

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**  
**Date of report (Date of earliest event reported): November 9, 2021**

**VROOM, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation or organization)

**001-39315**  
(Commission  
File Number)

**90-1112566**  
(I.R.S. Employer  
Identification No.)

**1375 Broadway, Floor 11**  
**New York, New York 10018**  
(Address of principal executive offices) (Zip Code)

**(855) 524-1300**  
(Registrant's telephone number, include area code)

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, \$0.001 par value per share	VRM	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On November 9, 2021, Vroom, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended September 30, 2021. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 7.01. Regulation FD Disclosure.**

On November 10, 2021, members of the Company’s management will hold an earnings conference call to discuss the Company’s financial results for the quarter ended September 30, 2021, and the presentation furnished as Exhibit 99.2 to this Current Report on Form 8-K will accompany management’s comments.

The information contained in Item 2.02, including Exhibit 99.1 hereto and in Item 7.01, including Exhibit 99.2 hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filings, unless expressly incorporated by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits relating to Item 2.02 and Item 7.01 shall be deemed to be furnished, and not filed:

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release dated November 9, 2021.</a>
99.2	<a href="#">Earnings Conference Call Presentation for the Quarter Ended September 30, 2021.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 9, 2021

VROOM, INC.

By: /s/ Robert R. Krakowiak

Robert R. Krakowiak

Chief Financial Officer

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**Vroom Reports Strong Third Quarter 2021 Results****Vroom Delivers Record Ecommerce Units and Gross Profit****Ecommerce Unit Sales Up 123% YoY****Ecommerce Gross Profit Up 161% YoY**

NEW YORK – November 9, 2021 – Vroom, Inc. (Nasdaq:VRM), a leading ecommerce platform for buying and selling used vehicles, today announced financial results for the third quarter ended September 30, 2021 ("Q3 2021").

**HIGHLIGHTS OF THIRD QUARTER 2021**

- 19,683 ecommerce units sold, up 123% YoY
- Ecommerce revenue of \$701.7 million, up 216% YoY
- Ecommerce gross profit of \$50.4 million, up 161% YoY
- Vroom enters into definitive agreement to acquire United Auto Credit Corporation ("UACC")
- Vroom appoints new Chief Financial Officer

Paul Hennessy, Chief Executive Officer of Vroom, commented:

"Vroom had yet another strong quarter that continued the momentum that has been building all year. By executing well across our organization, we delivered triple digit year-over-year growth in both ecommerce units and gross profit, as well as improvement in unit economics. We also continued to optimize our mix of inventory sources throughout the quarter, with approximately 81% of our retail inventory sold sourced from consumers, enabling us to scale our inventory while maintaining strong unit economics. Looking ahead, we intend to continue to focus on strong execution and maintain the momentum in our business to drive continued growth in unit sales and on improving unit economics. We also are excited to move forward with our acquisition of United Auto Credit Corporation, which will accelerate our strategic objective to establish a captive financing arm."

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### THIRD QUARTER 2021 FINANCIAL DISCUSSION

All financial comparisons are on a year-over-year basis unless otherwise noted.

#### Ecommerce Results

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2021	2020	Change	% Change	2021	2020	Change	% Change
	(in thousands, except unit data and average days to sale)				(in thousands, except unit data and average days to sale)			
Ecommerce units sold	19,683	8,823	10,860	123.1%	53,455	23,466	29,989	127.8%
Ecommerce revenue:								
Vehicle revenue	\$ 677,170	\$ 213,943	\$ 463,227	216.5%	\$ 1,644,494	\$ 610,008	\$ 1,034,486	169.6%
Product revenue	24,508	7,818	16,690	213.5%	59,155	20,493	38,662	188.7%
Total ecommerce revenue	<u>\$ 701,678</u>	<u>\$ 221,761</u>	<u>\$ 479,917</u>	<u>216.4%</u>	<u>\$ 1,703,649</u>	<u>\$ 630,501</u>	<u>\$ 1,073,148</u>	<u>170.2%</u>
Ecommerce gross profit:								
Vehicle gross profit	\$ 25,875	\$ 11,486	\$ 14,389	125.3%	\$ 72,704	\$ 20,296	\$ 52,408	258.2%
Product gross profit	24,508	7,818	16,690	213.5%	59,155	20,493	38,662	188.7%
Total ecommerce gross profit	<u>\$ 50,383</u>	<u>\$ 19,304</u>	<u>\$ 31,079</u>	<u>161.0%</u>	<u>\$ 131,859</u>	<u>\$ 40,789</u>	<u>\$ 91,070</u>	<u>223.3%</u>
Average vehicle selling price per ecommerce unit	\$ 34,404	\$ 24,248	\$ 10,156	41.9%	\$ 30,764	\$ 25,995	\$ 4,769	18.3%
Gross profit per ecommerce unit:								
Vehicle gross profit per ecommerce unit	\$ 1,315	\$ 1,302	\$ 13	1.0%	\$ 1,360	\$ 865	\$ 495	57.2%
Product gross profit per ecommerce unit	1,245	886	359	40.5%	1,107	873	234	26.8%
Total gross profit per ecommerce unit	<u>\$ 2,560</u>	<u>\$ 2,188</u>	<u>\$ 372</u>	<u>17.0%</u>	<u>\$ 2,467</u>	<u>\$ 1,738</u>	<u>\$ 729</u>	<u>41.9%</u>
Ecommerce average days to sale	68	52	16	30.8%	73	62	11	17.7%

### ***Ecommerce Units***

Ecommerce units sold increased 123.1% to 19,683 driven by higher inventory levels, strong national brand recognition driven by our national advertising campaign and increased marketing spend, and increased demand due to growing consumer acceptance of our business model. The increase was also attributable to strong market demand generally for used vehicles, caused in part by the shortage of microchips and delays in new car manufacturing. Average monthly unique visitors to our platform increased 140.9% to 2,236,168.

### ***Ecommerce Revenue***

Ecommerce revenue increased 216.4% to \$701.7 million.

- Ecommerce Vehicle revenue increased 216.5% to \$677.2 million. The increase in ecommerce Vehicle revenue was primarily attributable to the increase in ecommerce units sold as well as an increase in the average selling price per unit, which increased from \$24,248 to \$34,404, primarily attributable to market appreciation.
- Ecommerce Product revenue increased 213.5% to \$24.5 million. The increase in ecommerce Product revenue was primarily attributable to the increase in ecommerce units sold as well as an increase in ecommerce Product revenue per unit, which increased from \$886 to \$1,245 per unit.

### ***Ecommerce Gross Profit***

Ecommerce gross profit increased 161.0% to \$50.4 million.

- Ecommerce Vehicle gross profit increased 125.3% to \$25.9 million. The increase in ecommerce Vehicle gross profit was primarily due to an increase in ecommerce units sold.
- Ecommerce Product gross profit increased 213.5% to \$ 24.5 million. The increase in ecommerce Product gross profit was primarily attributable to the increase in ecommerce units sold as well as an increase in ecommerce Product gross profit per unit, which increased from \$886 to \$1,245 per unit.

### ***Ecommerce Gross Profit per Unit***

Ecommerce gross profit per unit increased 17.0% to \$2,560.

- Ecommerce Vehicle gross profit per unit increased slightly to \$1,315, primarily driven by improvements in reconditioning costs, partially offset by lower sales margins as a result of higher purchase prices of vehicle acquisitions.
- Ecommerce Product gross profit per unit increased 40.5% to \$1,245, primarily driven by higher attachment rates and an increase in the average loan size as a result of a higher average selling price per unit.

## Results by Segment

	Three Months Ended September 30,		Change	% Change	Nine Months Ended September 30,		Change	% Change
	2021	2020 <sup>(1)</sup>			2021	2020 <sup>(1)</sup>		
	(in thousands, except unit data)				(in thousands, except unit data)			
<b>Units:</b>								
Ecommerce	19,683	8,823	10,860	123.1%	53,455	23,466	29,989	127.8%
Wholesale	9,760	6,166	3,594	58.3%	28,421	14,110	14,311	101.4%
TDA	1,749	1,463	286	19.5%	5,107	5,608	(501)	(8.9)%
<b>Total units</b>	<b>31,192</b>	<b>16,452</b>	<b>14,740</b>	<b>89.6%</b>	<b>86,983</b>	<b>43,184</b>	<b>43,799</b>	<b>101.4%</b>
<b>Revenue:</b>								
Ecommerce	\$ 701,678	\$ 221,761	\$ 479,917	216.4%	\$ 1,703,649	\$ 630,501	\$ 1,073,148	170.2%
Wholesale	131,306	63,972	67,334	105.3%	377,438	170,469	206,969	121.4%
TDA	60,582	36,955	23,627	63.9%	158,928	149,858	9,070	6.1%
All Other <sup>(2)</sup>	3,190	317	2,873	906.3%	9,749	1,043	8,706	834.7%
<b>Total revenue</b>	<b>\$ 896,756</b>	<b>\$ 323,005</b>	<b>\$ 573,751</b>	<b>177.6%</b>	<b>\$ 2,249,764</b>	<b>\$ 951,871</b>	<b>\$ 1,297,893</b>	<b>136.4%</b>
<b>Gross profit:</b>								
Ecommerce	\$ 50,383	\$ 19,304	\$ 31,079	161.0%	\$ 131,859	\$ 40,789	\$ 91,070	223.3%
Wholesale	2,103	3,343	(1,240)	(37.1)%	10,337	1,506	8,831	586.4%
TDA	3,805	2,675	1,130	42.2%	9,743	8,799	944	10.7%
All Other <sup>(2)</sup>	1,798	123	1,675	1,361.8%	5,454	345	5,109	1,480.9%
<b>Total gross profit</b>	<b>\$ 58,089</b>	<b>\$ 25,445</b>	<b>\$ 32,644</b>	<b>128.3%</b>	<b>\$ 157,393</b>	<b>\$ 51,439</b>	<b>\$ 105,954</b>	<b>206.0%</b>
<b>Gross profit per unit <sup>(3)</sup>:</b>								
Ecommerce	\$ 2,560	\$ 2,188	\$ 372	17.0%	\$ 2,467	\$ 1,738	\$ 729	41.9%
Wholesale	\$ 215	\$ 542	\$ (327)	(60.3)%	\$ 364	\$ 107	\$ 257	240.2%
TDA	\$ 2,175	\$ 1,828	\$ 347	19.0%	\$ 1,907	\$ 1,569	\$ 338	21.5%

(1) We reclassified other revenue and gross profit related to the vehicle repair service at TDA from the TDA reportable segment to the "All Other" category to conform to current year presentation.

(2) All Other revenues and gross profit consist of the CarStory business and vehicle repair services at TDA.

(3) Gross profit per unit metrics exclude the CarStory business and vehicle repair services at TDA.

### Total Units

Total units sold increased 89.6% to 31,192.

- Ecommerce units sold increased 123.1% to 19,683, as discussed above.
- Wholesale units sold increased 58.3% to 9,760, primarily driven by an increase in wholesale units purchased from consumers, a higher number of trade-in vehicles associated with the increase in the number of ecommerce units sold and strong wholesale market demand for used vehicles.
- TDA units sold increased 19.5% to 1,749, primarily due to strong market demand generally for used vehicles and higher inventory levels.

### Total Revenue

Total revenue increased 177.6% to \$896.8 million.

- Ecommerce revenue increased 216.4% to \$701.7 million, as discussed above.

- Wholesale revenue increased 105.3% to \$131.3 million. The increase in wholesale revenue was primarily attributable to the increase in wholesale units sold as well as a higher average selling price per unit, which increased from \$10,375 to \$13,453, primarily attributable to market appreciation.
- TDA revenue increased 63.9% to \$60.6 million, primarily due to a higher average selling price per unit, which increased from \$24,316 to \$33,474 as well as the increase in TDA units sold.

### Total Gross Profit

Total gross profit increased 128.3% to \$58.1 million.

- Ecommerce gross profit increased 161.0% to \$50.4 million, as discussed above.
- Wholesale gross profit decreased 37.1% to \$2.1 million. Wholesale gross profit decreased primarily due to a lower Wholesale gross profit per unit of \$327, partially offset by an increase in wholesale units sold.
- TDA gross profit increased 42.2% to \$3.8 million. TDA gross profit increased primarily due to an increase in TDA gross profit per unit of \$347 as well as an increase in TDA units sold.

### Gross Profit per Unit

- Ecommerce gross profit per unit increased 17.0% to \$2,560, as discussed above.
- Wholesale gross profit per unit decreased 60.3% to \$215 as a result sales margin compression due to unfavorable wholesale price movements, which declined during the first half of the third quarter of 2021.
- TDA gross profit per unit increased 19.0% to \$2,175 driven by increased TDA product gross profit per unit of \$221, primarily due to improvements in inbound logistics costs and increased TDA vehicle gross profit per unit of \$126, primarily due to an increase in the average loan size as a result of a higher average selling price per unit.

### SG&A

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2021	2020	Change	% Change	2021	2020	Change	% Change
	(in thousands)				(in thousands)			
Compensation & benefits	\$ 53,900	\$ 22,881	\$ 31,019	135.6%	\$ 145,580	\$ 63,821	\$ 81,759	128.1%
Marketing expense	35,214	15,341	19,873	129.5%	88,267	44,829	43,438	96.9%
Outbound logistics	22,717	8,500	14,217	167.3%	57,987	19,762	38,225	193.4%
Occupancy and related costs	4,635	2,610	2,025	77.6%	12,599	7,574	5,025	66.3%
Professional fees	7,694	1,773	5,921	334.0%	15,951	5,697	10,254	180.0%
Other	24,558	10,022	14,536	145.0%	61,098	25,735	35,363	137.4%
Total selling, general & administrative expenses	<u>\$ 148,718</u>	<u>\$ 61,127</u>	<u>\$ 87,591</u>	<u>143.3%</u>	<u>\$ 381,482</u>	<u>\$ 167,418</u>	<u>\$ 214,064</u>	<u>127.9%</u>



Selling, general and administrative expenses increased 143.3% to \$148.7 million. The increase was primarily due to:

- \$31.0 million increase in compensation and benefits due to an increase in headcount and an increase in variable fees for third-party sales and sales support providers as a result of an increase in units sold;
- \$19.9 million increase in marketing expense as we expanded our national broad-reach brand advertising, produced new commercials, and increased performance and online marketing as we continue to grow our listed inventory;
- \$14.2 million increase in outbound logistics costs primarily attributable to the growth in ecommerce units sold, which increased outbound logistics costs by \$10.5 million, and increases in market rates of logistics providers, which increased outbound logistics costs by \$3.7 million;
- \$5.9 million increase in professional fees primarily related to acquisition related costs incurred in connection with the definitive agreement to acquire UACC, as well as increased consulting expenses in the marketing and engineering departments; and
- \$14.5 million increase in other selling, general and administrative expenses primarily related to volume-based fees for software licenses and other variable expenses as our business continues to scale as well as additional insurance costs associated with being a publicly traded company and growing inventory.

We expect selling, general and administrative expenses to increase in the future as we continue to scale our business, integrate and invest in UACC, invest in and improve our customer experience, and continue expanding our proprietary logistics and reconditioning networks.

### **Loss from Operations and Net Loss**

Loss from operations increased 154.9% to \$94.0 million. Net loss increased 159.2% to \$98.1 million.

### **Non-GAAP Financial Measures**

In addition to our results determined in accordance with U.S. GAAP, we believe the following non-GAAP financial measures are useful in evaluating our operating performance: EBITDA, Adjusted EBITDA, Adjusted loss from operations, Non-GAAP net loss, Non-GAAP net loss per share and Non-GAAP net loss per share, as adjusted. These non-GAAP financial measures have limitations as analytical tools in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with U.S. GAAP. Because of these limitations, these non-GAAP financial measures should be considered along with other operating and financial performance measures presented in accordance with U.S. GAAP. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with U.S. GAAP. We have reconciled all non-GAAP financial measures with the most directly comparable U.S. GAAP financial measures.

EBITDA, Adjusted EBITDA, Adjusted loss from operations, Non-GAAP net loss, Non-GAAP net loss per share and Non-GAAP net loss per share, as adjusted are supplemental performance measures that our management uses to assess our operating performance and the operating leverage in our business. Because EBITDA, Adjusted EBITDA, Adjusted loss from operations, Non-GAAP net loss, Non-GAAP net loss per share and Non-GAAP net loss per share, as adjusted, facilitate internal comparisons of our historical operating performance on a more consistent basis, we use these measures for business planning purposes.

## EBITDA and Adjusted EBITDA

We calculate EBITDA as net loss before interest expense, interest income, income tax expense and depreciation and amortization expense and we calculate Adjusted EBITDA as EBITDA adjusted to exclude the one-time, IPO related acceleration of non-cash stock-based compensation expense, the one-time, IPO related non-cash revaluation of a preferred stock warrant and costs related to our acquisition of UACC. The following table presents a reconciliation of EBITDA and Adjusted EBITDA to net loss, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Net loss	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Adjusted to exclude the following:				
Interest expense	7,028	2,259	14,720	6,382
Interest income	(2,930)	(1,289)	(7,288)	(3,960)
Provision for income taxes	29	33	379	138
Depreciation and amortization expense	3,469	1,196	9,497	3,255
EBITDA	<u>\$ (90,526)</u>	<u>\$ (35,651)</u>	<u>\$ (223,810)</u>	<u>\$ (136,322)</u>
One-time IPO related acceleration of non-cash stock-based compensation	—	—	—	1,262
One-time IPO related non-cash revaluation of preferred stock warrant	—	—	—	20,470
Acquisition related costs	3,412	—	3,412	—
Adjusted EBITDA	<u>\$ (87,114)</u>	<u>\$ (35,651)</u>	<u>\$ (220,398)</u>	<u>\$ (114,590)</u>

## Adjusted loss from Operations

We calculate Adjusted loss from operations as loss from operations adjusted to exclude the one-time, IPO related acceleration of non-cash stock-based compensation expense and costs related to our acquisition of UACC. The following table presents a reconciliation of Adjusted loss from operations to loss from operations, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Loss from operations	\$ (94,005)	\$ (36,873)	\$ (233,365)	\$ (119,218)
Add: One-time IPO related acceleration of non-cash stock based compensation	—	—	—	1,262
Add: Acquisition related costs	3,412	—	3,412	—
Adjusted loss from operations	<u>\$ (90,593)</u>	<u>\$ (36,873)</u>	<u>\$ (229,953)</u>	<u>\$ (117,956)</u>

## Non-GAAP net loss, Non-GAAP net loss per share and Non-GAAP net loss per share, as adjusted

We calculate Non-GAAP net loss as net loss adjusted to exclude the one-time, IPO related acceleration of non-cash stock-based compensation expense, the one-time, IPO related non-cash revaluation of a preferred stock warrant and costs related to our acquisition of UACC. We calculate Non-GAAP net loss per share as Non-GAAP net loss divided by weighted average number of shares outstanding. The following table presents a reconciliation of Non-GAAP net loss and Non-GAAP net loss per share to net loss and net loss per share, which are the most directly comparable U.S. GAAP measures:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)			
Net loss	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Net loss attributable to common stockholders	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Add: One-time IPO related acceleration of non-cash stock based compensation	—	—	—	1,262
Add: One-time IPO related non-cash revaluation of preferred stock warrant	—	—	—	20,470
Add: Acquisition related costs	3,412	—	3,412	—
Non-GAAP net loss	\$ (94,710)	\$ (37,850)	\$ (237,706)	\$ (120,405)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,766,015	121,123,472	136,256,901	53,731,475
Net loss per share, basic and diluted	\$ (0.72)	\$ (0.31)	\$ (1.77)	\$ (2.65)
Impact of one-time IPO related acceleration of non-cash stock based compensation	—	—	—	0.02
Impact of one-time IPO related non-cash revaluation of preferred stock warrant	—	—	—	0.38
Impact of acquisition related costs	0.02	—	0.03	—
Non-GAAP net loss per share, basic and diluted	\$ (0.70)	\$ (0.31)	\$ (1.74)	\$ (2.25)
Non-GAAP net loss per share, as adjusted, basic and diluted <sup>(a)</sup>	\$ (0.70)	\$ (0.29)	\$ (1.74)	\$ (0.93)

<sup>(a)</sup>Non-GAAP net loss per share, as adjusted has been computed to give effect to, as of the beginning of each period presented, (i) the shares of common stock issued in connection with our IPO, (ii) the automatic conversion of all outstanding shares of redeemable convertible preferred stock into shares of common stock that occurred upon the consummation of our IPO and (iii) the shares of common stock issued with our follow-on public offering. The computation of Non-GAAP net loss per share, as adjusted is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)			
Non-GAAP net loss	\$ (94,710)	\$ (37,850)	\$ (237,706)	\$ (120,405)
Non-GAAP net loss, as adjusted	\$ (94,710)	\$ (37,850)	\$ (237,706)	\$ (120,405)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,766,015	121,123,472	136,256,901	53,731,475
Add: unweighted adjustment for common stock issued in connection with IPO	—	—	—	24,437,500
Add: unweighted adjustment for conversion of redeemable convertible preferred stock in connection with IPO	—	—	—	85,533,394
Add: unweighted adjustment for common stock issued in connection with follow-on public offering	—	10,800,000	—	10,800,000
Less: Adjustment for the impact of the above items already included in weighted-average number of shares outstanding for the periods presented	—	(1,760,869)	—	(44,897,573)
Weighted-average number of shares outstanding used to compute net loss per share, as adjusted, basic and diluted	136,766,015	130,162,603	136,256,901	129,604,796
Non-GAAP net loss per share, as adjusted, basic and diluted	\$ (0.70)	\$ (0.29)	\$ (1.74)	\$ (0.93)

## Financial Outlook

For the full year 2021, we continue to expect triple digit year-over-year growth in ecommerce unit sales and more than 200% year-over-year growth in aggregate gross profit. For the fourth quarter 2021, we expect the following results:

- Ecommerce unit sales of 20,000 to 20,500, implying year over year growth of 84% at the mid-point of the guidance range.
- Average ecommerce selling price per unit of \$35,000 to \$36,000 and average ecommerce gross profit per unit of \$2,100 to \$2,300.
- Wholesale unit sales of 6,500 to 7,500, average selling price per unit of \$13,000 to \$14,000 and average gross profit per unit of \$550 to \$750.
- TDA unit sales of 1,500 to 1,600, average selling price per unit of \$35,000 to \$36,000 and average gross profit per unit of \$1,800 to \$2,000.
- Total revenue of \$865 to \$900 million.
- Total gross profit of \$50 to \$58 million.
- Adjusted EBITDA\* of \$(104) to \$(95) million.
- Stock-based compensation expense of \$4.2 million.
- Net loss per share, as adjusted\* of \$(0.77) to \$(0.70).

\*A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for our fourth quarter 2021 Financial Outlook is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, these costs and expenses that may be incurred in the future. We have provided a reconciliation of GAAP to non-GAAP financial measures for the third quarter 2021 in the reconciliation table in the Non-GAAP Financial Measures section above.

We expect the following number of GAAP weighted average shares outstanding for the fourth quarter and the full year 2021:

	Quarter	YTD
2021	136,897,954	136,417,164

These estimates exclude any shares potentially issuable under stock-based compensation plans.

The foregoing estimates are forward-looking statements that reflect the Company's expectations as of November 9, 2021 and are subject to substantial uncertainty. See "Forward-Looking Statements" below.

## Conference Call & Webcast Information

Vroom management will discuss these results and other information regarding the Company during a conference call and audio webcast Wednesday, November 10, 2021 at 8:30 a.m. ET.

The conference call can be accessed via telephone by dialing 1-833-519-1297 (or 914-800-3868 for international access) and entering the conference ID 5685139. A live audio webcast will also be available at [ir.vroom.com](http://ir.vroom.com). An archived webcast of the conference call will be accessible on the website within 48 hours of its completion.

## **About Vroom (NASDAQ: VRM)**

Vroom is an innovative, end-to-end ecommerce platform that offers a better way to buy and a better way to sell used vehicles. The Company's scalable, data-driven technology brings all phases of the vehicle buying and selling process to consumers wherever they are and offers an extensive selection of vehicles, transparent pricing, competitive financing, and contact-free, at-home pick-up and delivery. For more information visit [www.vroom.com](http://www.vroom.com).

## **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation statements regarding our expectations regarding our business strategy and plans, including our ability to integrate and develop United Auto Credit Corporation into a captive finance operation, as well as our ability to scale our business, grow inventory, expand reconditioning capacity, invest in logistics and improve our end-to-end customer experience, and for future results of operations and financial position, including our ability to improve our unit economics and our outlook for the fourth quarter and the year ended December 31, 2021. These statements are based on management's current assumptions and are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. For factors that could cause actual results to differ materially from the forward-looking statements in this press release, please see the risks and uncertainties identified under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020, as updated by our Quarterly report on Form 10-Q for the quarter ended September 30, 2021, each of which is available on our Investor Relations website at [ir.vroom.com](http://ir.vroom.com) and on the SEC website at [www.sec.gov](http://www.sec.gov). All forward-looking statements reflect our beliefs and assumptions only as of the date of this press release. We undertake no obligation to update forward-looking statements to reflect future events or circumstances.

## **Investor Relations:**

Vroom  
Allen Miller  
[investors@vroom.com](mailto:investors@vroom.com)

## **Media Contact:**

Moxie Communications Group  
Alyssa Galella  
[vroom@moxiegrouppr.com](mailto:vroom@moxiegrouppr.com)  
(562) 294-6261

**VROOM, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share and per share amounts)  
(unaudited)

	As of September 30, 2021	As of December 31, 2020
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 1,326,543	\$ 1,056,213
Restricted cash	69,574	33,826
Accounts receivable, net of allowance of \$4,937 and \$2,803, respectively	89,900	60,576
Inventory	601,753	423,647
Prepaid expenses and other current assets	62,390	23,617
Total current assets	2,150,160	1,597,879
Property and equipment, net	30,559	15,092
Intangible assets, net	29,762	34
Goodwill	158,817	78,172
Operating lease right-of-use assets	16,994	17,137
Other assets	23,251	15,742
Total assets	\$ 2,409,543	\$ 1,724,056
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 59,522	\$ 32,925
Accrued expenses	104,694	59,405
Vehicle floorplan	441,473	329,231
Deferred revenue	64,087	24,822
Operating lease liabilities, current	6,872	6,052
Other current liabilities	66,904	30,275
Total current liabilities	743,552	482,710
Convertible senior notes	609,811	—
Operating lease liabilities, excluding current portion	11,325	12,093
Other long-term liabilities	4,204	2,151
Total liabilities	1,368,892	496,954
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, \$0.001 par value; 500,000,000 shares authorized as of September 30, 2021 and December 31, 2020; 136,897,954 and 134,043,969 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	135	132
Additional paid-in-capital	2,059,505	2,004,841
Accumulated deficit	(1,018,989)	(777,871)
Total stockholders' equity	1,040,651	1,227,102
Total liabilities and stockholders' equity	\$ 2,409,543	\$ 1,724,056

**VROOM, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except share and per share amounts)  
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Revenue:				
Retail vehicle, net	\$ 735,716	\$ 249,518	\$ 1,798,155	\$ 754,380
Wholesale vehicle	131,306	63,972	377,438	170,469
Product, net	26,544	9,198	64,422	25,979
Other	3,190	317	9,749	1,043
Total revenue	896,756	323,005	2,249,764	951,871
Cost of sales	838,667	297,560	2,092,371	900,432
Total gross profit	58,089	25,445	157,393	51,439
Selling, general and administrative expenses	148,718	61,127	381,482	167,418
Depreciation and amortization	3,376	1,191	9,276	3,239
Loss from operations	(94,005)	(36,873)	(233,365)	(119,218)
Interest expense	7,028	2,259	14,720	6,382
Interest income	(2,930)	(1,289)	(7,288)	(3,960)
Revaluation of preferred stock warrant	—	—	—	20,470
Other income, net	(10)	(26)	(58)	(111)
Loss before provision for income taxes	(98,093)	(37,817)	(240,739)	(141,999)
Provision for income taxes	29	33	379	138
Net loss	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.72)	\$ (0.31)	\$ (1.77)	\$ (2.65)
Weighted-average number of shares outstanding used to compute net loss per share attributable to common stockholders, basic and diluted	136,766,015	121,123,472	136,256,901	53,731,475

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

	Nine Months Ended September 30,	
	2021	2020
<b>Operating activities</b>		
Net loss	\$ (241,118)	\$ (142,137)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	9,497	3,255
Amortization of debt issuance costs	1,784	656
Stock-based compensation expense	9,754	8,930
Provision to record inventory at lower of cost or net realizable value	5,625	2,917
Revaluation of preferred stock warrant	—	20,470
Other	4,874	1,331
Changes in operating assets and liabilities:		
Accounts receivable	(32,936)	(4,297)
Inventory	(183,731)	(96,582)
Prepaid expenses and other current assets	(39,356)	(6,639)
Other assets	(7,390)	(2,246)
Accounts payable	26,144	10,478
Accrued expenses	43,512	15,679
Deferred revenue	39,227	(24)
Other liabilities	38,655	5,335
Net cash used in operating activities	(325,459)	(182,874)
<b>Investing activities</b>		
Purchase of property and equipment	(18,786)	(5,057)
Acquisition of business, net of cash acquired	(75,875)	—
Net cash used in investing activities	(94,661)	(5,057)
<b>Financing activities</b>		
Proceeds from vehicle floorplan	1,901,457	842,865
Repayments of vehicle floorplan	(1,789,215)	(767,359)
Payment of vehicle floorplan upfront commitment fees	—	(1,125)
Proceeds from issuance of convertible senior notes	625,000	—
Issuance costs paid for convertible senior notes	(16,129)	—
Proceeds from the issuance of redeemable convertible preferred stock, net	—	21,694
Repurchase of common stock	—	(1,818)
Common stock shares withheld to satisfy employee tax withholding obligations	—	(2,915)
Proceeds from the issuance of common stock in connection with IPO, net of underwriting discount	—	504,023
Payments of costs related to IPO	—	(6,791)
Proceeds from the issuance of common stock in connection with follow-on public offering, net of underwriting discount	—	569,471
Payments of costs related to follow-on public offering	—	(196)
Proceeds from exercise of stock options	5,085	133
Other financing activities	—	(315)
Net cash provided by financing activities	726,198	1,157,667
<b>Net increase in cash, cash equivalents and restricted cash</b>	<b>306,078</b>	<b>969,736</b>
Cash, cash equivalents and restricted cash at the beginning of period	1,090,039	219,587
<b>Cash, cash equivalents and restricted cash at the end of period</b>	<b>\$ 1,396,117</b>	<b>\$ 1,189,323</b>



An aerial photograph of a two-lane asphalt road winding through a dense, lush green forest. A small red car is visible on the road, positioned in the lower right quadrant of the image. The text 'vrooom' is overlaid in a large, white, bold, italicized font on the left side of the image.

# ***vrooom***

**Third-Quarter 2021 Earnings**

**November 2021**

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# disclaimer

## Forward Looking Statements

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## Industry and Market Information

To the extent this presentation includes information concerning the industry and the markets in which the Company operates, including general observations, expectations, market position, market opportunity and market size, such information is based on management's knowledge and experience in the markets in which we operate, including publicly available information from independent industry analysts and publications, as well as the Company's own estimates. Our estimates are based on third-party sources, as well as internal research, which the Company believes to be reasonable, but which are inherently uncertain and imprecise. Accordingly, you are cautioned not to place undue reliance on such market and industry information.

## Financial Presentation and Use of Non-GAAP Financial Measures

Certain monetary amounts, percentages and other figures included in this presentation have been subject to rounding adjustments. Certain other amounts that appear in this presentation may not sum due to rounding.

This presentation contains certain supplemental financial measures that are not calculated pursuant to U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures are in addition to, and not a substitute or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP financial measures have limitations as analytical tools in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with U.S. GAAP. Because of these limitations, these non-GAAP financial measures should be considered along with other operating and financial performance measures presented in accordance with U.S. GAAP. We have reconciled all non-GAAP financial measures with the most directly comparable U.S. GAAP financial measures.

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# introducing bob krakowiak, chief financial officer

appointed new chief financial officer on september 13, 2021

- Previously served as Chief Financial Officer of Stoneridge Corporation for five years
- Held diverse roles in finance and investor relations at Visteon Corporation, Owens Corning, and Kmart Corporation
- In his role as Chief Financial Officer, Bob oversees financial reporting, accounting, tax, treasury, risk management and financial planning and analysis, as well as leading investor relations



**bob krakowiak**  
Chief Financial Officer



# third-quarter summary

## strong unit growth, revenue & gross profit performance

### strong performance in the third quarter

- Triple-digit YoY ecommerce unit growth
- Ecommerce Gross Profit Per Unit (GPPU) beat guidance
- Leveraging operating costs across higher ecommerce transaction volume

### progress on strategic initiatives

- Entered into an agreement to acquire United Auto Credit Corporation (UACC) to establish a captive financing platform
- Expanded last mile reach to over 40% of deliveries
- Sourced 81% of retail units sold direct from consumers

### other developments

- Appointed new Chief Financial Officer (Bob Krakowiak)

#### 3q 2021 performance highlights

	reported results	guidance range
total revenues	\$897 million ✓	\$858 - \$891 million
ecommerce units	19,683	20,000 - 20,500
ecommerce gppu	\$2,560 ✓	\$2,350 - \$2,450
total gross profit	\$58 million ✓	\$51 - \$56 million
adjusted ebitda <sup>(1)</sup>	(\$87) million ✓	(\$100) - (\$92) million
net loss	(\$98) million	N/A

✓ beat guidance

#### 4q 2021 guidance

	low end	high end
total revenues	\$865 million	\$900 million
ecommerce units	20,000	20,500
ecommerce gppu	\$2,100	\$2,300
total gross profit	\$50 million	\$58 million
adjusted ebitda <sup>(1)(2)</sup>	(\$104) million	(\$95) million

(1) Adjusted EBITDA is a non-GAAP measure. For a definition of Adjusted EBITDA and a reconciliation to the most comparable GAAP measure, please see slide 18. 3Q 2021 EBITDA adjusted for \$3.4 million in SG&A costs associated with entering an agreement to acquire UACC.

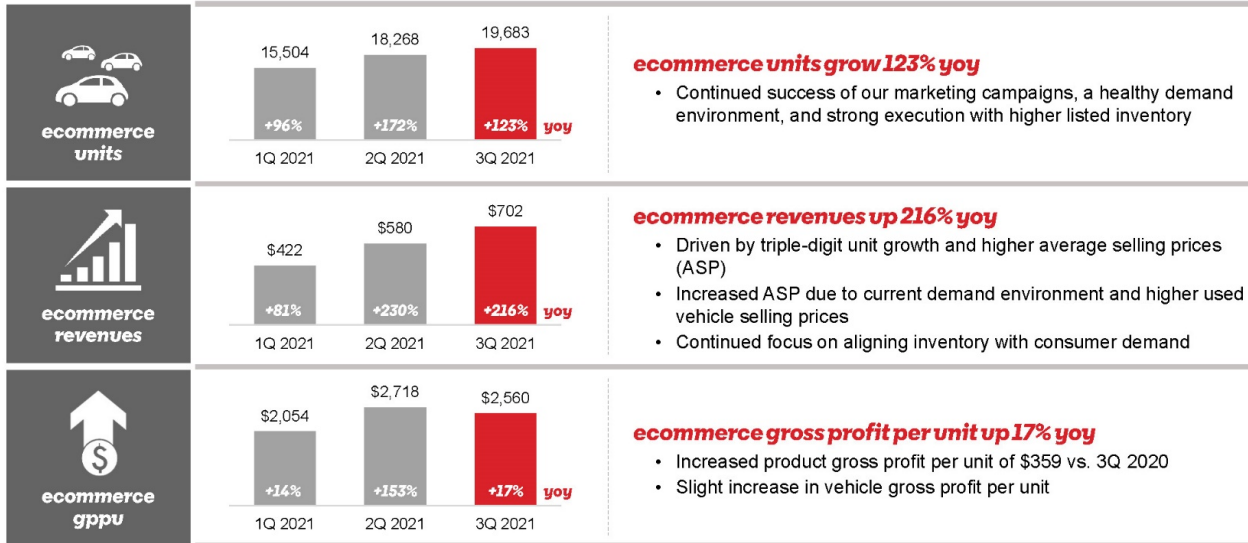
(2) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 4Q 2021 guidance is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, these costs and expenses that may be incurred in the future.



# e-commerce highlights

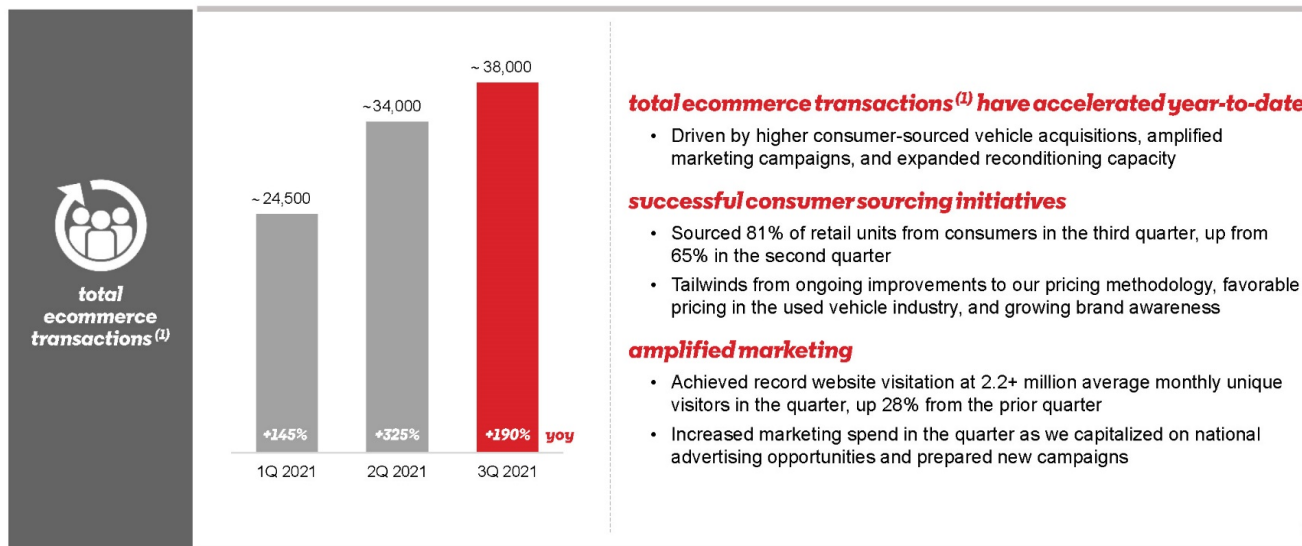
## unit and revenue growth momentum continues

(E-commerce revenues in millions)



# e-commerce unit trends

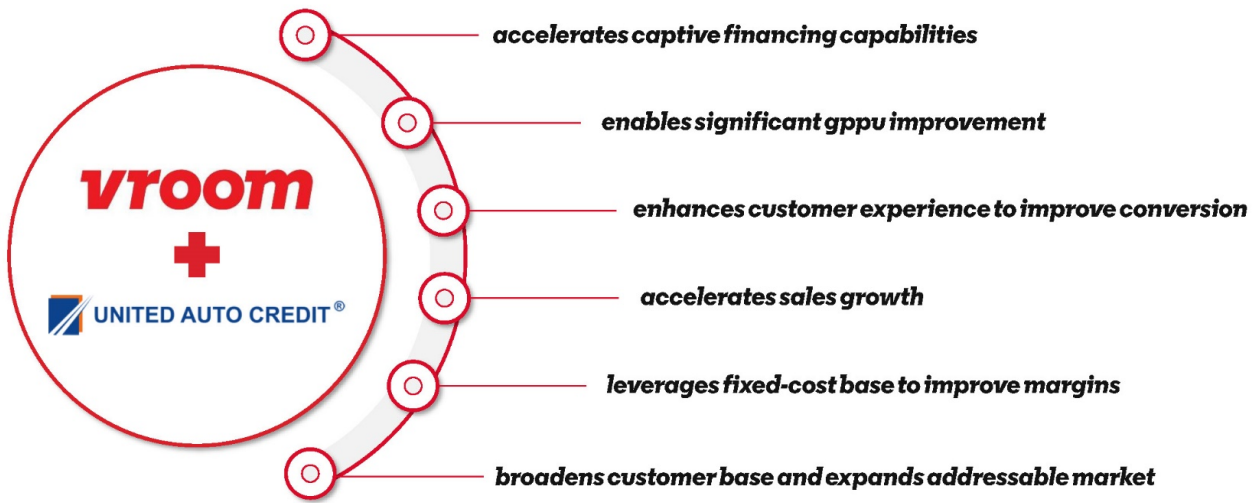
year-to-date total e-commerce transactions up over 200%



(1) Defined as e-commerce vehicle purchases plus e-commerce units sold. Purchases include trade-ins and straight buys and exclude auction-sourced units.

# advancing on our path to profitability through uacc

with uacc, we aim to unlock the benefits of an asset-light captive finance strategy



# supply chain update

on track for our 2021 targets



## investing in our supply chain infrastructure

- Opened our 30<sup>th</sup> last mile hub in third quarter, achieving our annual target one quarter ahead of schedule
  - 41% of ecommerce units delivered with our last mile experience, 15 percentage points higher than second quarter
  - On track to achieve our 50% run-rate delivery penetration target by end of 2021
- Additional in-house linehaul capacity complements and de-risks the business
- Accelerating dedicated Vroom reconditioning center strategy

## supply chain transitory events

- Currently experiencing reconditioning and logistics constraints due to labor shortages and elevated demand at third-party supply chain partners
- Current transitory events putting upward pressure on costs and reducing throughput



# sales support and technology

processing record-breaking transactions, both in purchasing and selling



## **sales support organization**

- We continue to invest in people, processes and tech

## **investing in our ecommerce platform**

- Removing friction from transactions
- Improving the customer experience
- Provide a world-class touchless transaction for both buying and selling vehicles

## **drive efficiency and improve costs through scale**

- Investing today drives us toward a seamless end-to-end ecommerce experience



# summarizing the third quarter

**solid performance and strong momentum as we continue to execute our strategy**



## **strong ecommerce unit growth**

Successful marketing campaigns, healthy demand, and increased listed inventory levels drove 123% YoY growth



## **gppu strength on good execution in a high-demand, constrained supply environment**

Robust expansion in product gross profit per unit and slight increase in vehicle gross profit per unit



## **kept pace with rapid transaction growth across our business**

Total ecommerce transactions increased 190% YoY and 10% from prior quarter <sup>(1)</sup>



## **announced agreement to acquire uacc**

Aimed to accelerate future profitability and expand addressable market



## **on track to meet and exceed key 2021 supply chain targets**

Continued acceleration of last mile program roll out and linehaul investments  
Current transitory events putting upward pressure on costs and reducing throughput

An aerial photograph of a two-lane asphalt road winding through a dense, lush green forest. A small red car is visible on the road, moving away from the viewer. The text 'vrooom' is overlaid in a large, white, italicized font on the left side of the image.

# *vrooom*

Third-Quarter 2021 Financial Update

November 2021

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# third-quarter financial summary

strong revenue and gross profit performance

## 3q 2021 performance highlights

	reported results	guidance range
total revenues	\$897 million ✓	\$858 - \$891 million
ecommerce units	19,683	20,000 - 20,500
ecommerce gppu	\$2,560 ✓	\$2,350 - \$2,450
total gross profit	\$58 million ✓	\$51 - \$56 million
adjusted ebitda <sup>(1)</sup>	(\$87) million ✓	(\$100) - (\$92) million
net loss	(\$98) million	N/A

✓ beat guidance

## 4q 2021 guidance

	low end	high end
total revenues	\$865 million	\$900 million
ecommerce units	20,000	20,500
ecommerce gppu	\$2,100	\$2,300
total gross profit	\$50 million	\$58 million
adjusted ebitda <sup>(1)(2)</sup>	(\$104) million	(\$95) million

### total revenues up 178% yoy from \$323 million

- Primarily driven by higher ecommerce revenues fueled by triple-digit unit growth and higher ASPs

### ecommerce units up 123% yoy from 8,832

- Strong execution against heightened demand environment and amplified marketing strategy

### ecommerce gppu up 17% yoy from \$2,188

- Meaningfully higher product GPPU and slight increase in vehicle GPPU

### total gross profit up 128% yoy from \$25 million

- Driven primarily by expansion of ecommerce GPPU and higher unit volumes

### adjusted ebitda of (\$87) million vs. (\$36) million in 3q 2020<sup>(1)</sup>

### net loss of (\$98) million vs. (\$38) million in 3q 2020

### adjusted eps of (\$0.70) vs. (\$0.29) in 3q 2020<sup>(2)</sup>





### eps of (\$0.72) vs. (\$0.31) in 3q 2020

- (1) Adjusted EBITDA is a non-GAAP measure. For a definition of Adjusted EBITDA and a reconciliation to the most comparable GAAP measure, please see slide 18. 3Q 2021 EBITDA adjusted for \$3.4 million in SG&A costs associated with entering an agreement to acquire UACC.
- (2) EPS adjusted for \$3.4 million in SG&A costs associated with entering an agreement to acquire UACC. EPS, as adjusted is a non-GAAP measure. For a definition of EPS, as adjusted and a reconciliation to the most comparable GAAP measure, please see slides 20 and 21.
- (3) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 4Q 2021 guidance is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, these costs and expenses that may be incurred in the future.

# third-quarter ecommerce financial summary

continued year-over-year growth across all key metrics

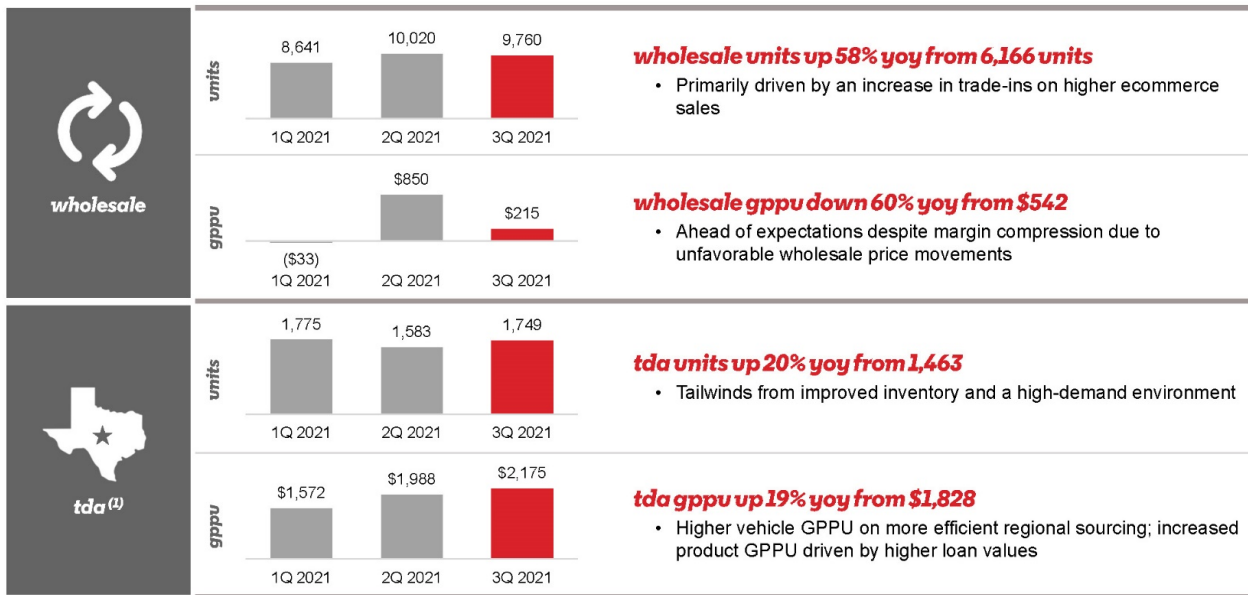
(Ecommerce revenues in millions)

 <p><b>ecommerce units</b></p>	<table border="1"> <tr> <td>15,504</td> <td>18,268</td> <td>19,683</td> </tr> <tr> <td>+96%</td> <td>+172%</td> <td>+123% yoy</td> </tr> <tr> <td>1Q 2021</td> <td>2Q 2021</td> <td>3Q 2021</td> </tr> </table>	15,504	18,268	19,683	+96%	+172%	+123% yoy	1Q 2021	2Q 2021	3Q 2021	<p><b>ecommerce units up 123% yoy from 8,832</b></p> <ul style="list-style-type: none"> <li>Capitalized on heightened demand environment and marketing strategy and strong execution with higher listed inventory</li> </ul>
15,504	18,268	19,683									
+96%	+172%	+123% yoy									
1Q 2021	2Q 2021	3Q 2021									
 <p><b>ecommerce revenues</b></p>	<table border="1"> <tr> <td>\$422</td> <td>\$580</td> <td>\$702</td> </tr> <tr> <td>+81%</td> <td>+230%</td> <td>+216% yoy</td> </tr> <tr> <td>1Q 2021</td> <td>2Q 2021</td> <td>3Q 2021</td> </tr> </table>	\$422	\$580	\$702	+81%	+230%	+216% yoy	1Q 2021	2Q 2021	3Q 2021	<p><b>ecommerce revenues up 216% yoy from \$222 million</b></p> <ul style="list-style-type: none"> <li>Triple-digit unit growth coupled with a 42% YoY increase in ASP</li> </ul>
\$422	\$580	\$702									
+81%	+230%	+216% yoy									
1Q 2021	2Q 2021	3Q 2021									
 <p><b>ecommerce vgppu<sup>(1)</sup></b></p>	<table border="1"> <tr> <td>\$1,151</td> <td>\$1,587</td> <td>\$1,315</td> </tr> <tr> <td>+36%</td> <td>+405%</td> <td>+1% yoy</td> </tr> <tr> <td>1Q 2021</td> <td>2Q 2021</td> <td>3Q 2021</td> </tr> </table>	\$1,151	\$1,587	\$1,315	+36%	+405%	+1% yoy	1Q 2021	2Q 2021	3Q 2021	<p><b>ecommerce vehicle gppu up 1% yoy from \$1,302</b></p> <ul style="list-style-type: none"> <li>Continued enhancements to pricing algorithms and demand environment have driven improvement each quarter YoY</li> </ul>
\$1,151	\$1,587	\$1,315									
+36%	+405%	+1% yoy									
1Q 2021	2Q 2021	3Q 2021									
 <p><b>ecommerce pgppu<sup>(2)</sup></b></p>	<table border="1"> <tr> <td>\$903</td> <td>\$1,131</td> <td>\$1,245</td> </tr> <tr> <td>-5%</td> <td>+49%</td> <td>+41% yoy</td> </tr> <tr> <td>1Q 2021</td> <td>2Q 2021</td> <td>3Q 2021</td> </tr> </table>	\$903	\$1,131	\$1,245	-5%	+49%	+41% yoy	1Q 2021	2Q 2021	3Q 2021	<p><b>ecommerce product gppu up 41% yoy from \$886</b></p> <ul style="list-style-type: none"> <li>Solid growth driven by stronger product attachment rates, and higher average loan sizes on increased ecommerce ASPs</li> </ul>
\$903	\$1,131	\$1,245									
-5%	+49%	+41% yoy									
1Q 2021	2Q 2021	3Q 2021									

(1) Vehicle gross profit per unit.  
(2) Product gross profit per unit.

# third-quarter wholesale and tda financial summary

**prioritized profitability in a heightened demand environment**

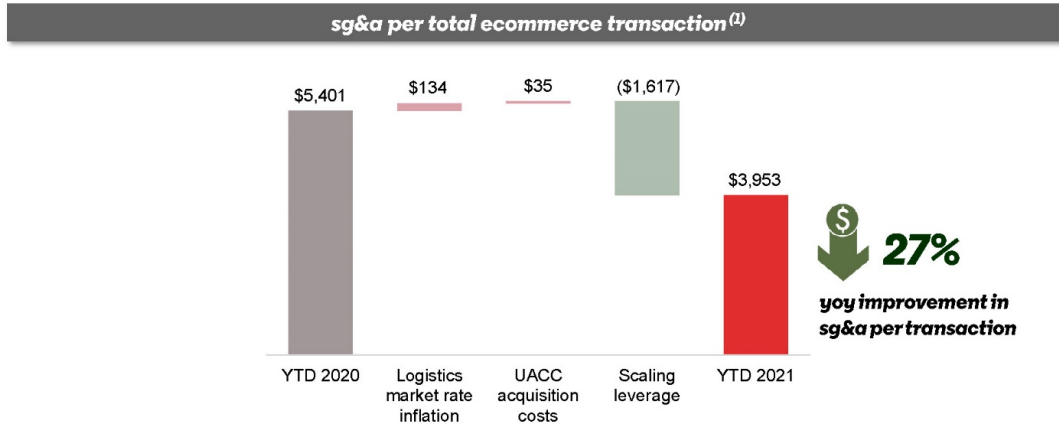


(1) Texas Direct Auto.

# breaking down year-to-date sg&a

beginning to see opex leverage on incremental total ecommerce transaction volume

- SG&A per total ecommerce transaction has levered year-to-date through 3Q with incremental volume
- Headwinds from higher logistics costs and transaction-related costs have been offset by leverage on increasing scale
- Key investments in staffing and new technology are improving our efficiency



(1) Reflects total SG&A divided by total ecommerce transactions.  
Total ecommerce transactions defined as ecommerce vehicle purchases plus ecommerce units sold. Purchases include trade-ins and straight buys and exclude auction-sourced units.

# third-quarter financial summary

*solid performance as we continue to execute our strategy*



**robust ecommerce transaction growth**



**ongoing momentum on ecommerce gppu**



**expenses scaling, yet leveraging on a per-transaction basis**



**4q guidance continues strong yoy growth**



**driving our strategy forward**





An aerial photograph of a two-lane asphalt road winding through a dense, lush green forest. A small red car is visible on the road, moving away from the viewer. The text 'vrooom' is overlaid in a large, white, bold, italicized font on the left side of the image.

# ***vrooom***

Appendix

November 2021

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# reconciliation of non-gaap financial measures

## EBITDA and Adjusted EBITDA

We calculate EBITDA as net loss before interest expense, interest income, income tax expense and depreciation and amortization expense and we calculate Adjusted EBITDA as EBITDA adjusted to exclude the one-time, IPO related acceleration of non-cash stock-based compensation expense, the one-time, IPO related non-cash revaluation of a preferred stock warrant and costs related to our acquisition of UACC. The following table presents a reconciliation of EBITDA and Adjusted EBITDA to net loss, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Net loss	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Adjusted to exclude the following:				
Interest expense	7,028	2,259	14,720	6,382
Interest income	(2,930)	(1,289)	(7,288)	(3,960)
Provision for income taxes	29	33	379	138
Depreciation and amortization expense	3,469	1,196	9,497	3,255
EBITDA	\$ (90,526)	\$ (35,651)	\$ (223,810)	\$ (136,322)
One-time IPO related acceleration of non-cash stock-based compensation	—	—	—	1,262
One-time IPO related non-cash revaluation of preferred stock warrant	—	—	—	20,470
Acquisition related costs	3,412	—	3,412	—
Adjusted EBITDA	\$ (87,114)	\$ (35,651)	\$ (220,398)	\$ (114,590)

# reconciliation of non-gaap financial measures (cont'd)

## Adjusted loss from operations

We calculate Adjusted loss from operations as loss from operations adjusted to exclude the one-time, IPO related acceleration of non-cash stock-based compensation expense and costs related to our acquisition of UACC. The following table presents a reconciliation of Adjusted loss from operations to loss from operations, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Loss from operations	\$ (94,005)	\$ (36,873)	\$ (233,365)	\$ (119,218)
Add: One-time IPO related acceleration of non-cash stock based compensation	—	—	—	1,262
Add: Acquisition related costs	3,412	—	3,412	—
Adjusted loss from operations	\$ (90,593)	\$ (36,873)	\$ (229,953)	\$ (117,956)

# reconciliation of non-gaap financial measures (cont'd)

## Non-GAAP net loss, Non-GAAP net loss per share and Non-GAAP net loss per share, as adjusted

We calculate Non-GAAP net loss as net loss adjusted to exclude the one-time, IPO related acceleration of non-cash stock-based compensation expense, the one-time, IPO related non-cash revaluation of a preferred stock warrant and costs related to our acquisition of UACC. We calculate Non-GAAP net loss per share as Non-GAAP net loss divided by weighted average number of shares outstanding. The following table presents a reconciliation of Non-GAAP net loss and Non-GAAP net loss per share to net loss and net loss per share, which are the most directly comparable U.S. GAAP measures:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)			
Net loss	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Net loss attributable to common stockholders	\$ (98,122)	\$ (37,850)	\$ (241,118)	\$ (142,137)
Add: One-time IPO related acceleration of non-cash stock based compensation	—	—	—	1,262
Add: One-time IPO related non-cash revaluation of preferred stock warrant	—	—	—	20,470
Add: Acquisition related costs	3,412	—	3,412	—
Non-GAAP net loss	\$ (94,710)	\$ (37,850)	\$ (237,706)	\$ (120,405)
Weighted-average number of shares outstanding used to compute net loss per	136,766,015	121,123,472	136,256,901	53,731,475
Net loss per share, basic and diluted	\$ (0.72)	\$ (0.31)	\$ (1.77)	\$ (2.65)
Impact of one-time IPO related acceleration of non-cash stock based compensation	—	—	—	0.02
Impact of one-time IPO related non-cash revaluation of preferred stock warrant	—	—	—	0.38
Impact of acquisition related costs	0.02	—	0.03	—
Non-GAAP net loss per share, basic and diluted	\$ (0.70)	\$ (0.31)	\$ (1.74)	\$ (2.25)
Non-GAAP net loss per share, as adjusted, basic and diluted <sup>(a)</sup>	\$ (0.70)	\$ (0.29)	\$ (1.74)	\$ (0.93)

(a) Non-GAAP net loss per share, as adjusted has been computed to give effect to, as of the beginning of each period presented, (i) the shares of common stock issued in connection with our IPO, (ii) the automatic conversion of all outstanding shares of redeemable convertible preferred stock into shares of common stock that occurred upon the consummation of our IPO and (iii) the shares of common stock issued with our follow-on public offering. The computation of Non-GAAP net loss per share, as adjusted is provided on the following page.



# reconciliation of non-gaap financial measures (cont'd)

## Non-GAAP net loss per share, as adjusted

Non-GAAP net loss per share, as adjusted has been computed to give effect to, as of the beginning of each period presented, (i) the shares of common stock issued in connection with our IPO, (ii) the automatic conversion of all outstanding shares of redeemable convertible preferred stock into shares of common stock that occurred upon the consummation of our IPO and (iii) the shares of common stock issued with our follow-on public offering. The computation of Non-GAAP net loss per share, as adjusted is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands, except share and per share amounts)			
Non-GAAP net loss	\$ (94,710)	\$ (37,850)	\$ (237,706)	\$ (120,405)
Non-GAAP net loss, as adjusted	\$ (94,710)	\$ (37,850)	\$ (237,706)	\$ (120,405)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,766,015	121,123,472	136,256,901	53,731,475
Add: unweighted adjustment for common stock issued in connection with IPO	—	—	—	24,437,500
Add: unweighted adjustment for conversion of redeemable convertible preferred stock in connection with IPO	—	—	—	85,533,394
Add: unweighted adjustment for common stock issued in connection with follow-on public offering	—	10,800,000	—	10,800,000
Less: Adjustment for the impact of the above items already included in weighted-average number of shares outstanding for the periods presented	—	(1,760,869)	—	(44,897,573)
Weighted-average number of shares outstanding used to compute net loss per share, as adjusted, basic and diluted	136,766,015	130,162,603	136,256,901	129,604,796
Non-GAAP net loss per share, as adjusted, basic and diluted	\$ (0.70)	\$ (0.29)	\$ (1.74)	\$ (0.93)

***thank you!***

