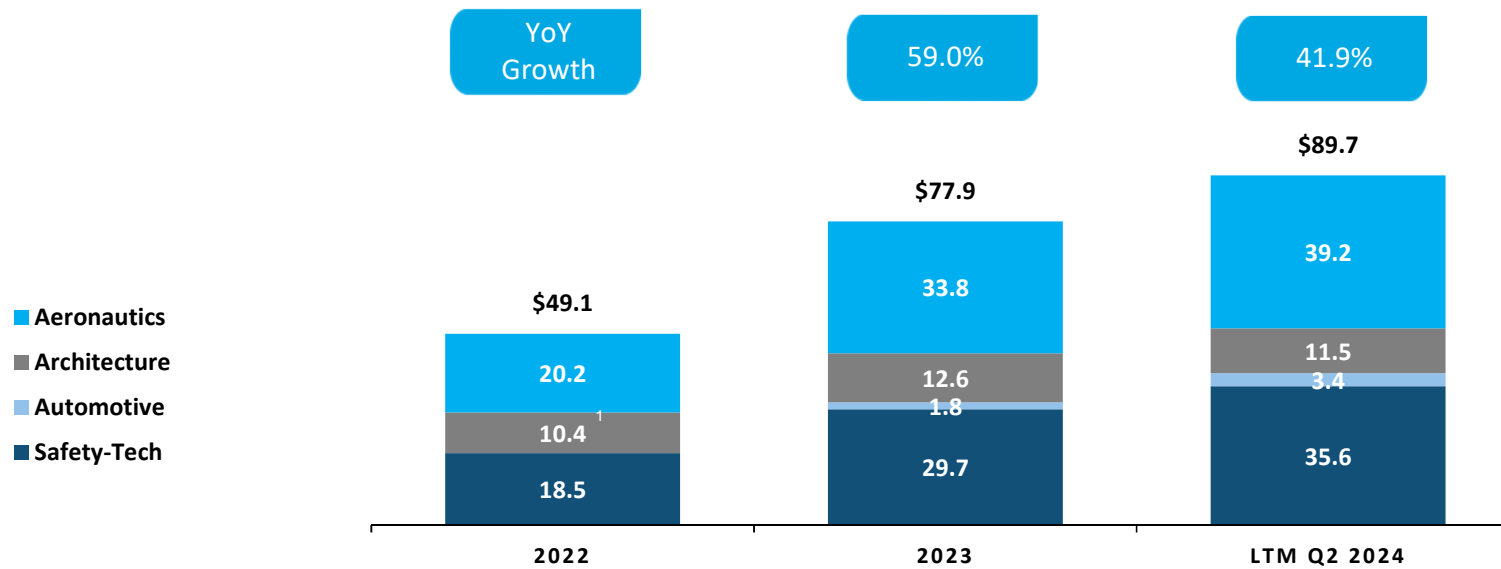


Gross Margin



Strong Adoption Trends Driving Outsized Growth Across Segments

\$ in millions



Note: 2022A figures include Vision Lite results following the consummation of its acquisition by Gauzy on January 22, 2022. Quarterly results are unaudited.

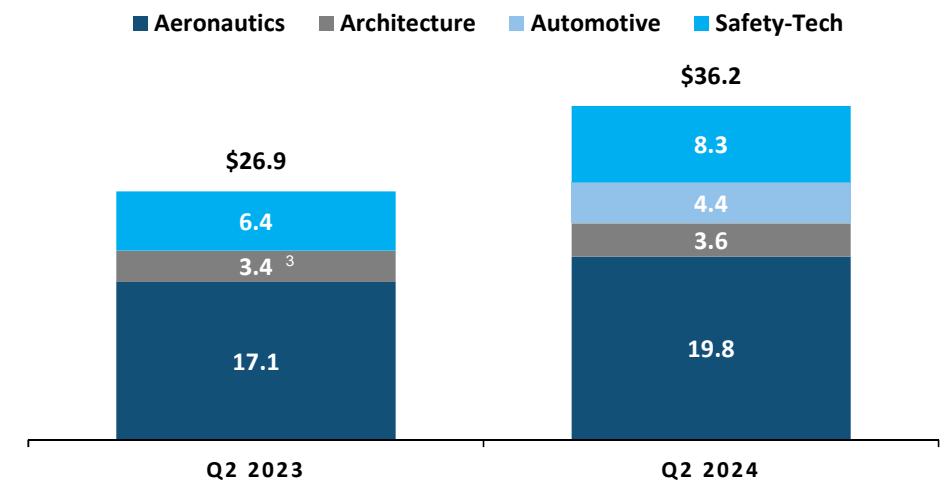
1) Automotive results included in Architecture for 2022.

Strong Backlog and Long-Term Supply Agreements Provide Visibility and Consistency of Results

\$ in millions

- ✓ Multi-year supply agreements with aerospace, automotive and ADAS / CMS customers
- ✓ Product delivery can last for the lifetime of a model, in certain cases 30-40 years
- ✓ New supply agreements provide compounding effect on reoccurring revenues
- ✓ 2023 reoccurring revenue of 83.1%+ ⁽¹⁾
- ✓ Diverse customer base with over 1,000 customers in more than 30 countries across multiple end markets
- ✓ No single customer accounted for more than 9.3% in 2023A

Backlog Momentum⁽²⁾



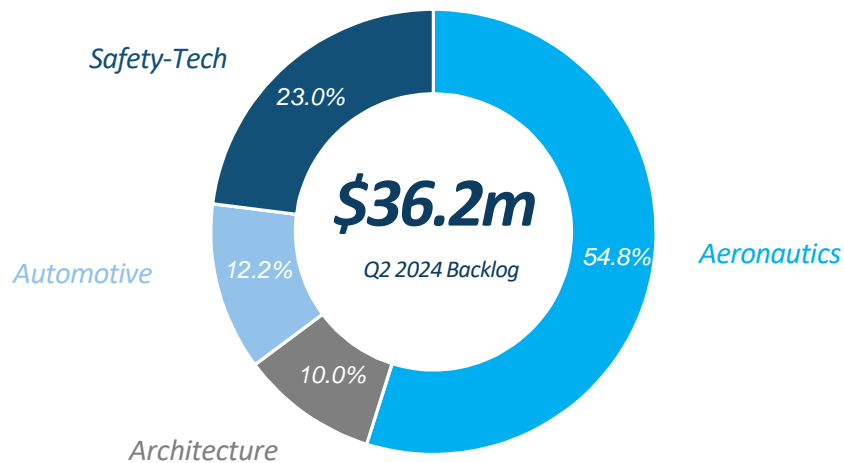
(1) Defined as revenue from customers who were also customers in 2022 and earlier.

(2) Revenue backlog is a key business metric that we define as booked orders based on purchase orders or hard commitments that have not been shipped yet or have been shipped but not yet recognized as revenue.

(3) Automotive backlog included in Architecture for Q2 2023.

Innovations and Market Adoption Driving Strong Backlog

Q2 2024 Backlog ⁽¹⁾



Key Market Adoption Updates

~95%

Market Share in Aircraft Cockpit Shading Systems for Commercial Airlines and Business Jets

An increase from ~90% in 2023

80+

Global metros deploying Gauzy's Smart Vision ADAS/CMS⁽²⁾

Including major metros London, New York, Brisbane (AUS), Lyon (FR)

1,000+

Global customers across all segments

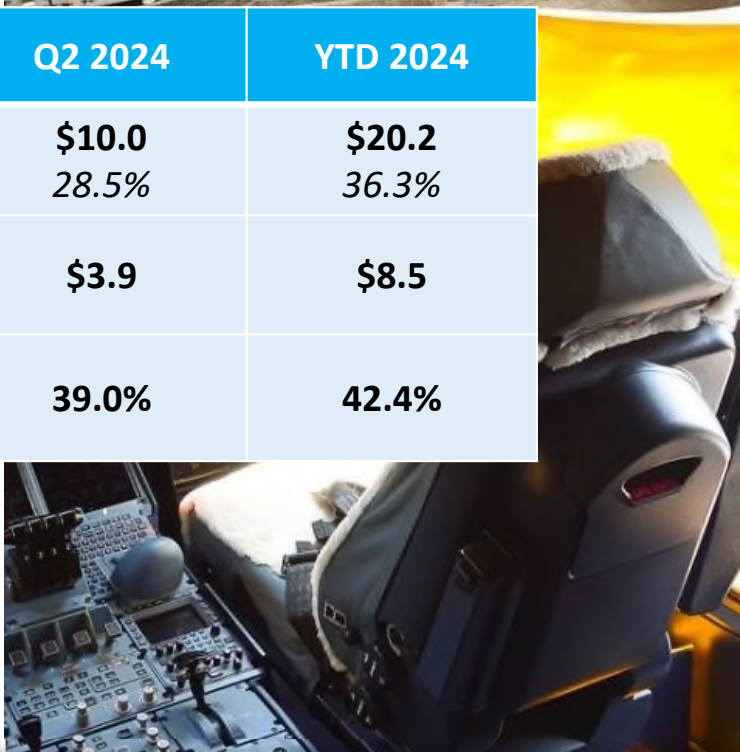

Driving a 34.6% increase in Q2 backlog YoY

(1) Revenue backlog is a key business metric that we define as booked orders based on purchase orders or hard commitments that have not been shipped yet or have been shipped but not yet recognized as revenue.
(2) ADAS – Advanced Driver Assistance Systems ; CMS – Camera Monitor Systems

Aeronautics

Q2 Highlights

- Total segment sales increased 28.5% to \$10.0 million, reflecting strong demand across all segment offerings
- Gross profit of \$3.9 million, up 82.9%
- Gross margin of 39.0% up 1160bps, driven by strong top line growth across a fixed cost base



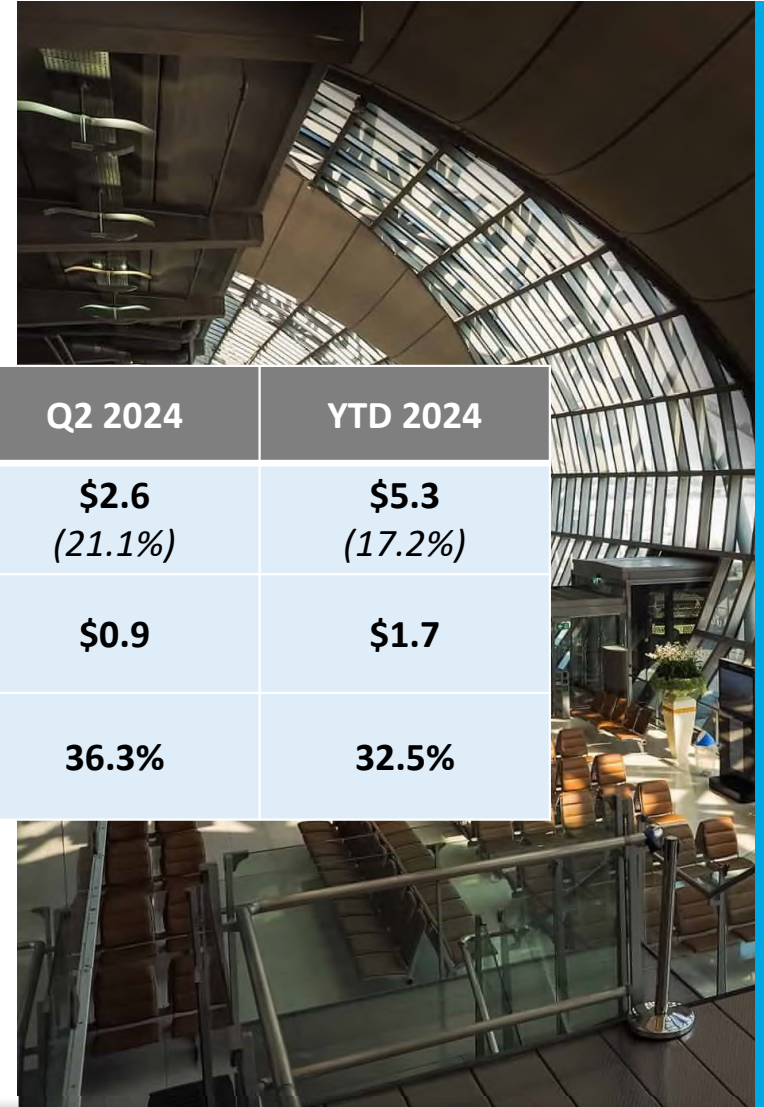
(\$ in Millions)	Q2 2024	YTD 2024
Revenue	\$10.0	\$20.2
<i>YoY Change</i>	28.5%	36.3%
Gross Profit	\$3.9	\$8.5
Gross Margin	39.0%	42.4%

Architecture

Q2 Highlights

- Total segment sales decreased 21.1% to \$2.6 million, reflecting timing differences in full-year contract deliveries
- Gross margin of 36.3% up 510bps
- Gross margin increase driven by better mix of higher margin products

(\$ in Millions)	Q2 2024	YTD 2024
Revenue <i>YoY Change</i>	\$2.6 <i>(21.1%)</i>	\$5.3 <i>(17.2%)</i>
Gross Profit	\$0.9	\$1.7
Gross Margin	36.3%	32.5%



Automotive

Q2 Highlights

- Total segment sales increased 79.5% to \$0.9 million, as ramp continues from beginning of serial production at the end of 2Q 2023
- Gross profit of \$(0.1) million similar to \$(0.1) in 2Q 2023

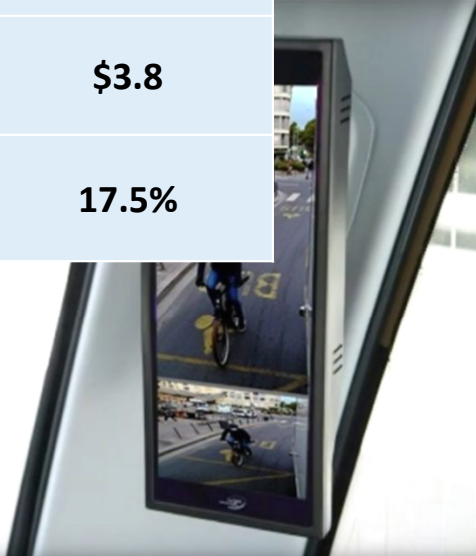

(\$ in Millions)	Q2 2024	YTD 2024
Revenue <i>YoY Change</i>	\$0.9 79.5%	\$2.2 237%
Gross Profit	\$(0.1)	\$(0.5)
Gross Margin	(16.2%)	(24.0)%

Note: Results are unaudited

Safety Tech

Q2 Highlights

- Total segment sales increased 30.7% to \$10.8 million, reflecting strong demand for ADAS and CMS product lines
- Gross profit of \$2.2 million, up 80.0%
- Gross profit margin of 20.6% up 560bps, driven by better mix of higher margin products and overall higher revenues



(\$ in Millions)	Q2 2024	YTD 2024
Revenue	\$10.8	\$21.5
<i>YoY Change</i>	<i>30.7%</i>	<i>38.1%</i>
Gross Profit	\$2.2	\$3.8
Gross Margin	20.6%	17.5%

Strong Liquidity Profile Supporting Business Plan Execution

(\$ in Millions)

	December 31, 2023	June 30, 2024
Cash and Cash Equivalents	\$4.6	\$63.7
Undrawn Credit Line	40.3	35.0
Total Available Cash (including undrawn credit line)	44.9	98.7
Short Term Debt Facilities ⁽¹⁾	28.5	51.7
Long Term Debt Facilities ⁽²⁾	38.7	24.0
Convertible Loans from Existing Shareholders ⁽³⁾	55.9	0
Total Debt Facilities	123.1	75.6

Initial Public Offering and 100% Conversion of Convertible Debt to Equity Strengthened Balance Sheet and Leverage Metrics

(1) Defined as the sum of short-term borrowing and current maturities of bank loan, short-term loan relating to factoring arrangements and current maturities of long-term debt measured under the fair value option. (2) Defined as the sum of long-term debt measured under the fair value option and long-term bank loan. (3) Convertible loans were fully converted to equity at IPO.

Investment Highlights



1. Rapidly growing light and vision control company, 59% year over year growth⁽¹⁾
2. Addressing multiple TAMs in excess of \$44B
3. Top tier customers with established relationships
4. Global, asset light operations approach poised for significant growth
5. Strong and differentiated technology supported by strong patent portfolio
6. Robust financial model with significant operating leverage driving margin expansion
7. Vertically integrated capabilities

Appendix



Term	Definition
Active Smart Glass	Product that changes appearance and function in response to on/off electrical charges to conductive films or coatings
Controller	A device that can deliver constant electricity to smart glass to switch appearance from transparent to tinted or opaque, with dimming capabilities
Electrochromic Glass	An active smart glass technology primarily used for facade windows made of formulations coated directly onto glass
LCG [®]	Light Control Glass [®] , a registered Gauzy trademark, contains molecules and particles that position to control the passage of various types of light
Outdoor Grade PDLC Film	Electrically conductive polymer dispersed liquid crystal film for exterior windows that controls heat but not light, only available by certain manufacturers
Passive Smart Glass	Photochromic and thermochromic glass treated with coatings that respond to solar rays
PDLC Film	An electrically conductive film comprised of polymer dispersed liquid crystals that controls light
Laminated PDLC Film	PDLC film produced by a manufacturer, that is laminated between sheets of glass with adhesive interlayers by a glass fabricator
Retrofit PDLC Film	PDLC film with an adhesive coating that is applied directly to existing glass
Simple PDLC	Switchable PDLC film that manipulates light but not heat
Smart Glass	Glass that changes its visual properties in response to stimulants such as electricity
SPD Film	Suspended particle device film for smart glass that cools and shades interiors when conductive, nano-sized, solid particles floating in liquid respond to an electrical charge
Thermochromic Glass	Passive dynamic glass used in windows to control solar heat
Tintable Glass	Smart glass (also called switchable or privacy glass) that changes appearance and function in response to electricity
Transformer	A control mechanism that can't dim smart glass but changes it from clear to opaque by turning current on and off. Requires smart glass to remain off for up to a certain amount of hours per day
ADAS/APAS	Advanced Driver Assistance Systems / Advanced Passenger Assistance Systems
CMS	Camera Monitoring Systems
BSIS	Blind Spot Information Systems
MOIS	Moving Off Information Signal