



The RealReal

Investor Presentation

May 2021

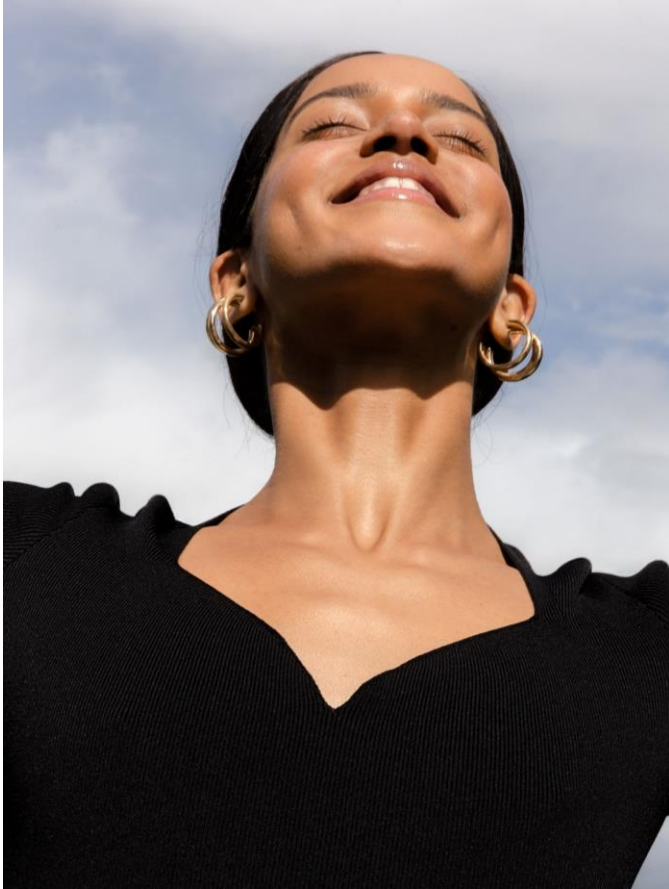
Safe Harbor

This presentation contains 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 results, including the amounts of our operating expense and capital expenditure investments or reductions and our strategies, plans, commitments, objectives and goals, in particular in the context of the impacts of the COVID-19 pandemic and the recent social unrest. 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 and the social unrest on our operations and business environment, 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 and other reasons.

More information about factors that could affect the company'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 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 press release, which are based on information available to the company on the date hereof. The company assumes no obligation to update such statements.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes non-GAAP financial measures adjusted EBITDA, Contribution Margin and Contribution Profit. 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 a substitute for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures are included at the end of this presentation.

This presentation and the accompanying oral presentation 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.



The RealReal

Q1 Highlights

GMV Trends Improved Significantly Q/Q; Q1 GMV increased 27% Y/Y

- GMV of \$327.3 million improved 28% Q/Q and increased 27% Y/Y
- Opened neighborhood stores in Brooklyn, Newport Beach, and Greenwich in Q1
- 83.6% of GMV from repeat buyers; Q1 new buyer growth accelerated to 34% Y/Y vs. 21% in Q4
- Total revenue of \$98.8 million increased 27% Y/Y
- Direct revenue of \$23.7 million increased 83% Y/Y
- Gross Profit of \$58.3 million increased 19% Y/Y
- The RealReal B2B vendor program accelerated for 4th consecutive quarter
- Resumed at-home concierge appointments in March with promising signs of pent-up supply
- Well capitalized with \$547.9 million in cash, short term investments and cash equivalents

Recent Strategic Initiatives Position Us for Profitable Growth

COVID-19 RESULTED IN SHORT-TERM DISRUPTION, BUT LONG-TERM OPPORTUNITY MAY INCREASE

- 1 Opening **neighborhood stores** to further engage with customers and unlock supply efficiently; on track to operate 10 neighborhood stores by end of Q2
- 2 Capitalizing on **large vendor** opportunity with potential to grow gross profit per order
- 3 Accelerating timeline for **Arizona authentication center** to support next phase of growth and lower fixed cost per order as we scale; announced closure of our Brisbane, CA authentication center
- 4 Introduced **virtual appointments**; opportunity to increase sales productivity over time

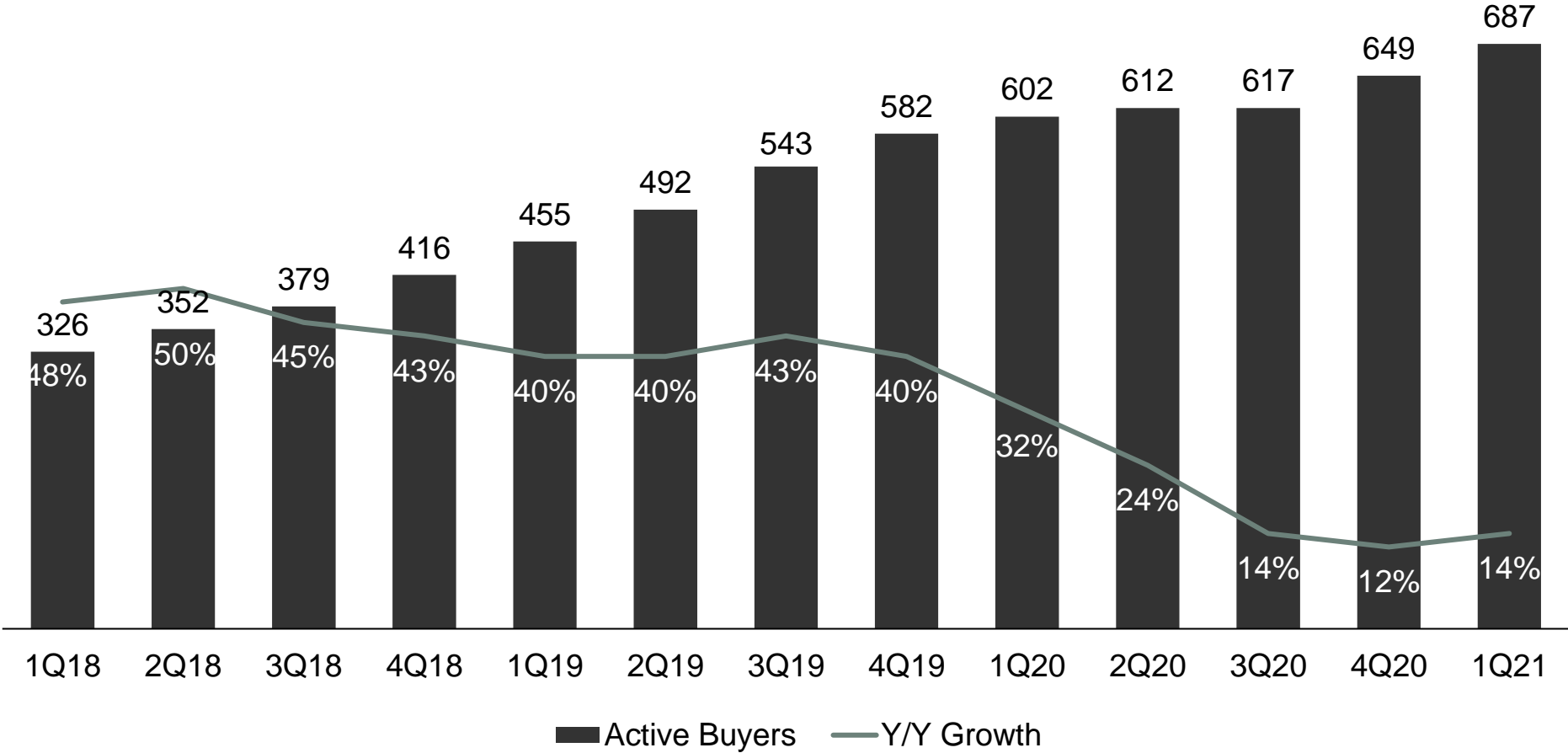
BEGAN 2021 WITH STRONG MOMENTUM; BACK TO GROWTH IN Q1 AND WELL POSITIONED FOR RE-OPENING

- **Returned to GMV growth** in Q1 with GMV growth of 27% Y/Y
- Underpinned by Q1 **new buyer growth of 34% Y/Y** and total a **record number of new consignors**
- **Repeat customer base** remains vibrant – over 80% of GMV from repeat buyers/consignors in Q1
- **Resumed at-home concierge appointments** in March; promising early signs of pent-up supply



Q1 TTM Active Buyer Growth +14% Y/Y; New buyers +34% Y/Y

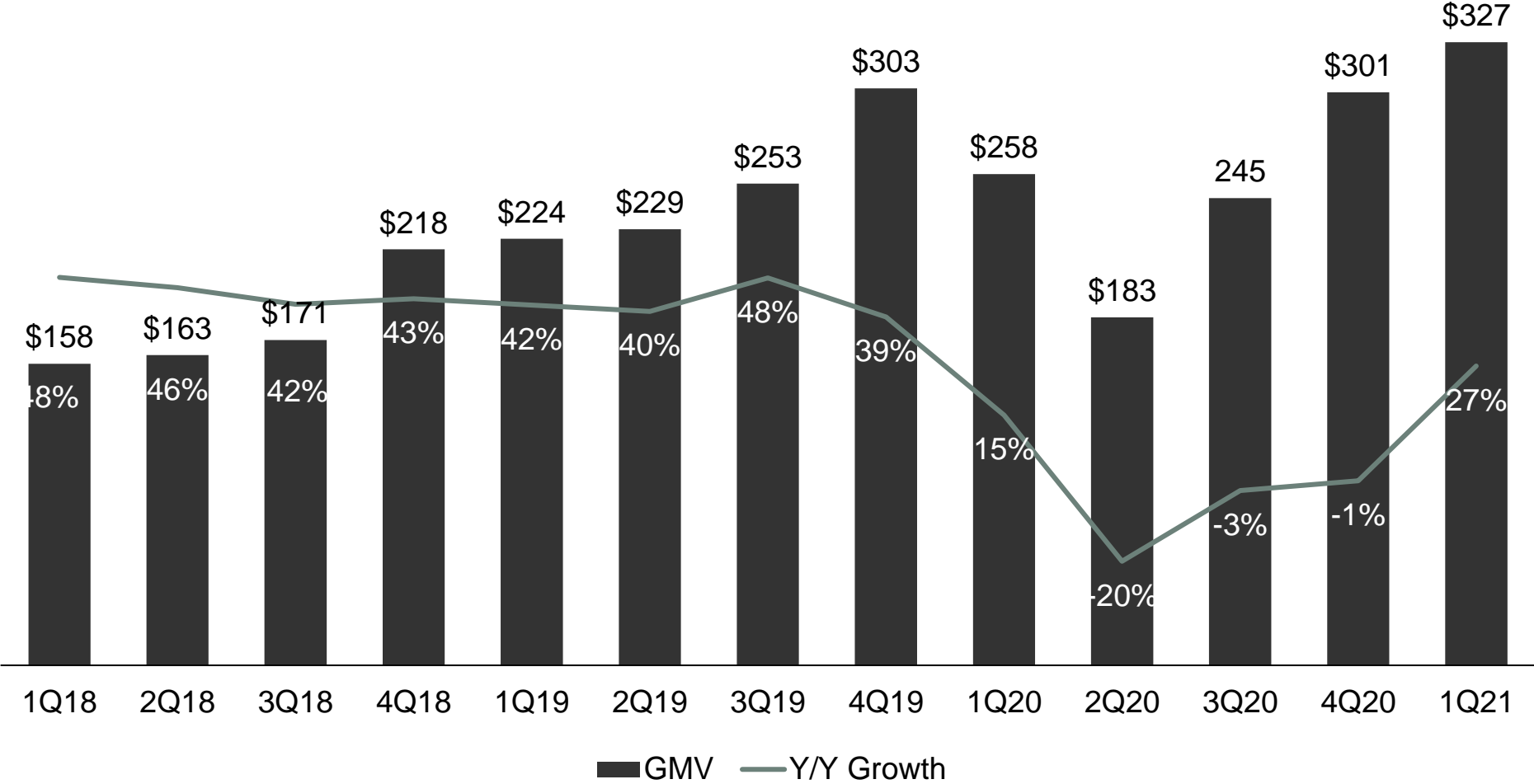
(in thousands)



New buyer growth increased 34% Y/Y, an acceleration vs. the 21% Y/Y growth in Q4

Q1 GMV Increased 27% Y/Y

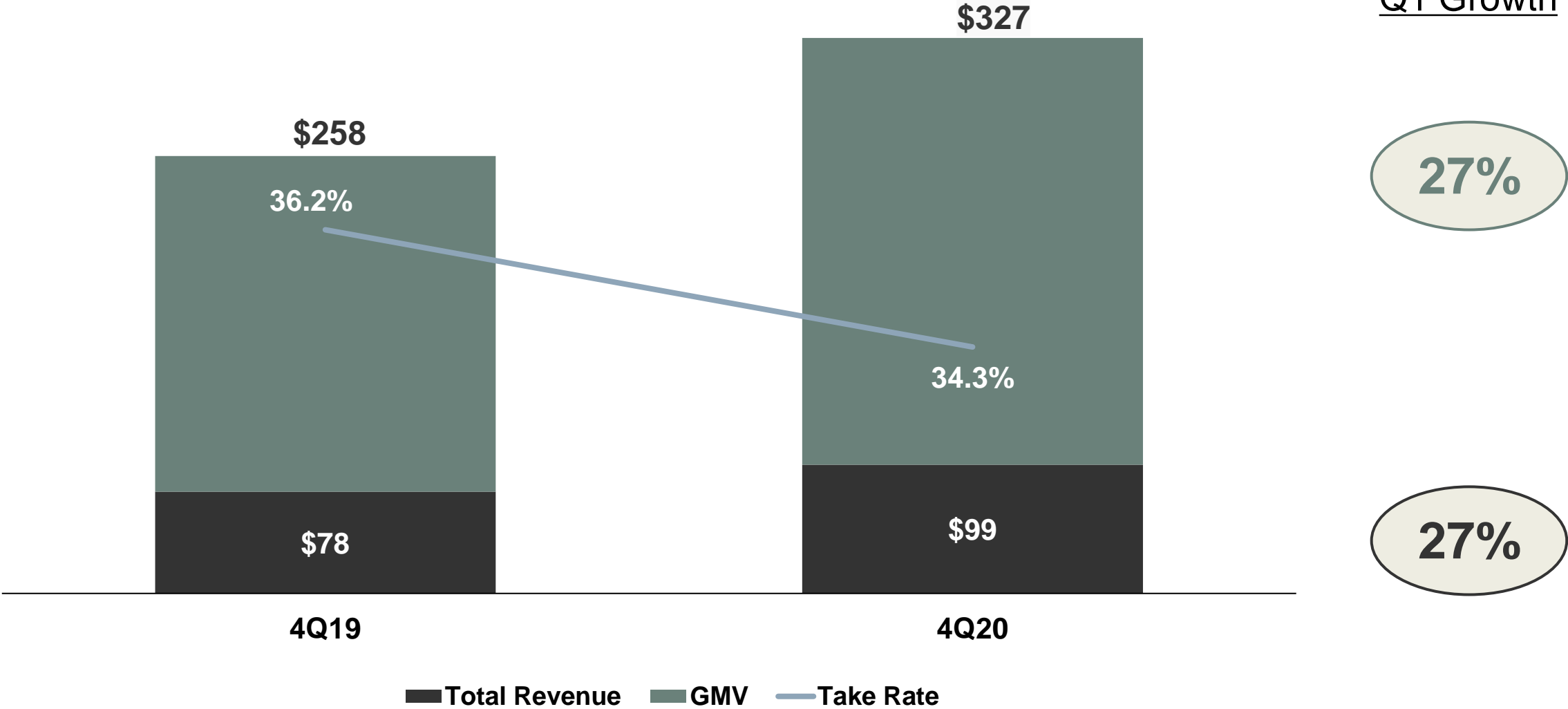
(\$MM)



Returned to GMV growth in Q1 driven by accelerating GMV and lapping the beginning of 2020 COVID impact

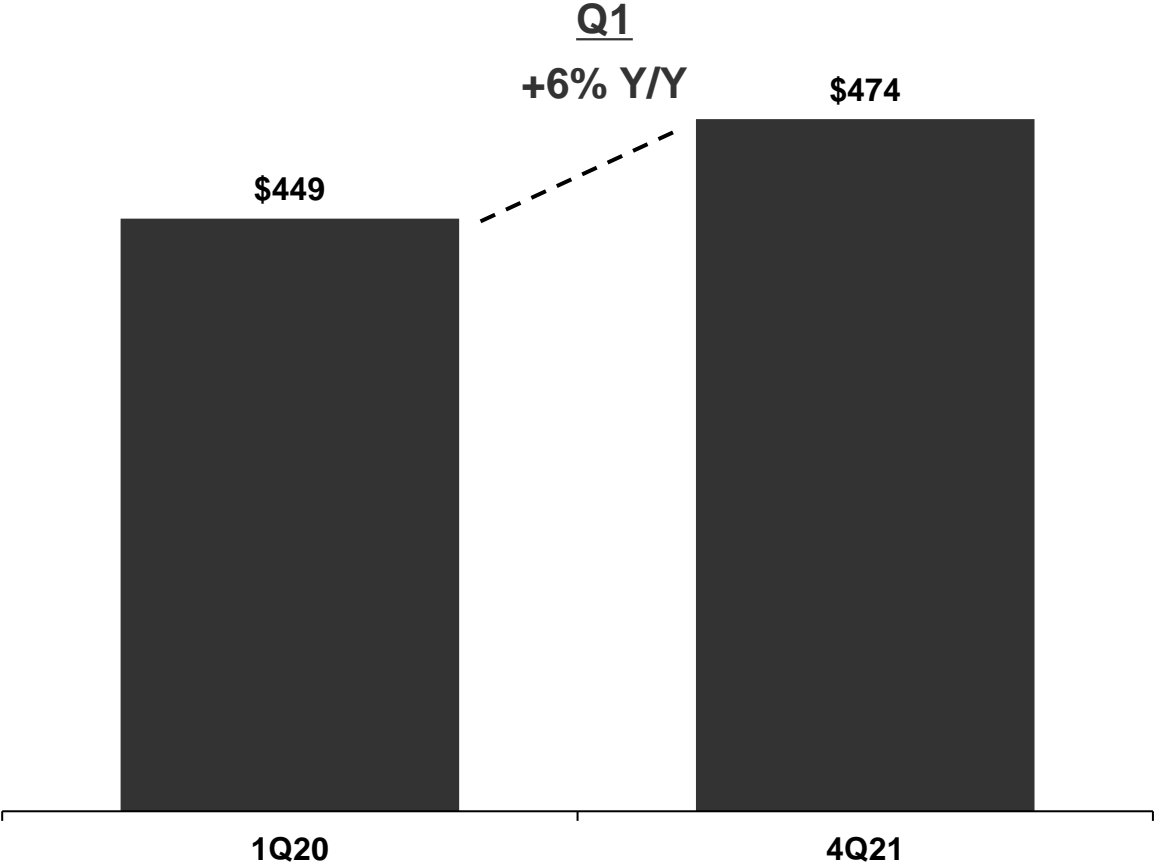
Q1 Take Rate Decreased 190bps Y/Y Due Primarily to Mix of Higher ASP Products

(\$ in millions)



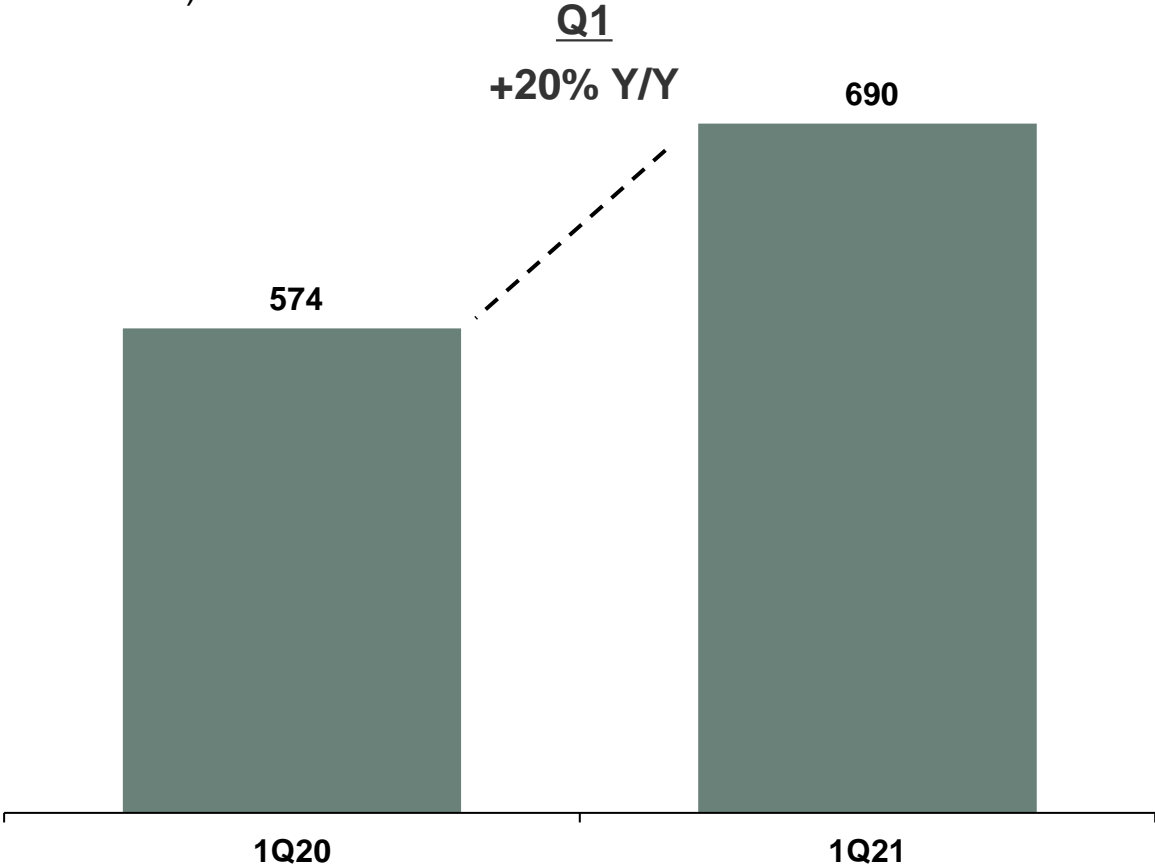
AOV Increased 6% Y/Y; Orders Increased 20% Y/Y

Average order value (AOV)



Number of orders

(in thousands)



The driver of the higher AOV was a 10% Y/Y increase in ASP, partially offset by a Y/Y decrease in units per transaction (UPT).

Gross Profit per Order Flat Y/Y



Gross Profit per Order
Gross profit was flat Y/Y as shipping leverage and higher AOV was offset by higher buyer incentives and a lower take rate.

KEY DRIVERS

AOV

Take Rate

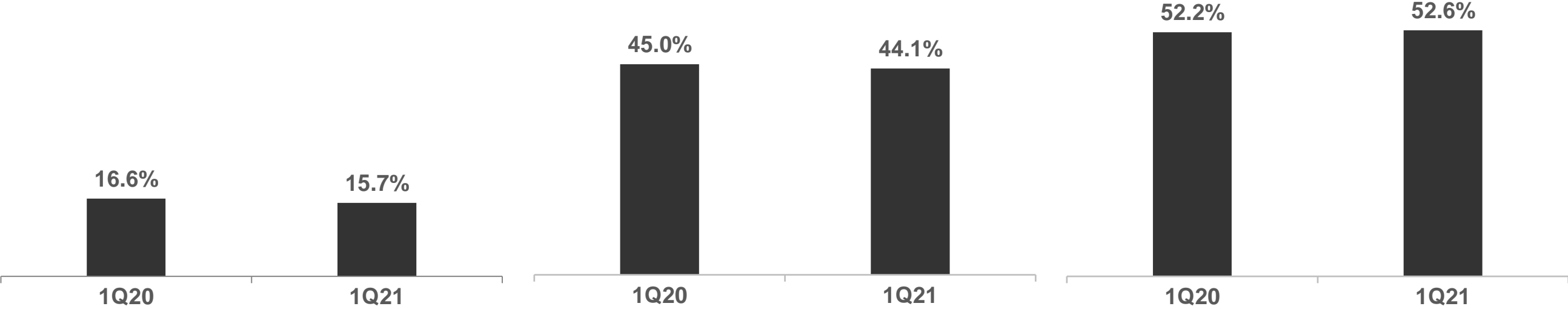
Shipping Expense

Direct Revenue Mix

(1) Calculated by dividing Gross Profit by the number of orders for the applicable quarter.

Operating Leverage

Operating Expenses (% of Revenue)



Marketing

Leverage driven by GMV growth, healthy retention trends and a Y/Y decline in BAC. Q1 Marketing was 4.8% of GMV vs. 5.0% in 1Q20.

SG&A¹

Leverage driven by GMV growth and moderate growth of fixed G&A expenses. Q1 SG&A was 13.3% of GMV vs. 13.6% in 1Q20.

Ops & Tech

Leverage driven by GMV growth and automation offset by technology headcount, new occupancy expenses and SBC. Q1 Ops & Tech was 15.9% of GMV vs. 15.7% in 1Q20.

(1) SG&A expense included approximately \$1.0mn of COVID-related expenses

Q2 Outlook

- We anticipate Q2 GMV will be in the range of \$320 million to \$330 million, representing 75% to 80% Y/Y growth.

Investment Highlights



Largest Online Marketplace for Authenticated, Consigned Luxury Goods

Large and Attractive TAM, Supported by Sustainability and ESG focus

Superior Marketplace Due to Service, Trust, Technology and Data

Powerful Financial Model

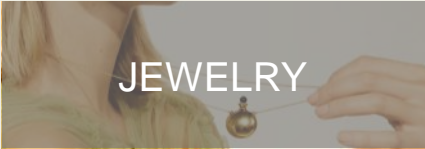
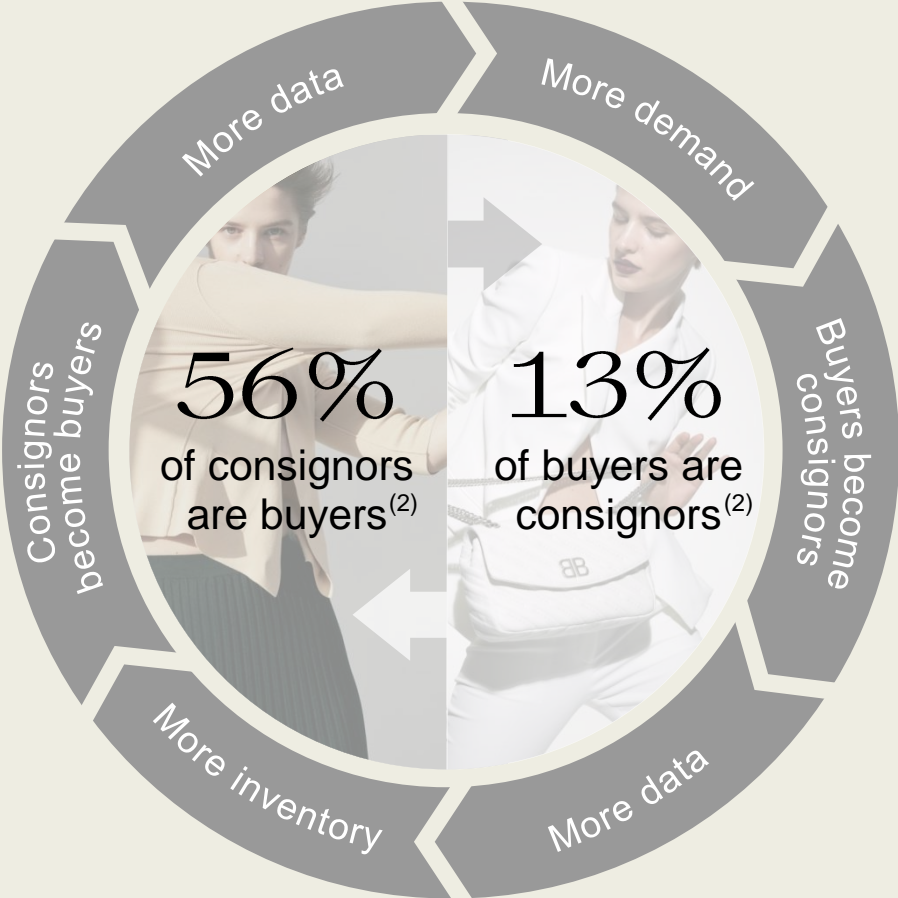
Largest Online Marketplace for Authenticated, Consigned Luxury Goods with Powerful Flywheel Driving Growth

~\$1bn
2020 GMV

\$298mm
2020 Total Revenue

687k
TTM Active Buyers⁽²⁾

\$442
2020 AOV



84%
of GMV from
repeat consignors⁽²⁾

84%
of GMV from
repeat buyers⁽²⁾

Note: Average Order Value (AOV).
(1) As of December 31, 2020.
(2) As of March 31, 2021.

TAM is Large and Propelled by Strong Luxury Tailwinds

The RealReal

\$198bn

US luxury goods available for resale⁽¹⁾

5.3 years

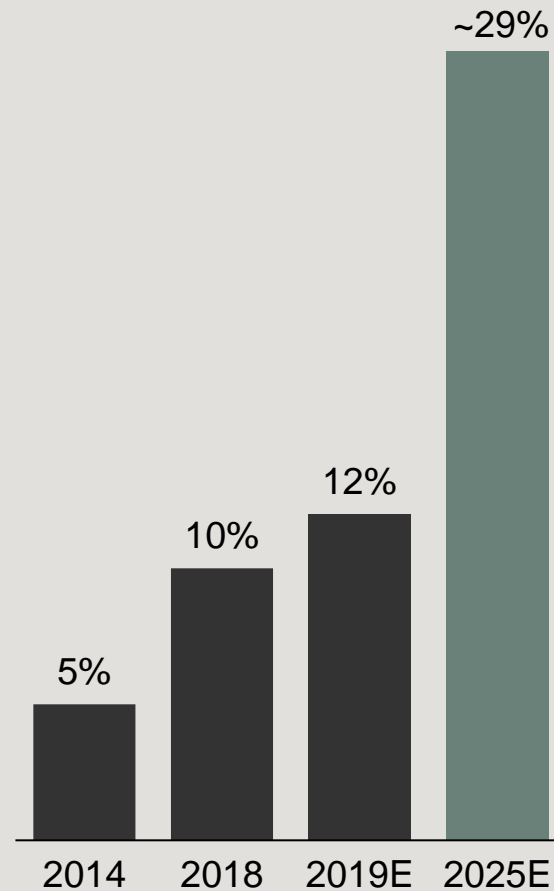
Average time consumers keep luxury products⁽¹⁾

~\$37bn

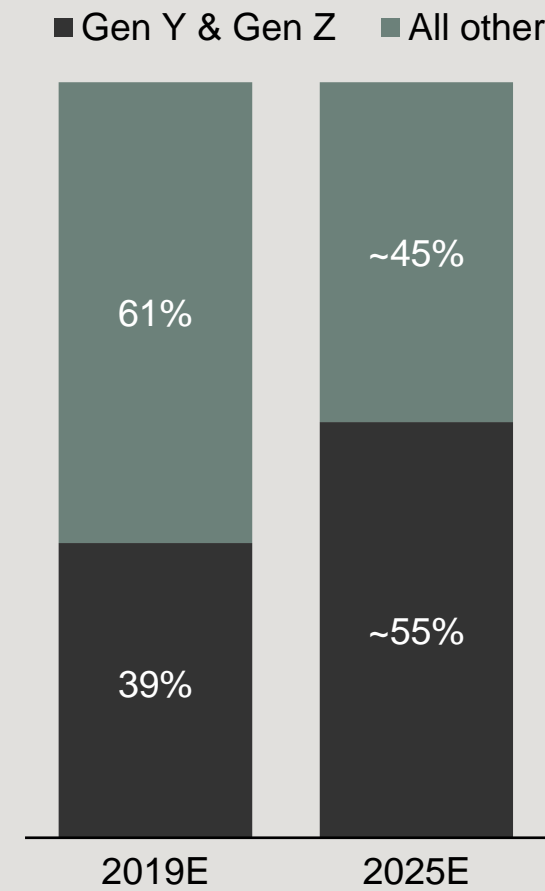
Annual new supply of US luxury goods for resale⁽¹⁾



LUXURY RETAIL IS SHIFTING ONLINE⁽²⁾



YOUNGER GENERATIONS ARE DRIVING GROWTH⁽²⁾



SHIFTS IN CONSUMER MINDSET

“Buying better and buying less is what I believe in. Welcome to the '20s!”

Edward Enninful,
Editor-in-chief of British Vogue



Focus on maximizing value for money with high quality products with utility

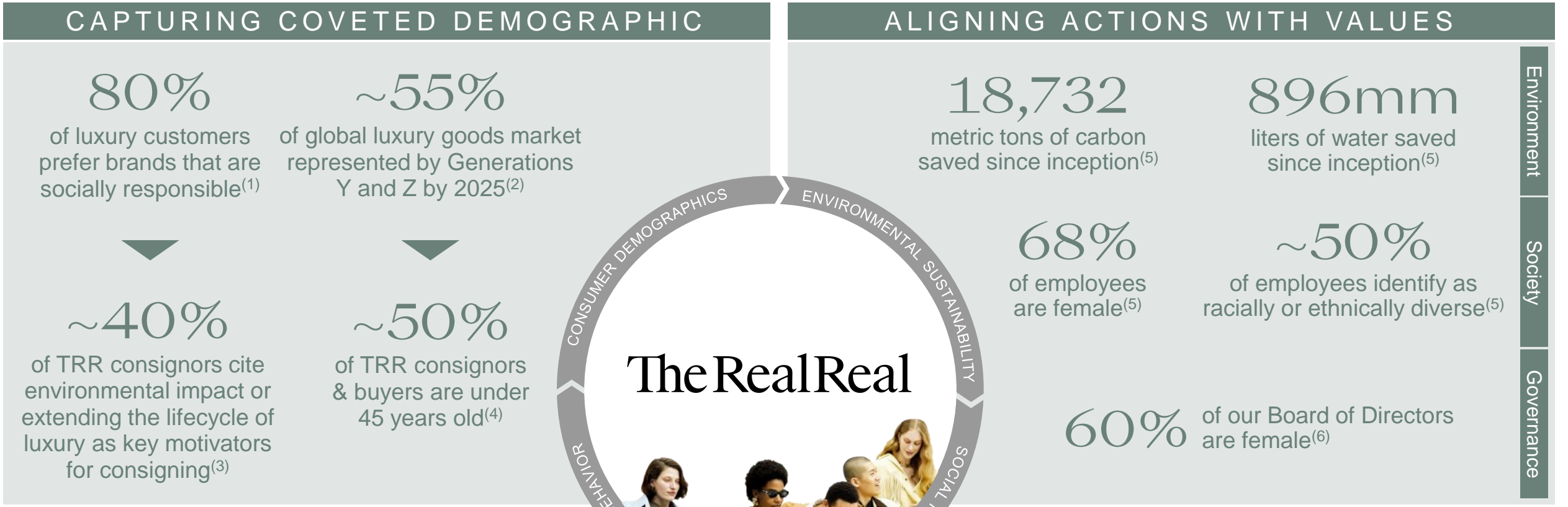


Move away from trend-right fast fashions that have a short shelf-life

(1) Frost & Sullivan Total Addressable Market assessment for the Luxury Resale Market.

(2) Bain-Altgamma Luxury Goods Worldwide Market Study, May 2020.

Sustainability and Diversity at the Core of Our Business



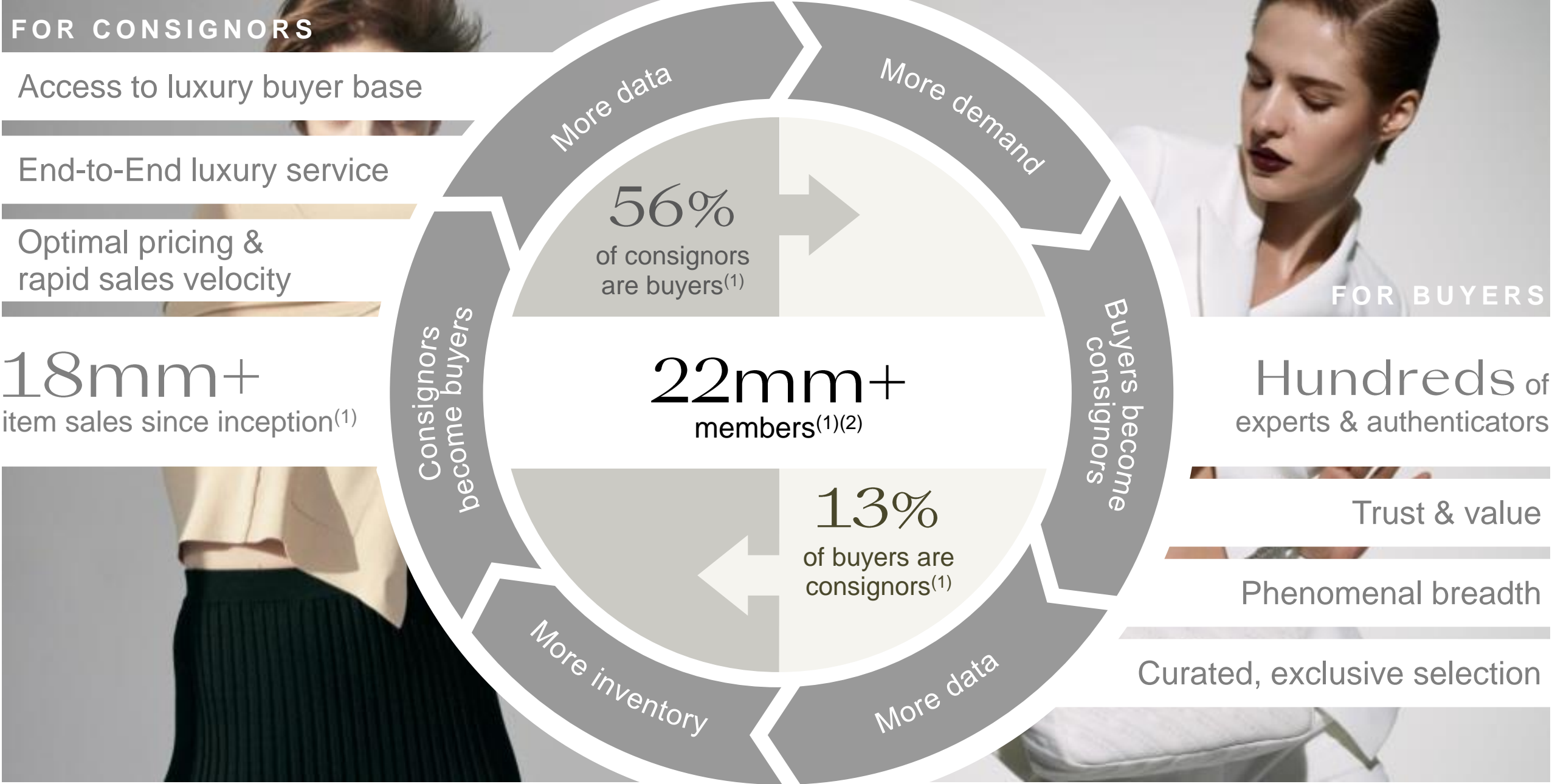
80+ partnerships with brands to promote sustainable fashion and the circular economy



(1) Bain Altagamma Worldwide Luxury Market Monitor, November 2019.
 (2) Bain Altagamma Luxury Goods Worldwide Market Study, May 2020.
 (3) According to The RealReal customer survey results as of March 31, 2021.

(4) As of December 31, 2019.
 (5) As of December 31, 2020.
 (6) As of March 31, 2021.

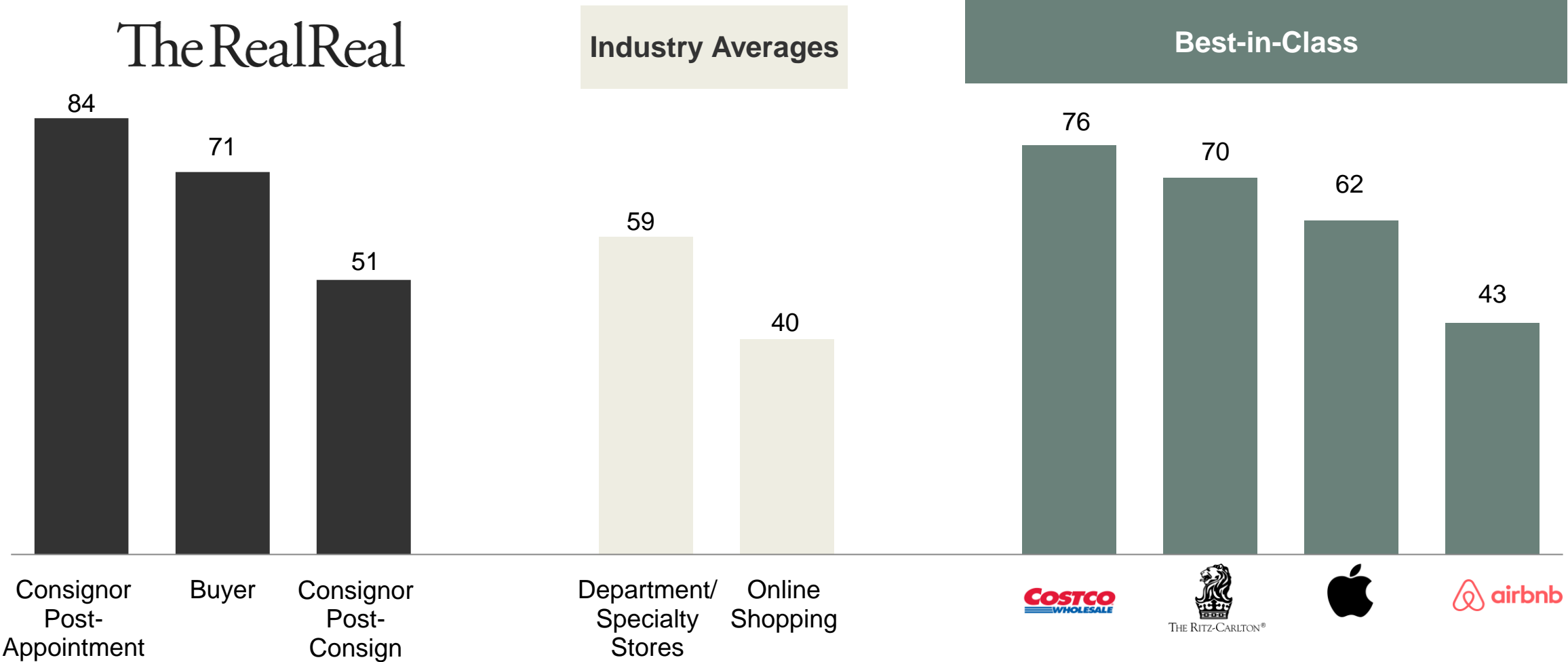
We Offer a Superior Marketplace for Consignors and Buyers



(1) As March 31, 2021.
 (2) Any user who has registered an email address on our website or downloaded our mobile app, thereby agreeing to our terms of service, counts as a member.

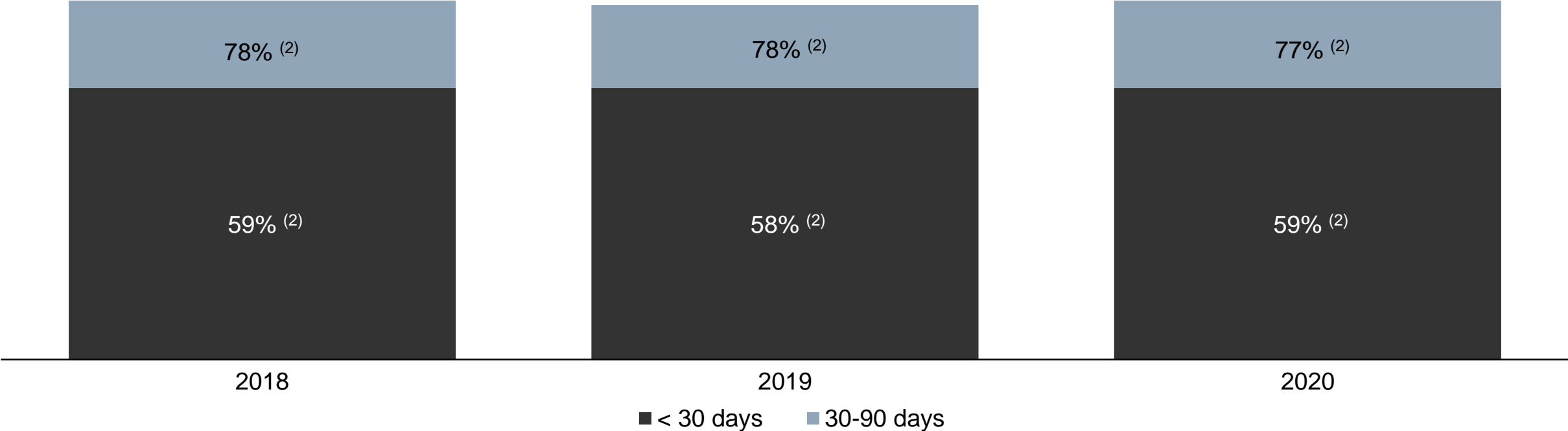
Our NPS Compares Favorably with Best-in-Class Consumer Companies

The RealReal has a high Net Promoter Score (NPS)⁽¹⁾



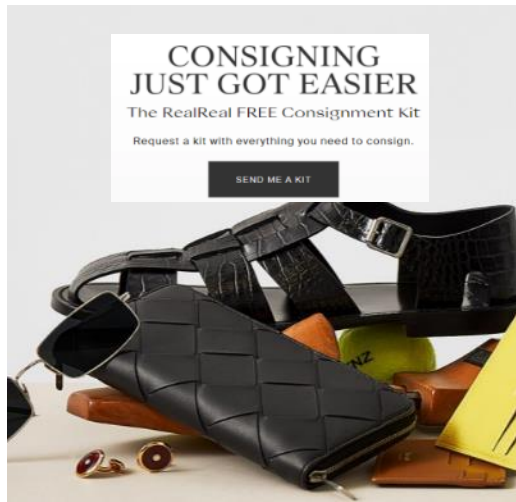
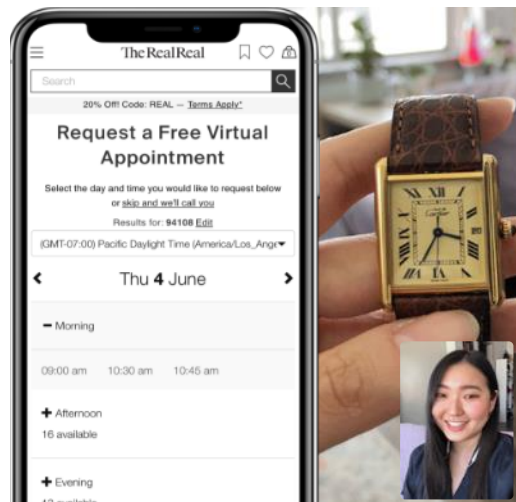
(1) Reflects TRR 2020 NPS scores and NICE Satmetrix U.S. Consumer 2020 data.

Supply Drives the Business and Essentially Everything Sells



(1) Represents ratio of GMV to initial supply value for the specified year.
 (2) Represents unit sell through rate for the specified period.

Increasingly Diversified Supply Acquisition Model



STORES / LCOS

4

Flagship stores⁽¹⁾

10

Neighborhood stores⁽²⁾

**THE REALREAL
B2B VENDOR
PROGRAM**

4th consecutive quarter of
accelerating growth

**AT-HOME
CONCIERGE
SERVICE**

40+

Markets⁽³⁾

Resumed in March

**VIRTUAL
CONSULTATION**

100k+

virtual appointments via
email, phone and video,
achieving equivalent unit
volume to in-home⁽¹⁾

DIRECT SHIPPING

Complimentary shipping
directly to our
authentication centers

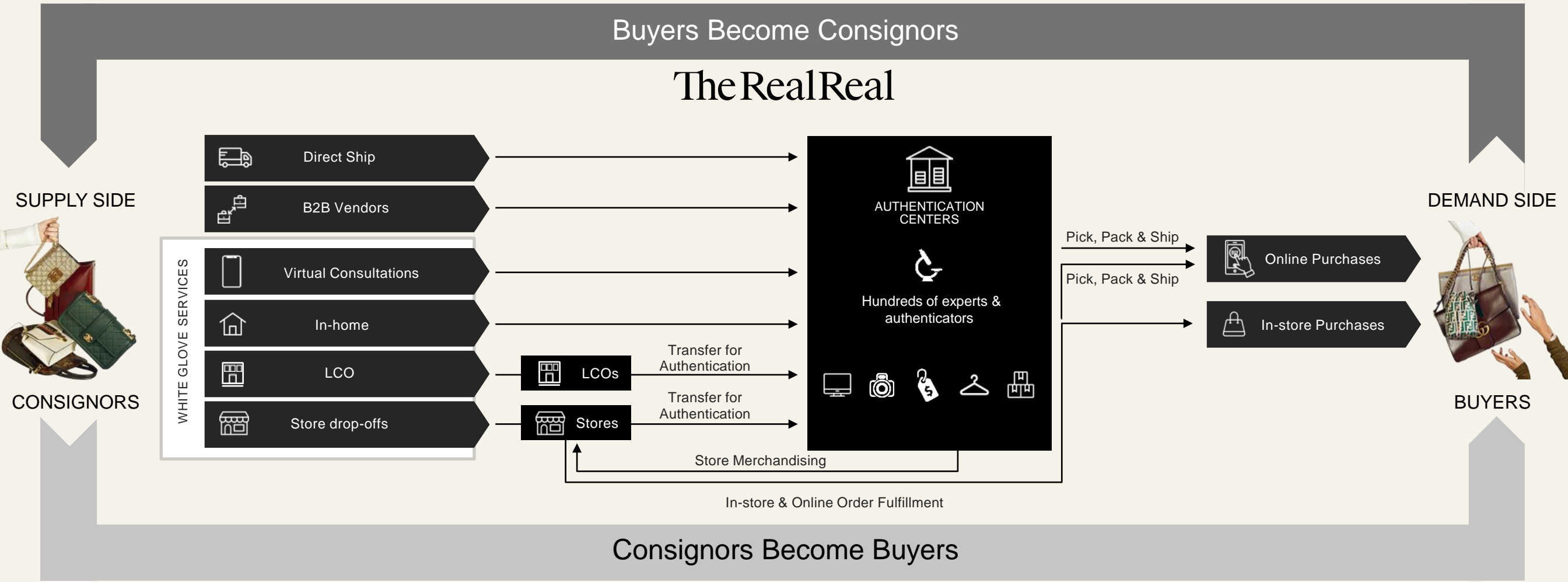
CURBSIDE DROP-OFF

CURBSIDE PICK-UP

FREE SHIPPING LABEL

(1) For the year ended December 31, 2020.
(2) Planned by the end of Q2 2021.
(3) As of December 31, 2019.

Our Single-SKU Inventory Management is Both Unique and Very Complex



Note: Luxury Consignment Office (LCO).

Proprietary Data, Technology & Automation to Efficiently Scale

PROPRIETARY DATA

AUTOMATION

SCALE

18mm+
item sales since inception⁽²⁾

Each item has
up to 50
unique attributes

~733mm
item views⁽³⁾

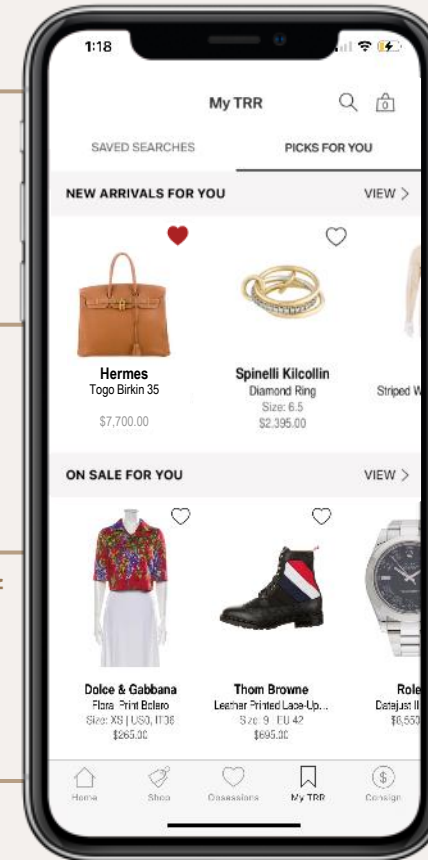


Hermès
Togo Birkin 35
\$7,700.00
Color: Gold
Size: 45cm
Material: Togo
Hardware: Gold
Lock/Key: Included
Box: Included
Handle Drop: 5.5"
Height: 10.5"
Width: 14"
Depth: 7.5"

Automating pricing of
~80%
of unit volume⁽¹⁾

Automating copywriting of
~84%
of unit volume⁽¹⁾

Automating photo retouching of
~85%
of unit volume⁽¹⁾



Operational efficiency

Optimizes price / velocity

Enhances authentication

Drives upfront curation

Improves personalization

Educates consignors

(1) As of December 31, 2020

(2) As of March 31, 2021

(3) Approximately 733 million views of items on our online marketplace in 2020 by potential buyers.

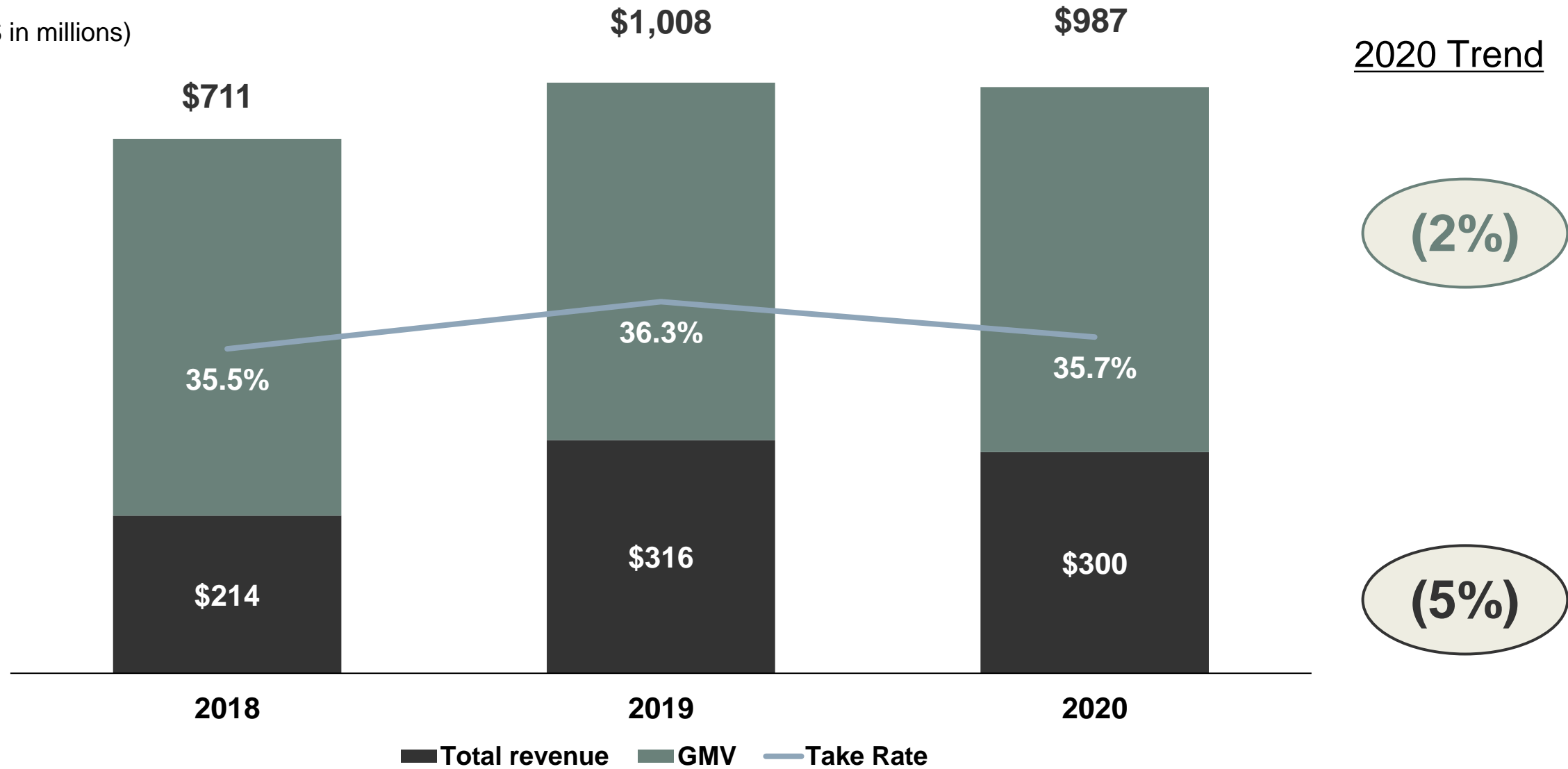
Long Term Financial Profile

- 1 Strong & sustainable growth
- 2 Significant operating leverage
- 3 Substantial liquidity



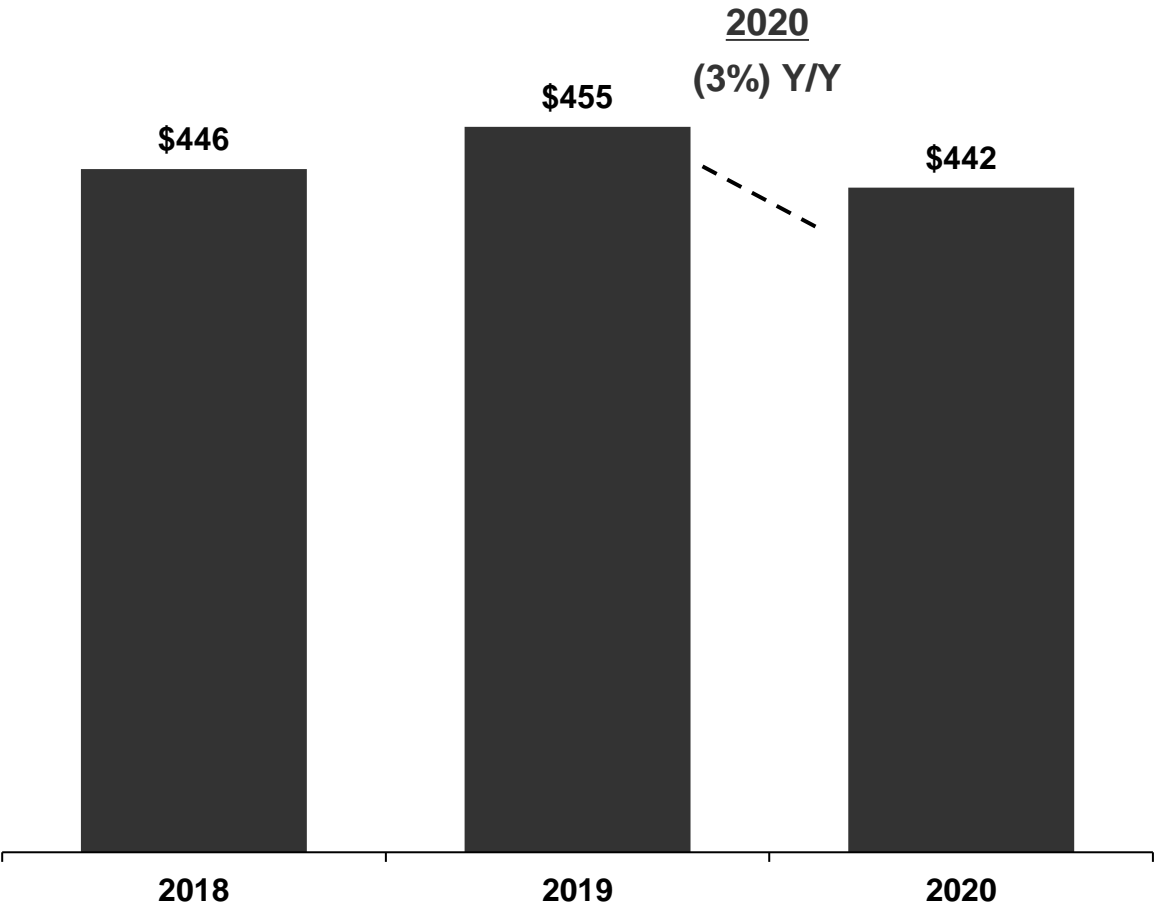
Revenue Growth Driven By GMV Growth and Take Rate

(\$ in millions)

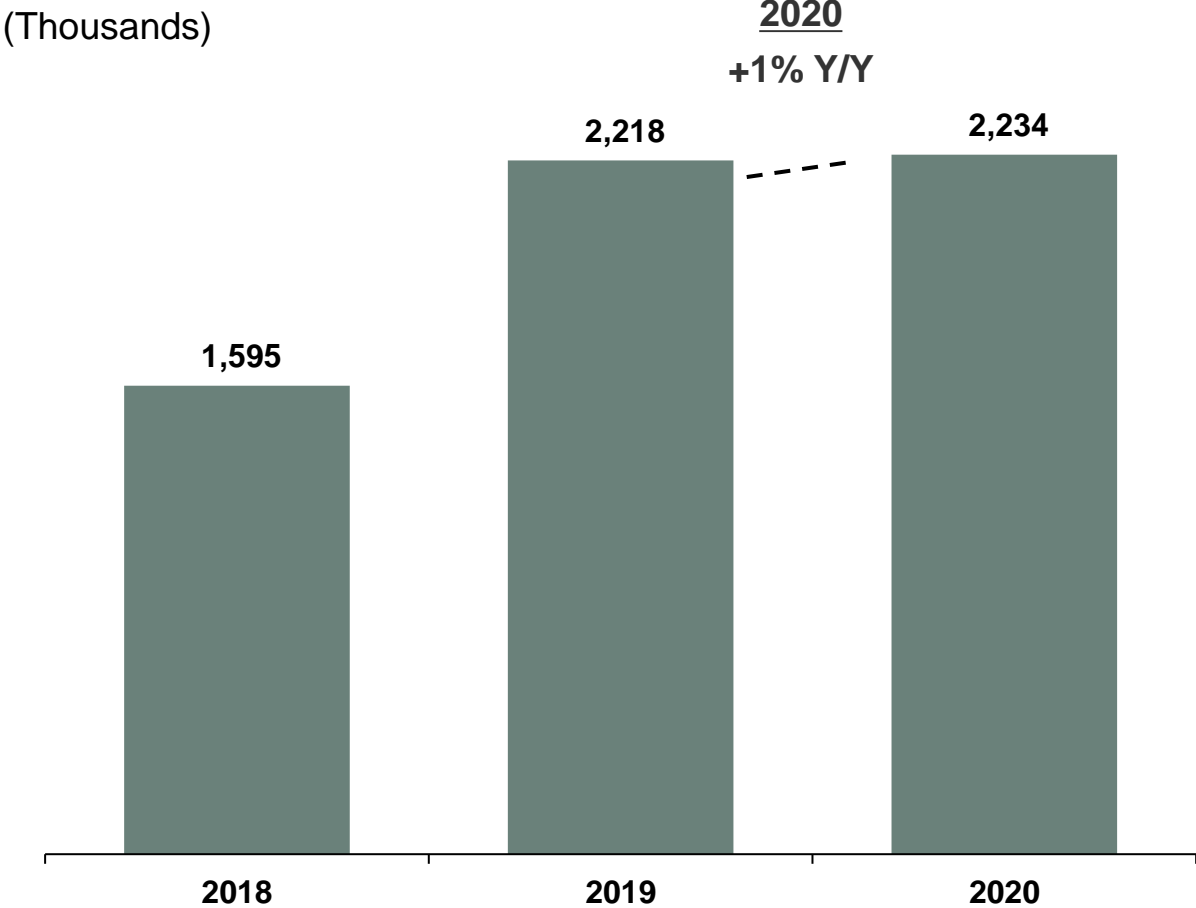


GMV Growth Driven By Order Growth and AOV

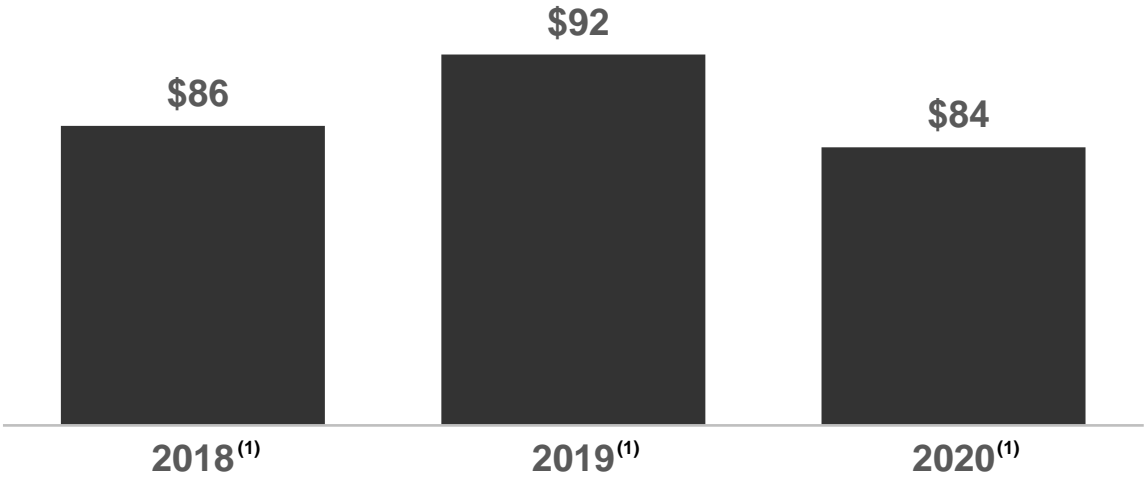
Average order value (AOV)



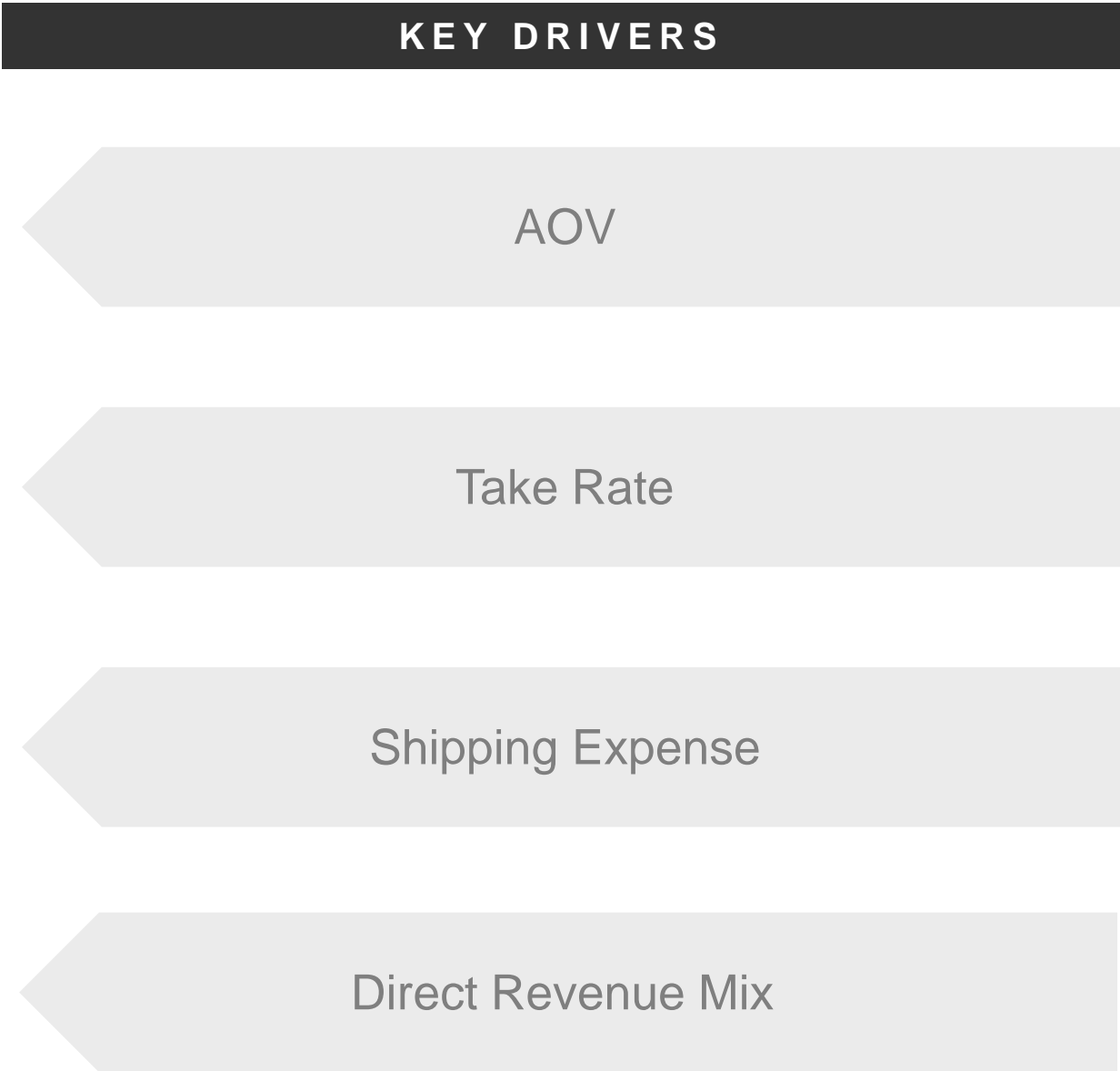
Number of orders



Gross Profit per Order Key Driver Towards Profitability

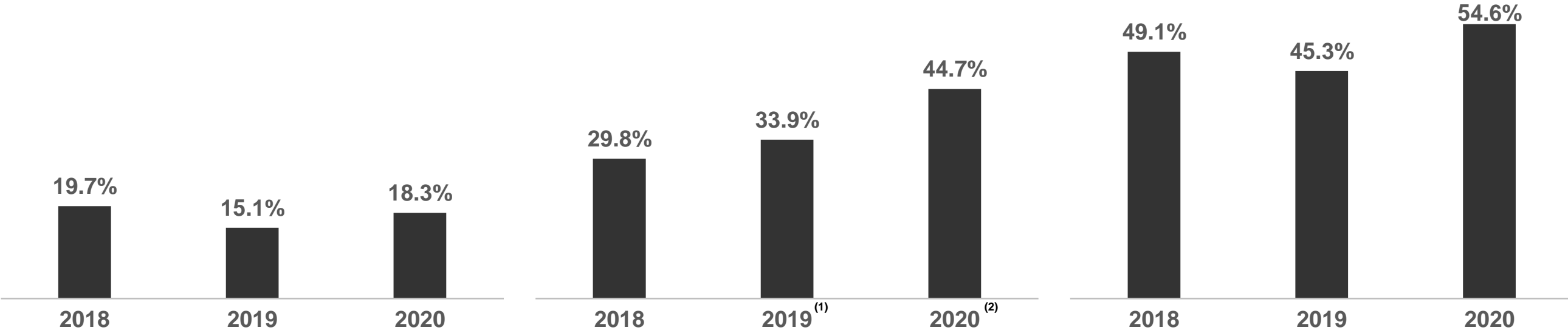


Gross Profit per Order
Down 8% Y/Y in 2020 as shipping leverage was offset by lower AOV and take rate and higher buyer incentives.



(1) Calculated by dividing Gross Profit by the number of orders for the applicable quarter.

Operating Leverage Delayed by COVID



Marketing

Increase due to the rev. decline and our investments to drive GMV recovery. '20 marketing was 5.6% of GMV vs. 4.7% in '19.

SG&A

Increase due to the rev. decline, investments in public company costs and COVID related expenses. '20 SG&A was 14.4% of GMV vs. 11.0% in '19.

Ops & Tech

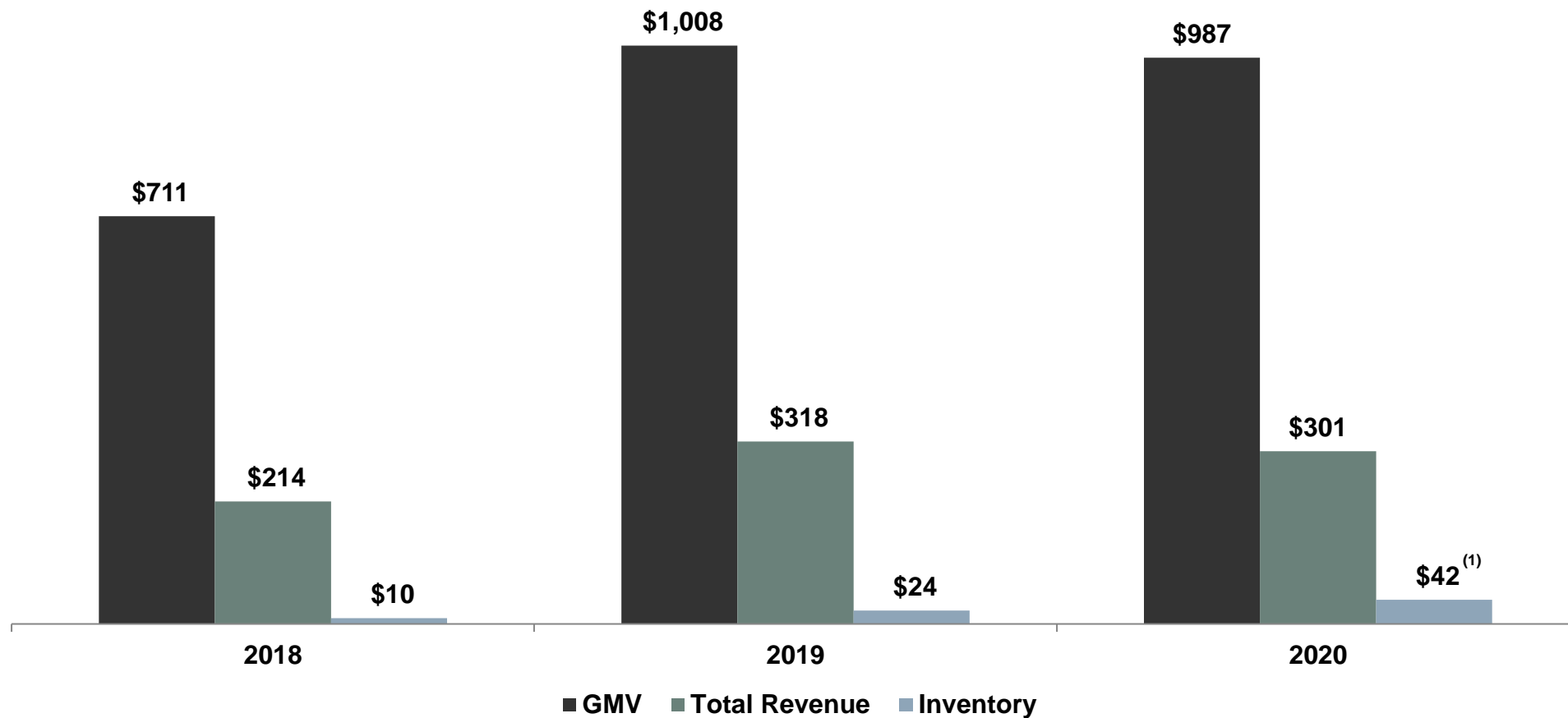
Increase due to the rev. decline, headcount and occupancy expense. '20 Ops & Tech was 16.6% of GMV vs. 14.2% in '19

Note: Buyer Acquisition Cost or BAC for a given period is comprised of our total advertising spend divided by the number of buyers acquired in that period.
 (1) Excluding the \$3.2 million donation to establish The RealReal Foundation and \$0.3 million in abandoned offering costs, SG&A as a percent of revenue was 33.9% in 2019.
 (2) Excluding \$6.2 million in COVID related expenses and \$1.6 million in Sarbanes-Oxley expenses, SG&A as a percent of revenue was 44.7% in 2020.

Capital Efficient Marketplace Model

GMV, Total Revenue and Inventory

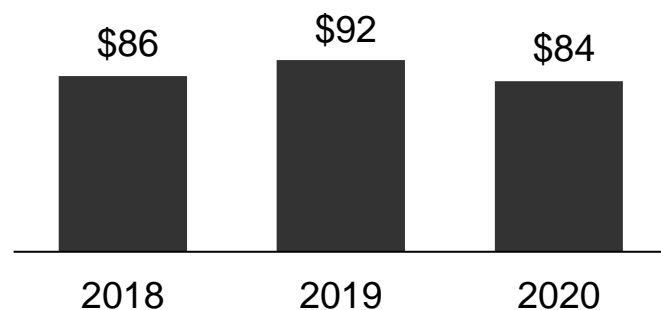
(\$ in millions)



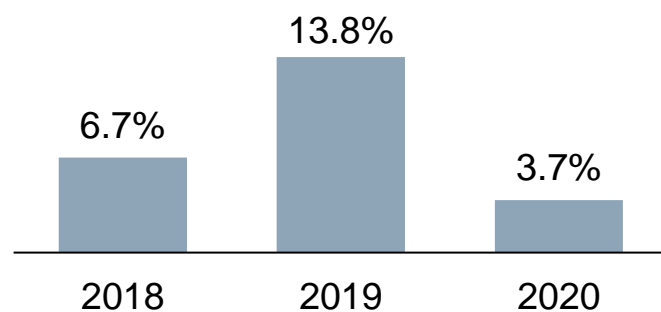
(1) The increase in our inventory balance was primarily driven by vendor transactions.

Clear Path to Profitability – Temporary Setback in 2020

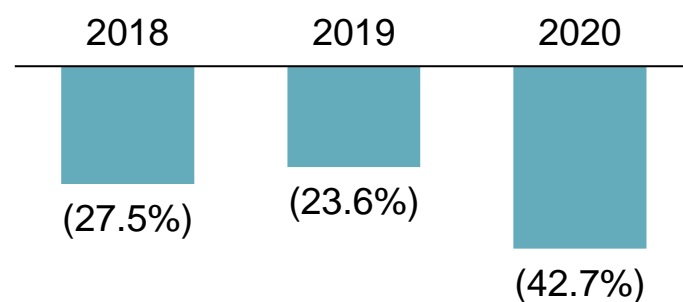
GROSS PROFIT PER ORDER



CONTRIBUTION MARGIN⁽¹⁾



ADJUSTED EBITDA (% OF REVENUE)⁽²⁾



DRIVERS OF OPERATING LEVERAGE

REVENUE DRIVERS	Strong Retention	Consignment Take Rate	AOV
GROSS MARGIN DRIVERS	Shipping Expense	Consignment Take Rate	Direct Sales Mix
VARIABLE EXPENSE LEVERAGE	Marketing Improving BAC	Ops & Tech Process automation	SG&A Sales team productivity
FIXED EXPENSE LEVERAGE	Ops & Tech Rent and headcount	SG&A Headcount and public company expenses	Marketing Headcount

Note: The figures above are non-GAAP financial measures. Please see the reconciliation from GAAP to Non-GAAP measures contained in the appendix to this presentation.

(1) Contribution margin is a non-GAAP financial measure that is calculated as gross profit per order minus variable expenses including variable marketing, operations, sales and merchandising expenses as a percentage of sales.

(2) Adjusted EBITDA means net loss before net interest expense, income tax provision and depreciation and amortization, further adjusted to exclude stock-based compensation and certain one-time expenses. See adjusted EBITDA reconciliation in Appendices.

Reconciliation to Contribution Profit per Order

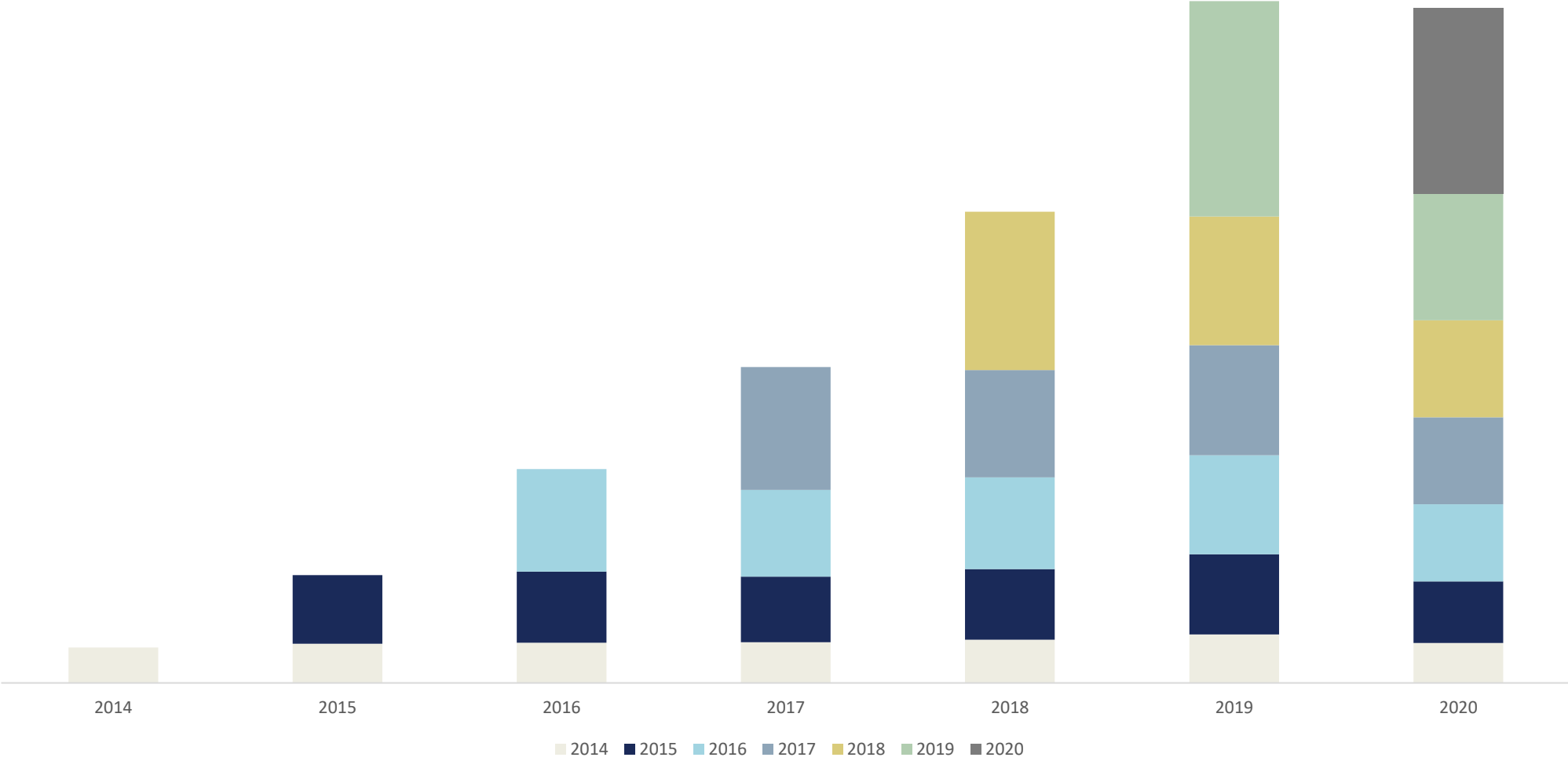
	2018	2019	2020	Y/Y Change
AOV	\$446	\$455	\$442	(3%)
Revenue per Order	\$130	\$143	\$134	(6%)
Take Rate	35.5%	36.3%	35.7%	(60bps)
Gross Profit per Order	\$86	\$92	\$84	(8%)
Variable Cost per Order	\$77	\$72	\$79	10%
Contribution Profit per Order⁽¹⁾	\$9	\$20	\$5	(75%)
Fixed Cost per Order	\$46	\$53	\$63	20%
Adjusted EBITDA per Order	(\$37)	(\$33)	(\$58)	(76%)

Note: The figures above are non-GAAP financial measures. Please see the reconciliation from GAAP to Non-GAAP measures.

(1) Contribution Profit is a non-GAAP financial measure that is calculated as gross profit per order minus variable expenses including variable marketing, operations, sales and merchandising expenses.

Consistent Retention Across Buyer Cohorts Prior to COVID

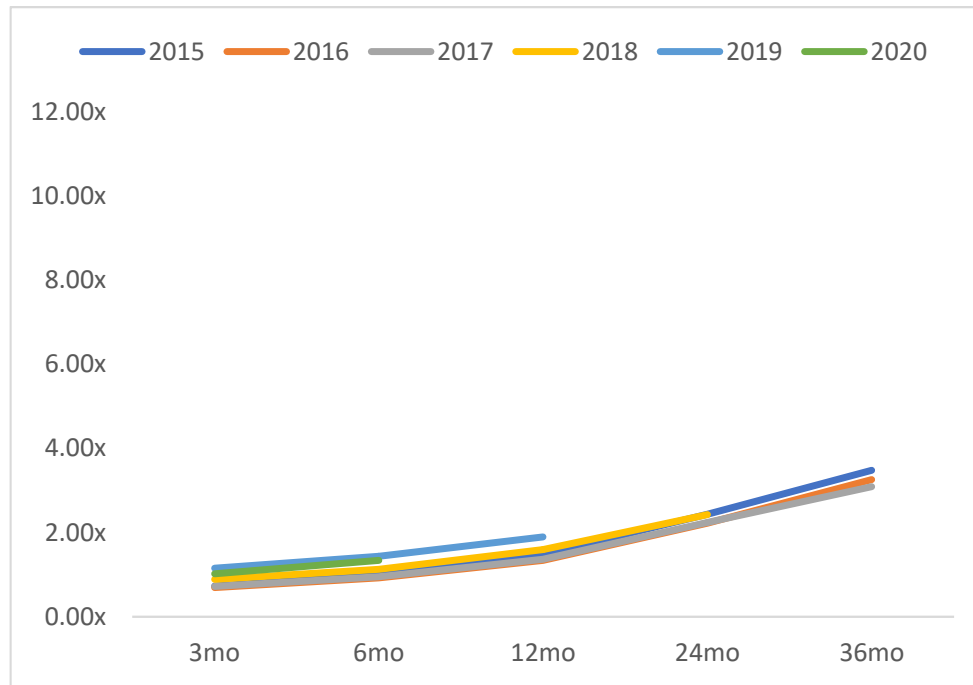
Annual GMV by Buyer Cohort Year
(\$ in millions)



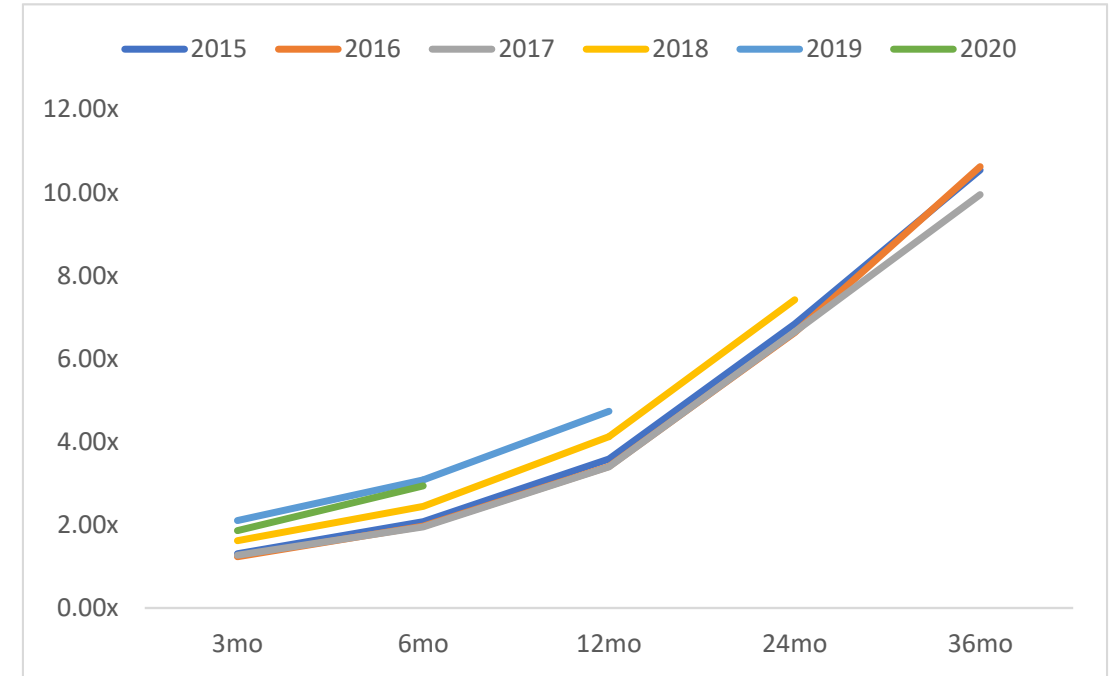
Note: Each cohort represents all buyers that first purchased across our online marketplace in the designated year and the aggregate GMV purchased by such cohort for the initial year and each year thereafter.

2020 Buyer LTV : BAC Payback Less Than 3 Months With Flywheel Enhancing The Network Effect of Our Marketplace

Buyer LTV : BAC – All Buyers¹



BLTV : BAC – Buyers who are also consignors¹



2020 BAC payback in less than 3 months

	3mo	6mo	12mo	24mo	36mo
2015	0.73x	0.99x	1.48x	2.44x	3.48x
2016	0.69x	0.92x	1.34x	2.22x	3.26x
2017	0.72x	0.94x	1.36x	2.24x	3.09x
2018	0.88x	1.13x	1.59x	2.43x	
2019	1.15x	1.43x	1.89x		
2020	1.02x	1.34x			

Further acceleration of BAC payback

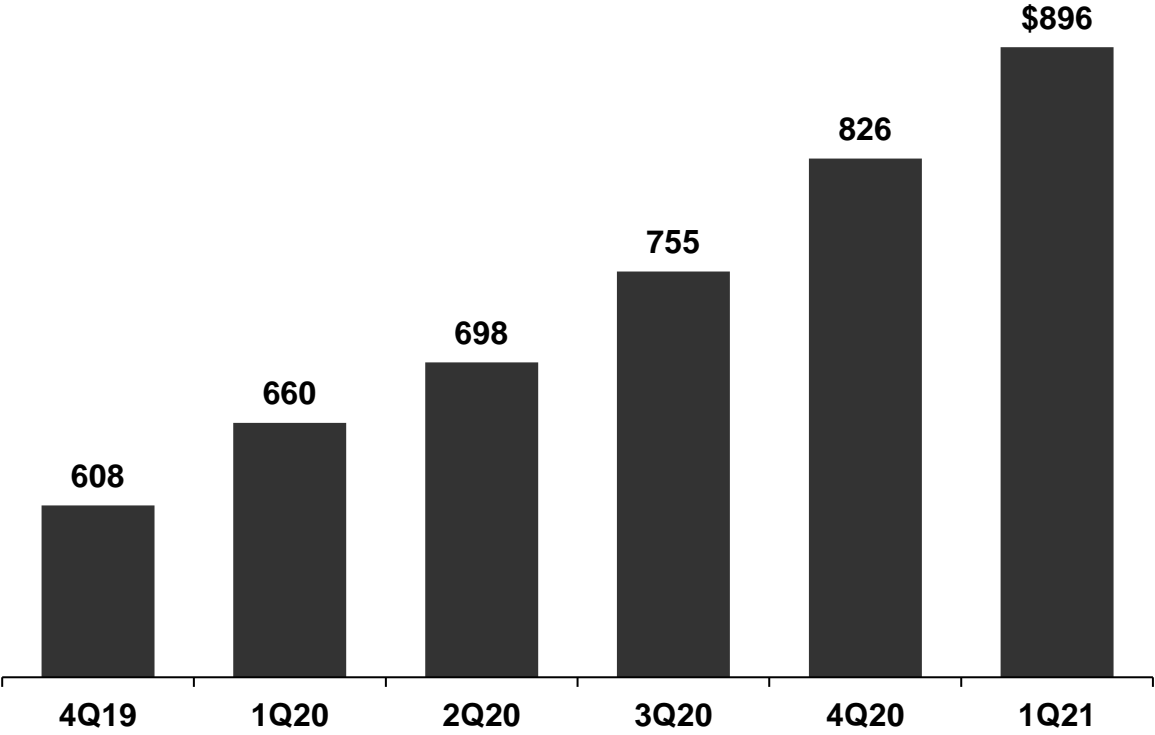
	3mo	6mo	12mo	24mo	36mo
2015	1.30x	2.08x	3.59x	6.84x	10.55x
2016	1.24x	1.97x	3.41x	6.63x	10.63x
2017	1.27x	1.96x	3.40x	6.65x	9.95x
2018	1.62x	2.44x	4.13x	7.42x	
2019	2.11x	3.08x	4.74x		
2020	1.87x	2.94x			

Note: BLTV refers to cumulative gross profit attributable to purchases by buyers in a given period. BAC for a given period is comprised of our total advertising spend divided by the number of buyers acquired in that period. BLTV in the graph on the right includes only gross profit attributable to transactions in which the members participated as buyers and does not include gross profit attributable to transactions in which the member participated as a consignor

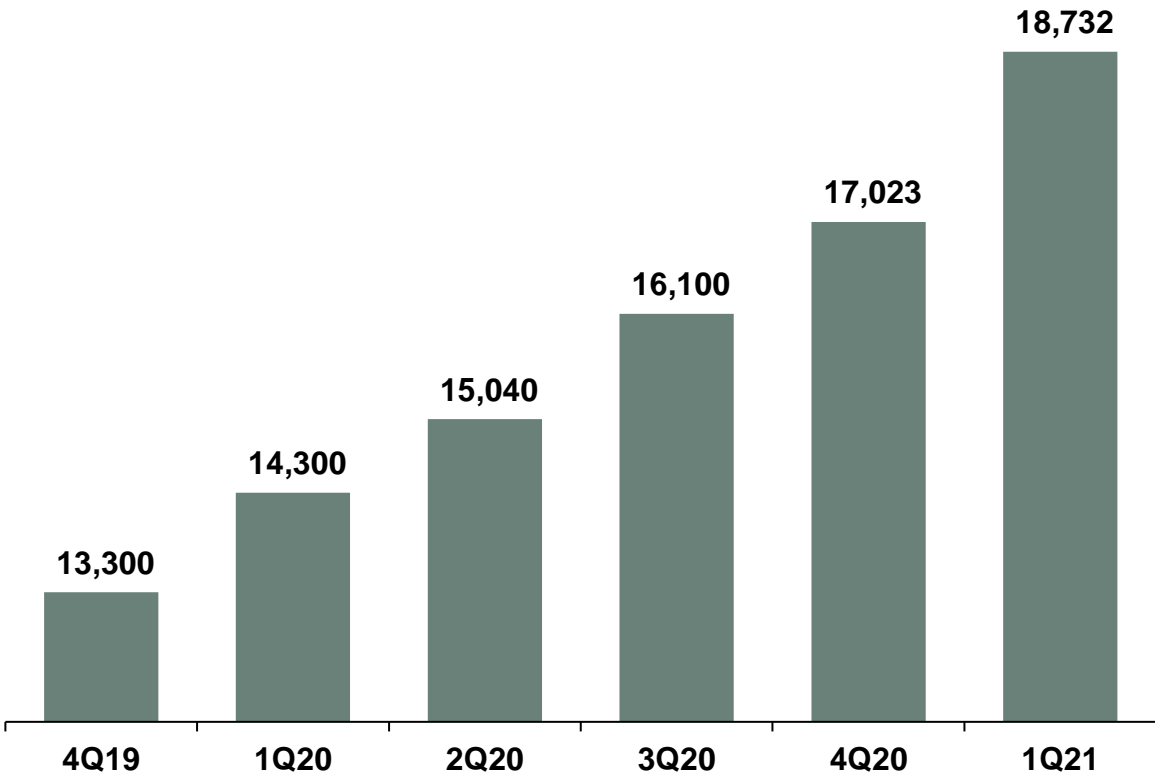
(1) The 2020 cohorts in the graphs reflect buyers that first purchased across our online marketplace through June 30, 2020 for the 6 month period and September 30, 2020 for the 3 month period.

Our Model is Inherently Sustainable

Millions of liters of water saved since inception ⁽¹⁾



Metric tons of carbon saved since inception ⁽¹⁾



(1) See <https://www.therealreal.com/sustainability> for methodology.

Building a Strong ESG Foundation

■ Sustainability is a core value

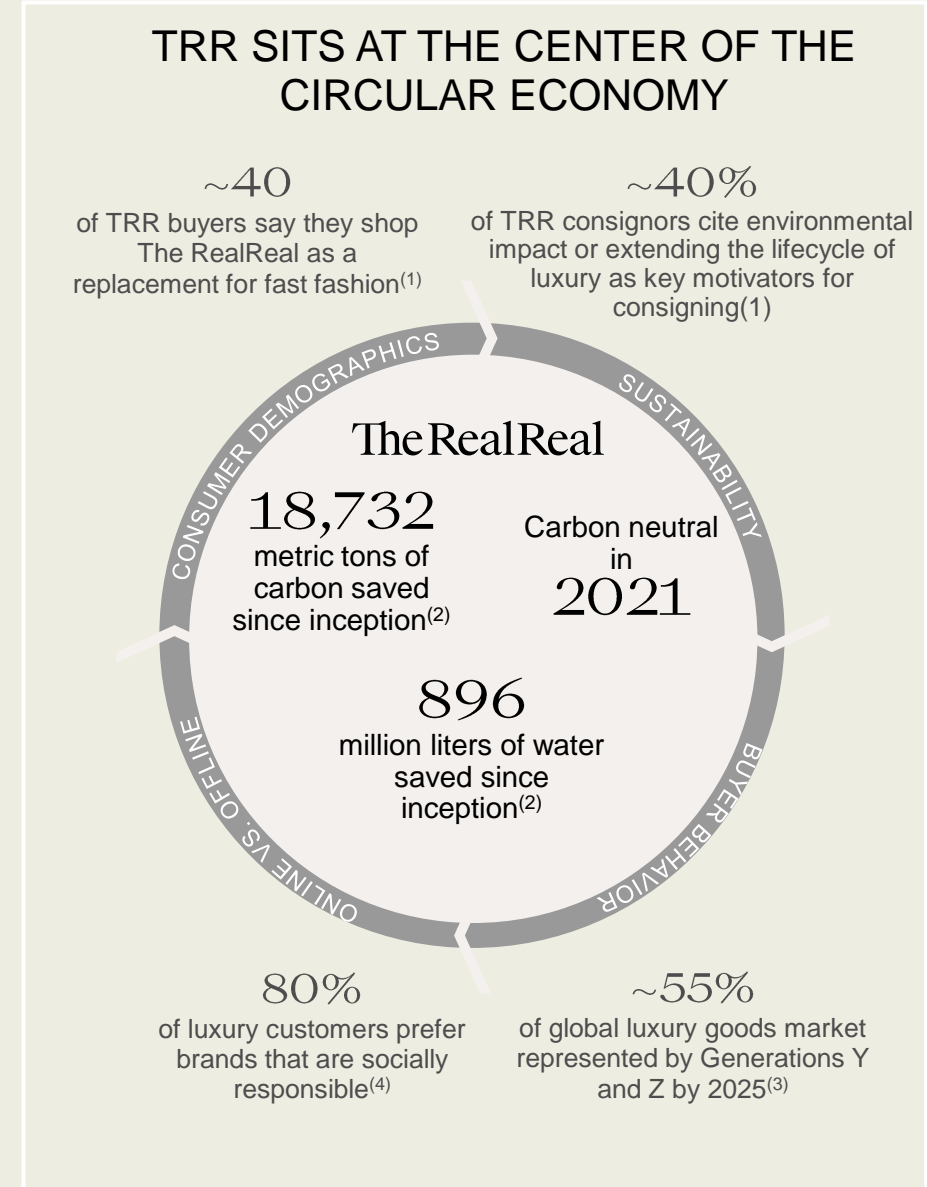
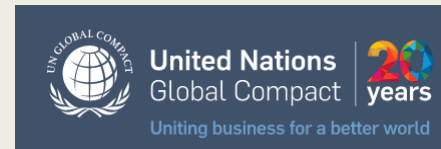
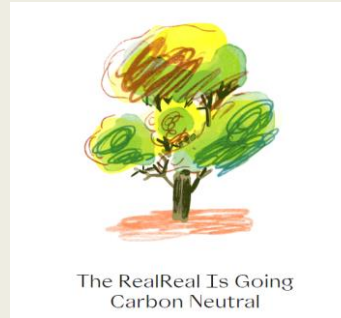
- Saving water and carbon emissions
- Pioneering the circular economy
- Extending the lifecycle of luxury products
- 3Rs: Resell, Revive & Reimagine

■ Social

- Diversity and inclusion
- Employee safety
- Human capital management
- Data privacy

■ Governance

- Board and Committee oversight of Diversity and Inclusion
- Board and Committee oversight of ESG
- Ethics



(1) According to The RealReal customer survey results as of March 31, 2021
 (2) As of March 31, 2021
 (3) Bain Altagamma Luxury Goods Worldwide Market Study, May 2020.
 (4) Bain Altagamma Worldwide Luxury Market Monitor, November 2019.

ESG Highlights

Environment

- Model drives significant water and emissions savings
- First carbon neutral resale company
- Circular economy advocacy and thought leadership: Resell, Revive & Reimagine
- Reduce greenhouse gas (GHG) emissions by 30% by 2030; achieve net-zero emissions by 2050
- Partnerships with Gucci, Burberry and Stella McCartney promote the recirculation of their products on TRR
- Sustainability calculator embedded in our buyer and consignor experience
- Increase the usage of virtual appointments
- Sustainability Task Force works cross-functionally to identify projects that can drive sustainable outcomes
- Environmental Management System (EMS)
- UN Global Compact Signatory
- UN Climate Change's Fashion Industry Charter
- The Ellen MacArthur Foundation Member
- Sustainable Apparel Coalition

Society

- 68% of employees are female ⁽¹⁾
- ~50% of employees identify as racially or ethnically diverse ⁽¹⁾
- Implementing a company wide diversity & inclusion plan
- 98.3% of employees received an annual performance review; our people managers have quarterly meetings with their employees to address performance and development⁽¹⁾
- Employee safety is our top priority and we have implemented numerous new safety measures to protect our employees during the pandemic
- Committed to high standards for our working environments that protect the well-being of all employees
- Data protection policy governs business
- All employees are eligible to participate in ESPP Plan; all full-time employees receive awards through our Equity Incentive Plan.
- UN Global Compact Signatory
- Supplier Responsibility Program

Governance

- 60% of our Board of Directors were female ⁽²⁾
- Majority independent Board of Directors
- Board of oversight of risk management, ESG and Diversity & Inclusion
- Fully independent Compensation, Diversity and Inclusion Committee, Corporate Governance and Nominating Committee and Audit Committee
- Classified Board Structure – promotes continuity of leadership, Board stability and long-term planning
- Quarterly reporting to the Governance committee
- Annual Director and Committee evaluations
- Anti-hedging and anti-pledging requirements
- Single-class capital structure: one share, one vote

(1) As of December 31, 2020

(2) As of February 22, 2021

Aligned with SASB; Engagement with ESG Ratings Agencies

▪ SASB

- Aligned our ESG disclosures with SASB disclosure framework

▪ ISS

- **Environment Score:** 4
- **Social Score:** 1
- *Continue to work closely with ISS to improve overall scores⁽¹⁾*

▪ MSCI

- **Overall rating:** A
- *Above industry average⁽²⁾*

▪ Sustainalytics

- **Overall rating:** 23.6 (Medium Risk)
- *In line with industry average⁽³⁾*

▪ CDP

- Submitted inaugural CDP Climate Change survey response in August 2020



(1) ISS data as of April 30, 2021
(2) MSCI data as of January 2021
(3) Sustainalytics data as of January 2021

Innovative and Experienced Team



Julie Wainwright
Founder, President and
Chief Executive Officer



Rati Sahi Levesque
President



Matt Gustke
Chief Financial Officer



Kayti Sullivan
Chief Revenue Officer



Arnie Katz
Chief Product and Technology
Officer



Zaina Orbai
Chief People Officer



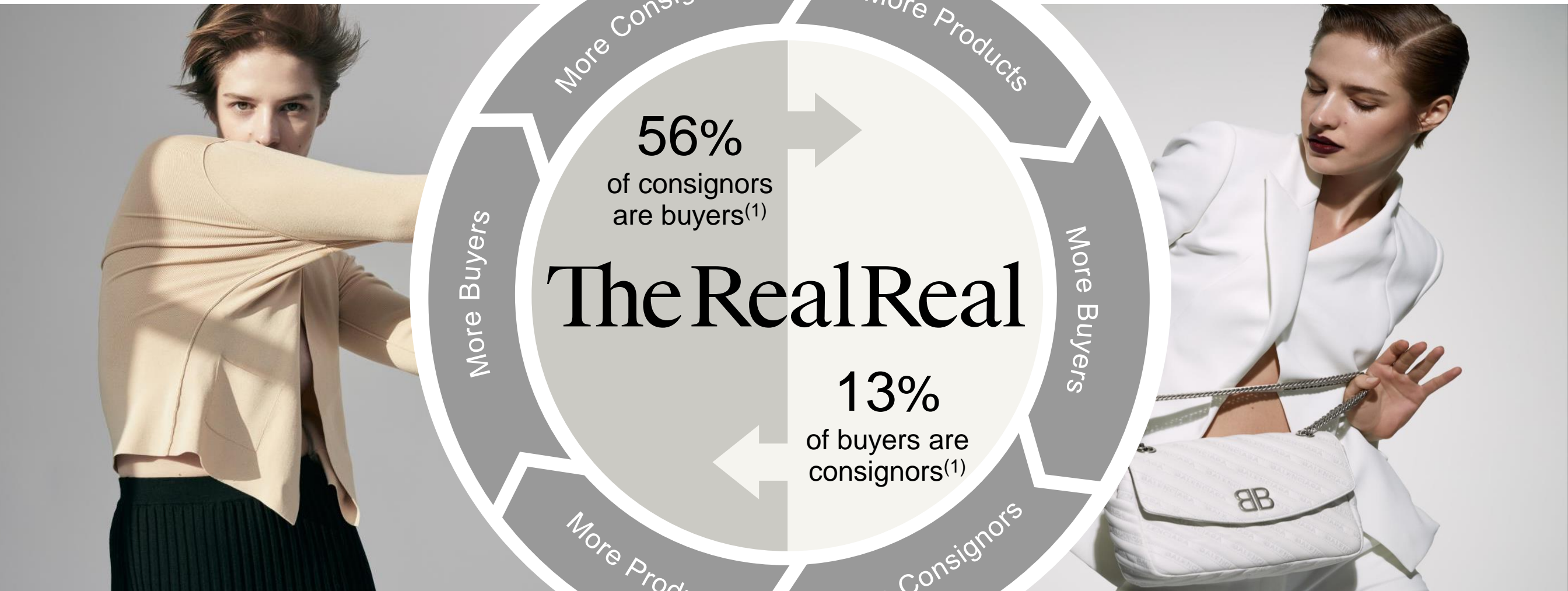
Orr Shaked
Chief Marketing Officer



Todd Suko
Chief Legal Officer



Frank Zhu
Chief Analytics Officer



More Consignors

More Products

56%
of consignors
are buyers⁽¹⁾

The RealReal

13%
of buyers are
consignors⁽¹⁾

More Buyers

More Buyers

More Products

More Consignors

(1) As of March 31, 2021.

The RealReal

Appendix



Reconciliation to Adjusted EBITDA

(\$ in millions)

FYE December 31

	2017	2018	2019	2020
Total Revenue	\$137.5	\$213.7	\$316.4	\$299.9
Net loss	(\$52.3)	(\$75.8)	(\$98.4)	(\$175.8)
Depreciation and amortization	5.6	9.3	13.4	18.8
Stock-based compensation expense	1.9	2.9	7.7	24.3
Compensation expense related to stock sales by current and former employees	–	0.8	0.8	–
Legal Settlement	–	–	–	1.1
Abandoned Offering Costs	–	–	0.3	–
Restructuring	–	–	–	0.5
Donation to TRR Foundation	–	–	3.2	–
Vendor service settlement	–	2.0	–	–
Interest income	(0.4)	(1.0)	(4.6)	(2.5)
Interest expense	0.8	1.2	0.6	5.3
Other expense, net	0.1	1.7	2.1	0.2
Provision for income taxes	0.1	0.1	0.2	0.1
Adjusted EBITDA	(\$44.3)	(\$58.9)	(\$74.7)	(\$128.0)
Adjusted EBITDA (% of Revenue)	-32.2%	-27.6%	-23.6%	-42.7%

Reconciliation to Adjusted EBITDA

(\$ in millions)										
FYE December 31	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	
Total Revenue	\$70.4	\$72.0	\$81.3	\$92.6	\$78.0	\$57.3	\$77.8	\$86.8	\$98.8	
Net loss	(\$23.4)	(\$27.1)	(\$25.5)	(\$22.5)	(\$38.5)	(\$43.0)	(\$43.6)	(\$50.8)	(\$56.0)	
Depreciation and amortization	2.8	3.2	3.5	3.9	4.1	4.6	4.9	5.2	5.4	
Stock-based compensation expense	1.1	1.3	2.5	2.8	3.4	6.1	7.4	7.4	10.9	
Compensation expense related to stock sales by current and former employees	0.8	–	–	–	–	–	–	–	–	
Payroll tax expense on employee stock transactions	–	–	–	–	–	–	–	–	0.5	
Legal Settlement	–	–	–	–	1.1	–	–	–	0.3	
Abandoned Offering Costs	–	–	–	0.3	–	–	–	–	–	
Restructuring	–	–	–	–	–	0.4	0.1	–	–	
Donation to TRR Foundation	–	–	–	3.2	–	–	–	–	–	
Vendor service settlement	–	–	–	–	–	–	–	–	–	
Interest income	(0.4)	(0.6)	(1.9)	(1.7)	(1.3)	(0.6)	(0.4)	(0.2)	(0.1)	
Interest expense	0.1	0.4	0.1	0.0	0.0	0.4	2.4	2.5	3.3	
Other expense, net	0.3	1.7	0.1	(0.0)	(0.0)	0.1	–	0.1	(0.0)	
Provision for income taxes	–	0.1	(0.0)	0.1	–	0.1	(0.0)	0.1	0.0	
Adjusted EBITDA	(\$18.7)	(\$21.0)	(\$21.1)	(\$13.9)	(\$31.1)	(\$31.9)	(\$29.3)	(\$35.8)	(\$35.6)	
Adjusted EBITDA (% of Revenue)	-26.5%	-29.2%	-26.0%	-15.0%	-39.9%	-55.7%	-37.6%	-41.2%	-36.1%	

Reconciliation to Contribution Margin

(\$ per order) FYE December 31	2018	2019	2020
AOV	\$445.6	\$454.7	\$441.8
Revenue	130.0	142.7	134.3
Gross profit ¹	136.9	201.5	187.6
Gross Profit per order	85.8	90.9	84.0
Variable expenses	77.1	71.9	79.0
Contribution profit	\$8.7	\$19.0	\$5.0
Contribution margin	6.7%	13.3%	3.7%

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