TheRealReal

Q4 and FY 2022 EARNINGS PRESENTATION

Safe Harbor/Disclosure Statement

These materials contain forward-looking statements relating to, among other things, the future performance of The RealReal that are based on the company's current expectations, forecasts and assumptions and involve risks and uncertainties. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. These statements include, but are not limited to, statements about future operating and financial results, including our strategies, plans, commitments, objectives and goals, in particular in the context of the impacts of recent geopolitical events, uncertainty surrounding macroeconomic trends, inflation and the COVID-19 pandemic, our ability to achieve anticipated savings in connection with our real estate reduction plan and associated workforce reduction, and our financial guidance, timeline to profitability, 2025 vision and long-range financial targets and projections. Actual results could differ materially from those predicted or implied and reported results should not be considered as an indication of future performance. Other factors that could cause or contribute to such differences include, but are not limited to, the impact of the COVID-19 pandemic on our operations and our business environment, inflation, macroeconomic uncertainty, geopolitical instability, any failure to generate a supply of consigned goods, pricing pressure on the consignment market resulting from discounting in the market for new goods, failure to efficiently and effectively operate our merchandising and fulfillment operations, labor shortages and other reasons.

More information about factors that could affect The RealReal's operating results is included under the captions “Risk Factors” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” in the company's most recent Annual Report on Form 10-K for the year ended December 31, 2021 and subsequent Quarterly Reports on Form 10-Q, copies of which may be obtained by visiting the company's Investor Relations website at https://investor.therealreal.com or the SEC's website at www.sec.gov. Undue reliance should not be placed on the forward-looking statements in this presentation, which are based on information available to the company on the date hereof. The company assumes no obligation to update such statements.

These materials and the accompanying oral presentations also contain statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the information contained in the industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes the non-GAAP financial measures of Adjusted EBITDA and Adjusted EBITDA Margin (Adjusted EBITDA as a percentage of revenue). These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of other GAAP financial measures. Reconciliations of these measures to the most directly comparable GAAP measures are included at the end of this presentation. We have not reconciled forward-looking Adjusted EBITDA to the most directly comparable GAAP measures of Net Income (Loss) because we cannot predict with reasonable certainty the ultimate outcome of certain components of such reconciliations, including payroll tax expense on employee stock transactions, that are not within our control, or other components that may arise, without unreasonable effort. For these reasons, we are unable to assess the probable significance of the unavailable information, which could materially impact the amount of future Net Income (Loss).

Solid Results in Q4 2022 Despite More Challenged Macro Environment

Top-line growth *with improved Adjusted EBITDA losses in Q4 2022:*
+13% GMV *and* ***+10% Revenue*** *growth versus Q4 2021*

In Q4, high-gross margin ***Consign*** *revenue growth (+27%)* ***outpaced*** *low-margin* ***Direct*** *revenue growth (-27%), resulting in improved gross margin of 60.5% (+490 bpts Y/Y)*

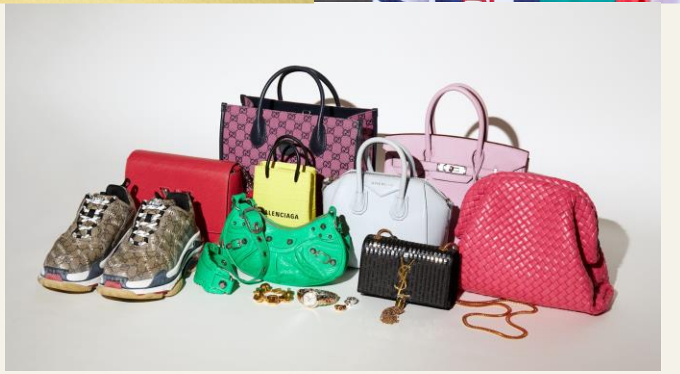
Ready-to-Wear, Handbags, Branded Fine Jewelry, *and* ***Men's*** *were the fastest growing categories in Q4 2022*

$294 million of cash *& cash equivalents on the balance sheet at YE; company-owned* ***inventory balance*** *of $43 million at YE, down $28 million Y/Y*

Fourth Quarter Business Highlights and Key Takeaways

- **Reported Q4 and FY 2022 Financial Results**
  - Q4 GMV +13% and revenue +10% Y/Y
  - Q4 Consigned revenue +27%, while Direct revenue -27% Y/Y
  - Q4 Gross margins improved +490 basis points versus prior year
  - FY GMV +23% and revenue +29% Y/Y
- **Key Initiatives to Accelerate Profitability**
  1) Update our consignor commission structure
  2) Improve efficiency and cut costs
  3) Optimize product pricing
  4) Capitalize on potential new revenue streams
- **Provided Q1 2023 Guidance**
  - Q1 2023 guidance provided for GMV, Total Revenue and Adjusted EBITDA
  - We plan to provide full year 2023 guidance on the next earnings call
- **Expected Timeline to Profitability**
  - On track to achieve Adjusted EBITDA profitability for full year 2024
  - Reassessing Vision 2025 financial targets





Improved Adjusted EBITDA Losses; Solid Balance Sheet

Q4 2022 Results

- GMV of $493 million, an increase of 13% year-over-year
- Total Revenue of $160 million, an increase of 10% year-over-year
- Gross Profit of $97 million, an increase of 20% year-over-year and Gross Margin of 60.5% compared to 55.6% in Q4 2021
- Adjusted EBITDA of $(20.2) million, or (12.6)% of Total Revenue compared to $(26.9) million, or (18.5)% in Q4 2021

Full Year 2022 Results

- GMV of $1.8 billion, an increase of 23% year-over-year
- Total Revenue of $603 million, an increase of 29% year-over-year
- Gross Profit of $349 million, an increase of 28% year-over-year and Gross Margin of 57.8% compared to 58.5% in FY 2021
- Adjusted EBITDA of $(112.4) million, or (18.6)% of Revenue compared to $(126.9) million, or (27.1)% in FY 2021

Balance Sheet

- Ended Q4 2022 with $294 million of cash & cash equivalents and $43 million of inventory, net

Q1 2023 Financial Guidance

	Q1 2023
GROSS MERCHANDISE VALUE (GMV)	**$430 - $460 million**
TOTAL REVENUE	**$135 - $145 million**
ADJUSTED EBITDA	**$(35) - $(31) million**

The RealReal is Differentiated from Our Peers

Large Total Addressable Market (TAM)

- Billions of dollars worth of luxury goods trapped in U.S. homes
- TAM expected to grow due to consumer demand for sustainability
- REAL's unique Sales team + brick & mortar footprint unlock supply

Leader in Nascent Industry with Highly Coveted Product

- World's largest online luxury resale platform primed for growth
- Unique and highly-coveted luxury products at a value
- Consignors become buyers and buyers become consignors, reducing our Buyer Acquisition Cost (BAC) over time

Marketplace with Deep Competitive Moat

- 31+ million members with high engagement
- Full-service consignment
- Expert authentication
- Data- and technology-driven operations
- Breadth of categories

ESG is Ingrained in Our Culture and Strategy

Environmental
Enabling the circular economy, and extending the life cycle of luxury products

TRR SUSTAINABILITY CALCULATOR

CARBON SAVINGS
since inception
55,000 metric tons

WATER SAVINGS
since inception
2.8B liters

Social
Focusing on diversity and inclusion, employee safety, human capital management and data privacy

The RealReal Foundation

Closing the Education Gap through Scholarships

The RealReal Is Carbon Neutral

Sustainable Apparel Coalition

UN Global Compact

SASB

Governance
Ensuring oversight of ESG and ethics with a diverse, majority female Board

50%

Female Board Members

Appendix

Non-GAAP Reconciliation

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Adjusted EBITDA Reconciliation:				
Net loss	$ (38,610)	$ (52,195)	$ (196,445)	$ (236,107)
Depreciation and amortization	7,414	5,691	27,669	23,531
Interest income	(1,831)	(116)	(3,191)	(365)
Interest expense	2,458	6,157	10,472	21,531
Provision (benefit) for income taxes	76	(27)	172	56
EBITDA	(30,493)	(40,490)	(161,323)	(191,354)
Stock-based compensation (1)	9,118	12,478	46,138	48,802
CEO separation benefits (2)	46	—	948	—
CEO transition costs (3)	533	—	1,551	—
Payroll tax expense on employee stock transactions	39	201	451	1,168
Legal fees reimbursement benefit (4)	—	(704)	(1,400)	(1,204)
Legal settlements (5)	—	1,601	456	13,389
Restructuring charges (6)	621	—	896	2,314
Other (income) expense, net	(38)	(1)	(171)	(23)
Adjusted EBITDA	$ (20,174)	$ (26,915)	$ (112,454)	$ (126,908)

(1) The stock-based compensation expense for the year ended December 31, 2022 includes a one-time charge of $1.0 million related to the modification of certain equity awards pursuant to the terms of the transition and separation agreement entered into with our founder, Julie Wainwright, in connection with her resignation as Chief Executive Officer ("CEO") on June 6, 2022 (the "Separation Agreement").

(2) The separation benefit charges for the year ended December 31, 2022 consists of base salary, bonus and benefits for the 2022 fiscal year, as well as an additional twelve months of base salary and benefits payable to Julie Wainwright pursuant to the Separation Agreement. In addition, see footnote 1 for disclosure regarding the incremental stock-based compensation expense incurred in connection with the Separation Agreement.

(3) The CEO transition charges for the year ended December 31, 2022 consist of general and administrative fees, including legal and recruiting expenses, as well as retention bonuses for certain executives incurred in connection with our founder's resignation on June 6, 2022.

(4) During the year ended December 31, 2022, we received insurance reimbursement of $1.4 million related to a legal settlement expense. During the year ended December 31, 2021, we received insurance reimbursement of $4.3 million related to legal fees for a certain matter, of which $3.1 million were applied to legal expenses for the year ended December 31, 2021.

(5) The legal settlement charges for the year ended December 31, 2021 reflects legal settlement expenses arising from the settlement of a putative shareholder class action and derivative case.

(6) The restructuring charges for the year ended December 31, 2022 consists of employee severance payments and benefits. The restructuring charges for the year ended December 31, 2021 consist of the costs to transition operations from the Brisbane warehouse to our new Phoenix warehouse.

The RealReal