

**OUSTER, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(unaudited)  
(in thousands)

	June 30, 2023	December 31, 2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 91,237	\$ 122,932
Restricted cash, current	528	257
Short-term investments	133,176	—
Accounts receivable, net	15,106	11,233
Inventory	27,812	19,533
Prepaid expenses and other current assets	12,565	8,543
Total current assets	280,424	162,498
Property and equipment, net	12,739	9,695
Operating lease, right-of-use assets	21,069	12,997
Unbilled receivable, long-term portion	7,433	—
Goodwill	—	51,152
Intangible assets, net	27,951	18,165
Restricted cash, non-current	1,090	1,089
Other non-current assets	3,079	541
Total assets	<u>\$ 353,785</u>	<u>\$ 256,137</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 10,296	\$ 8,798
Accrued and other current liabilities	39,843	17,071
Contract liabilities	9,776	402
Operating lease liability, current portion	7,317	3,221
Total current liabilities	67,232	29,492
Operating lease liability, long-term portion	22,455	13,400
Debt	40,135	39,574
Contract liabilities, long-term portion	5,264	342
Other non-current liabilities	1,708	1,710
Total liabilities	<u>136,794</u>	<u>84,518</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock	39	19
Additional paid-in capital	959,111	613,665
Accumulated deficit	(741,929)	(441,916)
Accumulated other comprehensive loss	(230)	(149)
Total stockholders' equity	<u>216,991</u>	<u>171,619</u>
Total liabilities and stockholders' equity	<u>\$ 353,785</u>	<u>\$ 256,137</u>

**OUSTER, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
(unaudited)  
(in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue	\$ 19,396	\$ 10,329	\$ 36,626	\$ 18,887
Cost of revenue	19,210	7,547	36,816	13,514
Gross (loss) profit	186	2,782	(190)	5,373
Operating expenses:				
Research and development	26,447	15,893	58,906	31,799
Sales and marketing	11,666	7,563	25,199	14,653
General and administrative	17,842	12,515	49,167	26,298
Goodwill impairment charges	67,266	—	166,675	—
Total operating expenses	123,221	35,971	299,947	72,750
Loss from operations	(123,035)	(33,189)	(300,137)	(67,377)
Other (expense) income:				
Interest income	2,245	344	3,964	498
Interest expense	(1,728)	(444)	(3,397)	(444)
Other income (expense), net	(165)	5,326	(111)	7,010
Total other income, net	352	5,226	456	7,064
Loss before income taxes	(122,683)	(27,963)	(299,681)	(60,313)
Provision for income tax expense	50	37	332	84
Net loss	\$ (122,733)	\$ (28,000)	\$ (300,013)	\$ (60,397)
Other comprehensive loss				
Changes in unrealized gain (loss) on available for sale securities	\$ (74)	\$ —	\$ (24)	\$ —
Foreign currency translation adjustments	\$ 23	\$ (76)	\$ (57)	\$ (88)
Total comprehensive loss	\$ (122,784)	\$ (28,076)	\$ (300,094)	\$ (60,485)
Net loss per common share, basic and diluted	\$ (3.19)	\$ (1.60)	\$ (8.84)	\$ (3.49)
Weighted-average shares used to compute basic and diluted net loss per share	38,448,241	17,505,736	33,937,505	17,296,583

**OUSTER, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(unaudited)**  
**(in thousands)**

	<b>Six Months Ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (300,013)	\$ (60,397)
Adjustments to reconcile net loss to net cash used in operating activities:		
Goodwill impairment charges	166,675	—
Depreciation and amortization	10,605	4,739
Loss on write-off of construction in progress and right-of-use asset impairment	1,423	—
Stock-based compensation	38,246	16,869
Reduction of revenue related to stock warrant issued to customer	61	—
Change in right-of-use asset	2,012	1,358
Interest expense	889	402
Amortization of debt issuance costs and debt discount	125	42
Accretion or amortization on short-term investments	(2,097)	—
Change in fair value of warrant liabilities	(126)	(7,134)
Inventory write down	5,065	447
Provision for doubtful accounts	541	—
Loss/(Gain) from disposal of property and equipment	(248)	(100)
Changes in operating assets and liabilities, net of acquisition effects:		
Accounts receivable	3,420	1,341
Inventory	(3,644)	(10,180)
Prepaid expenses and other assets	(1,126)	(1,957)
Contract assets	—	—
Accounts payable	(1,741)	1,094
Accrued and other liabilities	(4,779)	(329)
Contract liabilities	759	—
Operating lease liability	(2,525)	(1,588)
Net cash used in operating activities	<u>(86,478)</u>	<u>(55,393)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property and equipment	560	275
Purchases of property and equipment	(1,973)	(1,277)
Purchase of short-term investments	(48,554)	—
Proceeds from sales of short-term investments	72,481	—
Cash and cash equivalents acquired in the Velodyne Merger	32,137	—
Net cash provided by (used in) investing activities	<u>54,651</u>	<u>(1,002)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repurchase of common stock	—	(43)
Proceeds from ESPP purchase	310	—
Proceeds from exercise of stock options	150	252
Proceeds from borrowings, net of debt discount and issuance costs	—	19,077
Proceeds from the issuance of common stock under at-the-market offering, net of commissions and fees	—	14,568
At-the-market offering costs for the issuance of common stock	—	(196)
Taxes paid related to net share settlement of restricted stock units	—	(59)
Net cash provided by financing activities	<u>460</u>	<u>33,599</u>
Effect of exchange rates on cash and cash equivalents	<u>(56)</u>	<u>(88)</u>
Net decrease in cash, cash equivalents and restricted cash	(31,423)	(22,884)
Cash, cash equivalents and restricted cash at beginning of period	124,278	184,656
Cash, cash equivalents and restricted cash at end of period	<u>\$ 92,855</u>	<u>\$ 161,772</u>

**OUSTER, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**  
(unaudited)  
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
<b>GAAP net loss</b>	\$ (122,733)	\$ (28,000)	\$ (300,013)	\$ (60,397)
Interest expense (income), net	(517)	100	(567)	(54)
Other expense (income), net	165	(5,326)	111	(7,010)
Stock-based compensation <sup>(1)</sup>	16,466	8,119	38,246	16,869
Provision for income tax expense	50	37	332	84
Goodwill impairment charge	67,266	—	166,675	—
Amortization of acquired intangibles <sup>(2)</sup>	1,702	1,122	3,213	2,244
Restructuring costs, excluding stock-based compensation expense	3,342	—	15,977	—
Excess and obsolete expenses and loss on firm purchase commitments	3,750	—	7,380	—
Depreciation expense <sup>(2)</sup>	2,744	1,232	7,392	2,495
Litigation expenses <sup>(3)</sup>	3,364	92	3,901	592
Merger and acquisition related expenses <sup>(4)</sup>	—	—	6,058	—
<b>Adjusted EBITDA</b>	<b>\$ (24,401)</b>	<b>\$ (22,624)</b>	<b>\$ (51,294)</b>	<b>\$ (45,177)</b>

<sup>(1)</sup>Includes stock-based compensation expense as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of revenue	\$ 654	\$ 146	\$ 1,428	\$ 365
Research and development	8,204	3,806	15,709	7,566
Sales and marketing	3,500	1,839	6,381	3,362
General and administrative	4,108	2,328	14,728	5,576
<b>Total stock-based compensation</b>	<b>\$ 16,466</b>	<b>\$ 8,119</b>	<b>\$ 38,246</b>	<b>\$ 16,869</b>

<sup>(2)</sup>Includes depreciation and amortization expense as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of revenue	\$ 1,772	\$ 310	\$ 3,522	\$ 690
Research and development	892	823	3,856	1,613
Sales and marketing	258	75	440	150
General and administrative	1,524	1,146	2,787	2,286
<b>Total depreciation and amortization expense</b>	<b>\$ 4,446</b>	<b>\$ 2,354</b>	<b>\$ 10,605</b>	<b>\$ 4,739</b>

<sup>(3)</sup>Litigation expenses and litigation-related expenses outside of the Company's ordinary business operations

<sup>(4)</sup>Merger and acquisition related expenses represent transaction costs for the Velodyne Merger which include legal and accounting professional service fees

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
<b>Gross profit (loss) on GAAP basis</b>	\$ 186	\$ 2,782	\$ (190)	\$ 5,373
Stock-based compensation	654	146	1,428	365
Amortization of acquired intangible assets	412	—	661	—
Excess and obsolete expenses and loss on firm purchase commitments	3,750	—	7,380	—
<b>Gross profit on non-GAAP basis</b>	<b>\$ 5,002</b>	<b>\$ 2,928</b>	<b>\$ 9,279</b>	<b>\$ 5,738</b>
<b>Gross margin on GAAP basis</b>	1 %	27 %	(1)%	28 %
<b>Gross margin on non-GAAP basis</b>	26 %	28 %	25 %	30 %

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