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): May 9, 2023

VROOM, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-39315	90-1112566
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

3600 W Sam Houston Pkwy S, Floor 4
Houston, Texas 77042
(Address of principal executive offices) (Zip Code)

(518) 535-9125
(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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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 May 9, 2023, Vroom, Inc. (the "Company") issued a press release announcing its financial results for the quarter ended March 31, 2023. 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 May 10, 2023, members of the Company's management will hold an earnings conference call to discuss the Company's financial results for the quarter ended March 31, 2023, 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:

Exhibit No.	Description
99.1	Press Release dated May 9, 2023.
99.2	Earnings Conference Call Presentation for the Quarter Ended March 31, 2023.
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.

	VROOM, INC.
Date: May 9, 2023	By: /s/ Robert R. Krakowiak
	Robert R. Krakowiak
	Chief Financial Officer

Exhibit 99.1

Vroom Announces First Quarter 2023 Results

Continued Progress on Long-Term Roadmap Driving GPPU Improvement and Cost Reductions

NEW YORK – May 9, 2023 – Vroom, Inc. (Nasdaq:VRM), a leading ecommerce platform for buying and selling used vehicles, today announced financial results for the first quarter ended March 31, 2023.

HIGHLIGHTS OF FIRST QUARTER 2023 VERSUS FOURTH QUARTER 2022

- Ecommerce gross profit per unit of $2,552 as compared to $1,233
- Net loss of ($75.0) million as compared to net income of $24.8 million, due to gain on debt extinguishment of $126.8 million in the fourth quarter of 2022
- Adjusted EBITDA of $(64.8) million as compared to $(74.8)[1] million
- Adjusted EBITDA excluding securitization gain and non-recurring costs of $(64.1) million as compared to $(74.4)[1] million
- Adjusted EBITDA includes approximately $5.0 million negative impact of up-front expenses related to 2023-1 securitization
- Reduced sequential cost per unit in 4 out of 5 SG&A financial levers outlined in our Long-Term Roadmap
- Completed reductions in force in January and April resulting in approximately $42.0 million of anticipated annualized cost savings

Tom Shortt, Chief Executive Officer of Vroom, said, “In the first quarter of 2023, consistent with our Long-Term Roadmap, we continued to make progress on our three key objectives and four strategic initiatives, improving adjusted EBITDA by $10.0 million[1] sequentially. Ecommerce gross profit per unit (GPPU) increased from $1,233 in Q4 2022 to $2,552 in Q1 2023, benefiting from GPPU on unaged units, which approximated our Q3 2022 GPPU, as well as electric vehicle inventory reserves taken in Q4 2022. During the first quarter of 2023, 77% of our units sold were aged units, or units held greater than 180 days. We continued to drive process improvements across titling and registration, pricing, marketing, sales, reconditioning and logistics, and also began to ramp up marketing and unit acquisitions in order to position the Company for growth going forward.”

Bob Krakowiak, Vroom’s Chief Financial Officer, commented, “We succeeded in reducing per-unit costs across 1) logistics, 2) sales, 3) titling, registration and support, and 4) fixed costs. We completed reductions in force in January and April 2023 which we expect to generate annualized cost savings of approximately $42 million. We further strengthened our balance sheet by repurchasing $15 million of our convertible notes and enhanced our liquidity by executing the 2023-1 securitization at UACC. During 2023, we will continue to pursue opportunities to reduce costs, strengthen our balance sheet and enhance our liquidity.”

1 We have recast Adjusted EBITDA for the three months ended December 31, 2022 to conform to current period presentation. See "Non-GAAP Financial Measures" below.

FIRST QUARTER 2023 FINANCIAL DISCUSSION

All financial comparisons for the first quarter are on a year-over-year basis unless otherwise noted.

Ecommerce Results

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Change	% Change
	(in thousands, except unit data and average days to sale)			
Ecommerce units sold	3,933	19,473	(15,540)	(79.8)%
Ecommerce revenue:				
Vehicle revenue	$ 124,107	$ 652,625	$ (528,518)	(81.0)%
Product revenue	11,526	22,739	(11,213)	(49.3)%
Total ecommerce revenue	$ 135,633	$ 675,364	$ (539,731)	(79.9)%
Ecommerce gross profit:				
Vehicle gross (loss) profit	$ (594)	$ 11,581	$ (12,175)	(105.1)%
Product gross profit	10,629	22,739	(12,110)	(53.3)%
Total ecommerce gross profit	$ 10,035	$ 34,320	$ (24,285)	(70.8)%
Average vehicle selling price per ecommerce unit	$ 31,555	$ 33,514	$ (1,959)	(5.8)%
Product revenue per ecommerce unit	2,931	1,168	1,763	150.9%
Gross profit per ecommerce unit:				
Vehicle gross (loss) profit per ecommerce unit	$ (151)	$ 595	$ (746)	(125.4)%
Product gross profit per ecommerce unit	2,703	1,168	1,535	131.4%
Total gross profit per ecommerce unit	$ 2,552	$ 1,763	$ 789	44.8%
Ecommerce average days to sale	279	91	188	206.5%

Results by Segment

	Three Months Ended March 31,			
	2023	2022[1]	Change	% Change
	(in thousands, except unit data)			
Units:				
Ecommerce	3,933	19,473	(15,540)	(79.8)%
Wholesale	1,169	10,113	(8,944)	(88.4)%
All Other [2]	356	1,699	(1,343)	(79.0)%
Total units	5,458	31,285	(25,827)	(82.6)%
Revenue:				
Ecommerce	$ 135,633	$ 675,364	$ (539,731)	(79.9)%
Wholesale	13,895	139,984	(126,089)	(90.1)%
Retail Financing [3]	31,988	47,687	(15,699)	(32.9)%
All Other [4]	14,951	60,740	(45,789)	(75.4)%
Total revenue	$ 196,467	$ 923,775	$ (727,308)	(78.7)%
Gross profit (loss):				
Ecommerce	$ 10,035	$ 34,320	$ (24,285)	(70.8)%
Wholesale	62	(2,753)	2,815	102.3%
Retail Financing [3]	25,774	44,963	(19,189)	(42.7)%
All Other [4]	2,934	5,110	(2,176)	(42.6)%
Total gross profit	$ 38,805	$ 81,640	$ (42,835)	(52.5)%
Gross profit (loss) per unit [5]:				
Ecommerce	$ 2,552	$ 1,763	$ 789	44.8%
Wholesale	$ 53	$ (272)	$ 325	119.5%

(1) In the second quarter of 2022, we reevaluated our reporting segments based on relative revenue and gross profit and significance in our long term strategy. As a result of that analysis, we determined to no longer report TDA as a separate operating segment. As of June 30, 2022, we are organized into three reportable segments: Ecommerce, Wholesale, and Retail Financing. We reclassified TDA revenue and TDA gross profit from the TDA reportable segment to the "All Other" category to conform to current year presentation.
(2) All Other units consist of retail sales of used vehicles from TDA.
(3) The Retail Financing segment represents UACC's operations with its network of third-party dealership customers as of the closing of the UACC acquisition in February 2022.
(4) All Other revenues and gross profit consist of retail sales of used vehicles from TDA and fees earned on sales of value-added products associated with those vehicles sales and the CarStory business.
(5) Gross profit per unit metrics exclude the Retail Financing gross profit and All Other gross profit.

SG&A

	Three Months Ended March 31,			
	2023	2022	Change	% Change
	(in thousands)			
Compensation & benefits	$ 50,666	$ 74,525	$ (23,859)	(32.0)%
Marketing expense	11,471	33,735	(22,264)	(66.0)%
Outbound logistics	2,072	26,748	(24,676)	(92.3)%
Occupancy and related costs	4,741	5,646	(905)	(16.0)%
Professional fees	6,592	13,299	(6,707)	(50.4)%
Software and IT costs	9,340	10,823	(1,483)	(13.7)%
Other	11,655	23,218	(11,563)	(49.8)%
Total selling, general & administrative expenses	$ 96,537	$ 187,994	$ (91,457)	(48.6)%

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 EBITDA excluding non-recurring costs to address operational and customer experience issues;
- Adjusted EBITDA excluding securitization gain;
- Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues;

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 EBITDA excluding non-recurring costs to address operational and customer experience issues, Adjusted EBITDA excluding securitization gain, and Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues are supplemental performance measures that our management uses to assess our operating performance and the operating leverage in our business. Because each of these non-GAAP financial measures facilitate internal comparisons of our historical operating performance on a more consistent basis, we use these measures for business planning purposes.

EBITDA

We calculate EBITDA as net loss before interest expense, interest income, income tax expense and depreciation and amortization expense.

Adjusted EBITDA

We calculate Adjusted EBITDA as EBITDA adjusted to exclude severance costs, gain on debt extinguishment, goodwill impairment charge, and acquisition related costs. Changes in fair value of financial instruments can fluctuate significantly from period to period and previously related primarily to historical loans and debt which have been securitized, and acquired on February 1, 2022 from UACC. Our ongoing business model is to originate or purchase finance receivables with the intent to sell which we recognize at the lower of cost or fair value. As a result of current market conditions, the financial instruments related to the 2022-2 and 2023-1 securitization transactions are recognized on balance-sheet and accounted for under the fair value option. See Note 16 — Financial Instruments and Fair Value Measurements to our condensed consolidated financial statements included in our Quarterly Report on Form 10-Q for the three months ended March 31, 2023. As a result, the majority of our finance receivables are now carried at fair value and a significant portion of the risk of loss associated with these finance receivables have been retained by UACC. We therefore have determined we will no longer make any adjustments for such fluctuations in fair value to our Adjusted EBITDA results. We have recast the prior period presented to conform to current period presentation. We may account for future securitizations as on balance sheet transactions depending on the market conditions.

Adjusted EBITDA excluding non-recurring costs to address operational and customer experience issues

We calculate Adjusted EBITDA excluding non-recurring costs to address operational and customer experience issues as Adjusted EBITDA adjusted to exclude the non-recurring costs incurred to address operational and customer experience issues, including rental cars for our customers and legal settlements with customers and state DMVs. While we expect to continue to incur these costs over the next few quarterly periods, we do not expect these costs to continue to be incurred once our operational issues have been resolved.

Adjusted EBITDA excluding securitization gain

We calculate Adjusted EBITDA excluding securitization gain as Adjusted EBITDA adjusted to exclude the securitization gain from the sale of UACC's finance receivables, and believe that it provides a useful perspective on the underlying operating results and trends and a means to compare our period-over-period results.

Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues

We calculate Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues as Adjusted EBITDA adjusted to exclude the securitization gain from the sale of UACC's finance receivables and the non-recurring costs incurred to address operational and customer experience issues.

The following table presents a reconciliation of the foregoing non-GAAP financial measures to net loss, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended March 31,	
	2023	**2022**
	(in thousands)	
Net loss	$ (75,044)	$ (310,459)
Adjusted to exclude the following:		
Interest expense	9,919	9,380
Interest income	(5,942)	(3,952)
Provision (benefit) for income taxes	273	(23,240)
Depreciation and amortization	10,637	7,895
EBITDA	$ (60,157)	$ (320,376)
Severance costs	$ 4,104	$ —
Gain on debt extinguishment	(8,709)	—
Goodwill impairment charge	—	201,703
Acquisition related costs	—	5,653
Adjusted EBITDA	$ (64,762)	$ (113,020)
Non-recurring costs to address operational and customer experience issues	659	1,000
Adjusted EBITDA excluding non-recurring costs to address operational and customer experience issues	$ (64,103)	$ (112,020)
Securitization gain	—	(29,617)
Adjusted EBITDA excluding securitization gain	$ (64,762)	$ (142,637)
Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues	$ (64,103)	$ (141,637)

FIRST QUARTER 2023 AS COMPARED TO FOURTH QUARTER 2022

	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Change	% Change
	(in thousands, except unit data)			
Total revenues	$ 196,467	$ 209,349	$ (12,882)	(6.2)%
Total gross profit	$ 38,805	$ 29,459	$ 9,346	31.7%
Ecommerce units sold	3,933	4,144	(211)	(5.1)%
Ecommerce revenue	$ 135,633	$ 141,758	$ (6,125)	(4.3)%
Ecommerce gross profit	$ 10,035	$ 5,110	$ 4,925	96.4%
Vehicle gross loss per ecommerce unit	$ (151)	$ (1,346)	$ 1,195	88.8%
Product gross profit per ecommerce unit	2,703	2,579	124	4.8%
Total gross profit per ecommerce unit	$ 2,552	$ 1,233	$ 1,319	107.0%
Wholesale units sold	1,169	1,768	(599)	(33.9)%
Wholesale revenue	$ 13,895	$ 23,039	$ (9,144)	(39.7)%
Wholesale gross profit (loss)	$ 62	$ (4,359)	$ 4,421	101.4%
Wholesale gross profit (loss) per unit	$ 53	$ (2,465)	$ 2,518	102.2%
Retail Financing revenue	$ 31,988	$ 32,537	$ (549)	(1.7)%
Retail Financing gross profit	$ 25,774	$ 28,744	$ (2,970)	(10.3)%
Total selling, general, and administrative expenses	$ 96,537	$ 90,760	$ 5,777	6.4%

	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Change	% Change
	(in thousands)			
Net (loss) income	$ (75,044)	$ 24,765	$ (99,809)	(403.0)%
Adjusted to exclude the following:				
Interest expense	9,919	12,076	(2,157)	(17.9)%
Interest income	(5,942)	(6,372)	430	6.7%
Provision for income taxes	273	2,405	(2,132)	(88.6)%
Depreciation and amortization	10,637	10,702	(65)	(0.6)%
EBITDA	$ (60,157)	$ 43,576	$ (103,733)	(238.1)%
Severance costs	$ 4,104	$ —	$ 4,104	100.0%
Gain on debt extinguishment	(8,709)	(126,767)	118,058	93.1%
Realignment costs	—	2,253	(2,253)	(100.0)%
Acceleration of non-cash stock-based compensation	—	2,439	(2,439)	(100.0)%
Other	—	3,679	(3,679)	(100.0)%
Adjusted EBITDA	$ (64,762)	$ (74,820)	$ 10,058	13.4%
Non-recurring costs to address operational and customer experience issues	659	374	285	76.2%
Adjusted EBITDA excluding non-recurring costs to address operational and customer experience issues	$ (64,103)	$ (74,446)	$ 10,343	(13.9)%
Securitization gain	—	—	—	0.0%
Adjusted EBITDA excluding securitization gain	$ (64,762)	$ (74,820)	$ 10,058	13.4%
Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues	$ (64,103)	$ (74,446)	$ 10,343	13.9%

Conference Call & Webcast Information

Vroom management will discuss these results and other information regarding the Company during a conference call and audio webcast Wednesday, May 10, 2023 at 8:30 a.m. ET.

To access the conference call, please register at this embedded link. Registered participants will be sent a unique PIN to access the call. A listen-only webcast will also be available via the same link and at 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.

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 expected timelines with respect to, our execution of and the expected benefits from our long term roadmap and cost-saving initiatives, including our reductions in force; our future results of operations and financial position, including our ability to improve our unit economics and future growth, including with respect to our liquidity and our plans to enhance liquidity and strengthen our balance sheet. 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, 2022, as updated by our Quarterly report on Form 10-Q for the quarter ended March 31, 2023, which is available on our Investor Relations website at ir.vroom.com and on the SEC website at 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.

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

	As of March 31, 2023	As of December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 316,714	$ 398,915
Restricted cash (including restricted cash of consolidated VIEs of $48.0 million and $24.7 million, respectively)	71,994	73,095
Accounts receivable, net of allowance of $10.0 million and $21.5 million, respectively	10,077	13,967
Finance receivables at fair value (including finance receivables of consolidated VIEs of $12.1 million and $11.5 million, respectively)	13,091	12,939
Finance receivables held for sale, net (including finance receivables of consolidated VIEs of $163.7 million and $305.9 million, respectively)	186,777	321,626
Inventory	212,982	320,648
Beneficial interests in securitizations	7,976	20,592
Prepaid expenses and other current assets	59,357	58,327
Total current assets	878,968	1,220,109
Finance receivables at fair value (including finance receivables of consolidated VIEs of $508.3 million and $119.6 million, respectively)	523,179	140,235
Property and equipment, net	51,427	50,201
Intangible assets, net	152,155	158,910
Operating lease right-of-use assets	21,741	23,568
Other assets	24,166	26,004
Total assets	$ 1,651,636	$ 1,619,027
LIABILITIES AND STOCKHOLDERS’ EQUITY		
Current Liabilities:		
Accounts payable	$ 28,861	$ 34,702
Accrued expenses	58,492	76,795
Vehicle floorplan	147,428	276,988
Warehouse credit facilities of consolidated VIEs	124,247	229,518
Current portion of securitization debt of consolidated VIEs at fair value	261,746	47,239
Deferred revenue	13,037	10,655
Operating lease liabilities, current	9,021	9,730
Other current liabilities	15,251	17,693
Total current liabilities	658,083	703,320
Long term debt, net of current portion (including securitization debt of consolidated VIEs of $199.2 million and $32.6 million at fair value, respectively)	554,655	402,154
Operating lease liabilities, excluding current portion	18,278	20,129
Other long-term liabilities	18,382	18,183
Total liabilities	1,249,398	1,143,786
Commitments and contingencies (Note 13)		
Stockholders’ equity:		
Common stock, $0.001 par value; 500,000,000 shares authorized as of March 31, 2023 and December 31, 2022; 138,802,011 and 138,201,903 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	135	135
Additional paid-in-capital	2,077,839	2,075,798
Accumulated deficit	(1,675,736)	(1,600,692)
Total stockholders’ equity	402,238	475,241
Total liabilities and stockholders’ equity	$ 1,651,636	$ 1,619,027

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

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Revenue:		
Retail vehicle, net	$ 135,270	$ 707,186
Wholesale vehicle	13,895	139,984
Product, net	11,500	24,449
Finance	31,988	47,687
Other	3,814	4,469
Total revenue	196,467	923,775
Cost of sales:		
Retail vehicle	135,724	695,509
Wholesale vehicle	13,833	142,737
Product	897	—
Finance	6,214	2,724
Other	994	1,165
Total cost of sales	157,662	842,135
Total gross profit	38,805	81,640
Selling, general and administrative expenses	96,537	187,994
Depreciation and amortization	10,531	7,856
Impairment charges	—	201,703
Loss from operations	(68,263)	(315,913)
Gain on debt extinguishment	(8,709)	—
Interest expense	9,919	9,380
Interest income	(5,942)	(3,952)
Other loss, net	11,240	12,358
Income (loss) before provision for income taxes	(74,771)	(333,699)
Provision (benefit) for income taxes	273	(23,240)
Net loss	$ (75,044)	$ (310,459)
Net loss per share attributable to common stockholders, basic	$ (0.54)	$ (2.26)
Weighted-average number of shares outstanding used to compute net loss per share attributable to common stockholders, basic	138,530,884	137,259,629

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

	Three Months Ended March 31,	
	2023	**2022**
Operating activities		
Net loss	$ (75,044)	$ (310,459)
Adjustments to reconcile net loss to net cash used in operating activities:		
Impairment charges	—	201,703
Gain on debt extinguishment	(8,709)	—
Depreciation and amortization	10,637	7,895
Amortization of debt issuance costs	1,115	1,254
Realized gains on securitization transactions	—	(29,617)
Deferred taxes	—	(23,855)
Losses on finance receivables and securitization debt, net	16,603	15,725
Stock-based compensation expense	2,041	3,629
Provision to record inventory at lower of cost or net realizable value	(7,315)	469
Provision for bad debt	(422)	5,853
Provision to record finance receivables held for sale at lower of cost or fair value	(1,251)	158
Amortization of unearned discounts on finance receivables at fair value	(5,320)	(3,942)
Other, net	(5,067)	(274)
Changes in operating assets and liabilities:		
Finance receivables, held for sale		
Originations of finance receivables held for sale	(143,174)	(118,861)
Principal payments received on finance receivables held for sale	20,731	2,659
Proceeds from sale of finance receivables held for sale, net	—	272,309
Other	1,850	(1,705)
Accounts receivable	4,312	(4,331)
Inventory	114,981	(15,453)
Prepaid expenses and other current assets	13,006	6,928
Other assets	1,838	(2,763)
Accounts payable	(5,841)	(6,824)
Accrued expenses	(18,915)	8,036
Deferred revenue	2,382	(2,449)
Other liabilities	(3,459)	(21,163)
Net cash used in operating activities	(85,021)	(15,078)
Investing activities		
Finance receivables at fair value		
Purchases of finance receivables at fair value	(3,392)	—
Principal payments received on finance receivables at fair value	41,850	33,570
Proceeds from sale of finance receivables at fair value, net	—	29,043
Consolidation of VIEs	11,409	—
Principal payments received on beneficial interests	2,144	714
Purchase of property and equipment	(5,193)	(7,096)
Acquisition of business, net of cash acquired of $47.9 million	—	(268,194)
Net cash provided by (used in) investing activities	46,818	(211,963)
Financing activities		
Proceeds from borrowings under secured financing agreements	238,735	—
Principal repayment under secured financing agreements	(42,784)	(68,402)
Proceeds from vehicle floorplan	41,180	801,971
Repayments of vehicle floorplan	(170,740)	(744,831)
Proceeds from warehouse credit facilities	135,900	49,000
Repayments of warehouse credit facilities	(241,351)	(227,067)
Repurchases of convertible senior notes	(5,883)	—
Other financing activities	(156)	(875)
Net cash used in financing activities	(45,099)	(190,204)
Net decrease in cash, cash equivalents and restricted cash	(83,302)	(417,245)
Cash, cash equivalents and restricted cash at the beginning of period	472,010	1,214,775
Cash, cash equivalents and restricted cash at the end of period	$ 388,708	$ 797,530

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

Supplemental disclosure of cash flow information:				
Cash paid for interest	$	12,335	$	5,991
Cash paid for income taxes	$	1,189	$	40
Supplemental disclosure of non-cash investing and financing activities:				
Finance receivables from consolidation of 2022-2 securitization transaction	$	180,706	$	—
Elimination of beneficial interest from the consolidation of 2022-2 securitization transaction	$	9,811	$	—
Securitization debt from consolidation of 2022-2 securitization transaction	$	186,386	$	—
Reclassification of finance receivables held for sale to finance receivables at fair value, net	$	248,081	$	—
Fair value of beneficial interests received in securitization transactions	$	—	$	16,473

Exhibit 99.2

vroom

First Quarter 2023 Earnings

May 2023

disclaimer

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation, statements regarding the expected timeline, our execution of and the expected benefits from our long-term roadmap and cost-saving initiatives, including our ability to improve our transaction processes and customer service experience, increase and optimize our internal sales force, sell through aged vehicles, improve variable cost per unit, such as logistics costs and marketing costs, and reduce fixed costs, our expectations regarding our business strategy and plans, including our ongoing ability to integrate and develop United Auto Credit Corporation into a captive finance operation, and our intention to return to growth, for future results of operations and financial position, including our ability to improve our unit economics and our outlook for the full year 2023, including with respect to our liquidity. 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 presentation, 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, 2022, as updated by our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, each of which are available on our Investor Relations website at ir.vroom.com and on the SEC website at www.sec.gov. All forward-looking statements reflect our beliefs and assumptions only as of the date of this presentation. We undertake no obligation to update forward-looking statements to reflect future events or circumstances.

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 in the Appendix to this presentation.

we are focused on our objectives and strategic initiatives

during 2022 we improved the customer experience, improved our processes, and reduced our debt.

during 2023 we intend to resume growth, sell through aged inventory, improve variable costs per unit, continue to reduce fixed costs and convert balance sheet items into cash while living within our means

3 key objectives

1. Prioritize unit economics ***and*** growth
2. Improve Costs ***per unit***
3. Maximize liquidity

4 focused strategic initiatives

- Build a well-oiled transaction machine
- Build a well-oiled metal machine
- Build a regional operating model
- Build a captive finance offering

4 strategic initiatives expected to build a profitable business model

first quarter 2023 highlights

1st quarter key performance indicators

- ($64.8)M of Adjusted EBITDA[1], a $10M / 13% improvement vs fourth quarter 2022 results[2]
- ($64.1)M of Adjusted EBITDA excluding non-recurring costs[1], a $10M / 14% improvement vs fourth quarter 2022 results[2]
  - Includes ~$5.0M negative impact of up-front expenses related to 2023-1 securitization
- $2,552 Ecommerce Gross Profit Per Unit (GPPU), a $1,319 sequential improvement, driven by release of EV inventory reserves taken in Q4-22 and GPPU on unaged units
  - 77% of units sold in Q1-23 were >180 days, compared to 75% in Q4-22 and 49% in Q3-22, as we moved through aged inventory
    - As we sell through aged inventory, we have tightened our definition of aged units to >180 days, from >270 days

progress on key objectives and strategic initiatives

- Ramping up unit acquisitions and marketing spend to resume growth
- Continued focus on reducing variable and fixed costs
- Completed reductions in force in January and April, resulting in ~$42M of expected annualized cost savings
- Completed 2023-1 securitization, sold ~$239M of rated asset-backed securities, for proceeds of ~$238M
- ~$15M of convertible notes repurchased for $6M[4]

1q 2023 performance highlights

	fourth quarter 2022	first quarter 2023
total revenue	$209.3 million	$196.5 million
ecommerce units	4,144	3,933
ecommerce gppu	$1,233	$2,552
adjusted ebitda [1][2]	($74.8) million	($64.8) million
adjusted ebitda ex. non-recurring costs [1][2]	($74.4) million	($64.1) million
adjusted ebitda ex. securitization gain & non-recurring costs [1][2]	($74.4) million	($64.1) million
net profit (loss)[4]	$24.8 million	($75.0) million

fy 2023 guidance

	guidance	current outloook
adjusted ebitda [1][5]	($200) - ($250) million	On track
year-end cash and cash equivalents [6]	$150 - $200 million	On track

(1) Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs are non-GAAP measures and reflect the updated fair value updated accounting treatment. For definitions and a reconciliation to the most comparable GAAP measure, please see the appendix. (2) We have recast Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs for the three months ended December 31, 2022 to conform to current period presentation, please see the appendix. (3) $15M in aggregate principal amount net of deferred issuance costs. (4) Fourth quarter 2022 net income includes a $127M gain on debt extinguishment. First quarter 2023 net loss includes a $9M gain on debt extinguishment. (5) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 2023 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. (6) Represents unrestricted cash and cash equivalents, excludes restricted cash and floorplan availability.

execution of long-term roadmap on track

first quarter operational highlights

operational progress on our 4 strategic initiatives

financial lever	initiative	4q22 to 1q23
Product GPPU	Originate and securitize Vroom loans through UACC	• $2,552 Ecommerce GPPU, a $1,319 improvement • 77% of Q1 units sold were aged (>180 days), negatively impacting GPPU • We expect a similar mix of units sold in Q2-23 to be from aged units (>180 days) with a significant reduction in 2H-23 as we sell through our aged inventory • Continued improvements to pricing model
Vehicle GPPU	Optimize pricing through predictive data and regionalization	
	Optimize assortment	
GPPU & SG&A - Logistics[1]	Synchronize end-to-end supply chain to increase velocity and optimize flow	• ~7% sequential improvement in normalized all-in logistics cost per unit [2] • Improved Vroom-operated linehaul and last mile service; increased utilization on owned assets, record percentage of vehicles picked up and delivered on our own fleet
Balance Sheet - Inventory		• ~21% sequential improvement in inventory turns • Ramping unit acquisitions to facilitate unit growth in subsequent quarters
SG&A - Sales[1]	Optimize sales channels by selective insourcing and digitization	• Fully transitioned from primary third-party sales provider as of 1/31/23; continuing to ramp up internal sales force in 2023 • ~11% sequential improvement in selling cost per unit
SG&A – Titling, Registration & Support[1]	Streamline and digitize title and registration process	• ~94% of vehicles in inventory for sale or pending sale • ~20% sequential improvement in titling, registration and supports cost per unit[3] • $12M release of restricted cash on the balance sheet due to improvements in titling and registration processes
SG&A - Marketing[1]	Improve marketing effectiveness	• ~$1.6M increase in marketing costs as we begin to ramp up spend to facilitate unit growth, continued focus on marketing ROI
SG&A - Fixed[1]	Grow fixed cost slower than revenue	• ~$22M of expected annualized fixed cost[4] savings from January and April reductions in force • ~11% sequential improvement in fixed cost per unit

(1) Constitutes a component of Adjusted SG&A which is a non-GAAP measure. For a definition and reconciliation to the most comparable GAAP measure, please see the appendix. (2) Normalized all-in logistics costs include compensation and benefits related to operating our proprietary logistics network in addition to fuel, tolls, and maintenance expenses related to operating our proprietary logistics network and third-party transportation fees, adjusted for Q4-22 accrual releases. (3) Titling, registration, & support costs include compensation & benefits related to these functions as well as third-party support costs and associated processing fees. Excludes non-recurring costs. (4) Fixed cost reflect costs across compensation & benefits, occupancy, other SG&A, and professional fee expenses. Fixed costs exclude non-recurring costs, realignment costs, and SG&A related to UACC operations.

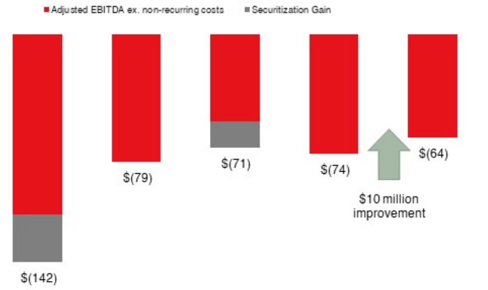
4 strategic initiatives intended to build a profitable business model

quarterly progression

operational improvements driving performance, positioned to resume growth

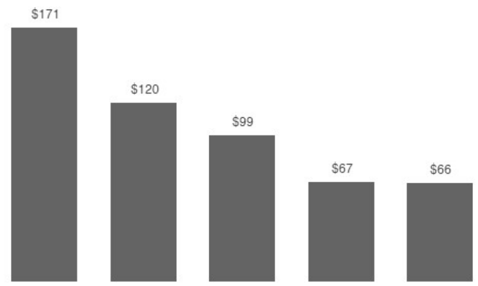
($ in millions)

adjusted ebitda ex. securitization gain and non-recurring costs (1)(2)



	q1 2022	q2 2022	q3 2022	q4 2022	q1 2023
gppu	$1,763	$3,629	$4,206	$1,233	$2,552
% of units >180 days	4%	11%	49%	75%	77%

adjusted sg&a(3)



	q1 2022	q2 2022	q3 2022	q4 2022	q1 2023
annualized adjusted sg&a(3)	$684 million	$480 million	$396 million	$268 million	$264 million

(1) Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs are non-GAAP measures. For definitions and a reconciliation to the most comparable GAAP measure, please see the appendix.
(2) We have recast Adjusted EBITDA excluding securitization gain and non-recurring costs for all periods to conform to current period presentation, please see the appendix (3) Adjusted SG&A is a non-GAAP measure. For a definition and reconciliation to the most comparable GAAP measure, please see the appendix. We calculate adjusted selling, general & administrative expenses as selling, general & administrative expenses adjusted to exclude realignment costs, acquisition related costs, acceleration of non-cash stock based compensation, non-recurring costs to address operational and customer experience issues, UACC selling, general & administrative expenses and other costs

we remain focused on our long-term roadmap to deliver profitable growth

vroom

First Quarter 2023

Financial Update

1st quarter 2023 financial summary

continued progress on long term roadmap

1q 2023 performance highlights

	fourth quarter 2022	first quarter 2023
total revenue	$209.3 million	$196.5 million
ecommerce units	4,144	3,933
ecommerce gppu	$1,233	$2,552
adjusted ebitda (1)(2)	($74.8) million	($64.8) million
adjusted ebitda ex. non-recurring costs (1)(2)	($74.4) million	($64.1) million
adjusted ebitda ex. securitization gain & non-recurring costs (1)(2)	($74.4) million	($64.1) million
net profit (loss)(3)	$24.8 million	($75.0) million

1q 2023 performance vs 4q 2022

6% decrease in total revenue, 5% decrease in ecommerce units sold

- Ongoing focus on operational improvement over sales volume
- We expect January to be our trough in unit volume

$2,552 ecommerce gppu, up 107%

- ~$9M / $2,888 per unit negative impact of selling through aged (>180 days) units
- ~$6M / $1,449 per unit benefit of inventory reserve release as we sell through aged inventory

$10m sequential increase in adjusted ebitda ex. non-recurring costs(1)

- Driven by reduced operating costs and higher GPPU, partially offset by lower units and ~$5M impact of securitization related expenses

2022-2 securitization impact

- Consolidated 2022-2 securitization, no material impact to results

2023-1 securitization impact

- Holding residual certificates; finance receivables and related debt on balance sheet, recognizing income and expense on the P&L

(1) Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs are non-GAAP measures. For definitions and a reconciliation to the most comparable GAAP measure, please see the appendix. (2) We have recast Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs for the three months ended December 31, 2022 to conform to current period presentation, please see the appendix. (3) Fourth quarter 2022 net income includes a $127M gain on debt extinguishment. First quarter 2023 net income includes a $9M gain on debt extinguishment.

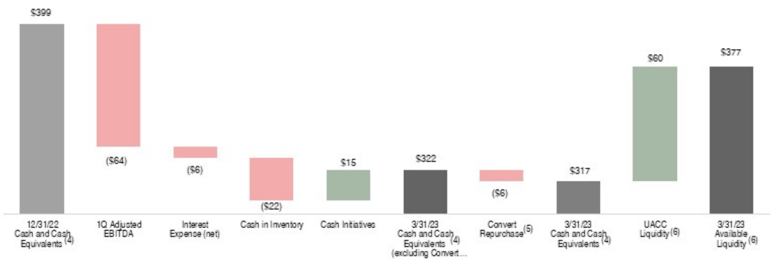
$10m improvement in adjusted ebitda ex. securitization gain & non-recurring costs(1)

1st quarter performance drivers

1st quarter adjusted ebitda ex. non-recurring costs (1)(2)

- ***$5m increase in ecommerce gross profit***
  - Strong GPPU on unaged (0-180 days) inventory
  - Benefit of inventory reserve release offset by impact of aged inventory (>180 days)
- ***$4m increase in wholesale gross profit***
  - Reduction of losses due to titling and registration improvements

1st quarter cash and cash equivalents(4) and available liquidity(3)



- ***flat in restricted cash***
  - Primarily driven by reduced inventory, partially offset by higher restricted cash covenant on floor plan facility
  - Increase due to UACC securitization consolidations
- ***$22m sequential increase in cash in inventory***
  - Increased floor plan curtailment as a higher share of inventory is aged units, will resolve as we sell through the units in subsequent periods
- ***$15m repurchase of convertible notes for $6m(5)***
  - Decreased leverage
- ***incremental liquidity actions in early q2-23***
  - ~$23M sale of 2023-1 securitization BB notes
  - ~$24M in secured repo financing on retained securitization interests

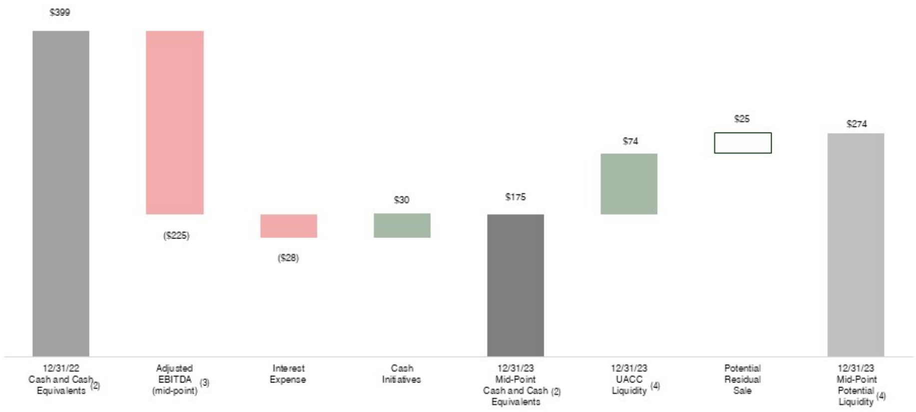
(1) Adjusted EBITDA and Adjusted EBITDA excluding securitization gain non-recurring costs is a non-GAAP measures. For a definition and a reconciliation to the most comparable GAAP measure, please see the appendix. (2) We have recast Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs for the three months ended December 31, 2022 to conform to current period presentation, please see the appendix (3) Adjusted SG&A is a non-GAAP measure. For a definition and reconciliation to the most comparable GAAP measure, please see the appendix. We calculate adjusted selling, general & administrative expenses as selling, general & administrative expenses adjusted to exclude realignment costs, acquisition related costs, acceleration of non-cash stock based compensation, non-recurring costs to address operational and customer experience issues, UACC selling, general & administrative expenses and other costs (4) Represents unrestricted cash and cash equivalents. Excludes restricted cash and floorplan availability. (3) Represents unrestricted cash, cash equivalents and warehouse availability (5) $15M in aggregate principal amount net of deferred issuance costs. (6) Represents cash and cash equivalents and warehouse availability

$10m improvement in adjusted ebitda ex. non-recurring costs(1)

fy2023 cash and cash equivalents and liquidity outlook

cash and liquidity drivers

- Expect to continue to reduce operating loss each quarter as we improve our processes
- Expect to free up cash in inventory as we sell through aged units and improve inventory turns
- Expect continued progress on initiatives to release cash trapped on the balance sheet
- Incremental $24M of UACC liquidity from prior outlook due to repo financing on retained securitization interests



(1) Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs, and Adjusted EBITDA excluding securitization gain and non-recurring costs are non-GAAP measures. For definitions and a reconciliation to the most comparable GAAP measure, please see the appendix
(2) Represents unrestricted cash and cash equivalents. Excludes restricted cash, warehouse and floorplan availability. (3) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 2023 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. These estimates are forward-looking statements that reflect the Company's expectations as of May 9, 2023 and are subject to substantial uncertainty. See "Forward-Looking Statements" on Slide 2 (4) Represents cash and cash equivalents and warehouse availability after giving affect to repo financing

continued focus on cash and maximizing liquidity

summary

q1 2023 highlights

- Continued execution of our Long-Term Roadmap focused on 4 strategic initiatives expected to build a profitable business model
- Achieved sequential GPPU improvement of $1,319
  - Transformed pricing algorithms, implemented variable shipping fees, and improved our acquisition model
- Ramped up marketing spend and acquisitions to resume growth
- Continue to drive variable cost reductions across all functions
  - We reduced cost per unit in logistics, selling, titling, registration and support
  - We are focused on continuing to drive marketing spend efficiency through conversion initiatives
- Transitioned from our primary third-party sales provider as of January 2023
- Completed reductions in force in January and April, which we expect to result in annualized cost savings of ~$42M
- Completed the 2023-1 securitization at UACC, holding residual certificates
- Strengthened our balance sheet by repurchasing $15M of convertible notes
- Building a platform to grow the business in 2023 and beyond
  - Improved processes across registration, titling, support, marketing, sales, reconditioning, and logistics

fy2023 outlook

- We remain on track for our full year Adjusted EBITDA(1) guidance and year end cash and cash equivalents guidance
- Continued GPPU pressure in Q2-23 as we sell through aged inventory, expect to normalize to Q2/Q3 2022 levels in 2H-23
- Anticipate improved fixed cost run rate
- Continue to focus on converting balance sheet items into cash
- Expect unit volumes to ramp through the year as we resume growth and grow our internal sales force
- Expect per unit economics to improve sequentially
  - Reduced marketing cost per unit through conversion initiatives
  - Reduced selling cost per unit
  - Reduced titling, registration and support cost per unit
  - Reduced logistics costs per unit
  - Continue to reduce fixed cost structure

(1) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 2023 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. These estimates are forward-looking statements that reflect the Company's expectations as of May 9, 2023 and are subject to substantial uncertainty. See "Forward-Looking Statements" on Slide 2

positioned for growth and improved cost per unit

Appendix

reconciliation of non-gaap financial measures

EBITDA, Adjusted EBITDA, Adjusted EBITDA excluding non-recurring costs to address operational and customer experience issues, Adjusted EBITDA excluding securitization gain and Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues

We calculate EBITDA as net loss before interest expense, interest income, income tax expense and depreciation and amortization expense. We calculate Adjusted EBITDA as EBITDA adjusted to exclude severance costs, gain on debt extinguishment, realignment costs, acceleration of non-cash stock-based compensation, goodwill impairment charge, acquisition related costs, and other costs, which primarily relate to the impairment of long-lived assets. Changes in fair value of financial instruments can fluctuate significantly from period to period and previously related primarily to historical loans and debt which have been securitized, and acquired on February 1, 2022 from UACC. Our ongoing business model is to originate or purchase finance receivables with the intent to sell which we recognize at the lower of cost or fair value. As a result of current market conditions, the financial instruments related to the 2022-2 and 2023-1 securitization transactions are recognized on balance-sheet and accounted for under the fair value option. As a result, the majority of our finance receivables are now carried at fair value and a significant portion of the risk of loss associated with these finance receivables have been retained by UACC. We therefore have determined we will no longer make any adjustments for such fluctuations in fair value to our Adjusted EBITDA results. We have recast the prior period presented to conform to current period presentation. We may account for future securitizations as on balance sheet transactions depending on the market conditions. We calculate Adjusted EBITDA excluding non-recurring costs to address operational and customer experience issues as Adjusted EBITDA adjusted to exclude the non-recurring costs incurred to address operational and customer experience issues, including rental cars for our customers and legal settlements with customers and state DMVs. While we expect to continue to incur these costs over the next few quarterly periods, we do not expect these costs to continue to be incurred once our operational issues have been resolved. We calculate Adjusted EBITDA excluding securitization gain as Adjusted EBITDA adjusted to exclude the securitization gain from the sale of UACC's finance receivables, and believe that it provides a useful perspective on the underlying operating results and trends and a means to compare our period-over-period results. We calculate Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues as Adjusted EBITDA adjusted to exclude the securitization gain from the sale of UACC's finance receivables and the non-recurring costs incurred to address operational and customer experience issues. The following table presents a reconciliation of EBITDA, Adjusted EBITDA, Adjusted EBITDA excluding securitization gain, and Adjusted EBITDA excluding securitization gain and non-recurring costs to address operational and customer experience issues to net loss, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2022	Three Months Ended June 30, 2022	Three Months Ended March 31, 2022
			(in thousands)		
Net (loss) income	$ (75,044)	$ 24,765	$ (51,127)	$ (115,089)	$ (310,459)
Adjusted to exclude the following:					
Interest expense	9,919	12,076	9,704	9,533	9,380
Interest income	(5,942)	(6,372)	(5,104)	(3,935)	(3,952)
Provision for income taxes	273	2,405	899	256	(23,240)
Depreciation and amortization	10,637	10,702	9,995	10,115	7,895
EBITDA	$ (60,157)	$ 43,576	$ (35,633)	$ (99,120)	$ (320,376)
Severance costs	$ 4,104	$ —	$ —	$ —	$ —
Gain on debt extinguishment	(8,709)	(126,767)	(37,917)	—	—
Realignment costs	—	2,253	3,243	$ 9,529	—
Acceleration of non-cash stock-based compensation	—	2,439	—	—	—
Goodwill impairment charge	—	—	—	—	201,703
Acquisition related costs	—	—	—	—	5,653
Other	—	3,679	—	2,127	—
Adjusted EBITDA	$ (64,762)	$ (74,820)	$ (70,307)	$ (87,464)	$ (113,020)
Non-recurring costs to address operational and customer experience issues	$ 659	$ 374	$ 15,785	$ 8,274	$ 1,000
Adjusted EBITDA excluding non-recurring costs to address operational and	$ (64,103)	$ (74,446)	$ (54,522)	$ (79,190)	$ (112,020)
Securitization gain	—	—	$ (15,972)		$ (29,617)
Adjusted EBITDA excluding securitization gain	$ (64,762)	$ (74,820)	$ (86,279)	$ (87,464)	$ (142,637)
Adjusted EBITDA excluding securitization gain and non-recurring costs to address	$ (64,103)	$ (74,446)	$ (70,494)	$ (79,190)	$ (141,637)

reconciliation of non-gaap financial measures (continued)

Adjusted SG&A

We calculate adjusted selling, general & administrative expenses as selling, general & administrative expenses adjusted to exclude severance costs, non-recurring costs to address operational and customer experience issues, UACC selling, general & administrative expenses, realignment costs, acceleration of non-cash stock-based compensation, acquisition related costs, and other costs, which relate to the write off of the upfront shares issued as part of the Rocket Auto agreement and previously recognized within "Other assets". The following table presents a reconciliation of adjusted selling, general & administrative expenses to selling, general & administrative expenses, which is the most directly comparable U.S. GAAP measure:

	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended September 30, 2022	Three Months Ended June 30, 2022	Three Months Ended March 31, 2022
			(in thousands)		
Total selling, general & administrative expenses	$ 96,537	$ 90,760	$ 134,643	$ 152,990	$ 187,994
Adjusted to exclude the following:					
Severance costs	4,104	—	—	—	—
Non-recurring costs to address operational and customer experience issues	659	1,867	15,785	8,274	1,000
UACC selling, general & administrative expenses	25,327	19,108	18,012	16,646	10,557
Realignment costs	—	187	2,226	6,122	—
Acceleration of non-cash stock-based compensation	—	2,439	—	—	—
Acquisition related costs				—	5,653
Other	—	—	—	2,127	—
Adjusted selling, general & administrative expenses	$ 66,447	$ 67,159	$ 98,620	$ 119,821	$ 170,784

adjusted ebitda[1] presentation notes

fair value adjustment changes

- Adjusted EBITDA – recast to "add back" of fair value ("FV") changes on securitized finance receivables and debt

	q1 2022	q2 2022	q3 2022	q4 2022	q1 2023
prior presentation adjusted ebitda[1]	($107.4) million	($85.6) million	($73.3) million	($70.9) million	n/a
change in fair value of financial instruments	($5.6) million	($1.8) million	$3.0 million	($3.9) million	n/a
current presentation adjusted ebitda[1]	($113.0) million	($87.5) million	($70.3) million	($74.8) million	($64.8) million

(1) Adjusted EBITDA, is a non-GAAP measures. For definitions and a reconciliation to the most comparable GAAP measure, please see the appendix.

including fair value adjustments to on-balance sheet portfolio of loans at vacc in adjusted ebitda[1]

thank you