

OUST  
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NYSE



# First Quarter 2023 Earnings Update

May 11, 2023

Palm Drive, San Francisco  
Captured with REV7 OS1

## Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend 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 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 future results of operations and financial position; its strategic market position as it relates to its competitors within the industry; the expectations and anticipated synergies, benefits of and costs associated with the Velodyne merger; management’s strategic priorities and objectives for future operations; industry and business trends; potential future market opportunities; the capabilities of its current and future products and applications of new product releases; technological advancements and commercial paths; near and long-term revenue opportunities; market share trends; Ouster’s business outlook, financial guidance and its ability to meet its revenue goals and guidance, are 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; its ability to successfully integrate its business with Velodyne and achieve the anticipated benefits of the Velodyne merger; fluctuations in its operating results; the competitive environment in which Ouster operates; the negotiating power and product standards of its customers; 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; substantial research and development costs needed to develop and commercialize new products; selection of Ouster’s products for inclusion in target markets; defects, errors or reliability issues in Ouster’s products; Ouster’s future capital needs and ability to secure additional capital on favorable terms or at all; risks related to Ouster’s indebtedness; its ability to use tax attributes; Ouster’s dependence on key third party suppliers, in particular Benchmark Electronics, Inc. and Fabrinet; Ouster’s ability to maintain inventory and the risk of inventory write-downs; inaccurate forecasts of market growth; Ouster’s ability to manage growth; 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; 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.

## 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.

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Ouster is a global leader  
in 3D lidar



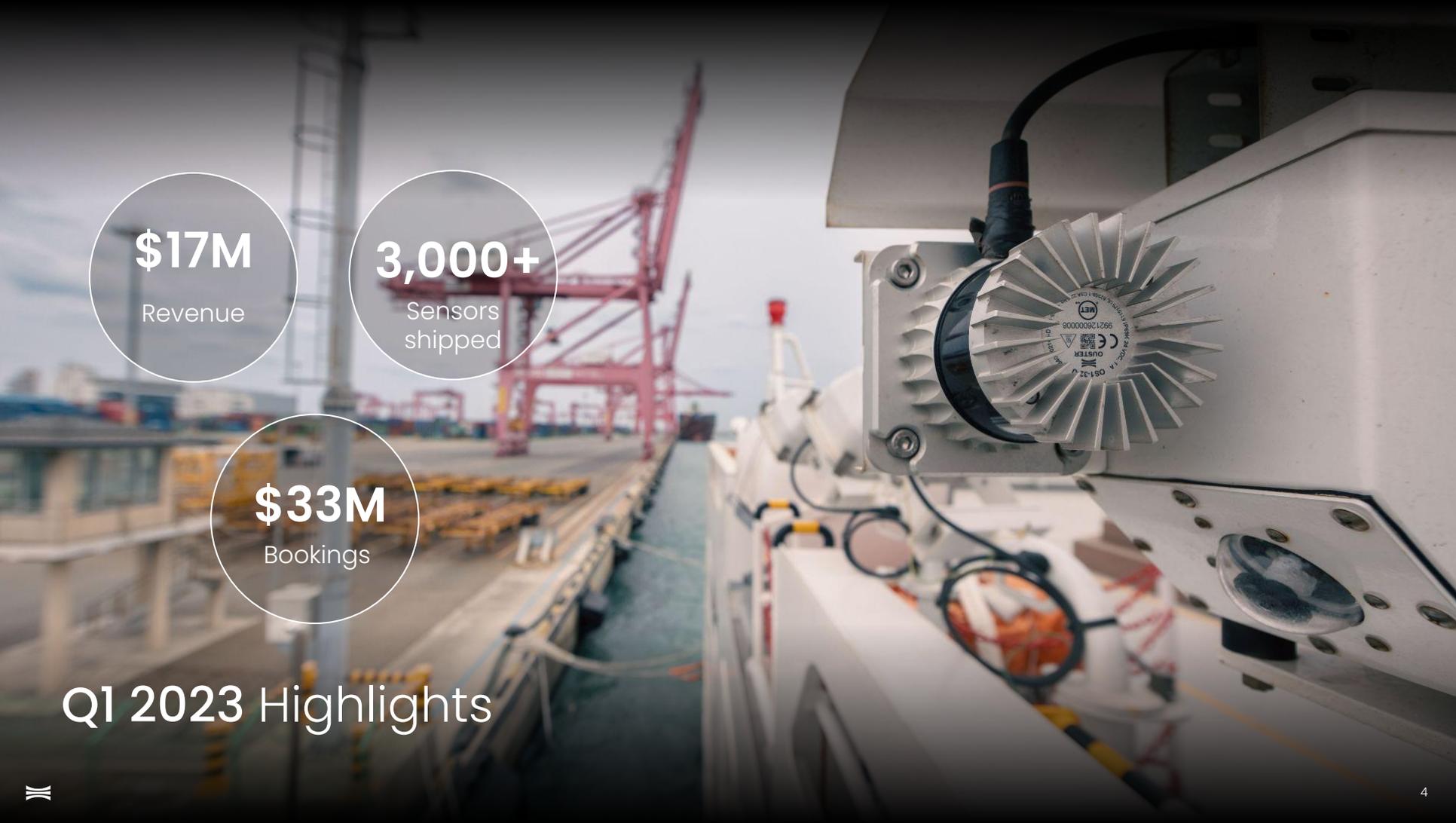
Differentiated Technology



Diversified Business



Strengthened Financial Position



**\$17M**

Revenue

**3,000+**

Sensors  
shipped

**\$33M**

Bookings

**Q1 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



## Ouster awarded serial production win

Alpha Prime™ VLS-128 selected as the exclusive long-range lidar for Motional's all-electric IONIQ 5 robotaxis through 2026

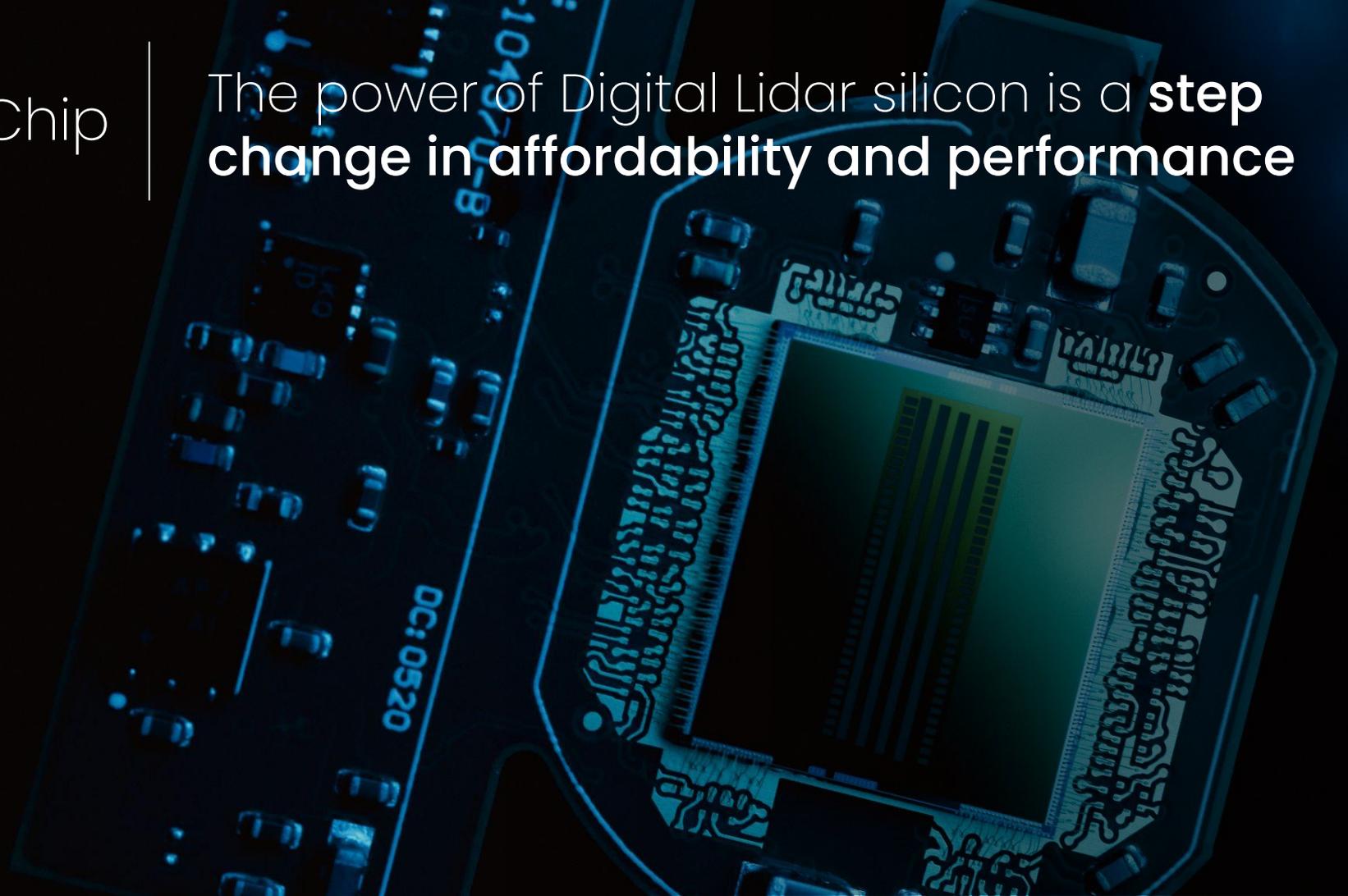


+



# L4 Chip

The power of Digital Lidar silicon is a **step change in affordability and performance**



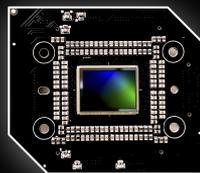
# Digital Flash

# The end-state of automotive lidar

**DF** final form factor

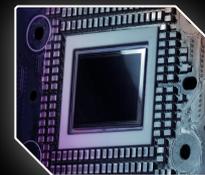


**SYSTEM ON A CHIP PROGRESSION**



Godzilla

2021



Chronos

2023



**True solid state lidar**  
ZERO moving parts



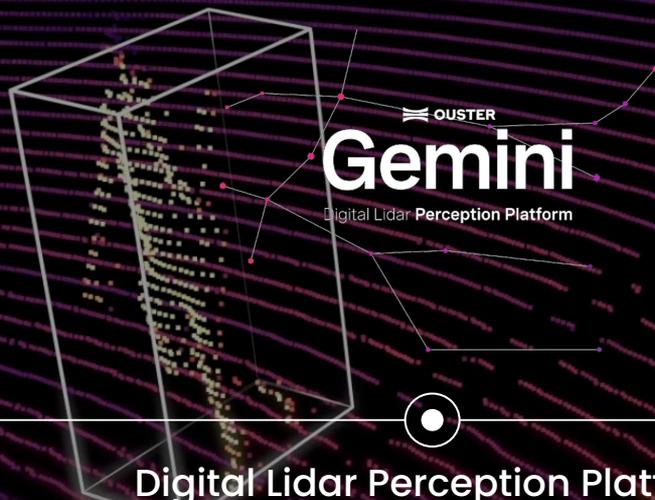
**Multi-sensor suite**  
Common digital architecture across  
short, mid, and long range sensors



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

# Software

# Building a robust software ecosystem



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

# :BlueCity

**Complete Solutions**  
Turnkey traffic management



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

# Q1 2023 Results

**\$17 Million in Revenue**

101% increase over the first quarter of 2022

**\$33 million in Bookings**

\$70 million in bookings in 2022

**(2)% Gross Margin**

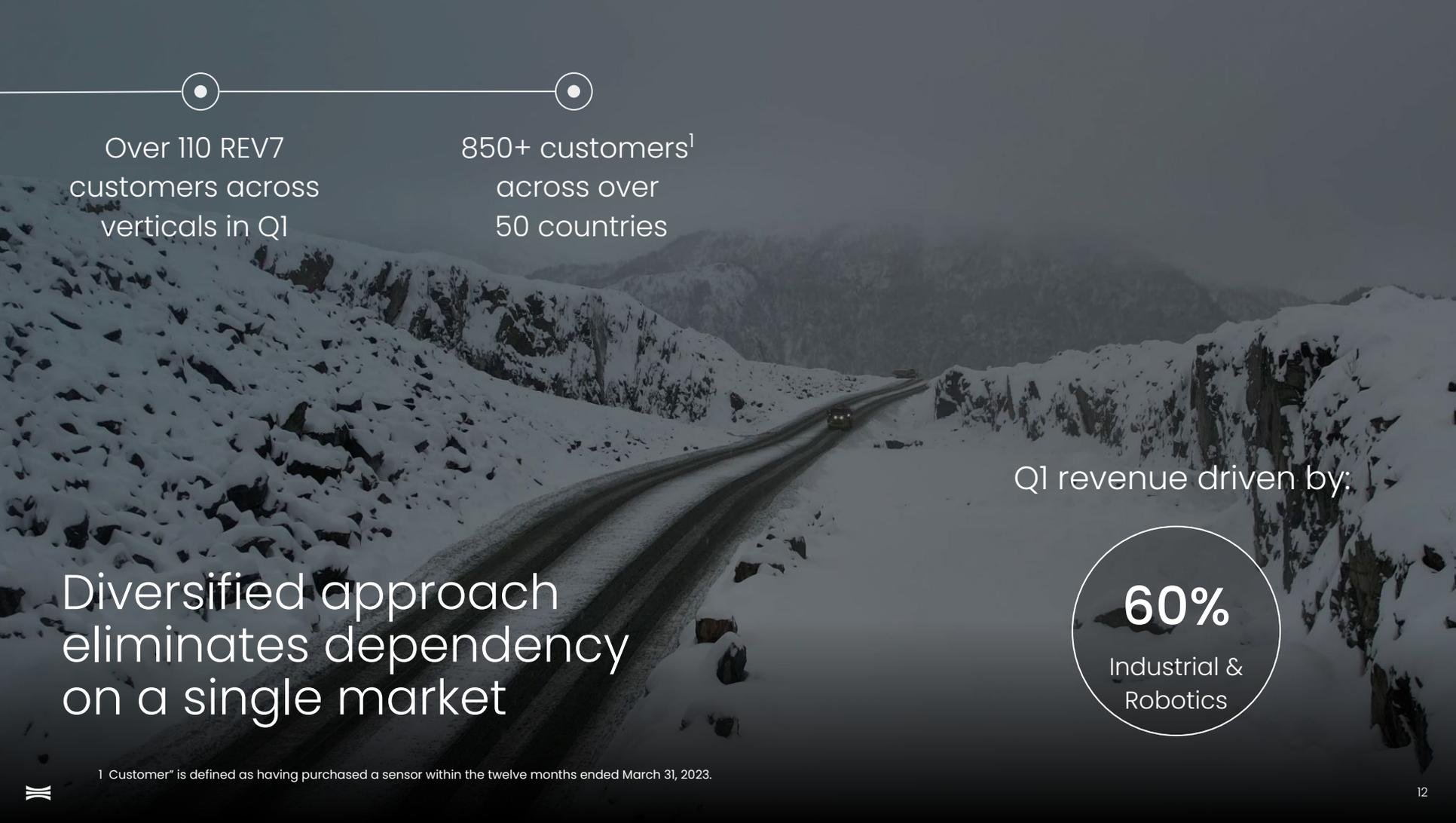
Down from 30% in the first quarter of 2022

25% non-GAAP gross margin<sup>1</sup>

**3,000+ Sensors Shipped**

95% increase over the first quarter of 2022

<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.



Over 110 REV7  
customers across  
verticals in Q1

850+ customers<sup>1</sup>  
across over  
50 countries

Diversified approach  
eliminates dependency  
on a single market

Q1 revenue driven by:

60%

Industrial &  
Robotics

<sup>1</sup> Customer<sup>™</sup> is defined as having purchased a sensor within the twelve months ended March 31, 2023.

# Merger to unlock significant synergies and drive revenue

**Cash balance<sup>1</sup>**  
(as of March 31, 2023)

approximately  
**\$257 million**

**Cost synergies<sup>2</sup>**  
(annualized compared to standalone cost structures as of September 30, 2022)

between  
**\$80–85 million**

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

approximately  
**\$50 million**

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

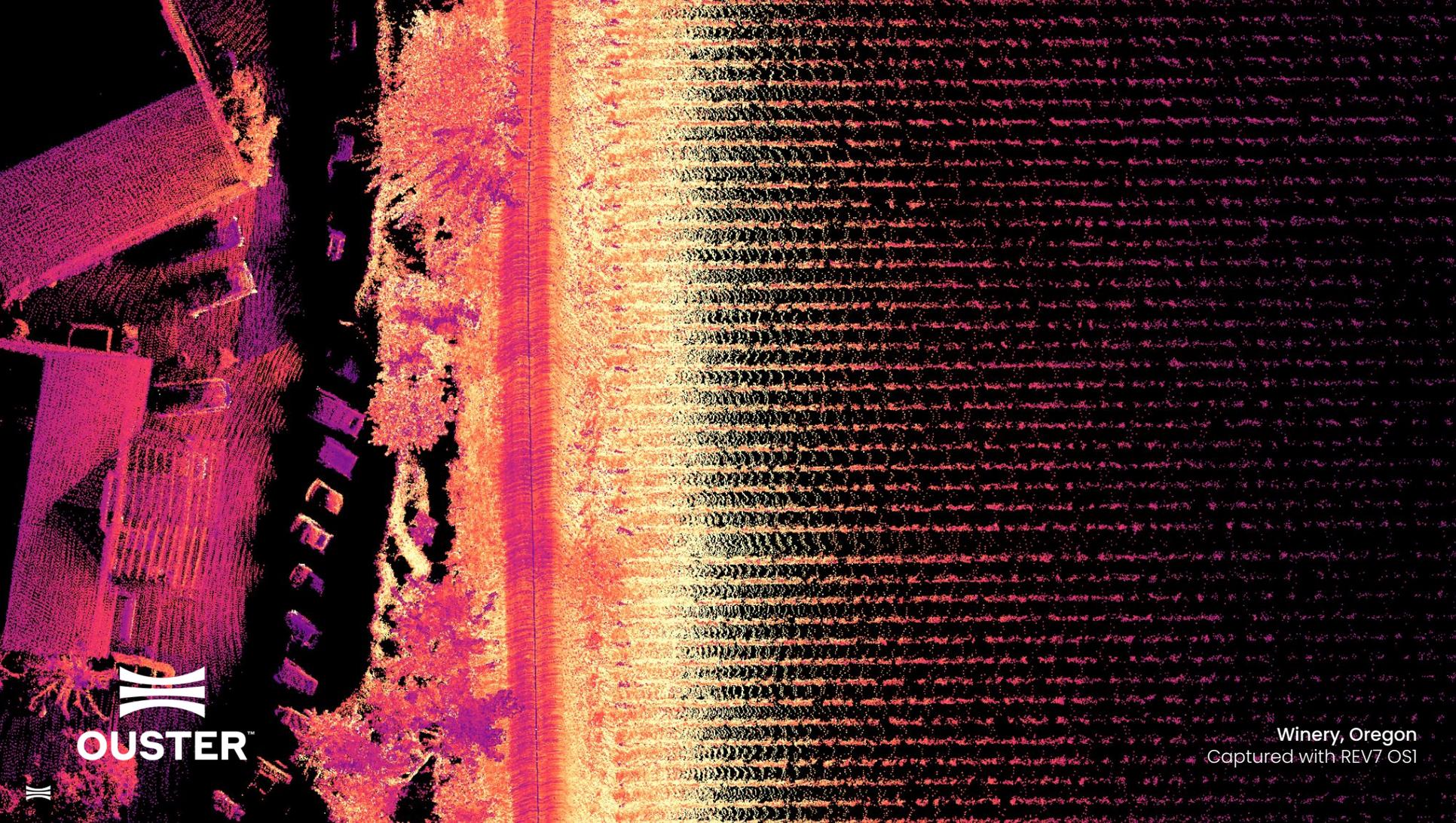
<sup>2</sup> Cost synergies are expected to be realized within 9 months after the transaction-close.

<sup>3</sup> Cost reductions expected to result in additional one-time cash costs of up to \$3 million, excluding stock based compensation expenses.



# Q2 2023 Revenue Guidance

\$18 to 20 Million in Revenue



**OUSTER™**

Winery, Oregon  
Captured with REV7 OS1

# GAAP to Non-GAAP Reconciliation

<b>GROSS PROFIT MARGIN (\$K)</b>	THREE MONTHS ENDED MARCH 31	
	<b>2023</b>	<b>2022</b>
<b>Gross (loss) profit on GAAP basis</b>	(376)	2,591
Stock-Based Compensation	774	217
Amortization of acquired intangible assets	249	-
Excess & obsolete expenses & loss on firm purchases commitments	3,630	-
<b>Gross profit on a non-GAAP basis</b>	<b>4,277</b>	<b>2,808</b>
<b>Gross margin on GAAP basis</b>	<b>(2)%</b>	<b>30%</b>
<b>Gross margin on non-GAAP basis</b>	<b>25%</b>	<b>33%</b>