



Third Quarter 2022 Earnings Update

November 7, 2022

OUST
LISTED
NYSE

Palm Drive, Stanford
Captured with REV7 OS1



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This presentation contains forward-looking statements within the meaning of the federal securities law. Such statements are based upon current plans, estimates and expectations 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 words and terms of similar substance used in connection with any discussion of future plans, actions or events identify forward-looking statements. All statements, other than historical facts, including statements regarding the expected timing of the closing of the merger; the expected benefits and synergies of the merger; the competitive position of the combined company; any assumptions underlying any of the foregoing; the Company’s expected financial results for the year ending December 31, 2022 and the expected financial results of the combined company following the merger; expected growth from technological advancements and new product offerings; anticipated timelines for new product offerings; expected serviceable obtainable market (SOM); and future strategy and market positioning; 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; the negotiating power and product standards of its customers; fluctuations in its operating results; supply chain constraints and challenges; cancellation or postponement of contracts or unsuccessful implementations; the adoption of its products and the growth of the lidar market generally; inability of Ouster of Velodyne to obtain stockholder approval required to consummate the planned merger; conditions to the closing of the merger may not be satisfied; the merger may involve unexpected costs, liabilities or delays; the effect of the announcement of the merger on the ability of Ouster of Velodyne to retain and hire key personnel and maintain relationships with customers, suppliers and others with whom Ouster of Velodyne does business, or on Ouster of Velodyne operating results and business generally; Ouster of Velodyne respective businesses may suffer as a result of uncertainty surrounding the merger and disruption of management’s attention due to the merger; the outcome of any legal proceedings related to the merger; Ouster’s 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 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., and manufacturers; 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 use of professional employer organizations; 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; risks related to the COVID-19 pandemic; risks related to certain of Ouster’s warrants being accounted for as liabilities; and other important factors discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 in Part I, Item 1A, “Risk Factors,” as updated by the Company’s most recent Quarterly Report on Form 10-Q in Part II, Item 1A, “Risk Factors” and as may be further updated from time to time in the Company’s other filings with the SEC. 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.

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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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Disclaimers

Additional Information

In connection with the proposed transaction, Ouster and Velodyne plan to file with the SEC and mail or otherwise provide to their respective stockholders a joint proxy statement/prospectus regarding the proposed transaction. INVESTORS AND OUSTER'S AND VELODYNE'S RESPECTIVE STOCKHOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS FILED BY EACH OF OUSTER AND VELODYNE WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE THEREIN BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Investors and stockholders will be able to obtain a free copy of the Joint Proxy Statement/Prospectus and other documents containing important information about Ouster and Velodyne, once such documents are filed with the SEC, from the SEC's website at www.sec.gov. Ouster and Velodyne make available free of charge at www.ouster.com and www.velodynelidar.com, respectively (in the "Investors" section), copies of materials they file with, or furnish to, the SEC.

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Participants in the Solicitation

Ouster, Velodyne and their respective directors, executive officers and certain employees and other persons may be deemed to be participants in the solicitation of proxies from the stockholders of Ouster and Velodyne in connection with the proposed transaction. Securityholders may obtain information



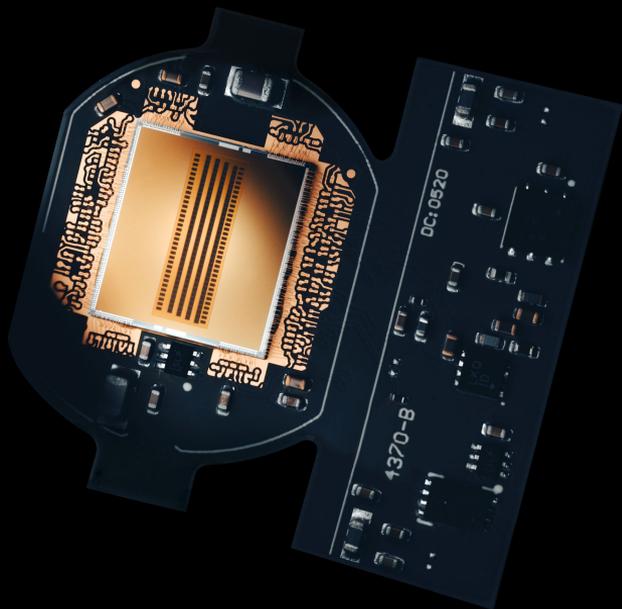


Continued momentum
across verticals in the
third quarter of 2022

- Differentiated Technology
- Diversified Business
- Proven Ability to Execute

L3 Chip

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



21.47 Gmacs

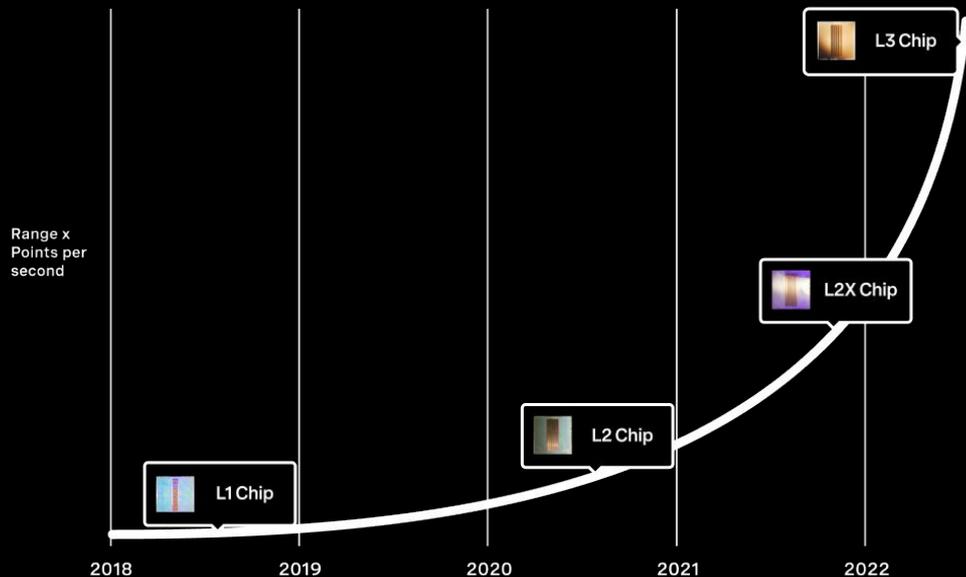
Of signals processing

125 Million

Transistors on chip

5.2 Million

Max points per second



REV7 is the **highest performing** family of sensors on the market and **doubles Ouster's SOM**¹



OSDome

Hemisphere

Hemispheric 180°
field-of-view with **4x higher**
resolution than competitors²



OS0

Short-Range

1.5x more range than
competitors with **6x higher**
resolution than competitors



OS1

Mid-Range

More than **2x more** range
than competitors, **4x higher**
resolution than competitors,
and **45% lower weight** than
competitors



OS2

Long-Range

Over **200m 10% range**,
and over 400m max range
for automotive applications

¹"SOM" Serviceable obtainable market based on third party data and internal estimates; ² Competitor comparison data based on publicly available data for highest performing products in the market

REV7 met with fantastic early customer response as production ramps

Industrial traction

Signed a multi-year SCA for several hundred OS1 and OS0 REV7 sensors through 2023 to equip commercial applications, including transit buses, class 8 trucks, and yard trucks.

Smart infrastructure traction

- One of the world's largest companies will deploy several hundred sensors across select retail stores for an initial rollout of crowd analytics technology
- Skyfii will offer the OSDome as part of its crowd analytics solution to help businesses enhance the guest experience, boost revenue, and optimize operational efficiency

Bringing Digital Lidar to Automotive

Solid-state short, medium, and long-range sensors for series production vehicles

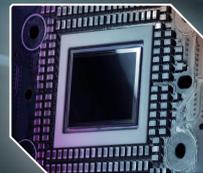
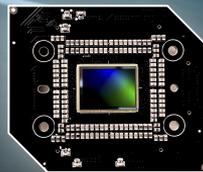


Digital Flash Series powered by Chronos silicon

SYSTEM ON A CHIP PROGRESSION

40nm

XXnm



Godzilla

Chronos

2021

2023

Ouster is well positioned to capture fast-growing markets

Four major catalysts for growth

1

L3 CHIP

Our single biggest performance jump, ever

2

DF SERIES

Developing cutting edge, automotive-ready solid-state DF sensors

3

CERTIFICATIONS

Progress towards ASIL-B, SIL-2, and NEMA-TS2

4

SOFTWARE ECOSYSTEM

Developer tools, partners, and new verticalized solutions



Proposed Merger of Equals with Velodyne expected to:

● Accelerate Lidar Adoption

Complementary customers,
partners, distribution channels

Reduced product costs

● Strengthen Financial Position

Operational synergies to drive
efficient cost-structure

Extend cash runway and drive path
to profitability



Q3 2022 Results

¹Strategic 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.

\$11.2 Million in Revenue

44% increase over the third quarter of 2021

8% increase over the second quarter of 2022

33% Gross Margins

Up from 24% in the third quarter of 2021

Up from 27% in the second quarter of 2022

2,136 Sensors Shipped

31% increase over the third quarter of 2021

7% increase over the second quarter of 2022

Approximately 16,000 sensors shipped to date

84 SCAs Through Q2 2022¹



Approximately 80
new customers
across verticals in Q2

84 Strategic Customer
Agreements

700+ customers¹
across 50 countries

Multi-market approach
eliminates dependency
on a single market

Q3 revenue driven by:

38%
Industrial

37%
Robotics



Reiterate 2022 Revenue Guidance

\$40 to 55 Million in Revenue

Reiterate 2022 Gross Margin Target

25 to 30% Margins

**Full Year 2022
Guidance**

Focused on three key areas to strengthen our business

Cash balance approximately \$135 million¹

Strategic Fundraising

Drew remaining \$20 million on term loan facility
Raised approximately \$1.8 million through ATM²

Targeted Spend

Initiatives to improve cost structure
Manufacturing efforts to reduce our bill of materials and improve margins

Accelerated Growth

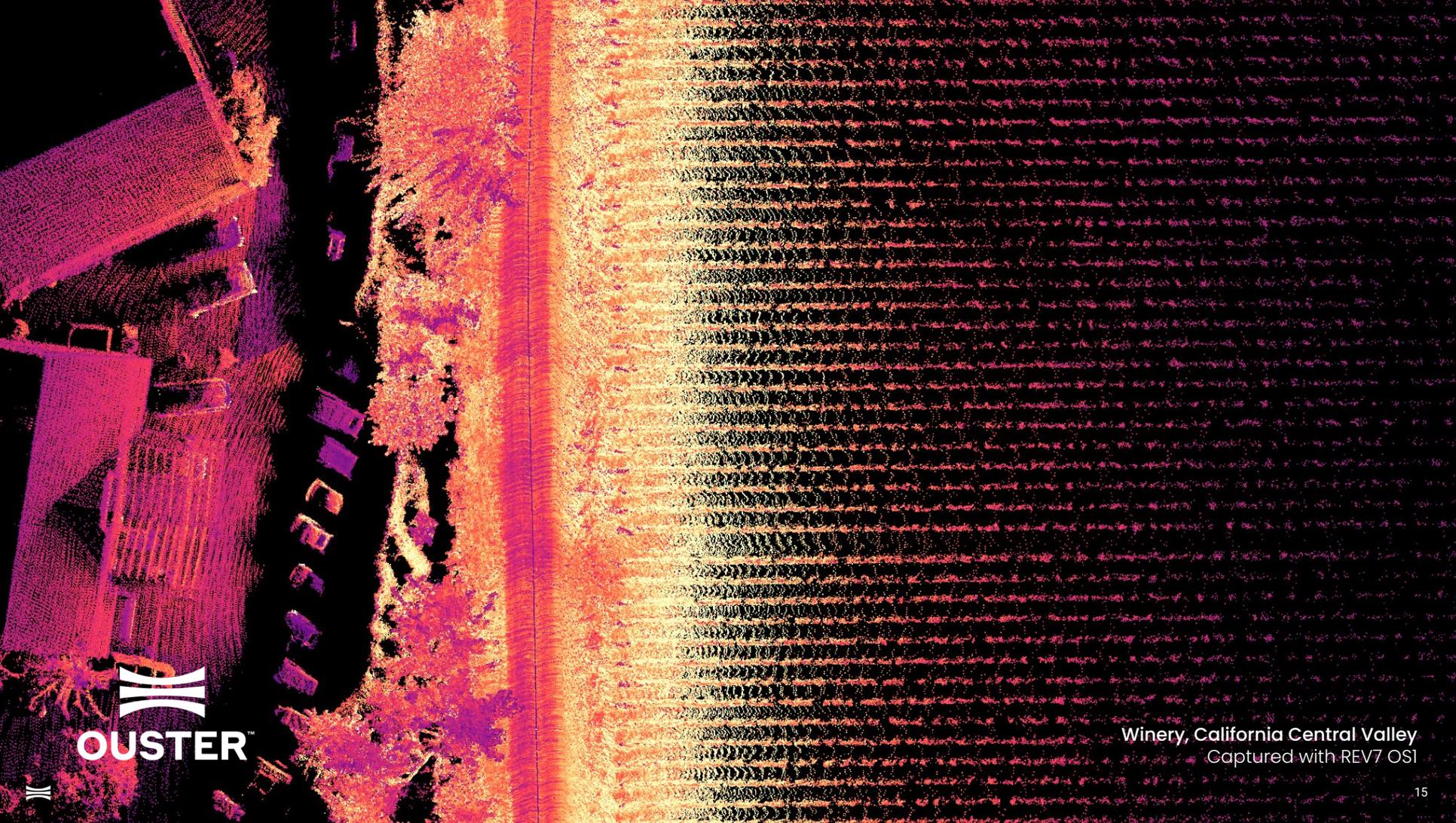
Launched REV7 suite of sensors, powered by L3 chip, doubling our serviceable obtainable market

Focus commercial efforts on large customers in established markets



¹Cash balance as of September 30, 2022 was approximately \$135 million

²At-The-Market ("ATM") Offering



OUSTER™

Winery, California Central Valley
Captured with REV7 OS1