

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): October 15, 2020

Kensington Capital Acquisition Corp.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39345
(Commission File Number)

85-0796578
(I.R.S. Employer
Identification Number)

1400 Old Country Road, Suite 301
Westbury, New York
(Address of principal executive offices)

11590
(Zip code)

(703) 674-6514
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Units, each consisting of one share of Class A common stock, par value \$0.0001 per share, and one-half of one redeemable warrant	KCAC.U	The New York Stock Exchange
Class A common stock included as part of the units	KCAC	The New York Stock Exchange
Redeemable warrants included as part of the units, each whole warrant exercisable for one share of Class A common stock at an exercise price of \$11.50	KCAC WS	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference into this Item 7.01 is the Analyst Day Presentation, dated October 2020, that will be used by Kensington Capital Acquisition Corp., a Delaware corporation (“Kensington”), in presentations to certain Kensington stockholders and other persons, including at an analyst day presentation scheduled for October 15, 2020, in connection with Kensington’s previously disclosed proposed business combination with QuantumScape Corporation, a Delaware corporation (the “Company”), and the other transactions contemplated by that certain Business Combination Agreement, dated as of September 2, 2020, among Kensington, Kensington Merger Sub Corp., a Delaware corporation and a wholly-owned direct subsidiary of Kensington, and the Company, as amended on September 21, 2020 (the “Business Combination Agreement” and the “Proposed Transactions”).

The foregoing Exhibit 99.1 and the information set forth therein are being furnished pursuant to Item 7.01 and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise be subject to the liabilities of that section, nor shall they be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”) or the Exchange Act.

Important Information and Where to Find It

In connection with the Proposed Transactions, Kensington has filed a registration statement on Form S-4, including a proxy statement/prospectus/information statement (the “Registration Statement”), with the Securities and Exchange Commission (the “SEC”), which includes a preliminary proxy statement to be distributed to holders of Kensington’s common stock in connection with Kensington’s solicitation of proxies for the vote by Kensington’s stockholders with respect to the Proposed Transactions and other matters as described in the Registration Statement, a prospectus relating to the offer of the securities to be issued to the Company’s stockholders in connection with the Proposed Transactions, and an information statement to Company’s stockholders regarding the Proposed Transactions. After the Registration Statement has been declared effective, Kensington will mail a definitive proxy statement/prospectus, when available, to its stockholders. Investors and security holders and other interested parties are urged to read the proxy statement/prospectus, any amendments thereto and any other documents filed with the SEC carefully and in their entirety when they become available because they will contain important information about Kensington, the Company and the Proposed Transactions. Investors and security holders may obtain free copies of the preliminary proxy statement/prospectus and definitive proxy statement/prospectus (when available) and other documents filed with the SEC by Kensington through the website maintained by the SEC at <http://www.sec.gov>, or by directing a request to: Kensington Capital Acquisition Corp., 1400 Old Country Road, Suite 301, Westbury, NY 11590.

Participants in the Solicitation

Kensington and the Company and their respective directors and certain of their respective executive officers and other members of management and employees may be considered participants in the solicitation of proxies with respect to the Proposed Transactions. Information about the directors and executive officers of Kensington is set forth in the Registration Statement. Additional information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the Registration Statement and other relevant materials to be filed with the SEC regarding the Proposed Transactions when they become available. Stockholders, potential investors and other interested persons should read the Registration Statement carefully when it becomes available before making any voting or investment decisions. When available, these documents can be obtained free of charge from the sources indicated above.

No Offer or Solicitation

This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

Forward-Looking Statements

This Current Report on Form 8-K includes, or incorporates by reference, certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of revenue and other financial and performance metrics, projections of market opportunity, expectations and timing related to product development, potential benefits of the Proposed Transactions, and expectations related to the terms and timing of the Proposed Transactions. These statements are based on various assumptions and on the current expectations of Kensington’s and the Company’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Kensington and the Company. These forward looking statements are subject to a number of risks and uncertainties, including general economic, financial, legal, political and business conditions and changes in domestic and foreign markets; the outcome of judicial proceedings to which Kensington or the Company may become a party (including any legal proceedings that may be instituted against Kensington or the Company following announcement of the Proposed Transactions); the inability of the parties to successfully or timely consummate the Proposed Transactions or to satisfy the other conditions to the closing of the Proposed Transactions, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company; the risk that the approval of the stockholders of Kensington for the Proposed Transactions is not obtained; failure to realize the anticipated benefits of the Proposed Transactions, including as a result of a delay in consummating the Proposed Transaction or difficulty in, or costs associated with, integrating the businesses of Kensington and the Company; the amount of redemption requests made by Kensington’s stockholders; the occurrence of events that may give rise to a right of one or both of Kensington and the Company to terminate the Business Combination Agreement; risks related to the rollout of the Company’s business, the development and performance of the Company’s products, and the timing of expected business milestones; the risk that the Proposed Transactions disrupt Kensington’s or the Company’s current plans and operations as a result of the announcement of the Proposed Transactions; the ability to grow and manage growth following the Proposed Transactions; the effects of competition on the Company’s future business; and those factors discussed in the Registration Statement under the heading “Risk Factors,” and other documents of Kensington filed, or to be filed, with the SEC. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that neither Kensington nor the Company presently do not know or that Kensington and the Company currently believe are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Kensington’s and the Company’s expectations, plans or forecasts of future events and views as of the date of this Current Report on Form 8-K. Kensington and the Company anticipate that subsequent events and developments will cause their assessments to change. However, while Kensington and the Company may elect to update these forward-looking statements at some point in the future, Kensington and the Company specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing Kensington’s or the Company’s assessments as of any date subsequent to the date of this Current Report on Form 8-K. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Number	Description
99.1	Analyst Day Presentation, dated October 2020

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 15, 2020

KENSINGTON CAPITAL ACQUISITION CORP.

By: /s/ Daniel Huber
Name: Daniel Huber
Title: Chief Financial Officer



ANALYST DAY

October 2020

Confidentiality, Proprietary Information, and Forward Looking Statements

- This presentation contains proprietary and confidential information of QuantumScape Corporation, and the entire content should be considered "Confidential Information." This presentation is made solely for informational purposes, and no representation or warranty, express or implied, is made by QuantumScape or any of its representatives as to the information contained in these materials or disclosed during any related presentations or discussions. Any securities shall be offered only to accredited investors in a private placement pursuant to Regulation D under the Securities Act of 1933 or another available exemption, and this presentation is intended solely for the purposes of familiarizing such investors with the company. This presentation is not an offer to sell nor does it seek an offer to buy securities in any jurisdiction where the offer or sale is not permitted. To the extent the terms of any potential transaction are included in this presentation, those terms are included for discussion purposes only.
- This presentation contains forward-looking statements and information based on management's current expectations as of the date of this presentation. All statements other than statements of historical fact contained in this presentation, including statements regarding QuantumScape's future operating results, financial position, business strategy, addressable market, anticipated benefits of its technologies, projected factory economics, pro forma information, and plans and objectives for future operations and products are forward-looking statements. The words "may," "will," "estimate," "pro forma," "expect," "plan," "believe," "potential," "predict," "target," "should," "would," "could," "continue," "believe," "project," "intend" or similar terminology are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. QuantumScape may not actually achieve the plans, intentions, or expectations disclosed in these forward-looking statements, and you should not place undue reliance on these forward-looking statements. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties, including risks and uncertainties related to the company's ability to execute on its business strategy, attract and retain customers, ramp commercial production, develop new products, enhance existing products, compete effectively, and manage growth and costs; and the duration and global impact of COVID-19.
- QuantumScape is not under any obligation, and expressly disclaims any duty, to update any statement made in this presentation, whether as a result of new information, new developments or otherwise, except to the extent that disclosure may be required by law. The company has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation and accordingly cannot guarantee their accuracy or completeness.
- This presentation contains non-GAAP financial measures and key metrics relating to the company's projected future performance. A reconciliation of these non-GAAP financial measures to the corresponding GAAP measures on a forward-looking basis is not available because the various reconciling items are difficult to predict and subject to constant change.

Transaction Overview

Overview

- Founded in 2010, QuantumScape Corporation has developed the only lithium-metal solid-state battery with automotive OEM validation
- Kensington Capital Acquisition Corporation (NYSE: KCAC.U) is an automotive-related special purpose acquisition company with \$230mm cash held in trust
- QuantumScape and Kensington are combining to advance and accelerate the commercialization of QuantumScape's battery technology

Capital Structure

- QuantumScape shareholders are rolling 100% of their equity
- Transaction proceeds are being retained in the business
- Pro forma for the transaction (assuming no redemptions)
 - QuantumScape will have ~\$1.15bn of cash to fund commercialization plans (\$230mm KCAC cash held in trust, \$500mm in PIPE proceeds, and \$471mm QuantumScape cash¹)
 - No additional equity capital need expected prior to production launch

Valuation

- EV of \$3.3bn which is ~1.0x of 2027E sales
- Represents attractive entry multiples relative to peer group metrics

Kensington has identified QuantumScape as a unique and compelling investment opportunity that is developing leading solid-state battery technology to accelerate the shift to electric vehicles



(1) QuantumScape cash and cash equivalents as of June 30, 2020 pro forma for \$388mm Series F financing, \$188mm anticipated to fund concurrent with PIPE; \$100mm of Volkswagen's investment anticipated to fund on December 1, 2020 and \$100mm is subject to technical milestones, net of fees.

QuantumScape: Redefining Batteries

Once in a
century shift to
electrified vehicles

Solid-state batteries
are the key to
making this shift

QuantumScape has
the only lithium-metal
solid-state battery
with automotive
OEM validation

Visionary Management Team

Select Management Team Members

JAGDEEP SINGH
 Founder / CEO
 (Chairman)



- Founder / CEO Infinera (NASDAQ: INFN); Lightera, now Ciena (NASDAQ: CIEN); OnFiber, now Qwest; AirSoft
- MS Computer Science, Stanford



PROF. FRITZ PRINZ
 Founder & Chief Scientific
 Advisor (Board Member)



- Chair, Mechanical Engineering, Stanford
- Professor, Materials Science, Stanford
- PhD, Physics, University of Vienna



DR. TIM HOLME
 Founder & Chief
 Technology Officer



- Research Associate, Stanford
- Ph.D. & MS Mechanical Engineering, Stanford
- BS Physics, Stanford



DR. MOHIT SINGH
 Chief Development
 Officer



- CTO and co-founder, SEEO
- Solid-state energy storage world expert
- Ph.D. Chem & Biomol Eng, Tulane
- Postdoc, Polymers, Berkeley



KEVIN HETRICH
 Chief Financial Officer



- Bain Capital
- McKinsey & Company
- US Department of Energy
- MBA & MS, Stanford



HOWARD LUKENS
 Chief Sales Officer



- VP WW Sales, Infinera (NASDAQ: INFN)
- VP Strategic Sales, Ciena, (NASDAQ: CIEN)
- VP WW Sales, Lightera



JAY UNDERWOOD
 Vice President, Sales



- Sales Director, Northern Europe, Infinera
- Product Planning, Infinera
- MS Technology



MIKE MCCARTHY
 Chief Legal Officer &
 Head of Corp. Dev.



- CLO & CAO, Infinera (NASDAQ: INFN)
- SVP & General Counsel, Ciena (NASDAQ: CIEN)
- J.D. Vanderbilt





Backed by Leading Investors

SELECT BOARD
MEMBERS AND
INVESTORS



JOHN DOERR



KLEINER
PERKINS
CAUFIELD
BYERS



JB STRAUBEL



VINOD
KHOSLA

khosla ventures



DIPENDER
SALUJA



JÜRGEN
LEOHOLD



BRAD BUSS



FRANK
BLOME

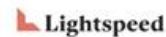


EXISTING INVESTORS

**\$802 Million of
Total Funding
Commitments¹**



上汽集团
SAIC MOTOR



Bill Gates



khosla ventures



KENSINGTON CAPITAL ACQUISITION CORP



- Management and board with extensive public company experience and operating capabilities in the automotive and automotive-related sector
- Relevant automotive experience to optimize program launches and capital deployment while facilitating commercial relationships
- Track record of creating significant shareholder value in automotive businesses

(1) Pro forma for \$388mm Series F financing; \$188mm anticipated to fund concurrent with PIPE; \$100mm of Volkswagen's investment anticipated to fund on December 1, 2020 and \$100mm is subject to technical milestones. Note: Volkswagen will receive an additional board seat when the first tranche of its Series F investment closes. Kensington board member will be added after the transaction closes.



By the Numbers

\$802mm of Committed Capital¹
Over \$300mm spent on development to date

10 Years of R&D Investment
Founded in 2010

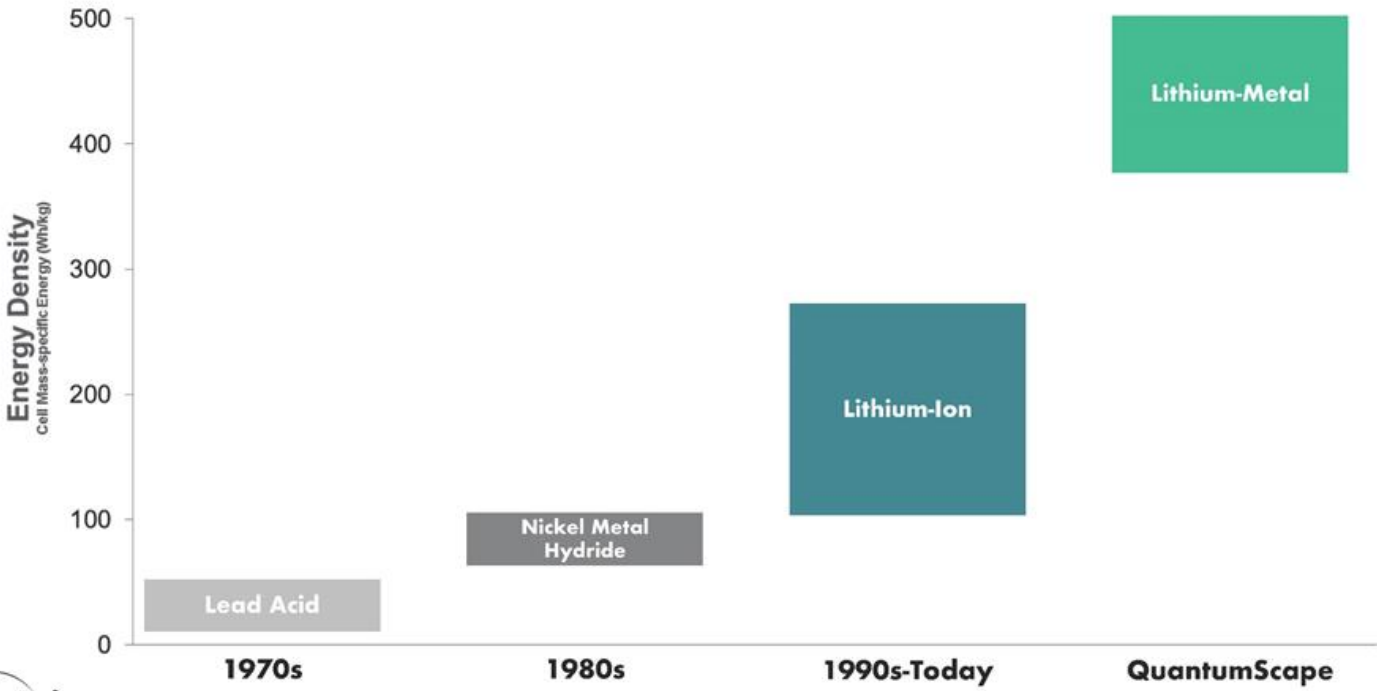
200+ Employees
World Class Next-gen Battery Development Team

200+ Patents²
Materials, Use and Process

Extensive Trade Secrets
Processes and Intellectual Property

- 1) Pro forma for \$388mm Series F financing; \$188mm anticipated to fund concurrent with PIPE; \$100mm of Volkswagen's investment anticipated to fund on December 1, 2020 and \$100mm is subject to technical milestones.
- 2) Includes patents and patent applications.

Lithium-Metal: The Next Generation of Battery



Source: Cano et al (2018), Nature Energy, 3(4), 279-289; Ovshinsky Science 260 (1993) 176; Ding et al, Electrochem. Energ. Rev. 2, 1-28 (2019); Management analysis






Massive Untapped Demand If Batteries Meet Mass Market Requirements

90M+ vehicles produced annually represents in excess of \$450B of potential battery sales annually¹



2% PHEV + BEV Penetration²

Customer Requirements For Mass Market Adoption

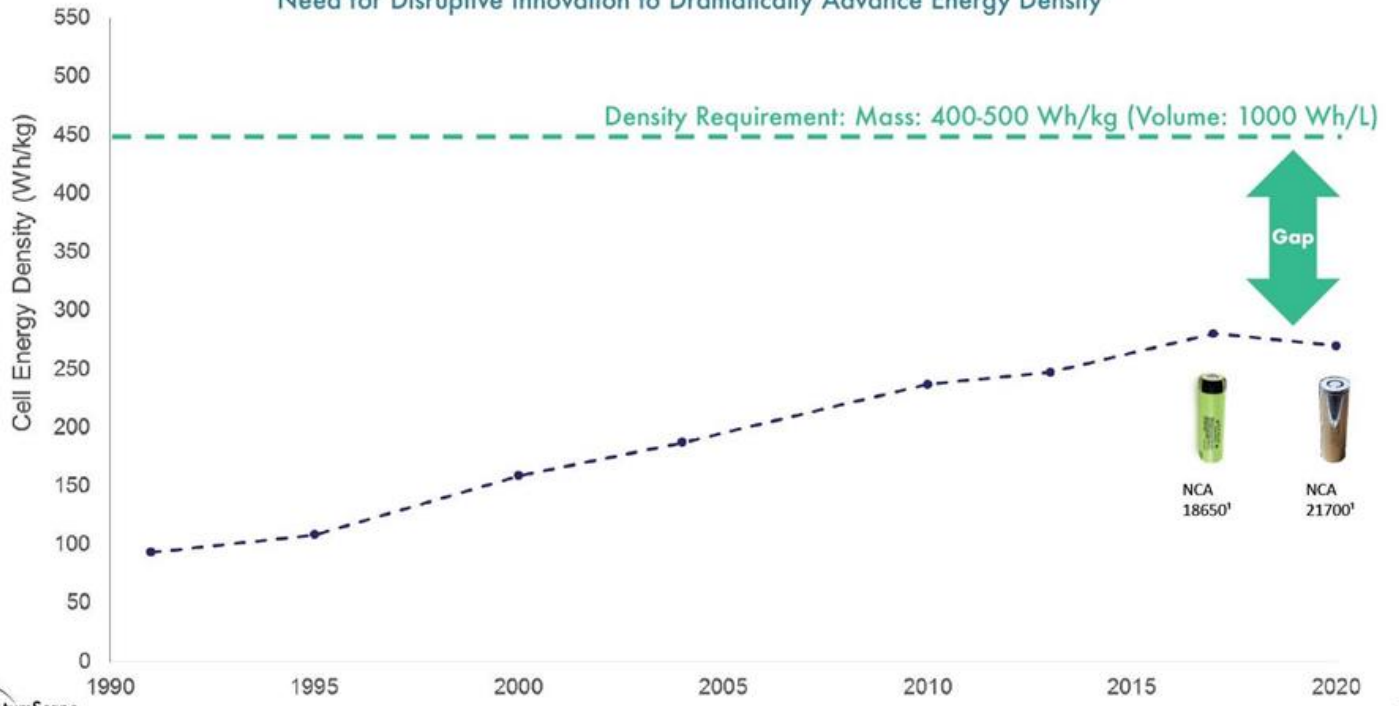
-  Energy / Capacity > 300 mile range
-  Fast Charging Charge in < 15 minutes
-  Cost < \$30K, 300 mile EVs
-  Battery Lifetime > 12 years, > 150,000 miles
-  Safety Solid, non-oxidizable separator



Source: International Organization of Motor Vehicle Manufacturers (OICA); IEA
(1) Based on 2019 global vehicle production; includes passenger vehicles, heavy trucks, buses and coaches (OICA). Battery opportunity assumes \$100 / KWh and 50KWh+ battery pack.
(2) % of Global Car Stock in 2019 (IEA).

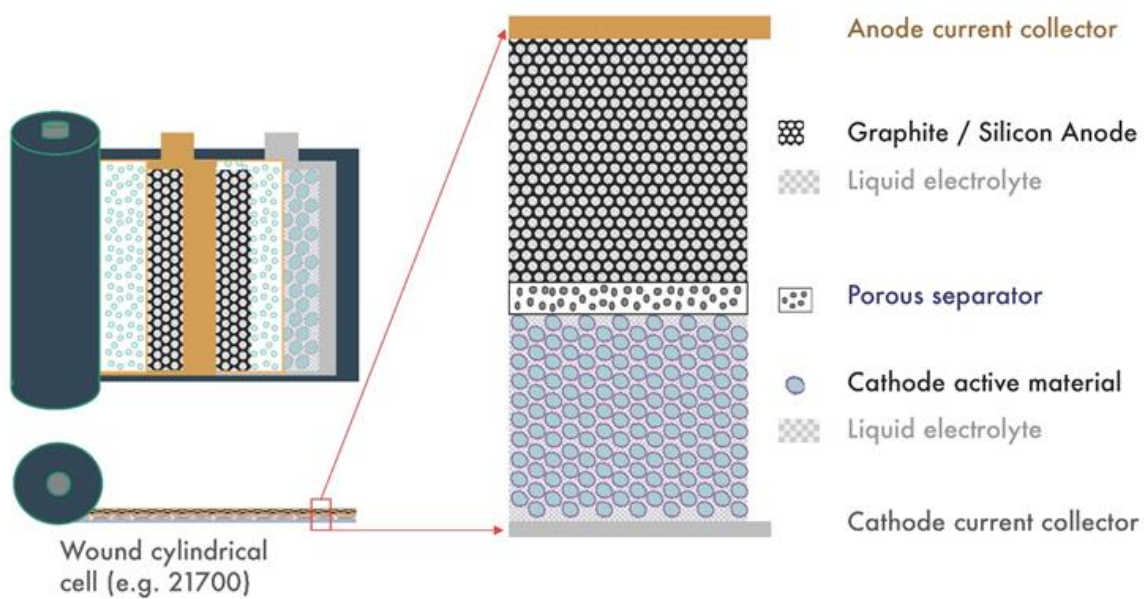
Conventional Lithium-Ion Cell Energy Density Has Hit a Ceiling

Need for Disruptive Innovation to Dramatically Advance Energy Density



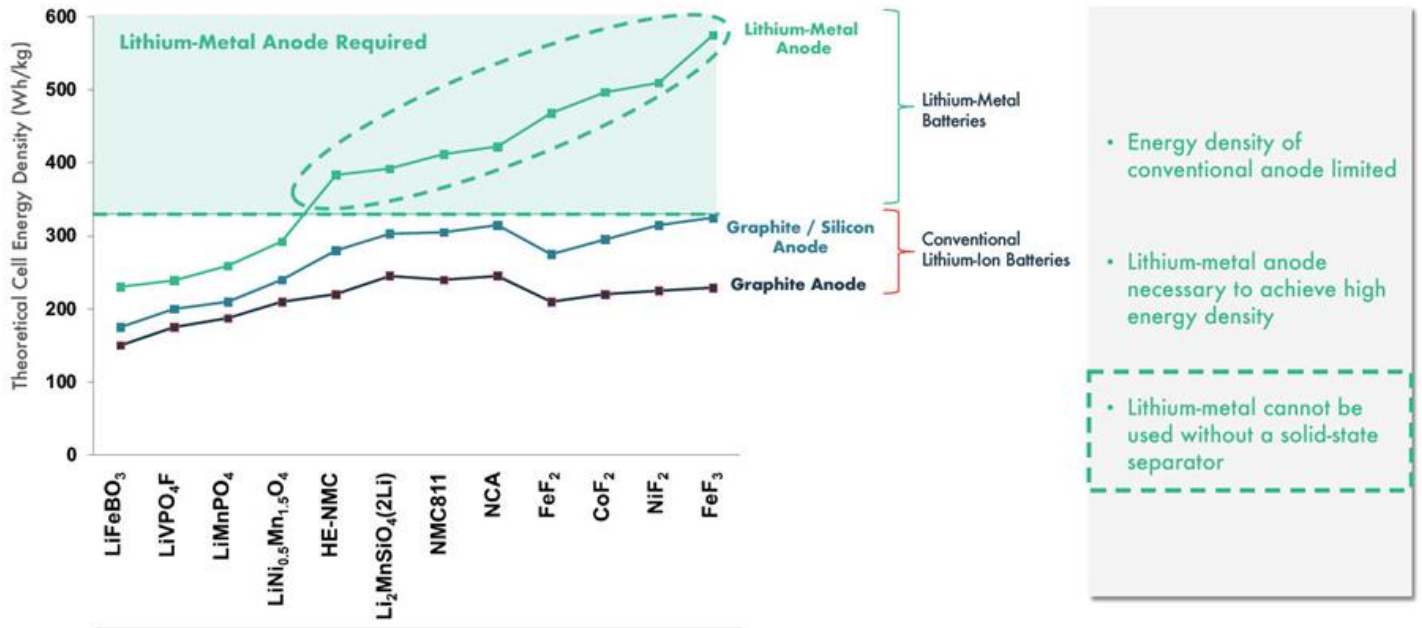
Conventional Lithium-Ion Batteries Have Reached Their Physical Limit

Performance Limited by Graphite (Carbon) / Silicon Anode Chemistry



Lithium-Metal Anode is Required for High Energy Density

The Industry Needs a Fundamental Redesign of Battery Technology



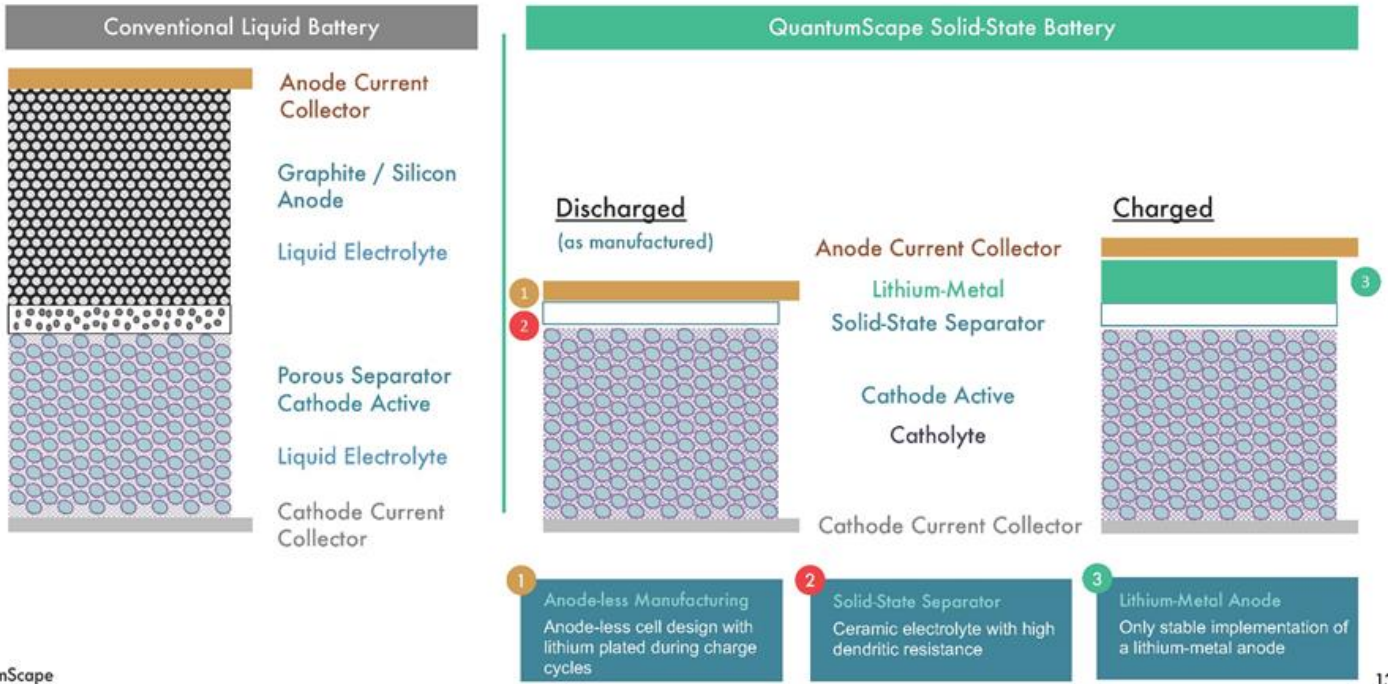
- Energy density of conventional anode limited

- Lithium-metal anode necessary to achieve high energy density

- Lithium-metal cannot be used without a solid-state separator

QuantumScape Has The Solution

Rethinking the Battery



The Only Battery That Enables Mass Market Transformation

QuantumScape's Value Proposition



Energy / Capacity: Significantly increases volumetric and gravimetric energy density

- Eliminates graphite/silicon anode host material



Fast Charging: Enables <15 minute fast charge (0 → 80%)

- Eliminates lithium diffusion bottleneck in anode host material



Cost: Lower cost

- Eliminates anode host material and manufacturing costs



Battery Lifetime: Increased life

- No capacity loss at anode interface



Intrinsically Safer: Eliminates organic separator

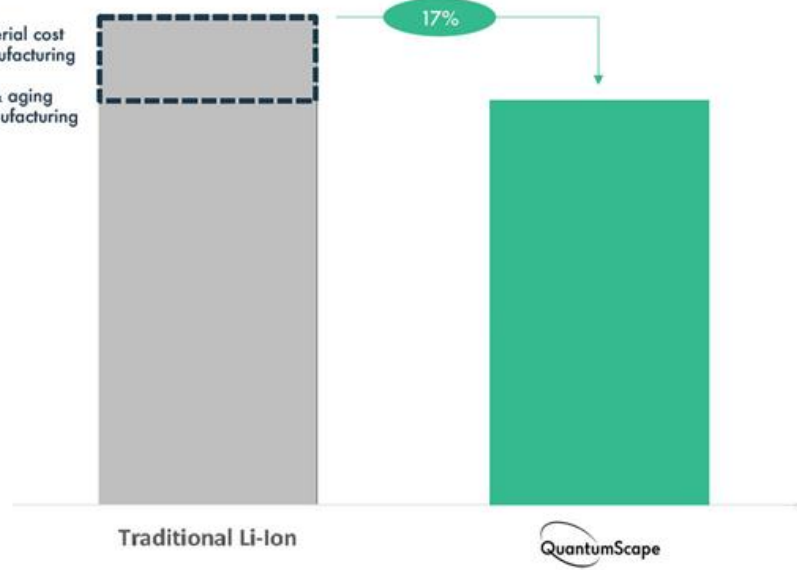
- Solid-state separator is nonflammable and noncombustible



QuantumScape Technology is Lower Cost

- Elimination of anode material
- Reduction in manufacturing costs
 - No anode manufacturing
 - Formation / aging substantially reduced
- Excludes system level benefits from lower weight / volume
- QuantumScape benefits from industry wide cost declines on standard components (e.g. Cathode)

- Anode material cost
- Anode manufacturing cost
- Formation & aging related manufacturing costs

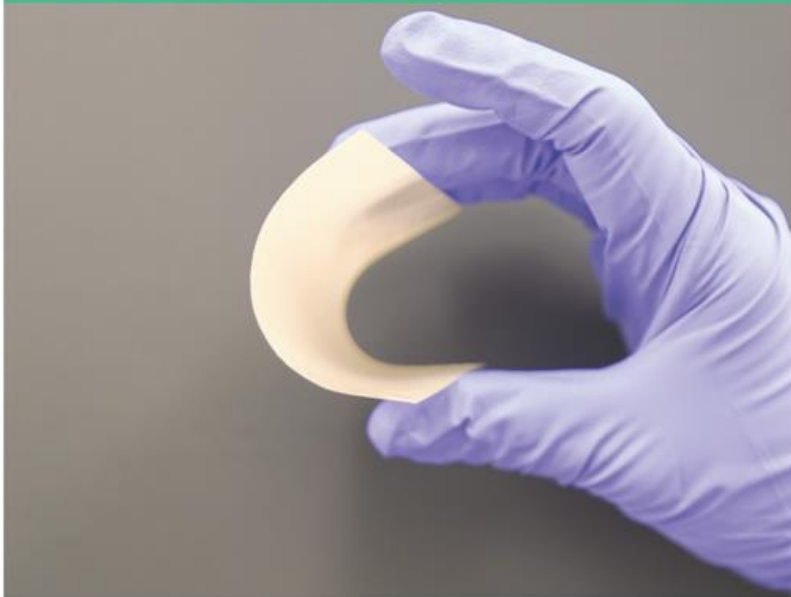


Source: P3 Consulting and Management analysis

Significant Technology Advantage

Protected by ~200 Patents¹ and ~100 Trade Secrets

CERAMIC SOLID-STATE SEPARATOR









SINGLE LAYER POUCH CELL









(1) Includes patents and patent applications.

Revolutionary Technology Removes the Tradeoffs

Luxury Performance Vehicle: Constant Mass Comparison

	Today's Lithium-Ion	QuantumScope	% Improvement
 System Volume	350 L (260 Wh/L)	350 L (470 Wh/L)	81% (Energy Density)
 System Energy	90 kWh	164 kWh	82%
 Range	400 km (250 Miles)	730 km (450 Miles)	82%
 Charge	22.5-min Fast Charge (5% → 80%)	15-min Fast Charge (0% → 80%)	33%+
 Power	420kW	650kW	55%
 Safety	Organic Electrolyte	Solid, Non-oxidizable Electrolyte	

Mass Market Sedan: Constant Volume Comparison

	Today's Lithium-Ion	QuantumScope	% Improvement
 System Volume	160 L (220 Wh/L)	160 L (414 Wh/L)	88% (Energy Density)
 System Energy	35 kWh	66 kWh	88%
 Range	200 km (123 Miles)	375 km (233 Miles)	88%
 Charge	60-min Fast Charge (10% → 80%)	15-min Fast Charge (0% → 80%)	75%+
 Power	100kW	150kW	50%
 Safety	Organic Electrolyte	Solid, Non-oxidizable Electrolyte	



Source: Automotive OEM disclosure and commentary; Management estimates and analysis. Figures in table rounded.



**“Volkswagen has already tested
QuantumScape early-stage solid-state
battery sample cells in Germany running
at automotive rates of power.”**

-Volkswagen Group Press Release



Volkswagen Committed to QuantumScape Technology

Volkswagen Group Overview

VOLKSWAGEN
ARTIFIZIELLE GESELLSCHAFT

- ~11 million vehicles produced in FY2019
- ~\$38 billion investment in electric mobility by 2024
- Plans to launch ~70 electric vehicle models and produce 22 million electric vehicles by 2029

Select Brands



Volkswagen Partners with QuantumScape

- 1 Corporate funding commitment of \$300+ million
- 2 Strong relationship since 2012, including development collaboration, testing of prototype cells and representation on the QS board of directors
- 3 Founded a JV to prepare for the mass production of solid-state batteries for Volkswagen

"Volkswagen has become the largest shareholder of QuantumScape. Our US\$100 million investment is a key building block in the Group's battery strategy. One of the long-term targets is to establish a production line for solid-state batteries by 2025."

- Herbert Diess, Volkswagen AG CEO

"The Volkswagen Group has established a joint venture with QuantumScape, a manufacturer of solid-state batteries. The shared goal of the companies is large-scale production..."

- Oliver Blume, Porsche CEO

"In June 2020, the Volkswagen Group also announced plans to increase its shareholding in the US battery specialist QuantumScape. The objective is to promote the joint development of solid-state battery technology. In the future, solid-state batteries should result in a significantly increased range and faster charge times. They are regarded as the most promising approach to electric mobility for generations to come. Volkswagen has already been collaborating with QuantumScape since 2012 and is the largest automotive shareholder thus far. Both founded a joint venture in 2018, the aim of which is to prepare the mass production of solid-state batteries for Volkswagen."

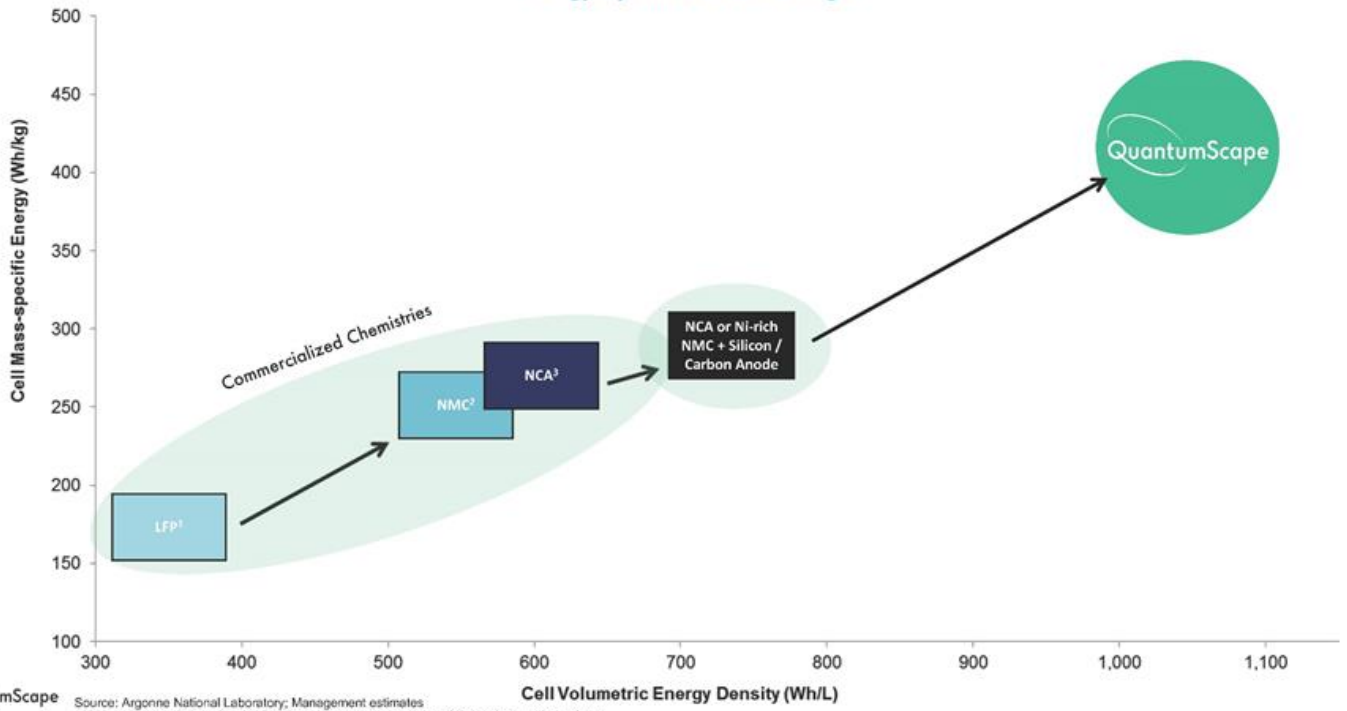
- Volkswagen Group Half-Yearly Financial Report, July 2020



Source: Volkswagen AG Half-Yearly Financial Report published July-2020, 2019 Annual Report published Mar-2020, press releases published Mar-2019, Nov-2019 and Jun-2020, Half-year press conference published Aug-2018; Porsche Annual Press Conference published Mar-2019), Page 18 based on Volkswagen AG press release published Sep-2018.

QuantumScape is a Step-Function Ahead of Conventional Cells

Energy-optimized Cell Designs



Source: Argonne National Laboratory; Management estimates
¹ Lithium, iron, and phosphate ² Nickel, manganese, and cobalt ³ Nickel, cobalt, and aluminum

Established Manufacturing Processes and Supply Chains



Unique processes use equipment that is already used at scale in battery or ceramics industries

Equipment designed and manufactured by world's leading vendors

Materials have robust and well-established supply chains served by diversified chemical, mining and materials firms

Separator materials are widely used in other industries

QuantumScape Company Timeline and Key Milestones

In 10 years, QuantumScape Executed on Key Technological and Operational Breakthroughs



Patents	35	54	95	139	200+
No. of Employees	28	131	108	148	200+



Note: Patent and Employee metrics as of December 31 2012, 2014, 2016, 2018, and present. Patents metric includes granted and pending applications.
¹ Single layer pouch

Validated Technology: Next Steps Scaling The Product

**Increasing
Separator Yield**

Multi-Layer Cell

**High-Volume
Battery
Manufacturing**

QuantumScape: Driving Environmental Sustainability



Key ESG Themes



Climate Change



Reducing global CO₂ emissions



Responsible Production



Designed around abundant resources



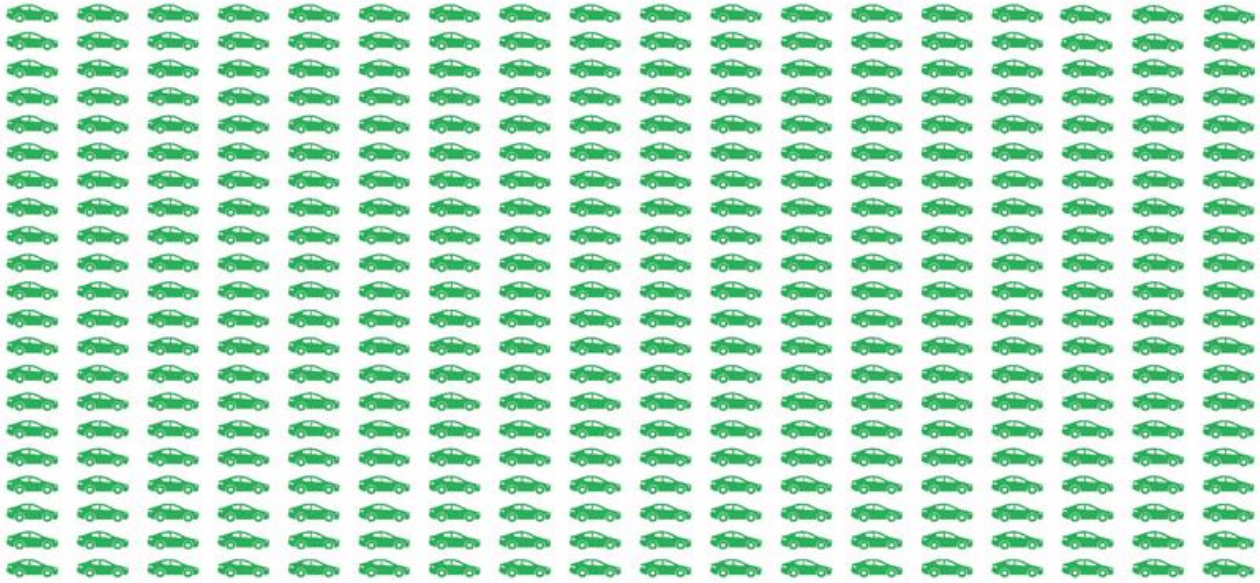
Energy Efficiency



Enables clean energy sources

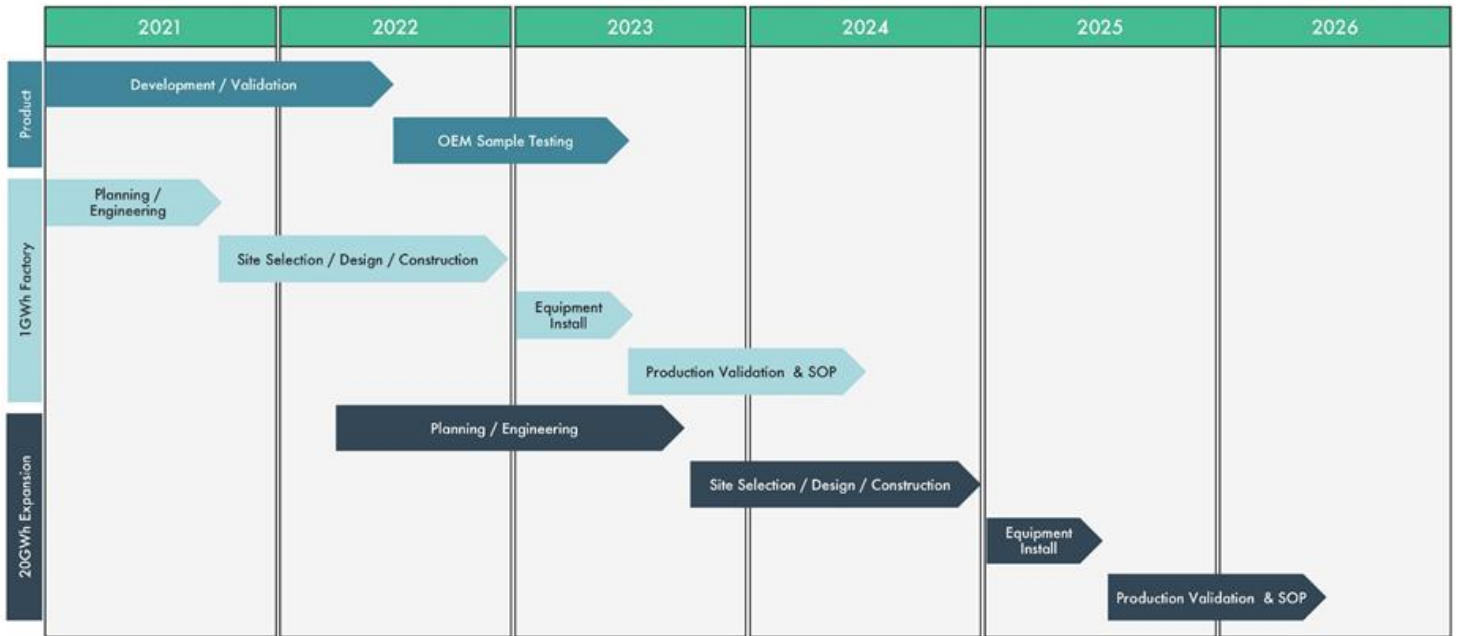
QuantumScape Unlocks Massive Global Opportunity

90M+ vehicles produced annually represents in excess of \$450B of potential battery sales annually¹



Source: International Organization of Motor Vehicle Manufacturers (OICA); IEA
(1) Based on 2019 global vehicle production; includes passenger vehicles, heavy trucks, buses and coaches (OICA). Battery opportunity assumes \$100 / KWh and 50KWh+ battery pack

Manufacturing Scale-Up Timeline



QuantumScope Factory Economics (QS-1, 20GWh)

(\$ in Billions)



Note: Assumes 5% annual price and cost declines. Chart reflects 100% of factory financials.
 (1) Includes costs for planning, FAT / SAT, and start-up; excludes maintenance capex and interest expense.
 (2) Assumes debt financing for the remainder; debt financing net of amortization.

Summary Financials

\$ in millions 2022E 2023E 2024E 2025E 2026E 2027E 2028E

Manufacturing capacity

	2022E	2023E	2024E	2025E	2026E	2027E	2028E
Total Production Capacity (GWh)	0	0	0.25	0.75	6	46	91
QS-1 Pilot (1 GWh)	0	0	0.25	0.75	1	1	1
QS-1 Expansion (20 GWh)	0	0	0	0	5	15	20
QS-2	0	0	0	0	0	30	70

Represents ~910k vehicles annually (assumes 100KWh pack)

Commentary

- Fully funded business to start of production
- High margins reflect QuantumScape's unique technology and structural cost advantage due to anode-less manufacturing
- Assumes offtake agreements with IG partners supporting meaningful debt financing
- Assume no capacity growth past 2028
- Assumes 50% ownership of cell factory and 100% ownership of separator factory for QS-1; 100% ownership for QS-2

Income Statement

Revenue	-	-	\$ 14	\$ 39	\$ 275	\$ 3,210	\$ 6,439
% Growth			NM	181%	614%	1066%	101%
Gross margin	-	-	\$ 0	\$ 2	\$ 73	\$ 1,006	\$ 1,914
% Margin			1%	5%	26%	31%	30%
EBITDA	\$ (102)	\$ (114)	\$ (130)	\$ (120)	\$ (59)	\$ 808	\$ 1,622
% Margin			NM	NM	NM	25%	25%
FCF (after project financing)	\$ (137)	\$ (169)	\$ (222)	\$ (691)	\$ (1,346)	\$ (533)	\$ 563
No Capacity After QS-1 Expansion (20GWh):							
FCF (after project financing)	\$ (137)	\$ (169)	\$ (222)	\$ (312)	\$ (289)	\$ (17)	\$ 69

2H2020E - 2021E FCF: \$(184)mm



Note: Non-GAAP financial metrics. Figures represent 50% of revenue and 50% of costs for QS-1 cell factory; Revenue includes margin for sale of separator to QS-1 cell factory. Adjusted EBITDA is defined as earnings before interest expense, interest income and other income, taxes, depreciation, amortization, and stock-based compensation. FCF is defined as cash provided by operating activities less purchases of property and equipment net of asset / project financing.

Transaction Overview

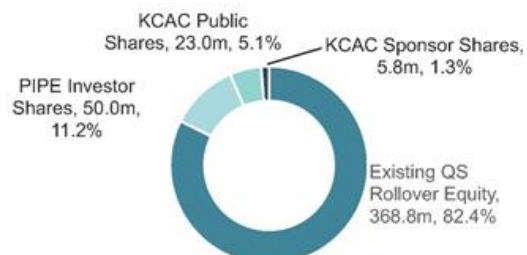
(in millions, except per share data)

Sources	
KCAC Shares	\$3,688
KCAC Cash Held in Trust	230
QuantumScape Cash ¹	471
PIPE Investment	500
Total Sources	\$4,889

Uses	
Pro Forma Cash ¹	\$1,155
Equity Consideration to QS Existing Investors	3,688
Estimated Transaction Expenses	46
Total Uses	\$4,889

Pro Forma Valuation	
Share Price	\$10.00
PF Shares Outstanding	447.6
Equity Value	\$4,476
(+) Debt	0
(-) Pro Forma Cash ¹	(1,155)
Enterprise Value	\$3,321

Illustrative Pro Forma Ownership²

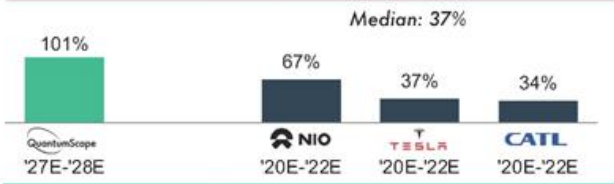


Note: Assumes no redemptions from Kensington's existing public shareholders. Assumes PIPE shares are issued at a price of \$10.00. Excludes the impact of Kensington's warrants (public or private).
 (1) QuantumScape cash and cash equivalents as of June 30, 2020 pro forma for \$388mm Series F financing; \$188mm anticipated to fund concurrent with PIPE; \$100mm of Volkswagen's investment anticipated to fund on December 1, 2020 and \$100mm is subject to technical milestones, net of fees.
 (2) Chart reflects economic ownership. Pro forma company will retain QuantumScape's dual-class share structure with class A shares (1 vote per share) and Class B shares (10 votes per share), which are owned by founders, early investors, and employees. All other equity issued through the merger, as well as the PIPE, and Series F transactions will be Class A shares. Class B shares will represent more than 85% of the pro forma voting interest.

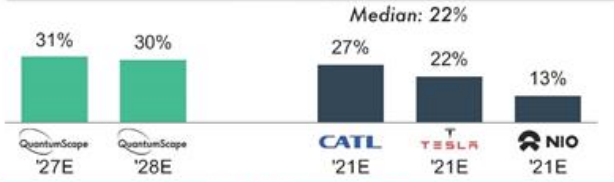
Public Peers Benchmarking

Operational Benchmarking

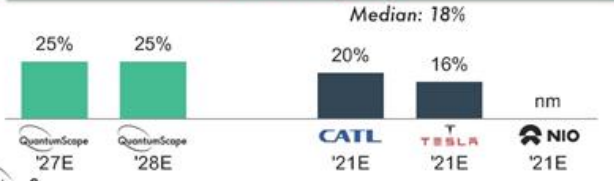
Revenue Growth (%)



Gross Margin (%)

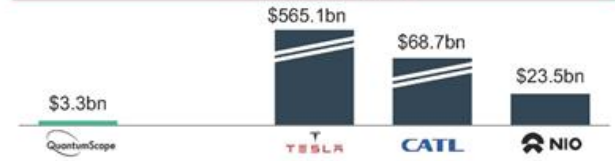


EBITDA Margin (%)

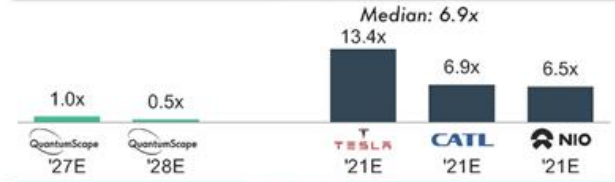


Valuation Benchmarking

Enterprise Value (\$bn)



EV / Revenue (x)



EV / EBITDA (x)

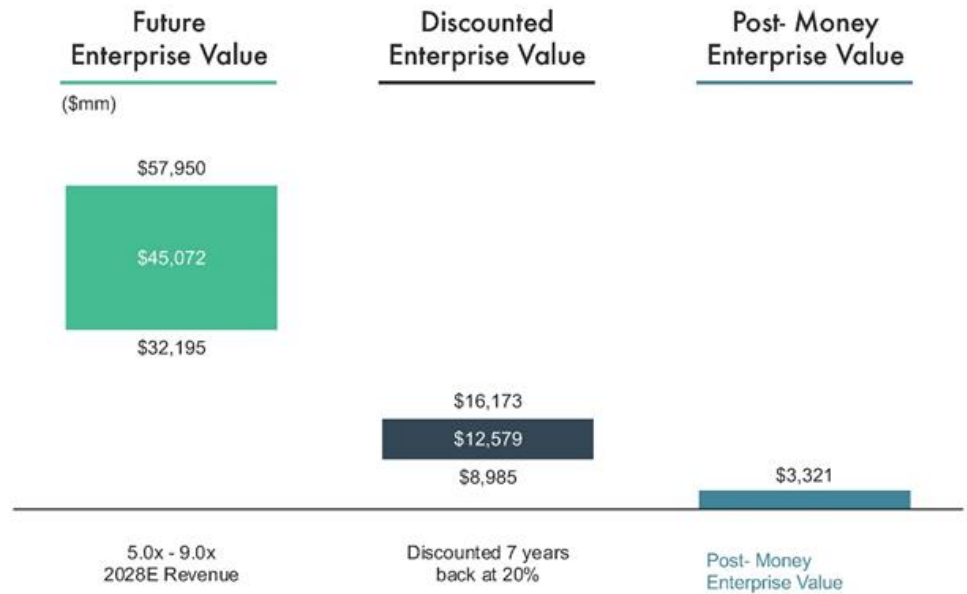


Source: Company information and FactSet as of August 31, 2020
Note: Metrics reflect non-GAAP financial measures

QuantumScape Has Significant Upside Potential

Summary of Approach

- Applies a range of 5.0x – 9.0x EV / Revenue multiple to QuantumScape's 2028E revenue to arrive at an Implied Future Enterprise Value range. Future Enterprise Value range is discounted 7 years to arrive at an Implied Discounted Enterprise Value range
- The applied range of multiples is centered around +/- 2x forward EV / Revenue median of QuantumScape's peer group



Note: QuantumScape anticipates it will require additional debt, equity, or partner funding / prepayments through 2028. Company financials reflect non-GAAP financial measures

Overview of Kensington Capital Acquisition Corp.



Justin Mirro

Chairman & Chief Executive Officer

- 25 years of operating, M&A and financing experience in the automotive and automotive-related sector
- President of Kensington Capital Partners



Bob Remenar

Vice Chairman & President

- 35 years of operational, manufacturing and management experience within the automotive and automotive-related sector
- Former CEO of Nexteer Automotive and Chassisix



Simon Boag

Chief Technology Officer

- 30 years of leadership, manufacturing, operational and technological experience with automotive supply chains
- Former President of Mopar and EVP of Chrysler Purchasing



Dan Huber

Chief Financial Officer

- 20 years of experience in investment banking, consulting, business development and operational management
- Co-Founder of The Motor Weekly newsletter



Kensington Overview



- NYSE-listed (KCAC.U) Special Purpose Acquisition Company ("SPAC") with \$230 million in trust for the purpose of combining with an automotive technology company
- Management and board with extensive public company experience and operating capabilities in the automotive and automotive-related sector
- Relevant automotive experience to optimize program launches and capital deployment while facilitating commercial relationships
- Track record of creating significant shareholder value in automotive businesses

Board Members



Tom LaSorda
Former Chief Executive Officer of Chrysler



Don Runkle
Former Chairman and CEO of Multiple Automotive Businesses



Anders Pettersson
Former Chief Executive Officer of Thule Group



Matt Simoncini
Former Chief Executive Officer of Lear Corporation



Mitch Quain
Investor and Board Member of Multiple Public Companies

QuantumScape Fulfills Kensington's Investment Objectives

 KENSINGTON Investment Criteria	 QuantumScape
North America-based automotive business valued at greater than \$1.0 billion	✓
Leverages high-growth mega-trends of emerging technology proliferation	✓
Validated technical, commercial and financial capabilities based upon global automotive standards	✓
Valuation supported by fundamental analysis of profitability and comparable companies	✓
World-class management team and board with expertise in leading and running public companies	✓
Business enhanced by Kensington's automotive experience to de-risk and accelerate commercial success	✓

Appendix

Consolidated Balance Sheet

(In Thousands, Except Share and per Share Amounts)

Year Ended December 31

	2019	2018
Assets		
Current Assets		
Cash and Cash Equivalents ⁽¹⁾	\$22,822	\$31,052
Marketable Securities	107,099	148,161
Prepaid Expenses and Other Current Assets	1,255	706
Total Current Assets	\$131,176	\$179,919
Property and Equipment, Net	25,492	28,702
Right-of-use Lease Asset	12,942	-
Other Assets	2,774	2,593
Total Assets	\$172,384	\$211,214
Liabilities, redeemable convertible preferred stock and stockholders' deficit		
Current Liabilities		
Accounts Payable	\$2,851	\$757
Accrued Liabilities	1,307	1,404
Accrued Compensation	1,112	802
Lease Financing Obligation, Short-Term	0	669
Operating Lease Liability, Short-Term	1,080	0
Deferred Cost, Short-Term	873	1,455
Total Current Liabilities	\$7,223	\$5,087
Deferred Rent Expense, Long-Term	0	316
Lease Financing Obligation, Long-Term	0	10,361
Operating Lease Liability, Long-Term	12,483	0
Convertible Preferred Stock Warrant Liabilities	1,860	1,766
Deferred Cost, Long-Term and Other Liabilities	436	764
Total Liabilities	\$21,992	\$18,294
Stockholders' Equity		
Redeemable Convertible Preferred Stock ⁽²⁾	\$405,575	\$405,575
Common Stock ⁽³⁾	1	1
Additional Paid-in Capital	\$43,077	\$35,057
Treasury Stock Fair Market Value at Repurchase; 436,191 Shares at Dec. 31, 2019 and 2018	(4,189)	(4,189)
Accumulated Other Comprehensive Income (Loss)	90	(31)
Accumulated Deficit	(295,862)	(248,083)
Total Quantumscape Stockholders' Deficit	\$(296,683)	\$(214,345)
Non-Controlling Interest	1,710	1,690
Total Stockholders' Deficit	\$(255,173)	\$(212,655)
Total Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Deficit	\$172,384	\$211,214

*Note: Statements above are unaudited. Financials consistent with PCAOB audit standard.

(1) \$3,409 and \$3,368 as of 31-Dec-2019 and 2018, respectively, for joint venture.

(2) Par value of \$0.0001 per Share; 49,073,189 and 49,073,189 shares authorized as of 31-Dec-2019 and 2018, respectively, 48,390,851 and 48,390,851 shares issued and outstanding with aggregate liquidation preference of \$414,335 and \$414,335 as of 31-Dec-2019 and 2018, respectively.

(3) \$0.0001 par value; 128,000,000 shares authorized (81,000,000 class A and 47,000,000 class B); 11,229,241 and 11,075,476 class A and class B shares issued and outstanding at 31-Dec-2019 and 2018, respectively.



Consolidated Statements of Operations and Comprehensive Loss

(In Thousands, Except Share and per Share Amounts)

	Year Ended December 31	
	2019	2018
Operating Expenses		
Research and Development	\$45,944	\$35,634
General and Administrative	9,674	9,768
Amortization of Intangible Assets	-	51
Total Operating Expenses	\$55,618	\$45,453
Loss from Operations	\$(55,618)	\$(45,453)
Other Income (Expense)		
Interest Expense	\$(94)	\$(1,520)
Interest Income	3,608	2,127
Other Income	1,041	702
Total Other Income	\$4,555	\$1,309
Net Loss	\$(51,263)	\$(44,144)
Net Income Attributable to Non-controlling Interest	20	5
Net Loss Attributable to Common Shareholders	\$(51,283)	\$(44,149)
Net Loss	\$(51,263)	\$(44,144)
Other Comprehensive Income (Loss) ⁽¹⁾	121	89
Total Comprehensive Loss	\$(51,142)	\$(44,055)
Less: Comprehensive Income attributable to Non-controlling Interest	20	5
Comprehensive Loss Attributable to Common Shareholders	\$(51,162)	\$(44,060)
Basic and Diluted Net Loss Per Share	\$(4.58)	\$(3.97)
Basic and Diluted Weighted-Average Common Shares Outstanding	11,194,183	11,108,638



*Note: Statements above are unaudited. Financials consistent with PCAOB audit standard.
 (1) Unrealized Gain on Marketable Securities.

Consolidated Statements of Cash Flows

(In Thousands)

Year Ended December 31

	2019	2018
Operating Activities		
Net Loss	\$(51,263)	\$(44,144)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities		
Depreciation and Amortization	\$5,577	\$5,681
Amortization of Right-Of-Uses-Assets	1,159	-
Gain on Property and Equipment Disposal	(90)	-
Amortization of Discount on Marketable Securities	(1,964)	(1,334)
Amortization of Deferred Cost	(873)	(1,455)
Stock-Based Compensation Expense	6,811	5,882
Changes in Fair Value of Convertible Preferred Stock Warrants	94	630
Changes in Operating Assets and Liabilities		
Prepaid Expenses and Other Assets	\$(550)	\$(174)
Accounts Payable, Accrued Liabilities, and Accrued Compensation	319	(808)
Operating Lease Liability	(951)	-
Net Cash Used in Operating Activities	\$(41,731)	\$(35,722)
Investing Activities		
Purchases of Property and Equipment	\$(8,848)	\$(7,402)
Maturities of Investments	239,500	122,750
Purchases of Investments	(196,353)	(190,042)
Net Cash Provided by (Used in) Investing Activities	\$33,301	\$(74,694)
Financing Activities		
Proceeds from Issuance of Common Stock, Net of Issuance Costs	\$394	\$1,084
Proceeds from Issuance of Preferred Stock, Net of Issuance Costs	-	122,755
Capital Contribution from Non-controlling Interest in Joint Venture	-	1,685
Repurchase of Common Stock	-	(4,189)
Repayment of Lease Financing Obligation	-	(578)
Net Cash (Used in) Provided by Financing Activities	\$394	\$120,757
Net (Decrease) / Increase in Cash, Cash Equivalents and Restricted Cash	(8,036)	10,341
Cash, Cash Equivalents and Restricted Cash at Beginning of Year at Beginning of Period	33,632	23,291
Cash, Cash Equivalents and Restricted Cash at Beginning of Year at End of Period	\$25,596	\$33,632
Supplemental Disclosures of Cash Flow Information		
Cash Paid for Interest	\$985	\$878
Non-Cash Investing and Financing Activities		
Purchase of Property and Equipment, Accrued but not Paid	\$2,547	\$517



*Note: Statements above are unaudited. Financials consistent with PCAOB audit standard.