# Vroom Announces Third Quarter 2024 Results

November 12, 2024

***Reaches an Agreement to Recapitalize Debt***

***Positions the Company for Long-Term Growth***

NEW YORK--(BUSINESS WIRE)--Nov. 12, 2024-- Vroom, Inc. (Nasdaq:VRM) today announced financial results for the third quarter ended September 30, 2024.

**HIGHLIGHTS OF THIRD QUARTER 2024**

- $51.1 million cash and cash equivalents as of September 30, 2024
- $32.9 million of liquidity available to UACC under the warehouse credit facilities
- $(37.7) million net loss from continuing operations
- $(25.5) million Adjusted EBITDA[1]
- Entered into an agreement to restructure $290 million of unsecured convertible notes, into equity through a prepackaged Chapter 11 case.

Tom Shortt, the Company's Chief Executive Officer, said, "Since winding down our ecommerce used automotive dealer business, we have been focused on maximizing the value of our remaining assets for our stakeholders. We believe eliminating our unsecured notes will significantly strengthen our balance sheet and allow us to emerge without any long-term debt at Vroom, Inc., while its subsidiary, UACC, will continue to be obligated to debt that is related to asset-backed securitizations and their trust preferred securities. Our team remains focused on executing our Long-Term Strategic Plan announced in September. We continue to make progress on our key initiatives and are focused on portfolio performance, improving processes and technology, digitization and automation, and reducing costs across the business."

1) Adjusted EBITDA is a non-GAAP measure. For definitions and a reconciliation to the most comparable GAAP measure, please see Non-GAAP Financial Measures section below.

**THIRD QUARTER 2024 FINANCIAL DISCUSSION**

All financial comparisons are on a year-over-year basis unless otherwise noted. The following financial information is unaudited.

| | Three Months Ended September 30, | | | Nine Months Ended September 30, | | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | $ Change | 2024 | 2023 | $ Change |
| Interest income | $ 50,213 | $ 47,579 | $ 2,634 | $ 153,152 | $ 128,942 | $ 24,210 |
| Interest expense: | | | | | | |
| Warehouse credit facility | 6,251 | 5,522 | 729 | 22,708 | 12,279 | 10,429 |
| Securitization debt | 9,096 | 6,116 | 2,980 | 21,960 | 16,442 | 5,518 |
| Total interest expense | 15,347 | 11,638 | 3,709 | 44,668 | 28,721 | 15,947 |
| Net interest income | 34,866 | 35,941 | (1,075) | 108,484 | 100,221 | 8,263 |
| Realized and unrealized losses, net of recoveries | 38,346 | 37,258 | 1,088 | 87,894 | 76,173 | 11,721 |
| Net interest income after losses and recoveries | (3,480) | (1,317) | (2,163) | 20,590 | 24,048 | (3,458) |
| Noninterest income: | | | | | | |
| Servicing income | 1,495 | 2,430 | (935) | 5,101 | 7,835 | (2,734) |
| Warranties and GAP income (loss), net | 3,917 | 146 | 3,771 | (4,347) | 3,732 | (8,079) |
| CarStory revenue | 2,890 | 2,998 | (108) | 8,782 | 9,392 | (610) |
| Gain on debt extinguishment | — | — | — | — | 19,640 | (19,640) |
| Other income | 2,419 | 2,057 | 362 | 8,344 | 8,160 | 184 |
| Total noninterest income | 10,721 | 7,631 | 3,090 | 17,880 | 48,759 | (30,879) |
| Expenses: | | | | | | |
| Compensation and benefits | 25,365 | 19,851 | 5,514 | 76,651 | 64,413 | 12,238 |
| Professional fees | 1,587 | 3,648 | (2,061) | 6,418 | 11,065 | (4,647) |
| Software and IT costs | 3,360 | 4,685 | (1,325) | 12,018 | 14,735 | (2,717) |
| Depreciation and amortization | 7,105 | 7,298 | (193) | 21,963 | 21,720 | 243 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Interest expense on corporate debt | 1,601 | 1,593 | 8 | 4,541 | 4,460 | 81 |
| Impairment charges | 2,407 | — | 2,407 | 5,159 | — | 5,159 |
| Other expenses | 3,436 | 3,861 | (425) | 12,853 | 13,631 | (778) |
| Total expenses | 44,861 | 40,936 | 3,925 | 139,603 | 130,024 | 9,579 |
| Loss from continuing operations before provision for income taxes | (37,620) | (34,622) | (2,998) | (101,133) | (57,217) | (43,916) |
| Provision for income taxes from continuing operations | 124 | 117 | 7 | 393 | 453 | (60) |
| Net loss from continuing operations | $ (37,744) | $ (34,739) | $ (3,005) | $ (101,526) | $ (57,670) | $ (43,856) |
| Net loss from discontinued operations | $ (1,999) | $ (47,988) | $ 45,989 | $ (27,024) | $ (165,838) | $ 138,814 |
| Net loss | $ (39,743) | $ (82,727) | $ 42,984 | $ (128,550) | $ (223,508) | $ 94,958 |

**Results by Segment**

***UACC***

| | Three Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Change | % Change |
| | (in thousands) | | | |
| Interest income | $ 50,801 | $ 48,068 | $ 2,734 | 5.7% |
| Interest expense: | | | | |
| Warehouse credit facility | 6,251 | 5,522 | 729 | 13.2% |
| Securitization debt | 9,096 | 6,116 | 2,980 | 48.7% |
| Total interest expense | 15,347 | 11,638 | 3,709 | 31.9% |
| Net interest income | 35,454 | 36,430 | (975) | (2.7)% |
| Realized and unrealized losses, net of recoveries | 30,117 | 30,323 | (206) | (0.7)% |
| Net interest income after losses and recoveries | 5,338 | 6,107 | (769) | (12.6)% |
| Noninterest income: | | | | |
| Servicing income | 1,495 | 2,430 | (935) | (38.5)% |
| Warranties and GAP income, net | 2,074 | 1,487 | 587 | 39.5% |
| Other income | 1,698 | 570 | 1,128 | 197.9% |
| Total noninterest income | 5,267 | 4,487 | 780 | 17.4% |
| Expenses: | | | | |
| Compensation and benefits | 19,819 | 14,976 | 4,843 | 32.3% |
| Professional fees | 875 | 986 | (111) | (11.3)% |
| Software and IT costs | 2,346 | 2,798 | (452) | (16.2)% |
| Depreciation and amortization | 5,505 | 5,689 | (184) | (3.2)% |
| Interest expense on corporate debt | 681 | 540 | 141 | 26.1% |
| Impairment charges | 2,407 | — | 2,407 | 100.0% |
| Other expenses | 1,991 | 1,666 | 325 | 19.5% |
| Total expenses | 33,624 | 26,656 | 6,968 | 26.1% |
| Adjusted EBITDA | $ (14,119) | $ (9,780) | $ (4,339) | 44.4% |
| Interest income on cash and cash equivalents | $ (548) | $ (520) | (28) | 5.4% |
| Stock compensation expense | $ 834 | $ 572 | 262 | 45.9% |
| Severance | $ 20 | $ — | 20 | 100.0% |

| | Nine Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Change | % Change |
| | (in thousands) | | | |
| Interest income | $ 154,731 | $ 130,897 | $ 23,834 | 18.2% |

| | | | | |
|---|---|---|---|---|
| Interest expense: | | | | |
| Warehouse credit facility | 22,708 | 12,279 | 10,429 | 84.9% |
| Securitization debt | 21,960 | 16,442 | 5,518 | 33.6% |
| Total interest expense | 44,668 | 28,721 | 15,947 | 55.5% |
| Net interest income | 110,063 | 102,176 | 7,887 | 7.7% |
| Realized and unrealized losses, net of recoveries | 77,460 | 62,980 | 14,479 | 23.0% |
| Net interest income after losses and recoveries | 32,604 | 39,196 | (6,592) | (16.8)% |
| Noninterest income: | | | | |
| Servicing income | 5,101 | 7,835 | (2,734) | (34.9)% |
| Warranties and GAP income, net | 5,324 | 5,168 | 156 | 3.0% |
| Other income | 6,266 | 2,601 | 3,665 | 140.9% |
| Total noninterest income | 16,691 | 15,604 | 1,087 | 7.0% |
| Expenses: | | | | |
| Compensation and benefits | 59,146 | 49,904 | 9,242 | 18.5% |
| Professional fees | 2,326 | 4,555 | (2,229) | (48.9)% |
| Software and IT costs | 8,048 | 8,478 | (430) | (5.1)% |
| Depreciation and amortization | 17,156 | 16,898 | 258 | 1.5% |
| Interest expense on corporate debt | 1,781 | 1,173 | 608 | 51.8% |
| Impairment charges | 5,159 | — | 5,159 | 100.0% |
| Other expenses | 7,569 | 5,927 | 1,642 | 27.7% |
| Total expenses | 101,186 | 86,935 | 14,251 | 16.4% |
| Adjusted EBITDA | $ (27,091) | $ (13,956) | $ (13,135) | 94.1% |
| Interest income on cash and cash equivalents | $ (1,676) | $ (1,474) | (202) | 13.7% |
| Stock compensation expense | $ 1,867 | $ 1,580 | 287 | 18.2% |
| Severance | $ 513 | $ — | 513 | 100.0% |

***CarStory***

| | Three Months Ended September 30, | | | |
|---|---|---|---|---|
| | **2024** | **2023** | **Change** | **% Change** |
| | **(in thousands)** | | | |
| Noninterest income: | | | | |
| CarStory revenue | $ 2,890 | $ 2,998 | $ (108) | (3.6)% |
| Other income | 199 | 141 | 58 | 41.1% |
| Total noninterest income | 3,089 | 3,139 | (50) | (1.6)% |
| Expenses: | | | | |
| Compensation and benefits | 3,127 | 2,328 | 799 | 34.3% |
| Professional fees | (112) | 71 | (183) | (257.7)% |
| Software and IT costs | 17 | 170 | (153) | (90.0)% |
| Depreciation and amortization | 1,600 | 1,609 | (9) | (0.6)% |
| Other expenses | 127 | 161 | (34) | (21.1)% |
| Total expenses | 4,759 | 4,339 | 420 | 9.7% |
| Adjusted EBITDA | $ (210) | $ 536 | $ (746) | (139.2)% |
| Interest income on cash and cash equivalents | $ (198) | $ (141) | (57) | 40.4% |
| Stock compensation expense | $ 59 | $ 268 | (210) | (78.2)% |

| | Nine Months Ended September 30, | | | |
|---|---|---|---|---|
| | **2024** | **2023** | **Change** | **% Change** |
| | **(in thousands)** | | | |

| | | | | |
|---|---|---|---|---|
| Noninterest income: | | | | |
| CarStory revenue | $ 8,782 | $ 9,392 | $ (610) | (6.5)% |
| Other income | 562 | 282 | 280 | 99.3% |
| Total noninterest income | 9,344 | 9,674 | (330) | (3.4)% |
| Expenses: | | | | |
| Compensation and benefits | 7,802 | 7,149 | 653 | 9.1% |
| Professional fees | 90 | 361 | (271) | (75.2)% |
| Software and IT costs | 205 | 515 | (310) | (60.2)% |
| Depreciation and amortization | 4,807 | 4,822 | (15) | (0.3)% |
| Other expenses | 300 | 462 | (162) | (35.1)% |
| Total expenses | 13,203 | 13,308 | (105) | (0.8)% |
| Adjusted EBITDA | $ 720 | $ 1,738 | $ (1,018) | (58.6)% |
| Interest income on cash and cash equivalents | $ (561) | $ (275) | (286) | 103.9% |
| Stock compensation expense | $ 334 | $ 825 | (490) | (59.5)% |

***Corporate***

| | Three Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Change | % Change |
| | (in thousands) | | | |
| Interest income | $ (588) | $ (489) | $ (100) | 20.5% |
| Realized and unrealized losses, net of recoveries | 8,229 | 6,935 | 1,294 | 18.7% |
| Net interest income after losses and recoveries | (8,818) | (7,424) | (1,394) | 18.8% |
| Noninterest income: | | | | |
| Warranties and GAP income (loss), net | $ 1,843 | $ (1,341) | $ 3,184 | 237.4% |
| Other income | 522 | 1,346 | (824) | (61.2)% |
| Total noninterest income | 2,365 | 5 | 2,360 | 47,200.0% |
| Expenses: | | | | |
| Compensation and benefits | 2,419 | 2,547 | (128) | (5.0)% |
| Professional fees | 824 | 2,591 | (1,767) | (68.2)% |
| Software and IT costs | 997 | 1,717 | (720) | (41.9)% |
| Interest expense on corporate debt | 920 | 1,053 | (133) | (12.6)% |
| Other expenses | 1,318 | 2,034 | (716) | (35.2)% |
| Total expenses | 6,478 | 9,941 | (3,463) | (34.8)% |
| Adjusted EBITDA | $ (11,205) | $ (16,715) | $ 5,510 | 33.0% |
| Interest income on cash and cash equivalents | $ (289) | $ (1,346) | 1,057 | 78.5% |
| Stock compensation expense | $ 351 | $ 939 | (587) | (62.6)% |
| Severance | $ 743 | $ — | 743 | 100.0% |

| | Nine Months Ended September 30, | | | |
|---|---|---|---|---|
| | 2024 | 2023 | Change | % Change |
| | (in thousands) | | | |
| Interest income | $ (1,579) | $ (1,955) | $ 376 | 19.2% |
| Realized and unrealized losses, net of recoveries | 10,434 | 13,192 | (2,758) | (20.9)% |
| Net interest income after losses and recoveries | (12,013) | (15,148) | 3,134 | 20.7% |
| Noninterest (loss) income: | | | | |
| Warranties and GAP loss, net | (9,671) | (1,436) | $ (8,235) | 573.5% |

| | | | | |
|---|---|---|---|---|
| Gain on debt extinguishment | — | 19,640 | (19,640) | (100.0)% |
| Other income | 1,516 | 5,277 | (3,761) | (71.3)% |
| Total noninterest (loss) income | (8,155) | 23,481 | (31,636) | (134.7)% |
| Expenses: | | | | |
| Compensation and benefits | 9,703 | 7,360 | 2,342 | 31.8% |
| Professional fees | 4,002 | 6,149 | (2,148) | (34.9)% |
| Software and IT costs | 3,765 | 5,742 | (1,977) | (34.4)% |
| Interest expense on corporate debt | 2,760 | 3,287 | (527) | (16.0)% |
| Other expenses | 4,984 | 7,242 | (2,259) | (31.2)% |
| Total expenses | 25,213 | 29,781 | (4,568) | (15.3)% |
| Adjusted EBITDA | $ (38,858) | $ (40,358) | $ 1,500 | 3.7% |
| Interest income on cash and cash equivalents | $ (984) | $ (5,276) | 4,292 | 81.3% |
| Stock compensation expense | $ 2,812 | $ 2,722 | 91 | 3.3% |
| Severance | $ 1,935 | $ — | 1,935 | 100.0% |

**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 and Adjusted EBITDA. 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 and Adjusted EBITDA are supplemental performance measures that our management uses to assess our operating performance and the operating leverage in our business. Because EBITDA and Adjusted EBITDA 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 on corporate debt, interest income on cash and cash equivalents, income tax expense and depreciation and amortization expense.

We calculate Adjusted EBITDA as EBITDA adjusted to exclude stock compensation expense, severance expense related to the continuing operations, gain on debt extinguishment and long-lived asset impairment charges.

The following table presents a reconciliation of EBITDA and Adjusted EBITDA to net loss from continuing operations, which is the most directly comparable U.S. GAAP measure:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | (in thousands) | | (in thousands) | |
| Net loss from continuing operations | $ (37,744) | $ (34,739) | $ (101,526) | $ (57,670) |
| Adjusted to exclude the following: | | | | |
| Interest expense on corporate debt | 1,601 | 1,593 | 4,541 | 4,460 |
| Interest income on cash and cash equivalents | (1,035) | (2,007) | (3,221) | (7,026) |
| Provision for income taxes | 124 | 117 | 393 | 453 |
| Depreciation and amortization | 7,105 | 7,298 | 21,963 | 21,720 |
| EBITDA | $ (29,949) | $ (27,738) | $ (77,850) | $ (38,063) |
| Stock compensation expense | 1,244 | 1,779 | 5,014 | 5,126 |
| Severance | 763 | — | 2,448 | — |
| Gain on debt extinguishment | — | — | — | (19,640) |
| Impairment charges | 2,407 | — | 5,159 | — |
| Adjusted EBITDA | $ (25,534) | $ (25,959) | $ (65,229) | $ (52,576) |

**About Vroom (Nasdaq: VRM)**

Vroom owns and operates United Auto Credit Corporation (UACC), a leading indirect automotive lender serving the independent and franchise dealer market nationwide, and CarStory, a leader in AI-powered analytics and digital services for automotive retail. Prior to January 2024, Vroom also operated an end-to-end ecommerce platform to buy and sell used vehicles. Pursuant to its previously announced Value Maximization Plan, Vroom discontinued its ecommerce operations and used vehicle dealership business.

**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 the anticipated restructuring, including its impact, intended benefits, and outcome, our strategic initiatives, cost-savings and their expected benefits, our expectations regarding UACC's business, including with respect to originations and the impact of credit tightening, future results of operations and financial position, including profitability and our available liquidity under the warehouse credit facilities, and the timing of any of the foregoing. 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, 2023, as updated by our Quarterly report on Form 10-Q for the quarter ended September 30, 2024, 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.

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

| | As of September 30, 2024 | As of December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 51,093 | $ 135,585 |
| Restricted cash (including restricted cash of consolidated VIEs of $46.2 million and $49.1 million, respectively) | 47,068 | 73,234 |
| Finance receivables at fair value (including finance receivables of consolidated VIEs of $446.7 million and $341.4 million, respectively) | 487,573 | 348,670 |
| Finance receivables held for sale, net (including finance receivables of consolidated VIEs of $353.8 million and $457.2 million, respectively) | 363,029 | 503,546 |
| Interest receivable (including interest receivables of consolidated VIEs of $13.1 million and $13.7 million, respectively) | 14,024 | 14,484 |
| Property and equipment, net | 3,055 | 4,982 |
| Intangible assets, net | 111,625 | 131,892 |
| Operating lease right-of-use assets | 6,805 | 7,063 |
| Other assets (including other assets of consolidated VIEs of $12.2 million and $13.3 million, respectively) | 36,446 | 59,429 |
| Assets from discontinued operations | 3,016 | 196,537 |
| Total assets | $ 1,123,734 | $ 1,475,422 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Warehouse credit facilities of consolidated VIEs | $ 321,812 | $ 421,268 |
| Long-term debt (including securitization debt of consolidated VIEs of $242.3 million at amortized cost and $167.7 million at fair value as of September 30, 2024 and $314.1 million at fair value as of December 31, 2023) | 729,372 | 626,583 |
| Operating lease liabilities | 11,396 | 10,459 |
| Other liabilities (including other liabilities of consolidated VIEs of $16.4 million and $14.3 million, respectively) | 51,474 | 61,321 |
| Liabilities from discontinued operations | 4,997 | 228,120 |
| Total liabilities | 1,119,051 | 1,347,751 |
| Commitments and contingencies (Note 11) | | |
| Stockholders' equity: | | |
| Common stock, $0.001 par value; 500,000,000 shares authorized as of September 30, 2024 and December 31, 2023; 1,808,243 and 1,791,286 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively | 2 | 2 |
| Additional paid-in-capital | 2,093,941 | 2,088,381 |
| Accumulated deficit | (2,089,260) | (1,960,712) |
| Total stockholders' equity | 4,683 | 127,671 |
| Total liabilities and stockholders' equity | $ 1,123,734 | $ 1,475,422 |

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

| | Three Months Ended September 30, | Nine Months Ended September 30, |
|---|---|---|

| | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|
| Interest income | $ 50,213 | 47,579 | $ 153,152 | $ 128,942 |
| Interest expense: | | | | |
| Warehouse credit facility | 6,251 | 5,522 | 22,708 | 12,279 |
| Securitization debt | 9,096 | 6,116 | 21,960 | 16,442 |
| Total interest expense | 15,347 | 11,638 | 44,668 | 28,721 |
| Net interest income | 34,866 | 35,941 | 108,484 | 100,221 |
| Realized and unrealized losses, net of recoveries | 38,346 | 37,258 | 87,894 | 76,173 |
| Net interest income after losses and recoveries | (3,480) | (1,317) | 20,590 | 24,048 |
| Noninterest income: | | | | |
| Servicing income | 1,495 | 2,430 | 5,101 | 7,835 |
| Warranties and GAP income (loss), net | 3,917 | 146 | (4,347) | 3,732 |
| CarStory revenue | 2,890 | 2,998 | 8,782 | 9,392 |
| Gain on debt extinguishment | — | — | — | 19,640 |
| Other income | 2,419 | 2,057 | 8,344 | 8,160 |
| Total noninterest income | 10,721 | 7,631 | 17,880 | 48,759 |
| Expenses: | | | | |
| Compensation and benefits | 25,365 | 19,851 | 76,651 | 64,413 |
| Professional fees | 1,587 | 3,648 | 6,418 | 11,065 |
| Software and IT costs | 3,360 | 4,685 | 12,018 | 14,735 |
| Depreciation and amortization | 7,105 | 7,298 | 21,963 | 21,720 |
| Interest expense on corporate debt | 1,601 | 1,593 | 4,541 | 4,460 |
| Impairment charges | 2,407 | — | 5,159 | — |
| Other expenses | 3,436 | 3,861 | 12,853 | 13,631 |
| Total expenses | 44,861 | 40,936 | 139,603 | 130,024 |
| Loss from continuing operations before provision for income taxes | (37,620) | (34,622) | (101,133) | (57,217) |
| Provision for income taxes from continuing operations | 124 | 117 | 393 | 453 |
| Net loss from continuing operations | $ (37,744) | $ (34,739) | $ (101,526) | $ (57,670) |
| Net loss from discontinued operations | $ (1,999) | $ (47,988) | $ (27,024) | $ (165,838) |
| Net loss | $ (39,743) | $ (82,727) | $ (128,550) | $ (223,508) |
| Net loss per share attributable to common stockholders, continuing operations, basic and diluted | $ (20.88) | $ (19.89) | $ (56.38) | $ (33.16) |
| Net loss per share attributable to common stockholders, discontinued operations, basic and diluted | $ (1.11) | $ (27.48) | $ (15.01) | $ (95.36) |
| Total net loss per share attributable to common stockholders, basic and diluted | $ (21.99) | $ (47.38) | $ (71.39) | $ (128.52) |
| Weighted-average number of shares outstanding used to compute net loss per share attributable to common stockholders, basic and diluted | 1,807,398 | 1,746,154 | 1,800,729 | 1,739,042 |

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

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| **Operating activities** | | |
| Net loss from continuing operations | $ (101,526) | $ (57,670) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Impairment charges | 5,159 | — |
| Profit share receivable | 10,899 | — |
| Gain on debt extinguishment | — | (19,640) |
| Depreciation and amortization | 21,963 | 21,720 |
| Amortization of debt issuance costs | 3,312 | 2,480 |
| Losses on finance receivables and securitization debt, net | 109,992 | 80,246 |

| | | |
|---|---|---|
| Stock-based compensation expense | 4,949 | 5,126 |
| Provision to record finance receivables held for sale at lower of cost or fair value | (3,586) | 4,375 |
| Amortization of unearned discounts on finance receivables at fair value | (12,674) | (20,273) |
| Other, net | (3,846) | (12,871) |
| Changes in operating assets and liabilities: | | |
| *Finance receivables, held for sale* | | |
| Originations of finance receivables, held for sale | (322,967) | (420,793) |
| Principal payments received on finance receivables, held for sale | 133,920 | 71,906 |
| Other | 1,243 | (868) |
| Interest receivable | 460 | (5,367) |
| Other assets | 8,395 | 1,629 |
| Other liabilities | (9,847) | (6,826) |
| Net cash used in operating activities from continuing operations | (154,154) | (356,826) |
| Net cash provided by (used in) operating activities from discontinued operations | 79,257 | (68,805) |
| Net cash used in operating activities | (74,897) | (425,631) |
| **Investing activities** | | |
| *Finance receivables, held for investment at fair value* | | |
| Purchases of finance receivables, held for investment at fair value | — | (3,392) |
| Principal payments received on finance receivables, held for investment at fair value | 92,217 | 136,644 |
| Consolidation of VIEs | — | 11,409 |
| Principal payments received on beneficial interests | 1,953 | 4,334 |
| Purchase of property and equipment | (2,111) | (1,926) |
| Net cash provided by investing activities from continuing operations | 92,059 | 147,069 |
| Net cash provided by (used in) investing activities from discontinued operations | 15,908 | (9,627) |
| Net cash provided by investing activities | 107,967 | 137,442 |
| **Financing activities** | | |
| Proceeds from borrowings under secured financing agreements, net of issuance costs | 296,145 | 261,991 |
| Principal repayment under secured financing agreements | (194,746) | (159,384) |
| Proceeds from financing of beneficial interests in securitizations | 15,821 | 24,506 |
| Principal repayments of financing of beneficial interests in securitizations | (9,958) | (5,699) |
| Proceeds from warehouse credit facilities | 257,200 | 332,700 |
| Repayments of warehouse credit facilities | (356,656) | (269,698) |
| Repurchases of convertible senior notes | — | (13,194) |
| Other financing activities | (356) | (1,462) |
| Net cash provided by financing activities from continuing operations | 7,450 | 169,760 |
| Net cash used in financing activities from discontinued operations | (151,178) | (64,502) |
| Net cash (used in) provided by financing activities | (143,728) | 105,258 |
| **Net decrease in cash, cash equivalents and restricted cash** | (110,658) | (182,931) |
| Cash, cash equivalents and restricted cash at the beginning of period | 208,819 | 472,010 |
| **Cash, cash equivalents and restricted cash at the end of period** | $ 98,161 | $ 289,079 |

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

| | | |
|---|---|---|
| **Supplemental disclosure of cash flow information:** | | |
| Cash paid for interest | $ 43,669 | $ 26,746 |
| Cash paid for income taxes | $ 351 | $ 5,153 |
| **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 |

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