

NOVEMBER 9, 2023

Third Quarter 2023 Earnings Update

OUST
LISTED
NYSE



Disclaimers

Forward-Looking Statements

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 and gross margin guidance; anticipated new product launches and developments; its future results of operations, cash reserve and financial position; anticipated cost savings, including reductions in cost of capital; execution against the Company’s product roadmap and the demand for products; the Company’s path to profitability and its long-term financial framework; industry and business trends; the Company’s business objectives, plans, strategic partnerships and market growth; manufacturing transitions; the benefits of the Company’s merger with Velodyne; and its competitive market position, all 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, that are further 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.

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 and Copyrights

This Presentation may contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. Any use of them does not imply affiliation or endorsement, and may be for educational purposes. 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 a global leader in 3D lidar



Software Solutions

Digital Lidar

Diversified Business

Q3 2023 Highlights



\$22M

Revenue

3,300+

Sensors shipped

\$38M

Bookings

>\$120M

Annualized cost savings¹

¹ Compared to standalone cost structures of Ouster and Velodyne as of third quarter 2022.



2023 Strategic Business Priorities

Drive new business

Execute on digital
lidar roadmap

Develop a robust
software ecosystem

Build a financially
strong business



Ouster continues to drive new business

Booked over **\$110 million** in business with new and existing customers in the first three quarters of 2023.

- REV7's enhanced range, accuracy, and precision expands the addressable market
- Q3 bookings driven by large deals for mapping, tolling, warehouse logistics and port automation applications

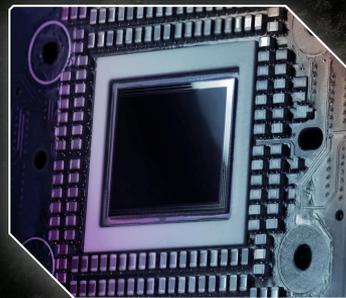


Digital Flash

The end-state of automotive lidar



- NEXT-GENERATION SYSTEM ON A CHIP



Chronos

TRUE SOLID-STATE

ZERO moving parts

MULTI-SENSOR SUITE

Common digital architecture across short, mid, and long range sensors

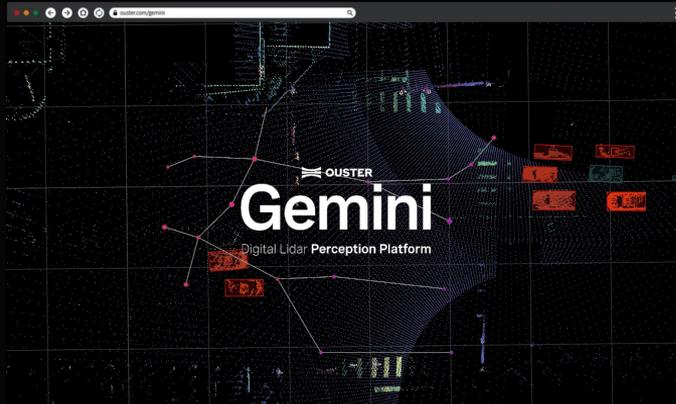
FLASH PERFORMANCE

Over 200m range with no scanning artifacts

- FINAL FORM FACTOR **DF SENSOR**

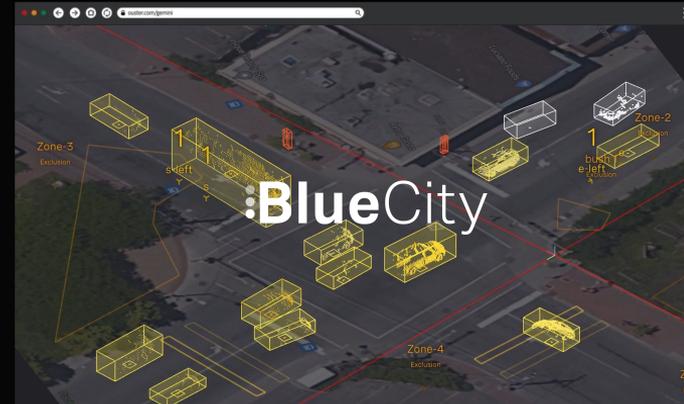
Software

Groundbreaking software solutions for
smart infrastructure



GEMINI

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



BLUECITY

Complete Solutions
Turnkey traffic management

Software Milestones

- Accelerating Smart Infrastructure solutions business

Unified Blue City
under Ouster Gemini

Added deep learning
AI perception models

Expanded software
adoption to over 375
licensed sites

Booked millions of
dollars in software
coupled sales



Building a financially strong business

Achieved **over \$120 million** in annualized cost savings¹

- Lowered interest expense and increased operational flexibility
- Set long-term financial framework

¹ Compared to standalone cost structures of Ouster and Velodyne as of third quarter 2022.



Q3 2023 Results

\$22M

In revenue

Up from \$19 million in the second quarter of 2023

\$38M

In bookings

Over \$110 million in bookings year-to-date 2023

14%

Gross Margin

Up from 1% in the second quarter of 2023
33% non-GAAP gross margin¹

3,300+

Sensors shipped

Up 10% vs. the second quarter of 2023

¹ 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.

Focused on a Path to Profitability

Achieve **30-50%** annual revenue growth.

- Substantial momentum from strong bookings
- Expand sales pipeline in high-volume end markets
- Consumer ADAS as a major upside catalyst

Expand gross margins to **35-40%**.

- Favorable mix shift to higher performance products
- Leverage contract manufacturing model
- Increase contribution from software coupled sales

Maintain operating expenses **at or below** Q3 2023 levels.

- Complete manufacturing transition to Thailand
- Consolidate duplicative enterprise systems
- Optimize underutilized fixed assets





Q4 2023
Revenue Guidance

\$23 to \$25 Million in Revenue

An aerial LiDAR point cloud visualization of a residential street. The scene is rendered in a dark color palette, primarily black and dark blue, with some green and yellow highlights. The street is visible as a dark horizontal band, with several cars parked along the sides. Trees and bushes are scattered throughout the scene, and buildings are visible in the background. The overall appearance is that of a high-resolution 3D scan of a real-world environment.

 **OUSTER**

GAAP to Non-GAAP Reconciliation

GROSS PROFIT MARGIN (\$K)

THREE MONTHS ENDED September 30

	2023	2022
Gross (loss) profit on GAAP basis	3,093	3,716
Stock-Based Compensation	570	207
Amortization of acquired intangible assets	467	-
Excess & obsolete expenses & loss on firm purchases commitments	3,187	-
Gross profit on a non-GAAP basis	7,316	3,923
Gross margin on GAAP basis	14%	33%
Gross margin on non-GAAP basis	33%	35%

