

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

	<u>September 30,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 75,585	\$ 122,932
Restricted cash, current	540	257
Short-term investments	124,913	—
Accounts receivable, net	13,404	11,233
Inventory	26,474	19,533
Prepaid expenses and other current assets	11,971	8,543
Total current assets	<u>252,887</u>	<u>162,498</u>
Property and equipment, net	11,529	9,695
Operating lease, right-of-use assets	19,812	12,997
Unbilled receivable, long-term portion	7,583	—
Goodwill	—	51,152
Intangible assets, net	26,053	18,165
Restricted cash, non-current	1,090	1,089
Other non-current assets	2,877	541
Total assets	<u>\$ 321,831</u>	<u>\$ 256,137</u>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 7,932	\$ 8,798
Accrued and other current liabilities	35,793	17,071
Contract liabilities	10,776	402
Operating lease liability, current portion	7,078	3,221
Total current liabilities	<u>61,579</u>	<u>29,492</u>
Operating lease liability, long-term portion	20,376	13,400
Debt	40,422	39,574
Contract liabilities, long-term portion	3,914	342
Other non-current liabilities	1,493	1,710
Total liabilities	<u>127,784</u>	<u>84,518</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock	39	19
Additional paid-in capital	971,419	613,665
Accumulated deficit	(777,031)	(441,916)
Accumulated other comprehensive loss	(380)	(149)
Total stockholders' equity	<u>194,047</u>	<u>171,619</u>
Total liabilities and stockholders' equity	<u>\$ 321,831</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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 22,209	\$ 11,204	\$ 58,835	\$ 30,091
Cost of revenue	19,116	7,488	55,932	21,002
Gross (loss) profit	3,093	3,716	2,903	9,089
Operating expenses:				
Research and development	16,678	17,212	75,584	49,011
Sales and marketing	7,887	8,541	33,086	23,194
General and administrative	14,270	14,008	63,437	40,306
Goodwill impairment charges	—	—	166,675	—
Total operating expenses	38,835	39,761	338,782	112,511
Loss from operations	(35,742)	(36,045)	(335,879)	(103,422)
Other income (expense):				
Interest income	2,495	733	6,459	1,231
Interest expense	(1,825)	(699)	(5,222)	(1,143)
Other income (expense), net	(13)	61	(124)	7,071
Total other income, net	657	95	1,113	7,159
Loss before income taxes	(35,085)	(35,950)	(334,766)	(96,263)
Provision for income tax expense	17	37	349	121
Net loss	\$ (35,102)	\$ (35,987)	\$ (335,115)	\$ (96,384)
Other comprehensive loss				
Changes in unrealized gain (loss) on available for sale securities	\$ 63	\$ —	\$ 40	\$ —
Foreign currency translation adjustments	\$ (213)	\$ (87)	\$ (271)	\$ (88)
Total comprehensive loss	\$ (35,252)	\$ (36,074)	\$ (335,346)	\$ (96,559)
Net loss per common share, basic and diluted	\$ (0.89)	\$ (1.98)	\$ (9.39)	\$ (5.48)
Weighted-average shares used to compute basic and diluted net loss per share	39,228,118	18,136,135	35,670,408	17,576,509

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

	<b>Nine Months Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (335,115)	\$ (96,384)
Adjustments to reconcile net loss to net cash used in operating activities:		
Goodwill impairment charges	166,675	—
Depreciation and amortization	14,290	7,070
Loss on write-off of construction in progress and right-of-use asset impairment	1,423	—
Gain on lease termination	(807)	—
Stock-based compensation	46,618	25,324
Reduction of revenue related to stock warrant issued to customer	288	—
Amortization of right-of-use asset	3,268	2,075
Interest expense	1,112	290
Amortization of debt issuance costs and debt discount	190	104
Accretion or amortization on short-term investments	(3,303)	—
Change in fair value of warrant liabilities	(67)	(7,350)
Inventory write-downs and purchase commitment losses	8,223	894
Provision for doubtful accounts	1,015	9
Loss/(Gain) from disposal of property and equipment	(248)	(100)
Changes in operating assets and liabilities, net of acquisition effects:		
Accounts receivable	4,498	(69)
Inventory	(4,474)	(14,249)
Prepaid expenses and other assets	676	(1,540)
Accounts payable	(4,112)	3,225
Accrued and other liabilities	(10,229)	(158)
Contract liabilities	410	—
Operating lease liability	(4,034)	(2,431)
Net cash used in operating activities	(113,703)	(83,290)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property and equipment	560	275
Purchases of property and equipment	(2,633)	(2,353)
Purchase of short-term investments	(82,021)	—
Proceeds from sales of short-term investments	115,481	—
Cash and cash equivalents acquired in the Velodyne Merger	32,137	—
Net cash provided by (used in) investing activities	63,524	(2,078)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repurchase of common stock	—	(46)
Proceeds from ESPP purchase	310	—
Proceeds from exercise of stock options	243	398
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	2,936	16,322
At-the-market offering costs for the issuance of common stock	(104)	(278)
Taxes paid related to net share settlement of restricted stock units	—	(59)
Net cash provided by financing activities	3,385	35,414
Effect of exchange rates on cash and cash equivalents	(269)	(175)
Net decrease in cash, cash equivalents and restricted cash	(47,063)	(50,129)
Cash, cash equivalents and restricted cash at beginning of period	124,278	184,656
Cash, cash equivalents and restricted cash at end of period	\$ 77,215	\$ 134,527

**OUSTER, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**

(unaudited)  
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended June 30,
	2023	2022	2023	2022	2023
<b>GAAP net loss</b>	\$ (35,102)	\$ (35,987)	\$ (335,115)	\$ (96,384)	\$ (122,733)
Interest income, net	(670)	(34)	(1,237)	(88)	(517)
Other expense (income), net	13	(61)	124	(7,071)	165
Stock-based compensation <sup>(1)</sup>	8,372	8,455	46,618	25,324	16,466
Provision for income tax expense	17	37	349	121	50
Goodwill impairment charge	—	—	166,675	—	67,266
Restructuring costs, excluding stock-based compensation expense	—	—	15,977	—	3,342
Excess and obsolete expenses and loss on firm purchase commitments	3,187	—	10,567	—	3,750
Amortization of acquired intangibles <sup>(2)</sup>	1,759	1,122	4,972	3,366	1,702
Depreciation expenses <sup>(2)</sup>	1,739	1,210	9,132	3,705	2,744
Litigation expenses <sup>(3)</sup>	3,536	1,123	7,437	1,715	3,364
Merger and acquisition related expenses <sup>(4)</sup>	—	—	6,058	—	—
Gain on lease termination and other items	(1,256)	—	(1,256)	—	—
<b>Adjusted EBITDA</b>	<b>\$ (18,405)</b>	<b>\$ (24,135)</b>	<b>\$ (69,699)</b>	<b>\$ (69,312)</b>	<b>\$ (24,401)</b>

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

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended June 30,
	2023	2022	2023	2022	2023
Cost of revenue	\$ 570	\$ 207	\$ 1,998	\$ 570	\$ 654
Research and development	4,056	3,681	19,765	11,248	8,204
Sales and marketing	1,345	1,913	7,726	5,276	3,500
General and administrative	2,401	2,654	17,129	8,230	4,108
<b>Total stock-based compensation</b>	<b>\$ 8,372</b>	<b>\$ 8,455</b>	<b>\$ 46,618</b>	<b>\$ 25,324</b>	<b>\$ 16,466</b>

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

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended June 30,
	2023	2022	2023	2022	2023
Cost of revenue	\$ 1,155	\$ 227	\$ 4,678	\$ 820	\$ 1,772
Research and development	741	889	4,596	2,600	892
Sales and marketing	250	75	690	225	258
General and administrative	1,352	1,140	4,139	3,426	1,524
<b>Total depreciation and amortization expense</b>	<b>\$ 3,498</b>	<b>\$ 2,331</b>	<b>\$ 14,103</b>	<b>\$ 7,071</b>	<b>\$ 4,446</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 September 30,		Nine Months Ended September 30,		Three Months Ended June 30,
	2023	2022	2023	2022	2023
<b>Gross profit (loss) on GAAP basis</b>	\$ 3,093	\$ 3,716	\$ 2,903	\$ 9,089	\$ 186
Stock-based compensation	570	207	1,998	570	654
Amortization of acquired intangible assets	467	—	1,127	—	412
Excess and obsolete expenses and loss on firm purchase commitments	3,187	—	10,567	—	3,750
<b>Gross profit on non-GAAP basis</b>	<b>\$ 7,316</b>	<b>\$ 3,923</b>	<b>\$ 16,595</b>	<b>\$ 9,659</b>	<b>\$ 5,002</b>
<b>Gross margin on GAAP basis</b>	14 %	33 %	5 %	30 %	1 %
<b>Gross margin on non-GAAP basis</b>	33 %	35 %	28 %	32 %	26 %

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