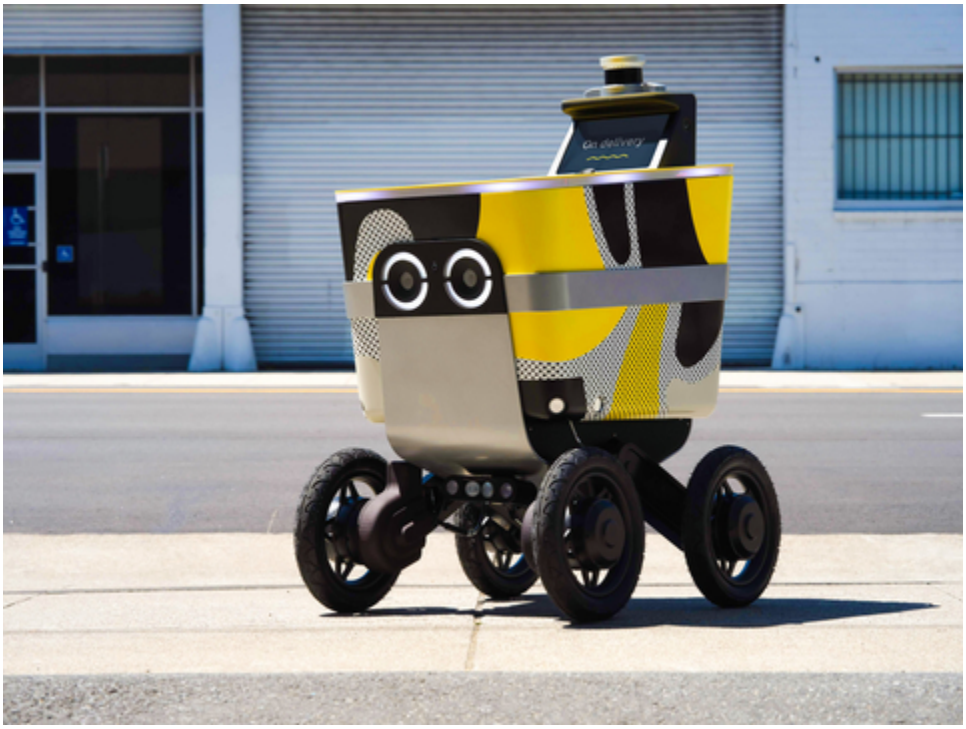
Ouster and Serve Robotics Sign Multi-Year Strategic Agreement to Support Expansion of Autonomous Delivery Fleets

January 20, 2022

Ouster to supply thousands of digital lidar sensors to Serve Robotics through 2025 to enable the safe and efficient navigation of sidewalk delivery robots

SAN FRANCISCO--(BUSINESS WIRE)-- Ouster, Inc. (NYSE: OUST) (“Ouster” or the “Company”), a leading provider of high-resolution digital lidar sensors, announced today that it has signed a strategic customer agreement with autonomous sidewalk delivery company, Serve Robotics. The agreement includes a binding commitment for OS digital lidar sensors through 2023, along with a non-binding forecast for additional sensors through 2025 as Serve Robotics scales its delivery fleets across U.S. cities and beyond.



Serve Robotics next-generation robot outfitted with Ouster’s OS1 digital lidar sensor (Photo: Business Wire)

Serve Robotics plans to outfit each of its next-generation delivery robots with an Ouster OS1 sensor. The digital lidar is fused into the robot’s autonomy stack to locate its precise position and simultaneously generate a real-time 3D map of its surrounding environment so that it can navigate more safely and efficiently on city sidewalks alongside pedestrians and other road users.

“Ouster’s lidar has been instrumental in helping us achieve major technical and commercial milestones. We have been working with Ouster for well over a year and continue to be impressed by the ongoing performance improvements, quality, and reliability of its digital technology,” said Serve Robotics' VP of Hardware Engineering, Euan Abraham. “We feel confident that Ouster is the right company to scale with us as we move into this next phase of market expansion with Level 4[1] autonomy delivering for several new commercial partners.”

Serve Robotics recently achieved a major milestone with the commercial launch of Level 4 self-driving robots. Its fleet of next-generation robots will power the company's expansion into additional geographies as it rolls out delivery service for Uber Eats and other partners in 2022. Last mile delivery is the most expensive part of the delivery chain, often representing more than 50% of the overall cost. The proliferation of autonomous delivery represents a significant opportunity to capture an estimated $1.8 billion total addressable market (TAM) for lidar in the robotics industry by 2025[2].

“Serve Robotics is one of our longest standing customers and one of the first to commercially deploy AV technology in a real-world environment alongside pedestrians and vehicles,” said Ouster’s President of Field Operations, Nate Dickerman. “We are thrilled to further solidify our relationship with a multi-year strategic customer agreement as Serve scales the production and deployment of its sidewalk delivery robots.”

About Serve Robotics

Serve Robotics is shaping the future of sustainable, self-driving delivery. The company designs, develops and operates zero-emission robots that serve people in public spaces, starting with food delivery. Founded in 2017 as the robotics division of Postmates, Serve set out to build a robotic delivery experience that delights customers, improves reliability for merchants and reduces vehicle emissions to zero. Five years later, the company's self-driving robots have successfully completed tens of thousands of contactless deliveries in Los Angeles and San Francisco. Spun off as an independent company in February 2021, Serve is backed by Uber, 7-Eleven and Delivery Hero's corporate venture units and other world-class investors. Serve has several established commercial partnerships and continues to expand its partners platform. Find out more at www.serverobotics.com,

follow us on social media via Twitter and Instagram, or apply to join our team on LinkedIn.

About Ouster

Ouster (NYSE: OUST) is building a safer and more sustainable future through its high-resolution digital lidar sensors for the automotive, industrial, smart infrastructure, and robotics industries. Ouster's sensors offer an excellent combination of price and performance with the flexibility to span hundreds of use-cases and enable revolutionary autonomy across industries. With a global team and high-volume manufacturing, Ouster supports approximately 600 customers in over 50 countries. Ouster is headquartered in San Francisco, CA with offices in the Americas, Europe, Asia-Pacific, and the Middle East. For more information, visit www.ouster.com, or connect with us on Twitter or LinkedIn.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding Ouster's strategic partnerships, its ability to meet supply requirements, the scalability of its production, its strategy, and market positioning as it relates to its brand and competitors. Forward-looking statements give Ouster's current expectations and projections relating to its financial condition, competitive position, future results of operations, plans, objectives, future orders whether binding or non-binding, and business. You may identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate", "estimate", "expect", "project", "plan", "forecast", "intend", "believe", "may", "will", "should", "can have", "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including but not limited to Ouster's limited operating history and history of losses; the negotiating power and product standards of its customers; fluctuations in its operating results; cancellation or postponement of contracts or unsuccessful implementations; the adoption of its products and the growth of the lidar market generally; its ability to grow its sales and marketing organization; substantial research and development costs needed to develop and commercialize new products; the competitive environment in which it operates; selection of its products for inclusion in target markets; its future capital needs; its ability to use tax attributes; its dependence on key third party suppliers, in particular Benchmark Electronics, Inc., and manufacturers; ability to maintain inventory and the risk of inventory write-downs; inaccurate forecasts of market growth; its ability to manage growth; the creditworthiness of customers; risks related to acquisitions; risks related to international operations; risks of product delivery problems or defects; costs associated with product warranties; its ability to maintain competitive average selling prices or high sales volumes or reduce product costs; conditions in its customers industries; its ability to recruit and retain key personnel; its use of professional employer organizations; its ability to adequately protect and enforce its intellectual property rights; its ability to effectively respond to evolving regulations and standards; risks related to operating as a public company; risks related to the COVID-19 pandemic; and other important factors discussed in the Company's final prospectus dated August 19, 2021, and in other reports the Company files with or furnishes to the Securities and Exchange Commission. Any such forward-looking statements represent management's reasonable estimates and beliefs as of the date of this press release. While Ouster may elect to update such forward-looking statements at some point in the future, it disclaims any obligation to do so, other than as required by law, even if subsequent events cause its views to change.

_____

[1] SAE Level 4 autonomy: https://www.sae.org/blog/sae-j3016-update

[2] Ouster TAM estimate sources: McKinsey & Company; Automotive software and electronics 2030; Ouster internal estimates; Unit demand estimates from government data and internal estimates.

Ouster:

For Investors
Sarah Ewing
investors@ouster.io

For Media
Heather Shapiro
press@ouster.io

Serve Robotics:
Aduke Thelwell
aduke.thelwell@serverobotics.com

Source: Ouster, Inc.