

Q1 2025 Earnings Call
Presentation

May 13, 2025

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Welcome to Gauzy's Q1 2025 Earnings Call

Nasdaq: GAUZ

Strong Demand and Backlog Growth Continued into 2025:

Q1 Revenues of \$22.4M with Strong Momentum Into Q2

Expands Gross Margin 50 bps to 25.6% on Scale Benefits and Operational Efficiencies

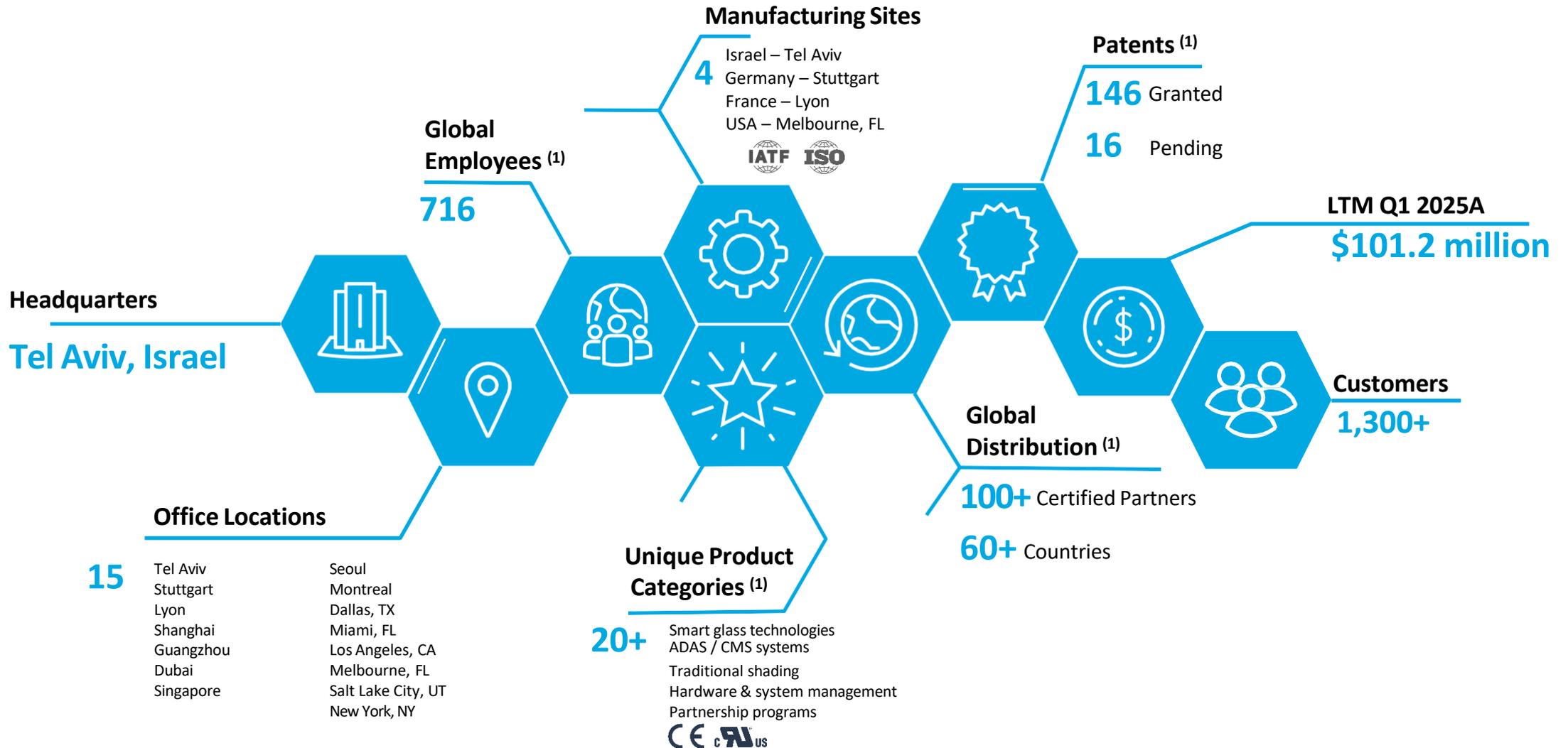
Free Cash Flow Improvement and Strengthened Balance Sheet

Signed First \$10M of Planned \$20M Debt Financing at Improved Interest Rate and Terms

Reaffirms Full Year 2025 Guidance



A Global Leader in Vision & Light Control



Four Business Divisions Defined by Distinct End Markets



Combined TAM of \$44 billion in 2023 growing at a CAGR of 23% through 2028

Strong Multi-Year Backlog to Drive Compounding Growth

REVENUE PIPELINE

+\$1B

Contracted & uncommitted revenue expected to realize over 10 years



CONTRACTED BACKLOG (Q4 2024)

\$409M

Minimum contracted & committed revenue expected to realize over 10 years



PURCHASE ORDERS (Q1 2025)

\$36M

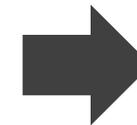
Customer orders to contribute expected revenue out of backlog over next six months



REVENUE

~\$135M

Expected 2025 revenue at the midpoint of the guidance range

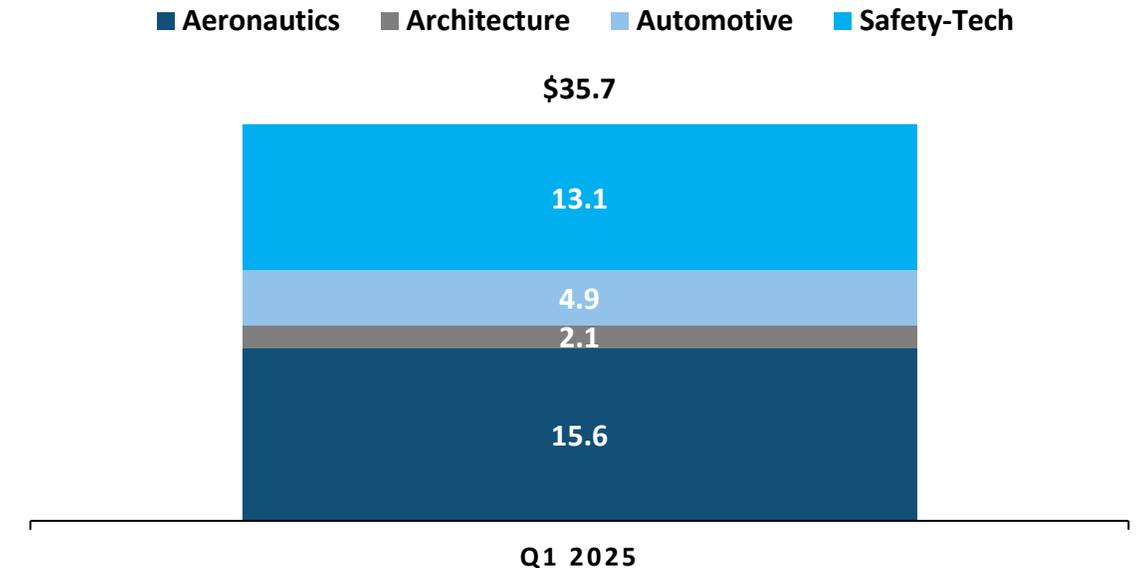


Strong Backlog of Purchase Orders and Long-Term Supply Agreements Provide Visibility and Consistency of Results

\$ in millions

- ✓ Up \$5.0 million compared to Q4 2024
- ✓ Multi-year supply agreements with aerospace, automotive and ADAS / CMS customers
- ✓ Over 80% of 2024 revenues recurring⁽¹⁾ in nature
- ✓ New supply agreements provide compounding effect on recurring revenues⁽¹⁾
- ✓ Diverse customer base with over 1,300 customers in more than 30 countries across multiple end markets
- ✓ Second production shift added at production facility to address strong demand primarily in Aeronautics

Purchase Orders⁽²⁾



(1) Defined as revenue from customers who were also customers in 2023 and earlier.

(2) Purchase orders are 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.

Financial Highlights Q1 2025

\$ in millions

Revenue

YoY
Growth

(9.6%)

\$24.7

\$22.4

Q1 2024

Q1 2025

Margin

Gross Profit

(7.8%)

\$6.2

\$5.7

Q1 2024

Q1 2025

25.1%

25.6%

Adjusted EBITDA

-\$0.7M

Q1 2024

Q1 2025

(\$4.8)

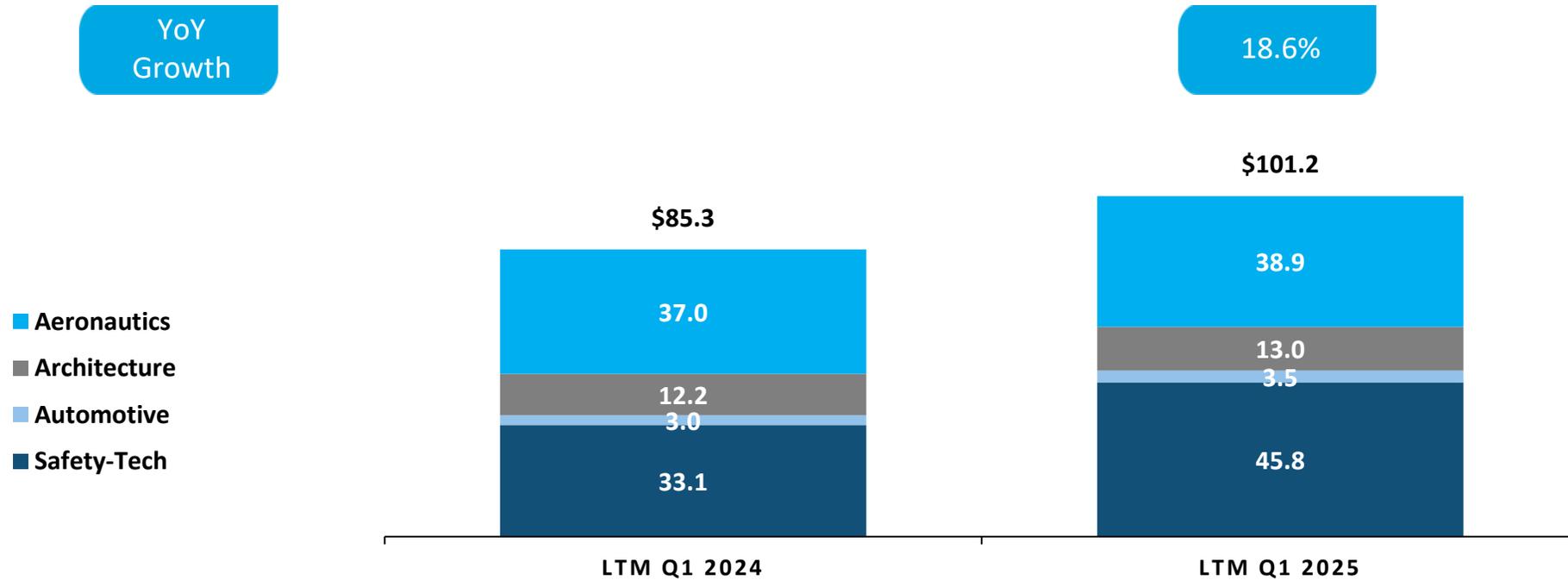
(\$5.5)

(19.2%)

(24.4%)

Adoption Trends Driving Long-Term Revenue Growth

\$ in millions



Aeronautics



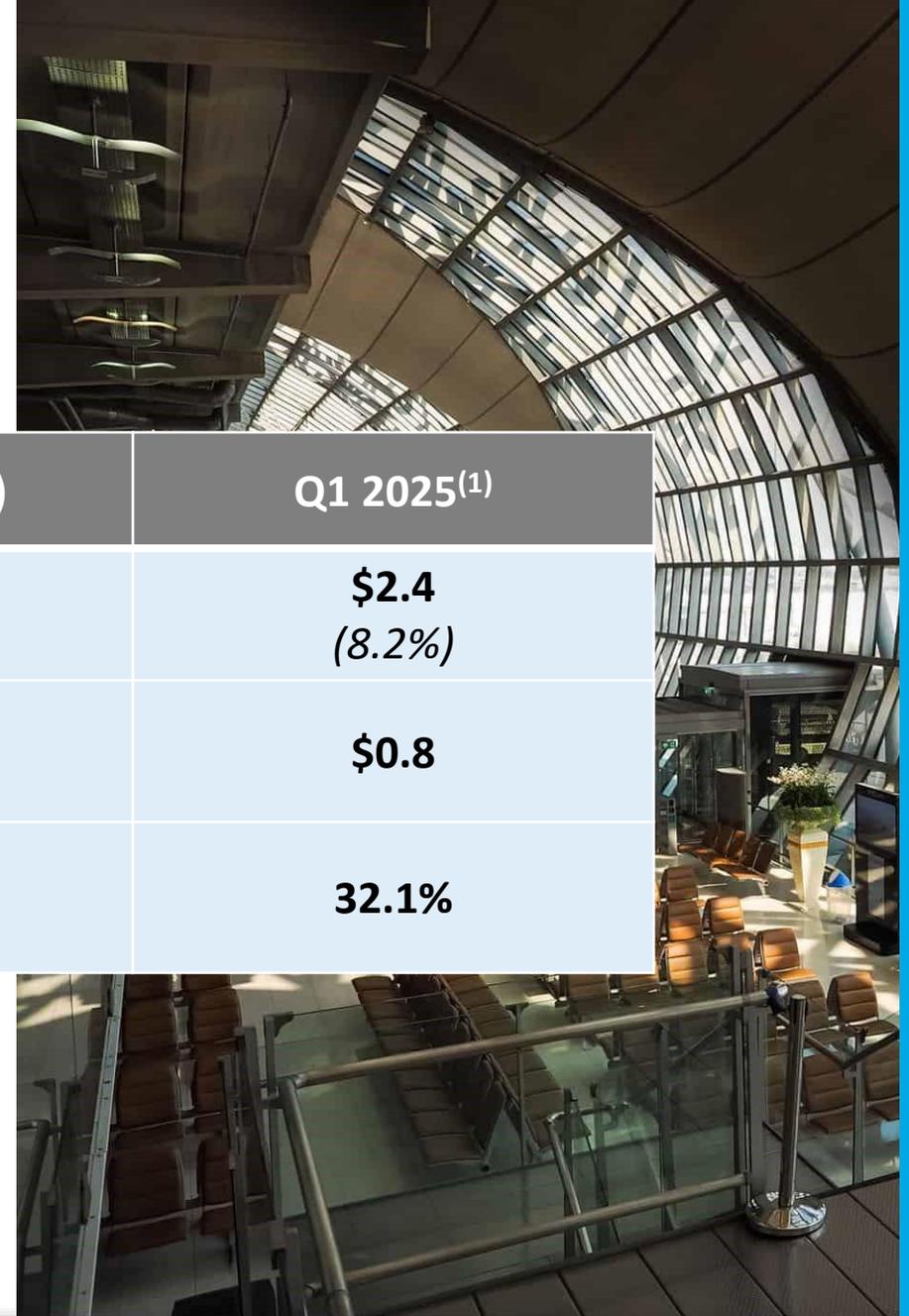
Q1 Highlights

- Total segment sales decreased 24.6% to \$7.6 million, reflecting a shift in the timing of certain deliveries, which are not expected to impact full year deliveries
- Gross profit of \$2.6 million
- Gross margin of 33.9%

(\$ in Millions)	Q1 2025 ⁽¹⁾
Revenue <i>YoY Change</i>	\$7.6 (24.6%)
Gross Profit	\$2.6
Gross Margin	33.9%



Architecture



Q1 Highlights

- Total segment sales decreased 8.2% to \$2.4 million, reflecting a shift in the timing of certain deliveries, which are not expected to impact full year deliveries
- Gross margin of 32.1% up 325bps
- Gross margin increase driven by the benefit of scale and operational efficiencies

(\$ in Millions)	Q1 2025 ⁽¹⁾
Revenue <i>YoY Change</i>	\$2.4 (8.2%)
Gross Profit	\$0.8
Gross Margin	32.1%

Automotive

Q1 Highlights

- Total segment sales increased 14.2% to \$1.5 million, reflecting additional serial production programs in place
- Gross profit of \$0.2 million compared to (\$0.4) million
- Gross margin of 16.1% compared to (29.5%) driven by improved yield performance driven by close customer collaboration

(\$ in Millions)	Q1 2025 ⁽¹⁾
Revenue <i>YoY Change</i>	\$1.5 14.2%
Gross Profit	\$0.2
Gross Margin	16.1%

(1) Q1 2025 results are unaudited

Safety Tech

Q1 Highlights

- Total segment sales increased 1.5% to \$10.8 million, reflecting strong demand for ADAS and CMS product lines
- Gross profit of \$2.1 million compared to \$1.4 million
- Gross margin of 19.7% up 690 bps, driven by higher revenues and operating leverage

(\$ in Millions)	Q1 2025 ⁽¹⁾
Revenue <i>YoY Change</i>	\$10.8 1.5%
Gross Profit	\$2.1
Gross Margin	19.7%

(1) Q1 2025 results are unaudited

Strong Liquidity Profile Supporting Business Plan Execution

(\$ in Millions)

	December 31, 2024	March 31, 2025
Cash and Cash Equivalents	5.6	1.2
Undrawn Credit Line	35.0	34.0
Total Available Liquidity (including undrawn credit line)	40.6	35.2
Short Term Debt Facilities ⁽¹⁾	16.5	15.9
Long Term Debt Facilities ⁽²⁾	21.9	21.5
Total Debt Facilities	38.4	37.3

In April 2025, Reached Agreement for \$10 Million of Debt Financing with Mizrahi Bank

(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.

Reaffirms Strong Full Year 2025 Guidance

REVENUE
\$130-140M
+26-35% YoY

- Revenue growth of >30% at the midpoint reflects strong demand across all four segments, growing adoption of Gauzy technologies, and expanded production capacity in place to meet demand
- Expect first ever full year of positive Adjusted EBITDA
- Benefits of scale, favorable operating leverage, and strong recurring revenue base driving improved profitability
- Expect second half results to be stronger than first half results

Investment Highlights



1. Rapidly growing light and vision control company, 33% 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

Reconciliations



Reconciliation of Net Loss to Adjusted EBITDA

<i>(in thousands of USD)</i>	Three Months Ended March 31,	
	2025	2024
Net Loss	\$ (10,778)	(13,247)
Income tax expense (income)	\$ 55	62
Financial (income) expenses, net	\$ 2,030	3,554
Depreciation and amortization	\$ 2,100	1,528
EBITDA	\$ (6,593)	(8,103)
Acquisition related costs and debt raising costs	\$ 84	1,331
Non-cash fair value adjustments ⁽¹⁾	\$ -	25
Equity-based compensation expense	\$ 898	2,160
One-time expense (income)	\$ 121	-
Doubtful debt expenses ⁽²⁾	\$ 37	(164)
Adjusted EBITDA	\$ (5,453)	(4,751)
Net Loss Margin	(48)%	(54)%
Adjusted EBITDA Margin	(24.4)%	(19.2)%

(1) One-time expenses related to the Earn Out Agreement with the Sellers.

(2) Doubtful debt expenses related to accounts receivable that we do not expect to collect; such amounts are not included in our net trade receivables.