



Q2 2021 Earnings Presentation  
August 9, 2021

OUST  
LISTED  
NYSE

# Disclaimers

## Forward Looking Statements

This presentation 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 financial outlook and market positioning. Forward-looking statements give Ouster’s current expectations and projections relating to its financial condition, competitive position, results of operations, plans, objectives, future performance and growth, potential revenue opportunity from Strategic Customer Agreements, future orders, total addressable market, and business. You can 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”, “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: 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 our 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 our 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 and definitive proxy statement, dated February 12, 2021, filed with the Securities and Exchange Commission (the “SEC”), as updated by the factors disclosed in the section titled “Risk Factors” in its Current Report on Form 8-K filed with the Securities and Exchange Commission on March 15, 2021, as amended on July 12, 2021 and in other reports the Company files with or furnishes to the SEC. Any such forward-looking statements represent management’s 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, other than as required by law, it disclaims any obligation to do so, even if subsequent events cause its views to change.

## Use of Estimates

Unless otherwise indicated, information contained in this presentation concerning our industry, competitive position and the markets in which Ouster operates is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from our internal research, and are based on assumptions made by the Company upon reviewing such data, and the Company’s experience in, and knowledge of, such industry and markets, which the Company believes to be reasonable. In addition, projections, assumptions and estimates of the future performance of the industry in which Ouster operates and its future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described above and in our filings with the SEC. These and other factors could cause results to differ materially from those expressed in the estimates made by independent parties and by the Company.

## Trademarks

This Presentation may contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Solely for convenience, some of the trademarks, service marks, trade names and copyrights referred to in this Presentation may be listed without the TM, SM © or ® symbols, but Ouster will assert, to the fullest extent under applicable law, the rights of the applicable owners, if any, to these trademarks, service marks, trade names and copyrights.

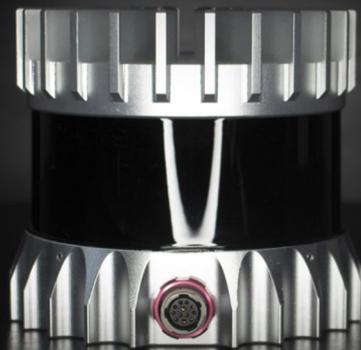


# Ouster is well positioned to lead in the lidar market

DIFFERENTIATED  
TECHNOLOGY

DIVERSIFIED  
BUSINESS

PROVEN ABILITY  
TO EXECUTE



EXPECTED TOTAL ADDRESSABLE  
MARKETS ("TAM") BY 2025<sup>1</sup>

**\$2.1B**

INDUSTRIAL

**\$2.8B**

SMART INFRASTRUCTURE

**\$1.8B**

ROBOTICS

**\$1.9B**

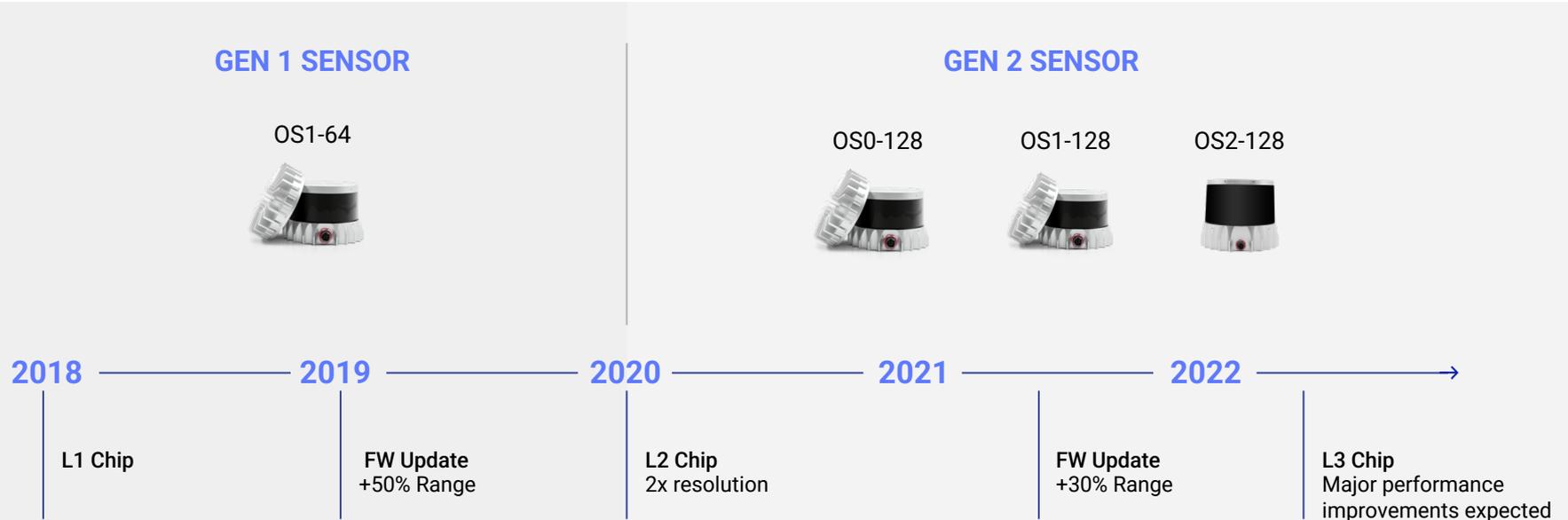
AUTOMOTIVE



<sup>1</sup>TAM estimate sources: McKinsey and Company, Automotive software and electronics 2030; Ouster internal estimates. Unit demand estimates from government data and internal estimates.

# Chip and firmware updates have doubled sensor performance

OS sensor performance improvement over time



# Auto certifying scanning and solid state sensors

Automotive roadmap for both product suites



MECHANICAL



TRUE SOLID-STATE<sup>1</sup>

Automotive certification for the manufacturing supply chain



- 2017** Selected manufacturing partner, Benchmark
- 2018** Started production at Thailand facility
- 2019** Passed automotive OEMs audits  
IATF-16949 certified for OS products



<sup>1</sup> Future ES2 solid-state product announced in October 2020.

Multi-market  
strategy drives  
near and long-  
term revenue



MINING



MANUFACTURING



WAREHOUSE



PORT/SHIPPING



TRUCKING



LAST-MILE DELIVERY



Ouster is a top player with significant revenue and the largest binding production design win reported to date<sup>1</sup>

## Automotive

\$1.9B TAM by 2025<sup>2</sup>

### SUB-MARKETS

Robotaxi

Robotrucking

Shuttles & Buses

Consumer ADAS

### KEY MILESTONES

Automotive rated sensors

ASIL-B certification



### ROBOTRUCKING

#### Freight trucks<sup>3</sup>

12 mm freight trucks worldwide

Approx. 10% replaced annually

Near-term retrofit opportunity

Sensors per unit<sup>4</sup>: 2 to 5

<sup>1</sup>Based on publicly reported revenue and production deals; <sup>2</sup>TAM estimate sources: McKinsey and Company, Automotive software and electronics 2030; Ouster internal estimates. Unit demand estimates from government data and internal estimates.; <sup>3</sup>JP Morgan, North America Equity Research, TuSimple Initiation Report - First On-Ramp to Autonomous, May 2021; <sup>4</sup>Ouster internal estimates.



Enabling  
customers to  
simplify systems  
with fewer digital  
lidar sensors  
while increasing  
safety and  
efficiency

## Industrial

\$2.1B TAM by 2025<sup>1</sup>

### SUB-MARKETS

Mining

Agriculture

Construction

Port & Yard Logistics

Factory & Warehouse

Manufacturing

### KEY MILESTONES

SIL-2 certification

Software applications



### WAREHOUSE

#### Forklifts

1.5 mm produced annually<sup>2</sup>

Less than 1% have any level of automation

Sensors per unit<sup>3</sup>: 1 to 4



### PORT LOGISTICS

#### Gantry cranes

835 major seaports<sup>4</sup>

~10 cranes per port<sup>3</sup>

Multi-million dollar equipment costs<sup>5</sup>

Sensors per unit<sup>3</sup>: 4 to 6



### YARD LOGISTICS

#### Yard trucks (U.S. only)<sup>6</sup>

50k+ diesel yard trucks

1hr wait times at human-operated yards

Sensors per unit<sup>3</sup>: 1 to 4



Last mile delivery is a large-scale opportunity for digital lidar with the potential for over 200k units by 2030<sup>2</sup>

## Robotics

\$1.8B TAM by 2025<sup>1</sup>

### SUB-MARKETS

Last-mile delivery

Universities

Defense

Mapping

### KEY MILESTONES

SIL-2 and ASIL-B

Software applications



### LAST-MILE DELIVERY

Delivery robots:

200,000 vehicles by 2030<sup>2</sup>

Last mile accounts for 50% of delivery costs<sup>3</sup>

Sensors per unit<sup>4</sup>: 1 to 2

<sup>1</sup>TAM estimate sources: McKinsey and Company. Automotive software and electronics 2030; Ouster internal estimates. Unit demand estimates from government data and internal estimates;

<sup>2</sup>IDTechEx Report "Mobile Robots, Autonomous Vehicles, and Drones in Logistics, Warehousing and Delivery 2020-2040"; <sup>3</sup>ARKInvest Report - "Autonomous Delivery Robots Could Lower the Cost of Last Mile Delivery by 20-Fold," 2018; <sup>4</sup>Ouster internal estimates.



Digital lidar can replace cameras and CCTV systems for a lower cost with increased safety and privacy benefits

## Smart Infrastructure

\$2.8B TAM by 2025<sup>1</sup>

### SUB-MARKETS

Intelligent transportation systems

Smart places

Security

### KEY MILESTONES

Buy America(n)

NEMA TS-2 certification

Software applications



### INTELLIGENT TRANSPORTATION SYSTEMS

Traffic intersections (U.S. only):

1 mm signalized intersections<sup>2</sup>

85 mm surveillance systems<sup>3</sup>

Sensors per intersection<sup>4</sup>: 1 to 2

<sup>1</sup>TAM estimate sources: McKinsey and Company, Automotive software and electronics 2030; Ouster internal estimates. Unit demand estimates from government data and internal estimates.; <sup>2</sup>Seeking Alpha - Iteris: a Niche within a Niche, Mar 2021; <sup>3</sup>Wall Street Journal: A World with a Billion Camera Watching You is Just Around the Corner, 2019; <sup>4</sup>Ouster internal estimates.



# Strong Q2 2021 Results

**\$7.4 MILLION IN REVENUE**

A 72% increase over the second quarter of 2020

**26% GROSS MARGIN**

Up from 9% in the second quarter of 2020

**1,460+ UNITS SHIPPED**

An increase of 342% over the second quarter 2020

**53 SCAs THROUGH Q2<sup>1</sup>**

Collectively representing the potential for over \$422 million in contracted revenue opportunity<sup>1</sup> through 2025

---

## FY 2021 GUIDANCE

**REVENUE** \$33 million to \$35 million

**GROSS MARGIN** 25% to 27%

<sup>1</sup> Strategic Customer Agreements" or "SCAs" establish a multi-year purchase and supply framework for Ouster and the customer, and include details about customer programs and applications where the customer intends to use Ouster products. SCAs also include multi-year non-binding customer forecasts (typically of three to five years in length) giving Ouster visibility to the customer's long-term purchasing requirements, mutually agreed upon pricing over the duration of the agreement, and in certain cases include multi-year binding purchase commitments. "Contracted revenue opportunity" represents the sum of both binding purchase commitments and non-binding forecasts. No assurances can be given that non-binding forecasts will mature into binding purchase commitments, or that any contracted revenue opportunity will result in revenue. No additional revenue opportunity beyond the customer's actual forecast has been imputed.



# 53 Strategic Customer Agreements through Q2<sup>1</sup>

Collectively representing over \$422 million in contracted revenue opportunity<sup>1</sup> through 2025

Broad applicability of our CMOS digital lidar technology

Unique insight into customers' automation plans

Reaching a tipping point in lidar adoption as more and more projects move from R&D to production

Sold sensors to ~ 600 customers over last 12 months<sup>2</sup>

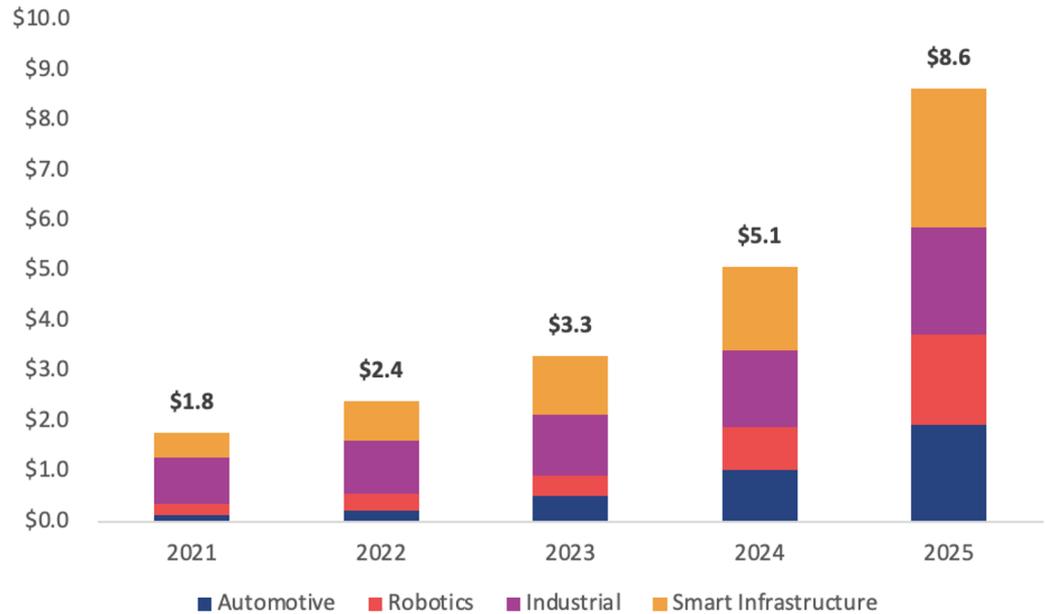


<sup>1</sup> Strategic Customer Agreements" or "SCAs" establish a multi-year purchase and supply framework for Ouster and the customer, and include details about customer programs and applications where the customer intends to use Ouster products. SCAs also include multi-year non-binding customer forecasts (typically of three to five years in length) giving Ouster visibility to the customer's long-term purchasing requirements, mutually agreed upon pricing over the duration of the agreement, and in certain cases include multi-year binding purchase commitments. Contracted revenue opportunity represents the sum of both binding purchase commitments and non-binding forecasts. No assurances can be given that non-binding forecasts will mature into binding purchase commitments, or that any contracted revenue opportunity will result in revenue. No additional revenue opportunity beyond the customer's actual forecast has been imputed.





## Projected TAM<sup>1</sup> by vertical (\$B)



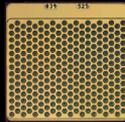
<sup>1</sup>TAM estimate sources: McKinsey and Company, Automotive software and electronics 2030; Ouster internal estimates. Some Ouster internal estimates are based on estimates from government data.

# COGS trending lower, driven by increased volume

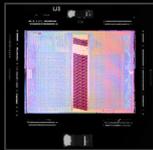
Continue to reduce costs across:



Micro Optics



VCSELs and FPGAs



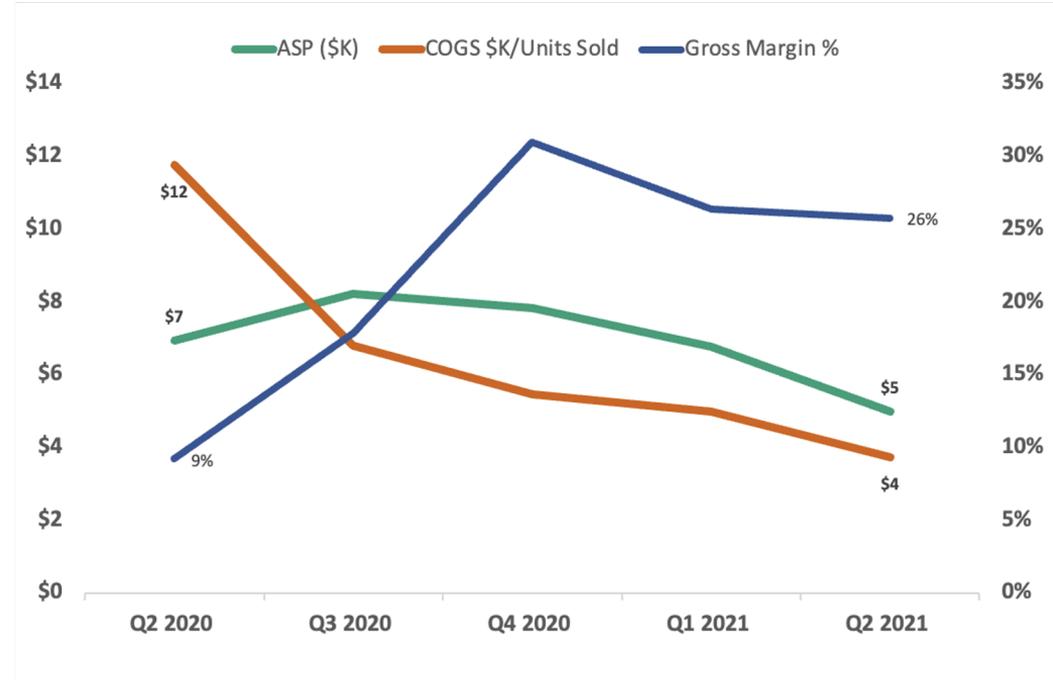
SPAD ASICS  
(Silicon CMOS)



Manufacturing

On track for near and long-term margin targets

**68% COGS reduction Q2 2020 vs. Q2 2021**



# Capital allocation plan expected to drive rapid scale

## EXPECTED USE OF CASH<sup>1</sup>

**Build-out worldwide sales and marketing effort**

**Increase software development investment**

**Accelerate product roadmap**

## TO DRIVE...

Customer adoption across four verticals

Vertical specific solutions  
Customer stickiness

Expanded product offerings and certifications

## PROGRESS UPDATE

Increased worldwide headcount to 60+ employees year to date

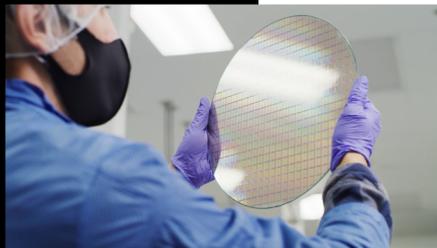
Launched Software Development Kit  
Released Firmware 2.1

Nearing completion of L3 chip tape out  
Defined solid-state portfolio and specs

<sup>1</sup>Cash balance as of June 30, 2021 was approximately \$240 million.



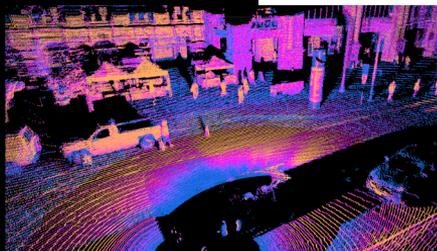
Ouster is a  
leading lidar  
company  
today



## DIFFERENTIATED TECHNOLOGY

CMOS digital lidar

Optimizes price and performance



## DIVERSIFIED BUSINESS

Capitalizing on multi-market strategy

Flexible architecture suits many use-cases



## PROVEN ABILITY TO EXECUTE

2x performance in 2 years via technology iterations

Targeted capital allocation plan

Approximately 600 customers in over 50 countries

Scaled production with over 6k sensors shipped to date (over 1,460 in Q2)

Improved cost of goods sold by 68% over prior year Q2

Joined Russell 2000 Index



---

Thank you.

---



---

# APPENDIX

---







