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# Second Quarter 2023 Earnings Update

August 10, 2023

Palm Drive, Stanford  
Captured with REV7 OS1

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This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Ouster intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current plans, estimates and expectations of management that are subject to various risks and uncertainties that could cause actual results to differ materially from such statements. The inclusion of forward-looking statements should not be regarded as a representation that such plans, estimates and expectations will be achieved. Words such as “anticipate,” “expect,” “project,” “intend,” “believe,” “may,” “will,” “should,” “plan,” “could,” “continue,” “target,” “contemplate,” “estimate,” “forecast,” “guidance,” “predict,” “possible,” “potential,” “pursue,” “likely,” and the negative of these terms and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. All statements, other than statements of historical fact, including statements regarding Ouster’s revenue guidance; anticipated new product launches and developments; its future results of operations, cash reserve and financial position; anticipated cost savings; execution against the Company’s product roadmap; industry and business trends; its business objectives, plans, strategic partnerships, market growth; manufacturing transitions; and its competitive market position constitute forward-looking statements. 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, risks related to Ouster’s limited operating history and history of losses; the negotiating power and product standards of its customers; fluctuations in its operating results; its ability to successfully integrate its business with Velodyne and achieve the anticipated benefits of the Velodyne merger; supply chain constraints and challenges; cancellation or postponement of contracts or unsuccessful implementations; the ability of its lidar technology roadmap and new software solutions to catalyze growth; the adoption of its products and the growth of the lidar market generally; Ouster’s ability to grow its sales and marketing organization; the substantial research and development costs needed to develop and commercialize new products; the competitive environment in which Ouster operates; selection of Ouster’s products for inclusion in target markets; Ouster’s future capital needs and ability to secure additional capital on favorable terms or at all; its ability to use tax attributes; Ouster’s dependence on key third party suppliers, in particular Benchmark Electronics, Inc., Fabrinet, and other suppliers; Ouster’s ability to maintain inventory and the risk of inventory write-downs; inaccurate forecasts of market growth; Ouster’s ability to manage growth and recognize anticipated cost savings; the creditworthiness of Ouster’s customers; risks related to acquisitions; risks related to international operations; risks of product delivery problems or defects; costs associated with product warranties; Ouster’s ability to maintain competitive average selling prices or high sales volumes or reduce product costs; conditions in its customers’ industries; Ouster’s ability to recruit and retain key personnel; Ouster’s ability to adequately protect and enforce its intellectual property rights, including as it relates to Hesai Group; Ouster’s ability to effectively respond to evolving regulations and standards; risks related to operating as a public company; and other important factors discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 in Part I, Item 1A, “Risk Factors,” and as may be updated from time to time in the Company’s other filings with the SEC. Readers are urged to consider these factors carefully and in the totality of the circumstances when evaluating these forward-looking statements, and not to place undue reliance on any of them. Any such forward-looking statements represent management’s reasonable estimates and beliefs as of the date of this presentation. 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 may be required by law, even if subsequent events cause its views to change.

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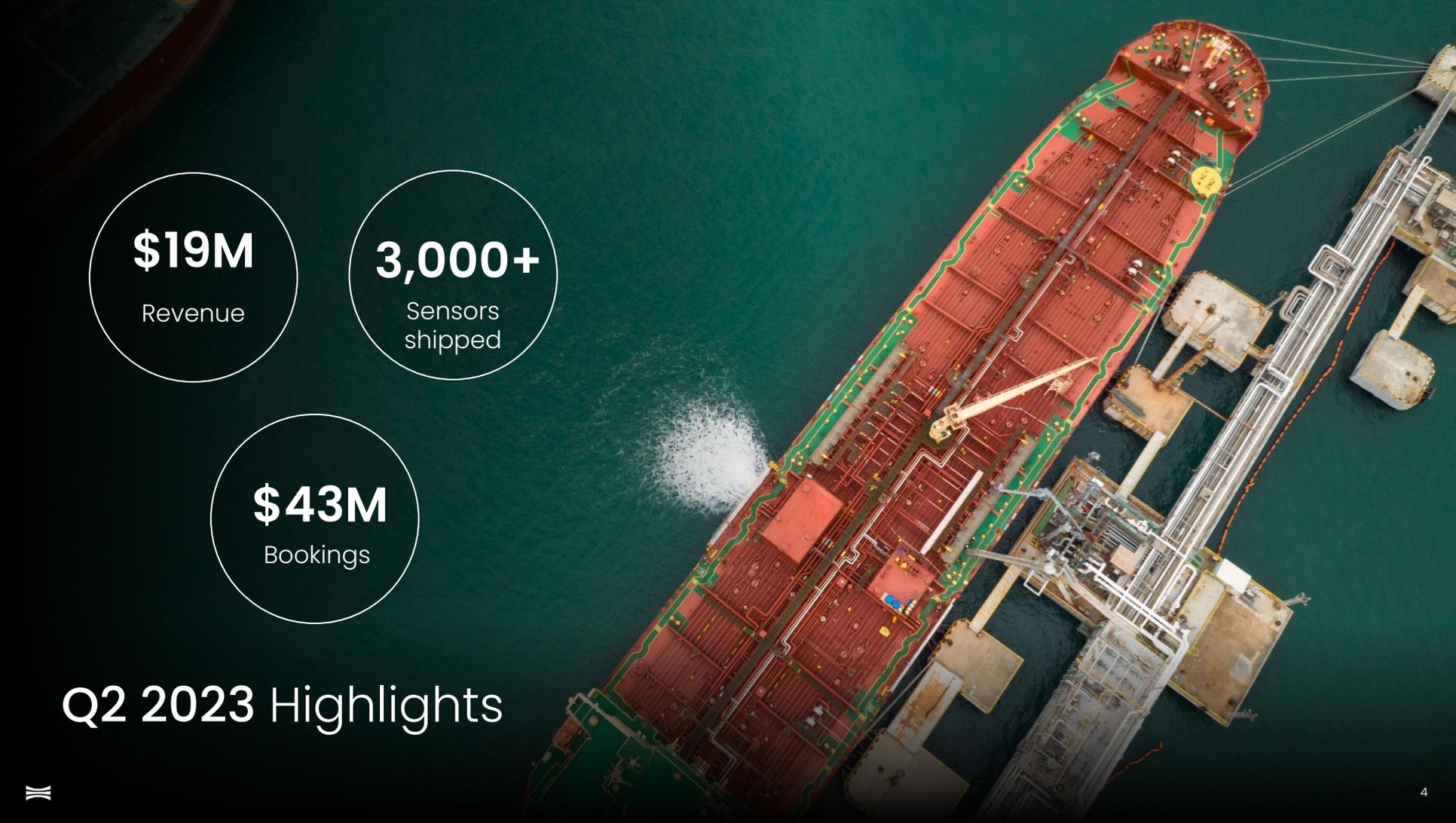


Ouster is a global leader  
in 3D lidar

Software Solutions

Digital Lidar

Diversified Business



**\$19M**

Revenue

**3,000+**

Sensors  
shipped

**\$43M**

Bookings

Q2 2023 Highlights

# Ouster is well positioned to capture fast-growing markets

2023 Strategic Business Priorities

1

## DRIVE NEW BUSINESS

Deliver near-term growth with targeted sales

2

## EXECUTE ON DIGITAL LIDAR ROADMAP

REV7 OS SERIES

The highest performing family of sensors on the market

DF SERIES

Develop cutting-edge, automotive ready solid-state sensors

3

## SOFTWARE ECOSYSTEM

Develop a robust software ecosystem to accelerate lidar adoption

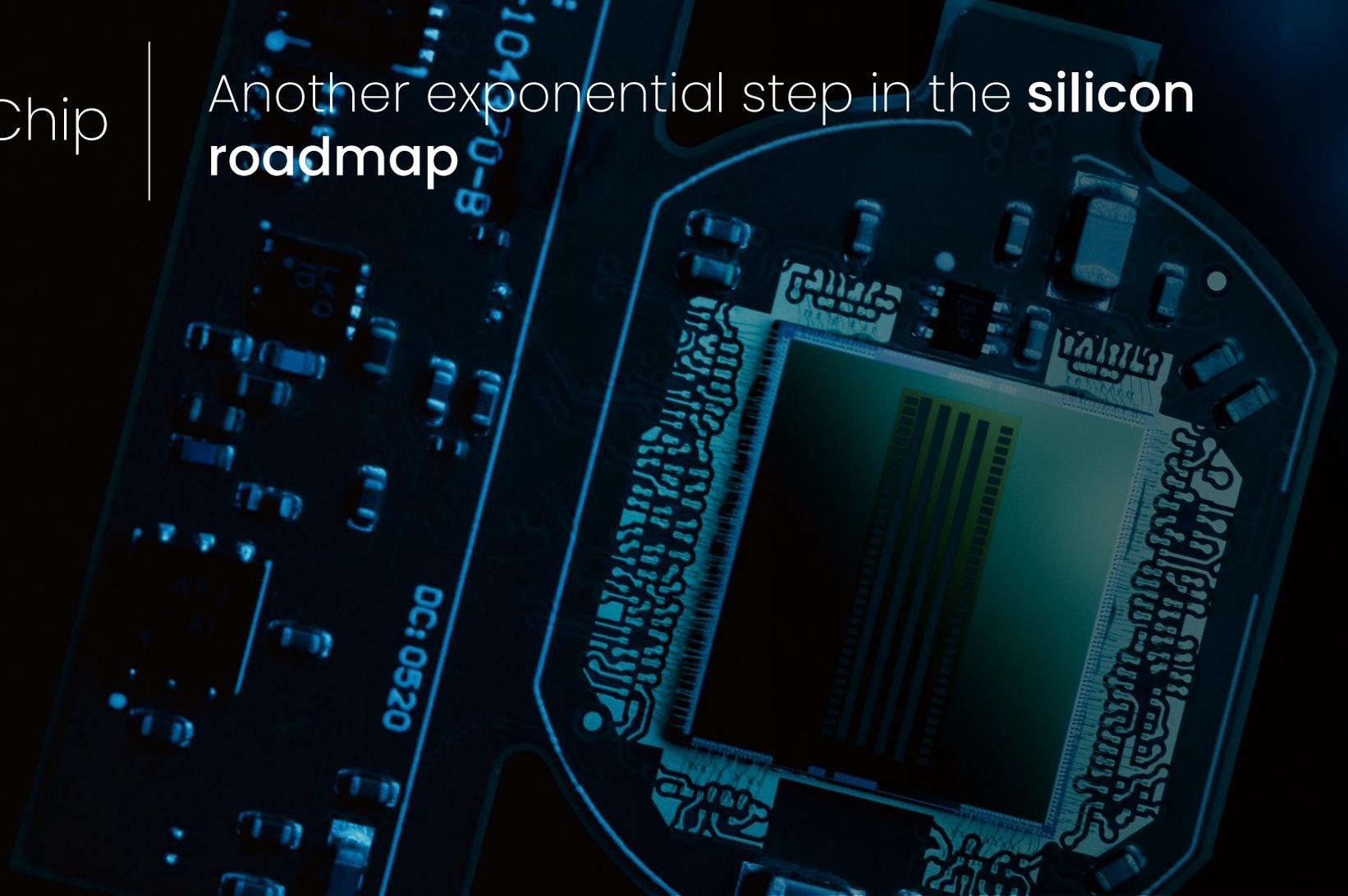
4

## OPERATING MODEL

Build a strong business model for the new Ouster

# L4 Chip

Another exponential step in the **silicon roadmap**



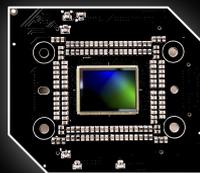
# Digital Flash

# The end-state of automotive lidar

**DF** final form factor

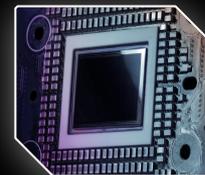


SYSTEM ON A CHIP PROGRESSION



Godzilla

2021



Chronos

2023



**True solid state lidar**  
ZERO moving parts



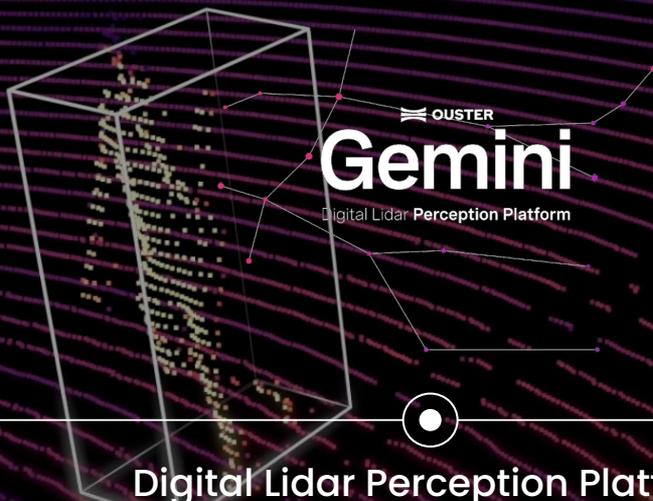
**Multi-sensor suite**  
Common digital architecture across short, mid, and long range sensors



**Flash performance**  
Over 200m range with no scanning artifacts

# Software

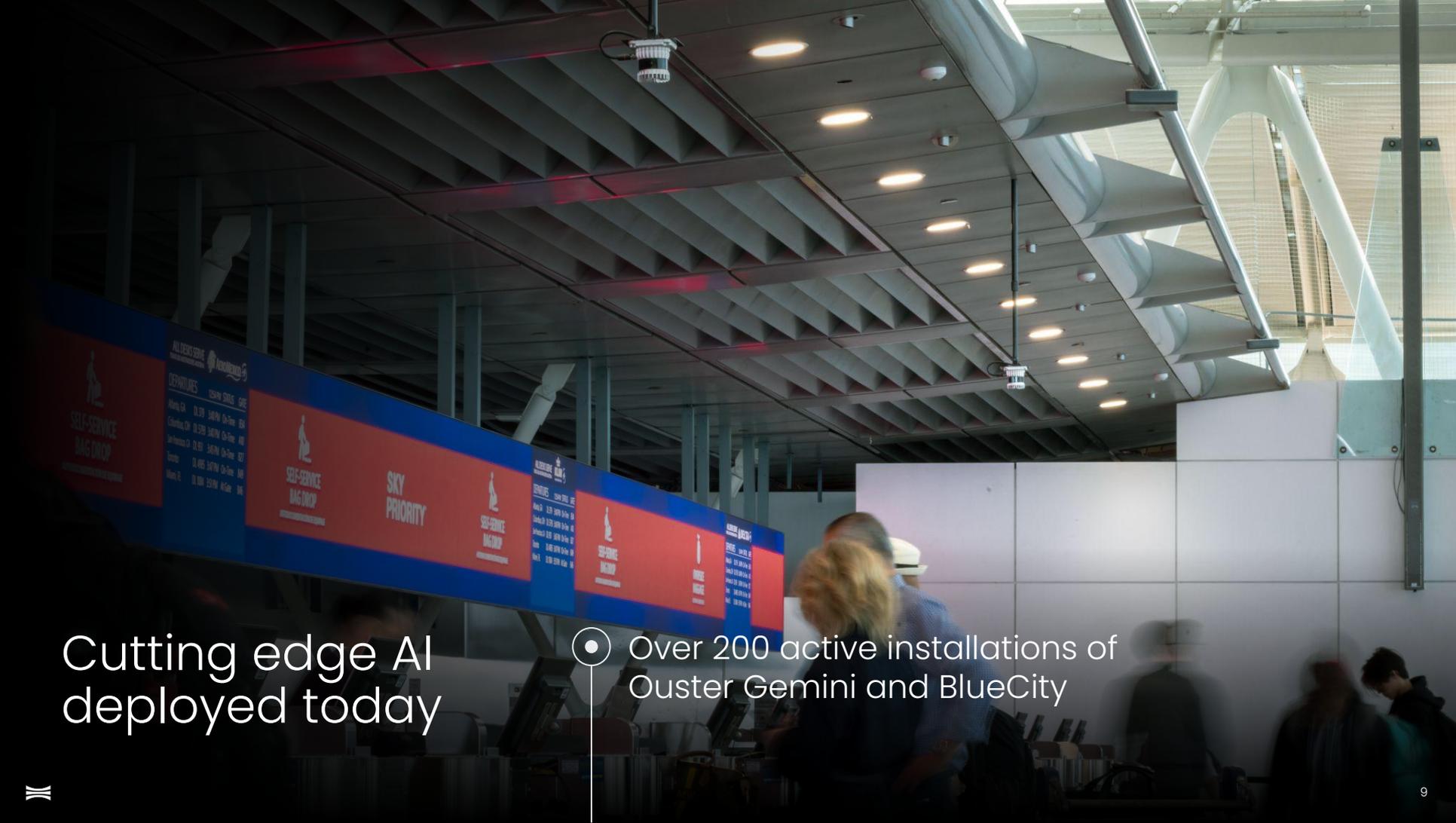
Groundbreaking smart infrastructure software solutions



**Digital Lidar Perception Platform**  
While-labeled software that integrates with third-party solutions for Security, Crowd Analytics, and ITS

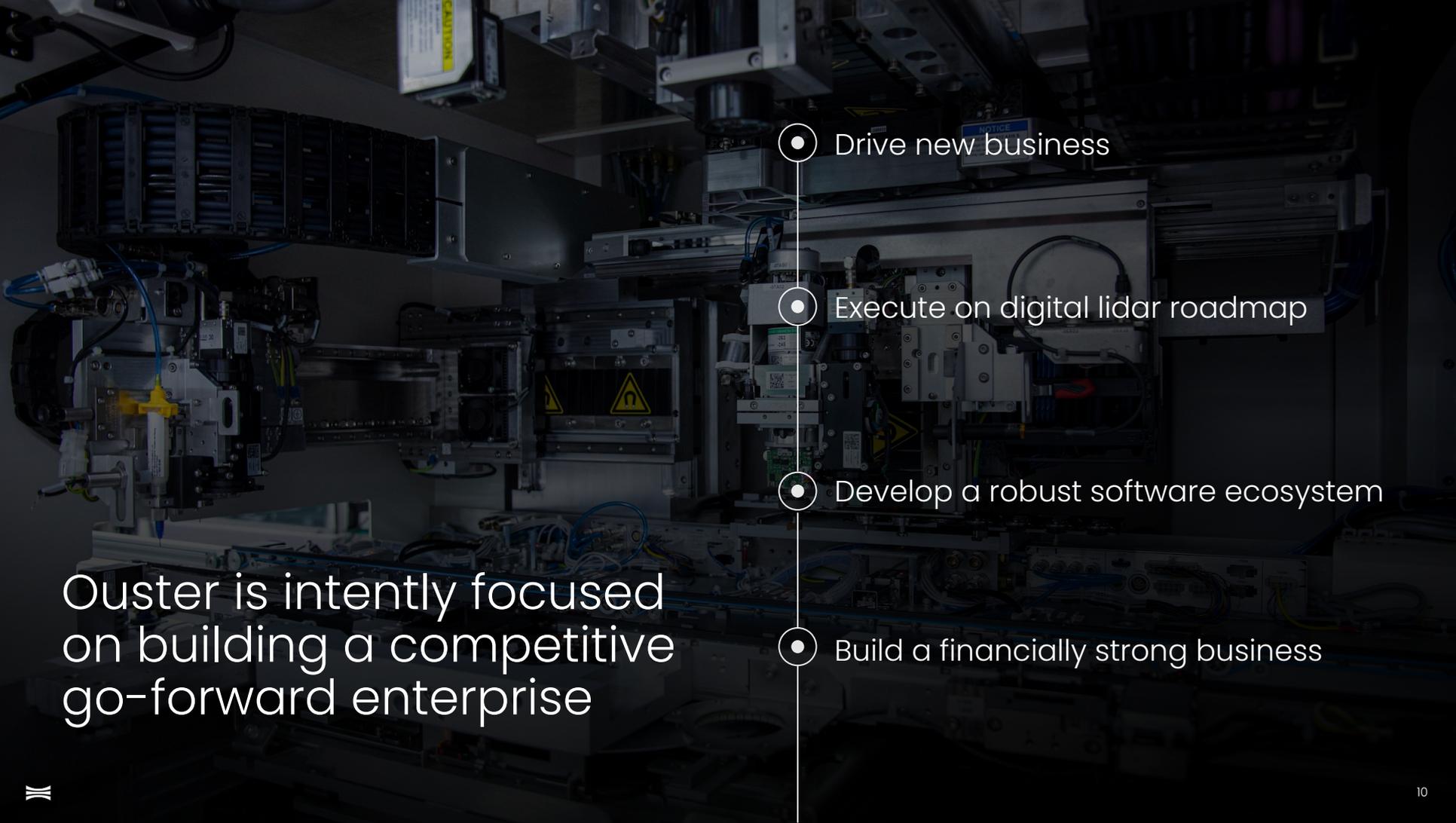
**:BlueCity**

**Complete Solutions**  
Turnkey traffic management



Cutting edge AI  
deployed today

- Over 200 active installations of Ouster Gemini and BlueCity



Ouster is intently focused  
on building a competitive  
go-forward enterprise

- Drive new business
- Execute on digital lidar roadmap
- Develop a robust software ecosystem
- Build a financially strong business

# Q2 2023 Results

## \$19 Million in Revenue

Up from \$17 million in first quarter 2023

## \$43 million in Bookings

\$76 million in bookings year-to date 2023

\$70 million in bookings in 2022

## 1% Gross Margin

Up from (2)% in the first quarter of 2023

26% non-GAAP gross margin<sup>1</sup>

## 3,000+ Sensors Shipped

<sup>1</sup> Non-GAAP gross margin is a non-GAAP financial metric. For a reconciliation of non-GAAP gross margins to GAAP gross margins, please see Appendix.

# Align Ouster's cost structure with a path to profitability

**Cash balance<sup>1</sup>**  
(as of June 30, 2023)

approximately  
**\$224 million**

**Cost savings target<sup>2</sup>**  
(annualized compared to standalone cost structures as of third quarter 2022)

Over  
**\$110 million**

**Cost reduction progress<sup>3</sup>**  
(at end of second quarter of 2023)

approximately  
**\$90 million**

<sup>1</sup> Cash balance includes, cash, cash equivalents, and short-term investments.

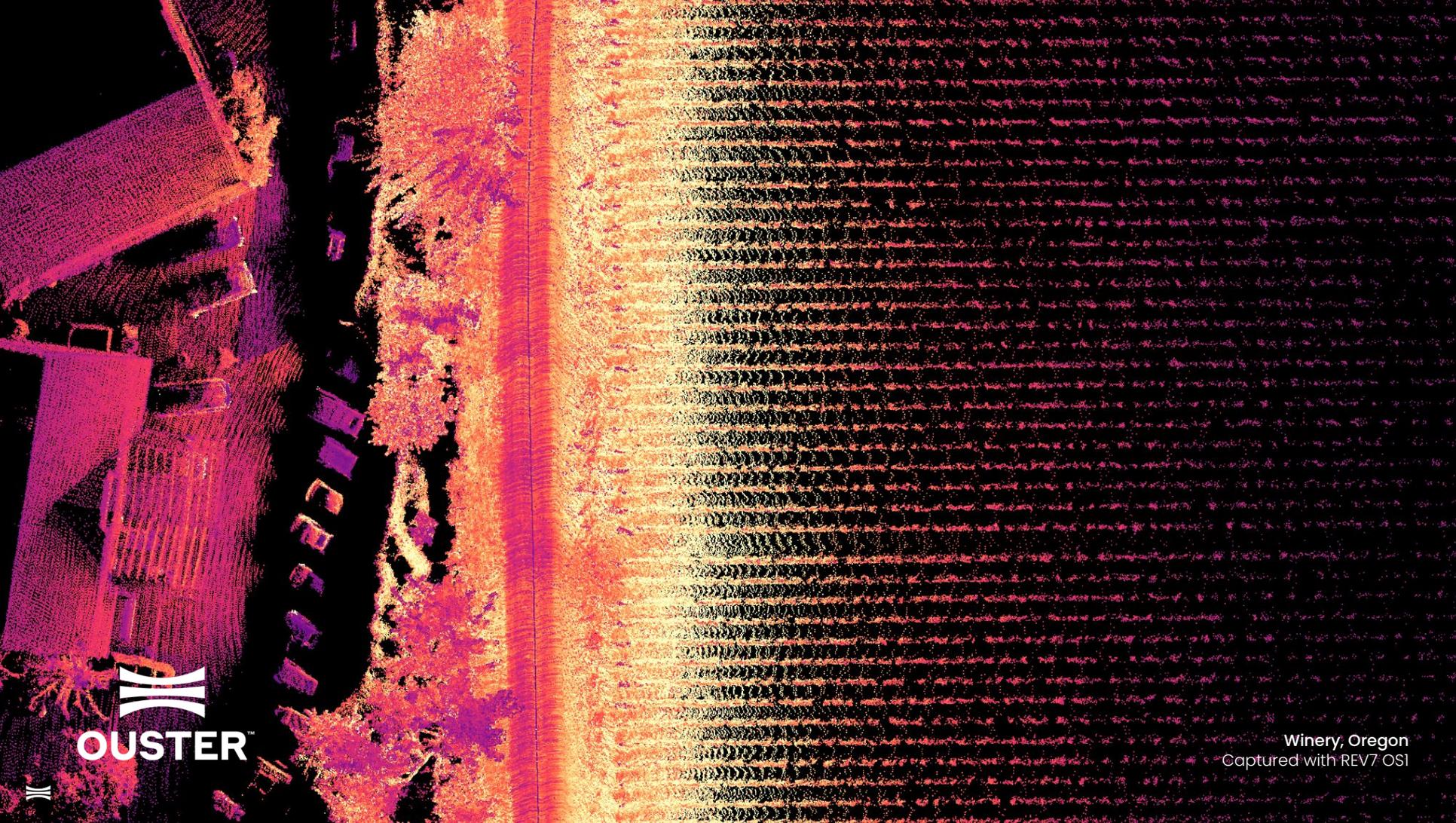
<sup>2</sup> Cost savings are expected to be realized exiting the fourth quarter 2023.

<sup>3</sup> Actioned cost reductions resulted in additional one-time cash costs of approximately \$15 million, excluding stock based compensation expenses.



## Q3 2023 Revenue Guidance

\$20 to 22 Million in Revenue



  
**OUSTER™**

Winery, Oregon  
Captured with REV7 OS1

# GAAP to Non-GAAP Reconciliation

<b>GROSS PROFIT MARGIN (\$K)</b>	THREE MONTHS ENDED June 30	
	<b>2023</b>	<b>2022</b>
<b>Gross (loss) profit on GAAP basis</b>	186	2,782
Stock-Based Compensation	654	146
Amortization of acquired intangible assets	412	-
Excess & obsolete expenses & loss on firm purchases commitments	3,750	-
<b>Gross profit on a non-GAAP basis</b>	5,002	2,928
<b>Gross margin on GAAP basis</b>	1%	27%
<b>Gross margin on non-GAAP basis</b>	26%	28%