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): February 28, 2022

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.)

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:

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 February 28, 2022, Vroom, Inc. (the "Company") issued a press release announcing its financial results for the quarter and year ended December 31, 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 March 1, 2022, members of the Company's management will hold an earnings conference call to discuss the Company's financial results for the quarter and year ended December 31, 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:

Exhibit No.	Description
99.1	Press Release dated February 28, 2022.
99.2	Earnings Conference Call Presentation for the Quarter and Year Ended December 31, 2021.
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: February 28, 2022	By: /s/ Robert R. Krakowiak
	Robert R. Krakowiak
	Chief Financial Officer

Exhibit 99.1

Vroom Reports Strong Fourth Quarter and Full Year 2021 Growth

Vroom Delivers Record Ecommerce Units

Quarterly and FY 2021 Ecommerce Unit Sales Up 93% and 117% YoY, respectively

Quarterly and FY 2021 Ecommerce Gross Profit Up 64% and 171% YoY, respectively

NEW YORK – February 28, 2022 – Vroom, Inc. (Nasdaq:VRM), a leading ecommerce platform for buying and selling used vehicles, today announced financial results for the fourth quarter and fiscal year ended December 31, 2021.

HIGHLIGHTS OF FOURTH QUARTER 2021

- 21,243 ecommerce units sold, up 93% YoY
- Ecommerce revenue of $738.7 million, up 159% YoY
- Ecommerce gross profit of $32.9 million, up 64% YoY
- Announced acquisition of UACC

HIGHLIGHTS OF FISCAL YEAR 2021

- 74,698 ecommerce units sold, up 117% YoY
- Ecommerce revenue of $2,442.4 million, up 167% YoY
- Ecommerce gross profit of $164.7 million, up 171% YoY

“I am proud of what we accomplished in 2021” commented Mr. Paul Hennessy, Chief Executive Officer of Vroom. “We achieved record unit sales and revenues, record ecommerce gross profit per unit and a record number of vehicle acquisitions from consumers. At the same time, we expanded both our reconditioning capacity and last mile delivery operations. We look forward to the continued evolution of our business in 2022 as we welcome our new Chief Operating Officer, Tom Shortt, to lead our efforts to achieve operational excellence and deliver an outstanding customer experience, as well as the team from UACC, as we build out our captive financing arm and improve our unit economics. I have never been more optimistic about the future for Vroom.”

Mr. Robert Krakowiak, Vroom’s Chief Financial Officer, commented: “we are pleased with our full year progress on ecommerce gross profit per unit, expanding by 25% for the full year despite fourth quarter headwinds. Additionally, we continue to leverage SG&A per ecommerce transaction, which reduced by 18% on a year-over-year basis. For 2022, we expect a further increase in ecommerce GPPU and continued leverage of our SG&A spend as we begin to capture the benefits of captive financing and sharpen our focus on incremental unit economics throughout our business.”

FOURTH QUARTER 2021 FINANCIAL DISCUSSION

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

Ecommerce Results

	Three Months Ended December 31,				Year Ended December 31,			
	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	21,243	11,022	10,221	92.7 %	74,698	34,488	40,210	116.6 %
Ecommerce revenue:								
Vehicle revenue	$ 715,874	$ 274,552	$ 441,322	160.7 %	$ 2,360,368	$ 884,560	$ 1,475,808	166.8 %
Product revenue	22,846	10,398	12,448	119.7 %	82,001	30,891	51,110	165.5 %
Total ecommerce revenue	$ 738,720	$ 284,950	$ 453,770	159.2 %	$ 2,442,369	$ 915,451	$ 1,526,918	166.8 %
Ecommerce gross profit:								
Vehicle gross profit	$ 10,042	$ 9,674	$ 368	3.8 %	$ 82,745	$ 29,970	$ 52,775	176.1 %
Product gross profit	22,846	10,398	12,448	119.7 %	82,001	30,891	51,110	165.5 %
Total ecommerce gross profit	$ 32,888	$ 20,072	$ 12,816	63.9 %	$ 164,746	$ 60,861	$ 103,885	170.7 %
Average vehicle selling price per ecommerce unit	$ 33,699	$ 24,909	$ 8,790	35.3 %	$ 31,599	$ 25,648	$ 5,951	23.2 %
Gross profit per ecommerce unit:								
Vehicle gross profit per ecommerce unit	$ 473	$ 878	$ (405)	(46.1)%	$ 1,108	$ 869	$ 239	27.5 %
Product gross profit per ecommerce unit	1,075	943	132	14.0 %	1,098	896	202	22.5 %
Total gross profit per ecommerce unit	$ 1,548	$ 1,821	$ (273)	(15.0)%	$ 2,206	$ 1,765	$ 441	25.0 %
Ecommerce average days to sale	76	77	(1)	(1.3)%	74	66	8	12.1 %

Fourth Quarter 2021

Ecommerce Units

Ecommerce units sold increased 92.7% to 21,243 as a result of higher inventory levels, strong national brand recognition driven by our national advertising campaign and higher marketing spend, as well as growing consumer acceptance of our business model. The increase was also attributable to strong market demand 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 132.9% to 2,338,718.

Ecommerce Revenue

Ecommerce revenue increased 159.2% to $738.7 million.

- Ecommerce Vehicle revenue increased 160.7% to $715.9 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 $24,909 to $33,699, primarily attributable to market appreciation.
- Ecommerce Product revenue increased 119.7% to $22.8 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 $943 to $1,075 per unit.

Ecommerce Gross Profit

Ecommerce gross profit increased 63.9% to $32.9 million.

- Ecommerce Vehicle gross profit increased 3.8% to $10.1 million. The increase in ecommerce Vehicle gross profit was primarily due to an increase in ecommerce units sold, offset by a 46.1% decrease in ecommerce Vehicle gross profit per unit, which decreased from $878 to $473.
- Ecommerce Product gross profit increased 119.7% to $22.8 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 $943 to $1,075 per unit.

Ecommerce Gross Profit per Unit

Ecommerce gross profit per unit decreased 15.0% to $1,548.

- Ecommerce Vehicle gross profit per unit decreased 46.1% to $473, primarily driven by lower sales margins as a result of high acquisition costs for premium vehicles in the third quarter, combined with the retail depreciation for these vehicles during the fourth quarter, as well as higher reconditioning costs due to labor shortages and elevated demand at third-party reconditioning partners.
- Ecommerce Product gross profit per unit increased 14.0% to $1,075, primarily driven by an increase in the average loan size as a result of a higher average selling price per unit, as well as higher attachment rates on other value-added products.

Results by Segment

	Three Months Ended December 31, 2021	2020 (1)	Change	% Change	Year Ended December 31, 2021	2020 (1)	Change	% Change
	(in thousands, except unit data)				(in thousands, except unit data)			
Units:								
Ecommerce	21,243	11,022	10,221	92.7 %	74,698	34,488	40,210	116.6 %
Wholesale	8,742	6,998	1,744	24.9 %	37,163	21,108	16,055	76.1 %
TDA	2,105	1,777	328	18.5 %	7,212	7,385	(173)	(2.3)%
Total units	32,090	19,797	12,293	62.1 %	119,073	62,981	56,092	89.1 %
Revenue:								
Ecommerce	$ 738,720	$ 284,950	$ 453,770	159.2 %	$ 2,442,369	$ 915,451	$ 1,526,918	166.8 %
Wholesale	121,543	75,111	46,432	61.8 %	498,981	245,580	253,401	103.2 %
TDA	70,944	45,437	25,507	56.1 %	229,872	195,295	34,577	17.7 %
All Other (2)	3,284	331	2,953	892.1 %	13,033	1,374	11,659	848.5 %
Total revenue	$ 934,491	$ 405,829	$ 528,662	130.3 %	$ 3,184,255	$ 1,357,700	$ 1,826,555	134.5 %
Gross profit (loss):								
Ecommerce	$ 32,888	$ 20,072	$ 12,816	63.9 %	$ 164,746	$ 60,861	$ 103,885	170.7 %
Wholesale	7,783	(2,938)	10,721	364.9 %	18,120	(1,432)	19,552	1,365.4 %
TDA	2,163	2,878	(715)	(24.8)%	11,907	11,677	230	2.0 %
All Other (2)	1,872	94	1,778	1,891.5 %	7,326	439	6,887	1,568.8 %
Total gross profit	$ 44,706	$ 20,106	$ 24,600	122.4 %	$ 202,099	$ 71,545	$ 130,554	182.5 %
Gross profit (loss) per unit (3):								
Ecommerce	$ 1,548	$ 1,821	$ (273)	(15.0)%	$ 2,206	$ 1,765	$ 441	25.0 %
Wholesale	$ 890	$ (420)	$ 1,310	311.9 %	$ 488	$ (68)	$ 556	817.6 %
TDA	$ 1,028	$ 1,620	$ (592)	(36.5)%	$ 1,651	$ 1,581	$ 70	4.4 %

(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, which was acquired in January 2021, 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 62.1% to 32,090.

- Ecommerce units sold increased 92.7% to 21,243, as discussed above.
- Wholesale units sold increased 24.9% to 8,742, 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 18.5% to 2,105, primarily due to strong market demand generally for used vehicles and higher inventory levels.

Total Revenue

Total revenue increased 130.3% to $934.5 million.

- Ecommerce revenue increased 159.2% to $738.7 million, as discussed above.

- Wholesale revenue increased 61.8% to $121.5 million. The increase in wholesale revenue was primarily attributable to a higher average selling price per unit, which increased from $10,733 to $13,903, primarily due to market appreciation and to a lesser extent due to the increase in wholesale units sold.
- TDA revenue increased 56.1% to $70.9 million, primarily due to a higher average selling price per unit, which increased from $24,546 to $32,963 as well as the increase in TDA units sold.

Total Gross Profit

Total gross profit increased 122.4% to $44.7 million.

- Ecommerce gross profit increased 63.9% to $32.9 million, as discussed above.
- Wholesale gross profit increased 364.9% to $7.8 million. Wholesale gross profit increased primarily due to a higher Wholesale gross profit per unit of $1,310.
- TDA gross profit decreased 24.8% to $2.2 million. TDA gross profit decreased primarily due to a decrease in TDA gross profit per unit of $592.

Gross Profit per Unit

- Ecommerce gross profit per unit decreased 15.0% to $1,548, as discussed above.
- Wholesale gross profit per unit increased 311.9% to $890 as a result of favorable wholesale market conditions.
- TDA gross profit per unit decreased 36.5% to $1,028 driven by a decrease in TDA vehicle gross profit per unit of $308, as well as a decrease in TDA product gross profit per unit of $284.

SG&A

	Three Months Ended December 31,				Year Ended December 31,			
	2021	2020	Change	% Change	2021	2020	Change	% Change
	(in thousands)				(in thousands)			
Compensation & benefits	$ 59,332	$ 28,384	$ 30,948	109.0 %	$ 204,913	$ 92,205	$ 112,708	122.2 %
Marketing expense	37,214	17,564	19,650	111.9 %	125,481	62,393	63,088	101.1 %
Outbound logistics	27,800	10,500	17,300	164.8 %	85,788	30,262	55,526	183.5 %
Occupancy and related costs	4,849	3,210	1,639	51.1 %	17,448	10,784	6,664	61.8 %
Professional fees	8,435	4,863	3,572	73.5 %	24,386	10,560	13,826	130.9 %
Other	28,711	13,607	15,104	111.0 %	89,807	39,342	50,465	128.3 %
Total selling, general & administrative expenses	$ 166,341	$ 78,128	$ 88,213	112.9 %	$ 547,823	$ 245,546	$ 302,277	123.1 %

Selling, general and administrative expenses increased 112.9% to $166.3 million. The increase was primarily due to:

- $30.9 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;
- $19.7 million increase in marketing expense as we expanded our national broad-reach brand advertising and increased performance and online marketing as we continue to grow our listed inventory;
- $17.3 million increase in outbound logistics costs primarily attributable to the growth in ecommerce units sold, which increased outbound logistics costs by $9.7 million, as well as increases in market rates of logistics providers, which increased outbound logistics costs by $7.6 million;
- $3.6 million increase in professional fees primarily due to increased legal fees as well as consulting expenses in the engineering department; and
- $15.1 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 continue 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. However, we believe these increases will be partially offset by operating leverage as our business continues to scale and we gain efficiencies from our investments in technology and process improvements.

Loss from Operations and Net Loss

Loss from operations increased 110.9% to $125.3 million. Net loss increased 114.0% to $129.8 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 acquisition related costs. 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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Net loss	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
Adjusted to exclude the following:				
Interest expense	7,228	3,274	21,948	9,656
Interest income	(3,053)	(1,936)	(10,341)	(5,896)
Provision for income taxes	375	(54)	754	84
Depreciation and amortization expense	3,718	1,399	13,215	4,654
EBITDA	$ (121,525)	$ (57,979)	$ (345,335)	$ (194,301)
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	1,678	2,080	5,090	2,080
Adjusted EBITDA	$ (119,847)	$ (55,899)	$ (340,245)	$ (170,489)

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 acquisition related costs. 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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Loss from operations	$ (125,250)	$ (59,381)	$ (358,615)	$ (178,599)
Add: One-time IPO related acceleration of non-cash stock based compensation	—	—	—	1,262
Add: Acquisition related costs	1,678	2,080	5,090	2,080
Adjusted loss from operations	$ (123,572)	$ (57,301)	$ (353,525)	$ (175,257)

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 acquisition related costs. 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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)		(in thousands, except share and per share amounts)	
Net loss	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
Net loss attributable to common stockholders	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
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	1,678	2,080	5,090	2,080
Non-GAAP net loss	$ (128,115)	$ (58,582)	$ (365,821)	$ (178,987)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,948,461	132,187,850	136,429,791	73,345,569
Net loss per share, basic and diluted	$ (0.95)	$ (0.46)	$ (2.72)	$ (2.76)
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	—	—	—	0.28
Impact of acquisition related costs	0.01	0.02	0.04	0.03
Non-GAAP net loss per share, basic and diluted	$ (0.94)	$ (0.44)	$ (2.68)	$ (2.43)
Non-GAAP net loss per share, as adjusted, basic and diluted[(a)]	$ (0.94)	$ (0.44)	$ (2.68)	$ (1.37)

[(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 as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)		(in thousands, except share and per share amounts)	
Non-GAAP net loss	$ (128,115)	$ (58,582)	$ (365,821)	$ (178,987)
Non-GAAP net loss, as adjusted	$ (128,115)	$ (58,582)	$ (365,821)	$ (178,987)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,948,461	132,187,850	136,429,791	73,345,569
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
Less: Adjustment for the impact of the above items already included in weighted-average number of shares outstanding for the periods presented	—	—	—	(63,865,903)
Weighted-average number of shares outstanding used to compute net loss per share, as adjusted, basic and diluted	136,948,461	132,187,850	136,429,791	130,250,560
Non-GAAP net loss per share, as adjusted, basic and diluted	$ (0.94)	$ (0.44)	$ (2.68)	$ (1.37)

Financial Outlook

For the first quarter 2022, we expect the following results:

- Total revenues[1] of approximately $875 million.
- Ecommerce unit sales of 18,000 to 19,000.
- Ecommerce gross profit per unit of approximately $1,500.
- Adjusted EBITDA[1] [2] of approximately ($130) million.

[1] Inclusive of UACC from acquisition date of February 1, 2022.

[2] A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for our first quarter 2022 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 fourth quarter 2021 in the reconciliation table in the Non-GAAP Financial Measures section above.

The foregoing estimates are forward-looking statements that reflect the Company's expectations as of February 28, 2022 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 Tuesday, March 1, 2022 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 9567145. A live audio webcast will also be available 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 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 first quarter ended March 31, 2022. 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, 2021, 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.

Investor Relations:

Vroom
Allen Miller
investors@vroom.com

Media Contact:

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

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

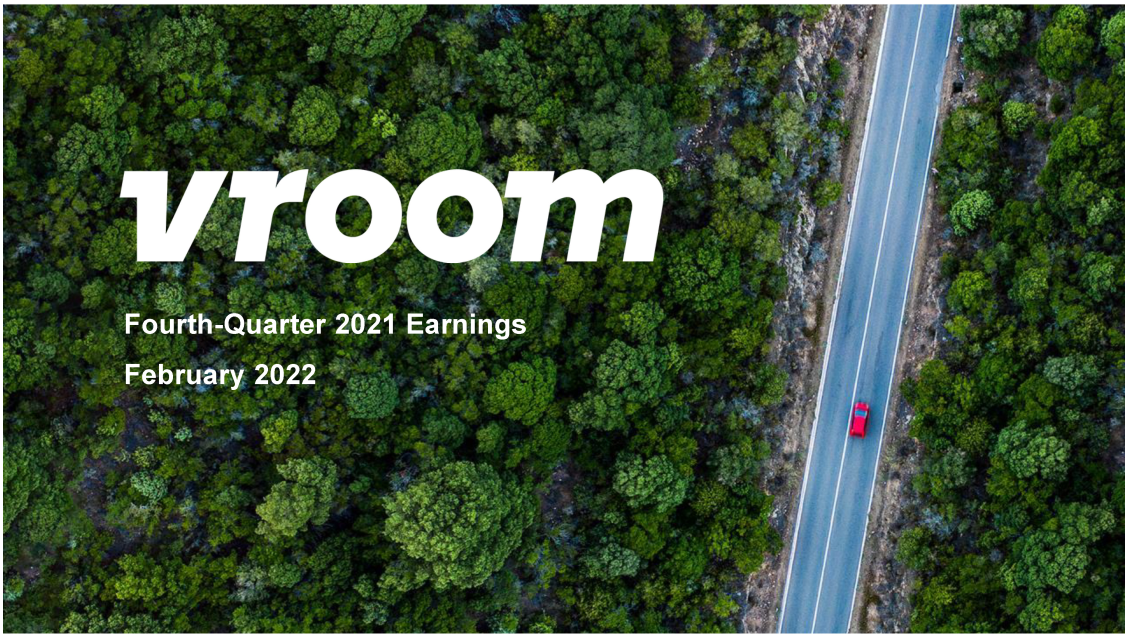
	As of December 31, 2021	As of December 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,132,325	$ 1,056,213
Restricted cash	82,450	33,826
Accounts receivable, net of allowance of $8,889 and $2,803, respectively	105,433	60,576
Inventory	726,384	423,647
Prepaid expenses and other current assets	55,700	23,617
Total current assets	2,102,292	1,597,879
Property and equipment, net	37,042	15,092
Intangible assets, net	28,207	34
Goodwill	158,817	78,172
Operating lease right-of-use assets	15,359	17,137
Other assets	25,033	15,742
Total assets	$ 2,366,750	$ 1,724,056
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 52,651	$ 32,925
Accrued expenses	121,508	59,405
Vehicle floorplan	512,801	329,231
Deferred revenue	75,803	24,822
Operating lease liabilities, current	6,889	6,052
Other current liabilities	57,604	30,275
Total current liabilities	827,256	482,710
Convertible senior notes	610,618	—
Operating lease liabilities, excluding current portion	9,592	12,093
Other long-term liabilities	4,090	2,151
Total liabilities	1,451,556	496,954
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Common stock, $0.001 par value; 500,000,000 shares authorized as of December 31, 2021 and December 31, 2020; 137,092,891 and 134,043,969 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively	135	132
Additional paid-in-capital	2,063,841	2,004,841
Accumulated deficit	(1,148,782)	(777,871)
Total stockholders' equity	915,194	1,227,102
Total liabilities and stockholders' equity	$ 2,366,750	$ 1,724,056

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

	Three Months Ended December 31,		Year Ended December 31,	
	2021	**2020**	**2021**	**2020**
Revenue:				
Retail vehicle, net	$ 785,262	$ 318,171	$ 2,583,417	$ 1,072,551
Wholesale vehicle	121,543	75,111	498,981	245,580
Product, net	24,402	12,216	88,824	38,195
Other	3,284	331	13,033	1,374
Total revenue	934,491	405,829	3,184,255	1,357,700
Cost of sales	889,785	385,723	2,982,156	1,286,155
Total gross profit	44,706	20,106	202,099	71,545
Selling, general and administrative expenses	166,341	78,128	547,823	245,546
Depreciation and amortization	3,615	1,359	12,891	4,598
Loss from operations	(125,250)	(59,381)	(358,615)	(178,599)
Interest expense	7,228	3,274	21,948	9,656
Interest income	(3,053)	(1,936)	(10,341)	(5,896)
Revaluation of preferred stock warrant	—	—	—	20,470
Other income, net	(7)	(3)	(65)	(114)
Loss before provision for income taxes	(129,418)	(60,716)	(370,157)	(202,715)
Provision for income taxes	375	(54)	754	84
Net loss	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.95)	$ (0.46)	$ (2.72)	$ (2.76)
Weighted-average number of shares outstanding used to compute net loss per share attributable to common stockholders, basic and diluted	136,948,461	132,187,850	136,429,791	73,345,569

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

	Year Ended December 31, 2021	Year Ended December 31, 2020
Operating activities		
Net loss	$ (370,911)	$ (202,799)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	13,215	4,654
Amortization of debt issuance costs	2,872	938
Stock-based compensation expense	13,409	13,254
Provision to record inventory at lower of cost or net realizable value	9,471	6,588
Revaluation of preferred stock warrant	—	20,470
Other	9,619	2,375
Changes in operating assets and liabilities:		
Accounts receivable	(53,206)	(32,068)
Inventory	(312,208)	(224,489)
Prepaid expenses and other current assets	(32,452)	(9,117)
Other assets	(9,172)	(4,556)
Accounts payable	19,321	14,066
Accrued expenses	61,170	28,431
Deferred revenue	50,943	7,499
Other liabilities	29,241	19,500
Net cash used in operating activities	(568,688)	(355,254)
Investing activities		
Purchase of property and equipment	(28,413)	(11,329)
Acquisition of business, net of cash acquired	(75,875)	—
Net cash used in investing activities	(104,288)	(11,329)
Financing activities		
Proceeds from vehicle floorplan	2,713,350	1,242,736
Repayments of vehicle floorplan	(2,529,780)	(1,086,966)
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	—	504,024
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	—	(1,519)
Proceeds from exercise of stock options	5,766	2,341
Other financing activities	(495)	(3,222)
Net cash provided by financing activities	797,712	1,237,035
Net increase in cash, cash equivalents and restricted cash	124,736	870,452
Cash, cash equivalents and restricted cash at the beginning of period	1,090,039	219,587
Cash, cash equivalents and restricted cash at the end of period	$ 1,214,775	$ 1,090,039


vroom
Fourth-Quarter 2021 Earnings
February 2022

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 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 statements regarding our future results of operations and financial position, including our ability to improve our unit economics and our outlook for the first quarter of fiscal year 2022. 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, 2021, 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 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.

introducing tom shortt, chief operating officer

appointed chief operating officer effective january 3rd, 2022

- Previously served as Senior VP of Supply Chain at Walmart for three years, with an emphasis on ecommerce supply chain strategy
- Prior to Walmart, Tom served in senior leadership roles focusing on supply chain, fulfillment, and logistics at Home Depot, ACCO Brands, Unisource, Fisher Scientific and Office Depot
- In his role as Chief Operating Officer at Vroom, Tom will execute on Vroom's growth and profitability plan, driving operational improvements across the organization

tom shortt
Chief Operating Officer

2021 annual highlights

continued substantial progress on key strategic objectives

delivering strong growth

- Strong triple-digit revenue growth fueled by nearly 120% ecommerce unit growth
- Ecommerce Gross Profit Per Unit (GPPU) expansion while delivering expense leverage on a per-transaction basis

scaling our national operations

- Doubled our third-party reconditioning locations
- Accelerated last mile delivery to over 60% of all ecommerce deliveries during the fourth quarter
- Sourced 76% of retail sales from consumers in 4Q

acquiring key assets to strengthen our core business and improve profitability

- Acquired and integrated CarStory, a leading AI-powered pricing analytics service for automotive retail
- Announced acquisition of United Auto Credit Corporation (completed in February 2022), beginning our transformation to fully captive lending

fy 2021 performance highlights

	current year	prior year
total revenues	$3.2 billion	$1.4 billion
ecommerce units	74,698	34,488
ecommerce gppu	$2,206	$1,765
total gross profit	$202 million	$72 million
adjusted ebitda (1)	($340) million	($170) million
cash balance (2)	$1.1 billion	$1.1 billion
floorplan availability	$700 million	$450 million

1q 2022 guidance (4)

	1q 2022 guidance
total revenues	~$875 million
ecommerce units	18,000 - 19,000
ecommerce gppu	~$1,500
adjusted ebitda (1)(3)	(~$130) million

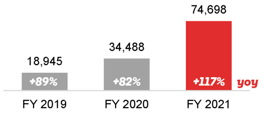
(1) Adjusted EBITDA is a non-GAAP measure. For a definition of Adjusted EBITDA and a reconciliation to the most comparable GAAP measure, please see slide 19.
(2) Represents cash and cash equivalents, excluding restricted cash and floorplan availability.
(3) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 1Q 2022 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.
(4) Includes UACC from acquisition date of February 1, 2022.

ecommerce highlights

record year-over-year growth in key metrics

(Ecommerce revenues in millions)

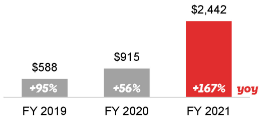
ecommerce units



ecommerce units grow 117% yoy

- Growing brand awareness in an exceptional demand environment, and ongoing scaling of capacity across the business

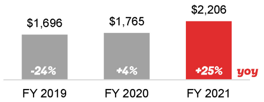
ecommerce revenues



ecommerce revenues up 167% yoy

- Driven by accelerated unit growth and record average selling price (ASP) levels due to market appreciation

ecommerce gppu

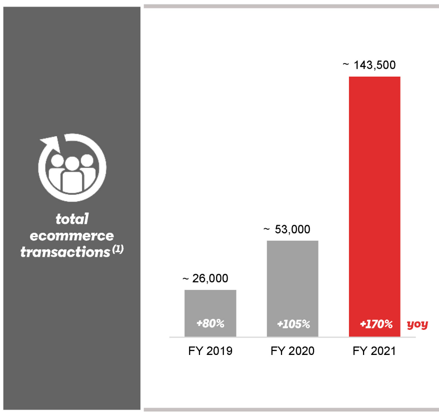


ecommerce gross profit per unit up 25% yoy

- Vehicle GPPU increased $239 per unit to $1,108, driven by reconditioning efficiencies and market pricing tailwinds
- Product GPPU increased $202 per unit to $1,098, reflecting strong execution of our product team and higher average loan balances

ecommerce unit trends

annual ecommerce transactions up 170%



total ecommerce transactions (1) reach record high

- Sold over 2x ecommerce units in 2021 vs. 2020, while remote, retail-grade consumer acquisitions increased 4x

consumer sourcing initiatives

- Sourced 76% of retail units from consumers during the fourth quarter, up from 40% in the fourth quarter of 2020
- Aided brand awareness increased 50% YoY in the fourth quarter of 2021
- Realizing benefit of increased "sell us your car" marketing initiative

amplified marketing

- Reached website visitation of 2.3+ million average monthly unique visitors in the quarter, up from 1 million in the fourth quarter of 2020
- Ongoing investments in new national brand campaigns

(1) Defined as ecommerce units sold plus retail-grade, remote consumer direct purchases and trade-ins.

supply chain update

2021 targets exceeded; continuing to implement our strategy

2021 supply chain targets exceeded

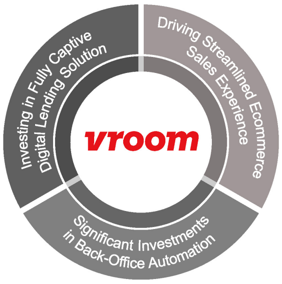
- **Reconditioning:** Opened 19 new third-party reconditioning centers in 2021 including 8 in the fourth quarter for a total of 37
  - Increased weekly reconditioning capacity by 70% YoY
  - Near-term headwinds persist for reconditioning utilization, driven by labor shortages and disruptions due to the pandemic
- **Last Mile:** Increased last mile delivery penetration to 61% of all ecommerce deliveries during 4Q 2021
  - Grew last mile hub footprint to 31 at year-end 2021 vs. 8 at year-end 2020

supply chain strategy

- **Reconditioning:** Assessing 2022 reconditioning requirements following recent Adesa announcement
  - Accelerate our hybrid reconditioning strategy of leveraging third-party infrastructure and building out Vroom-owned facilities
- **Last Mile:** Continue to expand last mile delivery experience for our customers and progress toward our longer-term goal of 85%

improving the customer experience

focused on improving speed of transaction and delivery



driving streamlined ecommerce sales experience

- New functionality planned to streamline ecommerce sales experience
- Various sales enhancements (e.g. shop-by-price, my account features, e-signature)
- Continuous A/B testing to optimize merchandising strategy

significant investments in back-office automation

- Driving operational leverage through the deployment of process optimization, training and digital workflow solutions
- Improving customer service through enhanced digital communications, training and productivity tools to enhance first-call resolution

investing in fully captive digital lending solution

- Significantly simplifies the digital sales and lending processes
- Ability to better serve customers across the entire credit spectrum

summarizing 2021

continued substantial progress on key strategic objectives

achieved triple-digit ecommerce unit growth (up 117% yoy)
Reflects increased processing capacity across the business, healthy used vehicle demand, and growing brand awareness

fulfilled record-breaking transactions on the sell and buy side (up 170% yoy)
Total ecommerce transactions nearly tripled YoY as we accelerated consumer sourcing initiatives and sold more units

grew gross profit by 183% yoy and expanded gppu, strong execution in a dynamic environment
Delivered growth across vehicle, product, and wholesale gross profit per unit

strategic acquisitions pave the path to accelerated sales and profit growth
Completed the acquisition of CarStory; recently acquired UACC

building a strong platform for 2022 and beyond
Focusing on the transaction to improve the customer experience and accelerate our flywheel
Continuing investments in owned logistics


vroom
Fourth-Quarter 2021 Financial Update
February 2022

fourth-quarter financial summary

strong unit and revenue performance, near-term gross profit constrained

4q 2021 performance highlights

	reported results	guidance range
total revenues	$934 million ✓	$865 - $900 million
ecommerce units	21,243 ✓	20,000 - 20,500
ecommerce gppu	$1,548	$2,100 - $2,300
total gross profit	$45 million	$50 - $58 million
adjusted ebitda (1)	($120) million	($104) - ($95) million

✓ beat guidance

1q 2022 guidance (3)

	1q 2022 guidance
total revenues	~$875 million
ecommerce units	18,000 - 19,000
ecommerce gppu	~$1,500
adjusted ebitda (1)(2)	(~$130) million

total revenues up 130% yoy from $406 million

- Driven by over 90% ecommerce unit growth and higher ecommerce ASPs, as well as higher wholesale revenues

ecommerce units up 93% yoy from 11,022

- Improved brand awareness and customer acceptance of our ecommerce model

ecommerce gppu down 15% yoy from $1,821

- Higher product GPPU offset by a decrease in vehicle GPPU driven by high acquisition costs for premium vehicles in 3Q 2021, combined with retail price depreciation for premium vehicles during the fourth quarter

total gross profit up 122% yoy from $20 million

- Largely reflects higher ecommerce unit volumes and higher wholesale GPPU

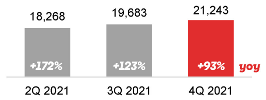
(1) Adjusted EBITDA is a non-GAAP measure. For a definition of Adjusted EBITDA and a reconciliation to the most comparable GAAP measure, please see slide 19.
(2) A reconciliation of non-GAAP guidance measures to corresponding GAAP measures for 1Q 2022 guidance is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, these costs and expenses that may be incurred in the future.
(3) Includes UACC from acquisition date of February 1, 2022.

fourth-quarter ecommerce financial summary

year-over-year growth in units continues, pressure on vehicle gppu

(Ecommerce revenues in millions)

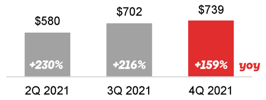
ecommerce units



ecommerce units up 93% yoy from 11,022

- Capitalized on heightened demand environment and marketing strategy and strong execution with higher listed inventory

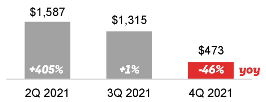
ecommerce revenues



ecommerce revenues up 159% yoy from $285 million

- Fueled by over 90% unit growth and an ~$8,800 (35%) YoY increase in ecommerce average selling price to ~$33,700

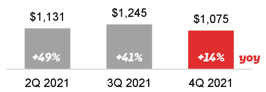
ecommerce vgppu (1)



ecommerce vehicle gppu down $405 yoy from $878

- Higher vehicle acquisition costs were not offset by increases in retail pricing

ecommerce pgppu (2)



ecommerce product gppu up 14% yoy from $943

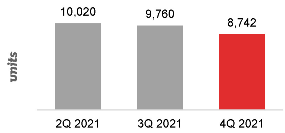
- Ongoing growth driven by higher product attachment rates and higher average loan size

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

wholesale summary

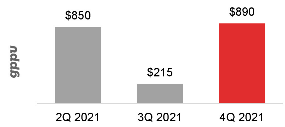
capitalizing on a favorable fourth quarter wholesale environment

wholesale



wholesale units up 25% yoy from 6,998 units

- Primarily driven by an increase in consumer-sourced vehicles, resulting in higher trade-ins, coupled with strong wholesale market demand



wholesale gppu up $1,310 yoy from ($420)

- Strong margin expansion in a favorable wholesale market

breaking down annual sg&a per transaction

delivering opex leverage as ecommerce transactions ramp

- Gained leverage in SG&A per total ecommerce transaction in 2021 as transaction growth outpaced opex investments
- Underlying leverage of nearly $1,000 per total ecommerce transaction excluding incremental outbound logistics costs
- Leveraging key process and staffing investments to deliver record-high transaction volume

sg&a per total ecommerce transaction (1)

18%

yoy improvement in sg&a per transaction

(1) Reflects total SG&A divided by total ecommerce transactions.
Total ecommerce transactions defined as ecommerce units sold plus retail-grade, remote consumer direct purchases and trade-ins.

uacc update

significant progress towards hybrid asset-light uacc business model

- ***acquisition of uacc completed***
  - Closed acquisition of UACC on February 1, 2022 for ~$300 million, subject to customary purchase price adjustments
- ***closed on the first securitization by uacc since being acquired by vroom***
  - Sold $318 million of finance receivables and will record an estimated gain in an off-balance sheet securitization, subject to final purchase accounting adjustments
- ***second securitization planned in the second half of 2022***
  - Gain on the second securitization is expected to be ~15% of the finance receivables sold, subject to current market conditions
- ***access to additional liquidity***
  - Upon completion of the securitization, UACC has $350 million of unused warehouse lines from a diverse bank group

year-end 2021 liquidity

over $1.1 billion in cash and upsized $700 million floorplan financing

$1.1b | cash balance

- $1.132 billion in cash and cash equivalents excluding restricted cash (1)

$700m | floorplan financing

- Upsized floorplan from $450 million to $700 million
- 6-month extension to March 2023 completed in Feb. 2022

other sources of liquidity

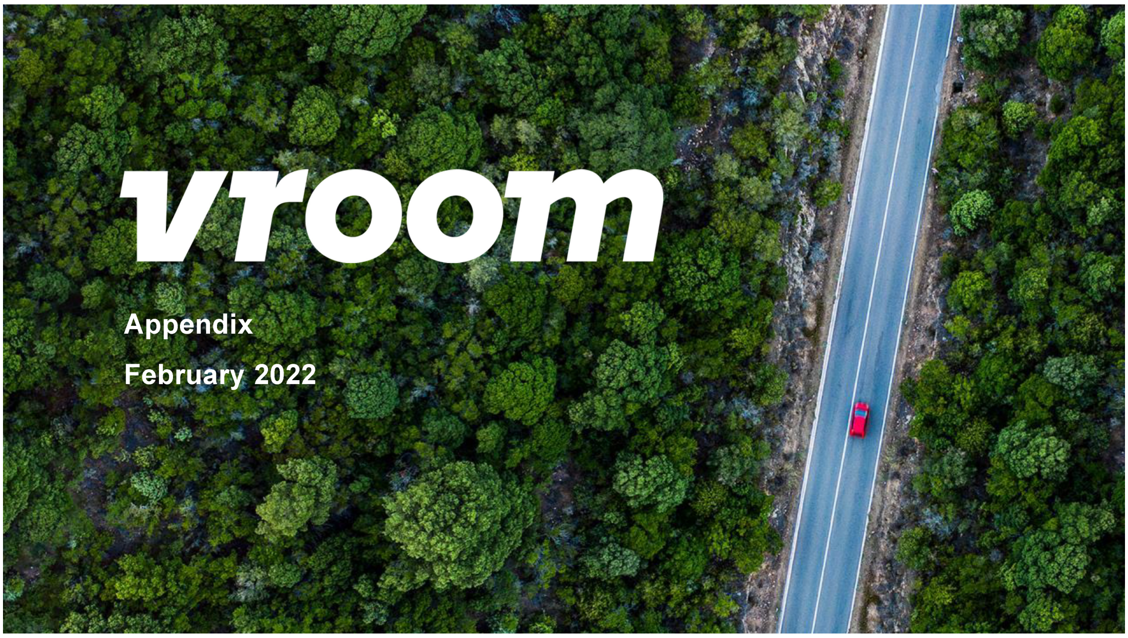
- Working capital efficiencies
- Future ABS and forward-flow transactions
- Ability to add modest leverage to UACC's balance sheet

(1) Represents cash and cash equivalents, excluding restricted cash and floorplan availability.

summary

confidence in go-forward execution

- *record-breaking ecommerce transactions*
- *opex investments driving leverage on an annualized basis*
- *2022: a year of focusing on incremental unit economics and preparing the business for growth*
- *driving our strategy forward*


Appendix
February 2022

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 acquisition-related costs. 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 December 31, 2021	Three Months Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2020
	(in thousands)		(in thousands)	
Net loss	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
Adjusted to exclude the following:				
Interest expense	7,228	3,274	21,948	9,656
Interest income	(3,053)	(1,936)	(10,341)	(5,896)
Provision for income taxes	375	(54)	754	84
Depreciation and amortization expense	3,718	1,399	13,215	4,654
EBITDA	$ (121,525)	$ (57,979)	$ (345,335)	$ (194,301)
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	1,678	2,080	5,090	2,080
Adjusted EBITDA	$ (119,847)	$ (55,899)	$ (340,245)	$ (170,489)

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 acquisition-related costs. 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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands)		(in thousands)	
Loss from operations	$ (125,250)	$ (59,381)	$ (358,615)	$ (178,599)
Add: One-time IPO related acceleration of non-cash stock based compensation	—	—	—	1,262
Add: Acquisition related costs	1,678	2,080	5,090	2,080
Adjusted loss from operations	$ (123,572)	$ (57,301)	$ (353,525)	$ (175,257)

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 acquisition-related costs. 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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)		(in thousands, except share and per share amounts)	
Net loss	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
Net loss attributable to common stockholders	$ (129,793)	$ (60,662)	$ (370,911)	$ (202,799)
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	1,678	2,080	5,090	2,080
Non-GAAP net loss	$ (128,115)	$ (58,582)	$ (365,821)	$ (178,987)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,948,461	132,187,850	136,429,791	73,345,569
Net loss per share, basic and diluted	$ (0.95)	$ (0.46)	$ (2.72)	$ (2.76)
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	—	—	—	0.28
Impact of acquisition related costs	0.01	0.02	0.04	0.03
Non-GAAP net loss per share, basic and diluted	$ (0.94)	$ (0.44)	$ (2.68)	$ (2.43)
Non-GAAP net loss per share, as adjusted, basic and diluted[(a)]	$ (0.94)	$ (0.44)	$ (2.68)	$ (1.37)

(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 December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(in thousands, except share and per share amounts)		(in thousands, except share and per share amounts)	
Non-GAAP net loss	$ (128,115)	$ (58,582)	$ (365,821)	$ (178,987)
Non-GAAP net loss, as adjusted	$ (128,115)	$ (58,582)	$ (365,821)	$ (178,987)
Weighted-average number of shares outstanding used to compute net loss per share, basic and diluted	136,948,461	132,187,850	136,429,791	73,345,569
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
Less: Adjustment for the impact of the above items already included in weighted-average number of shares outstanding for the periods presented	—	—	—	(63,865,903)
Weighted-average number of shares outstanding used to compute net loss per share, as adjusted, basic and diluted	136,948,461	132,187,850	136,429,791	130,250,560
Non-GAAP net loss per share, as adjusted, basic and diluted	$ (0.94)	$ (0.44)	$ (2.68)	$ (1.37)

thank you!