



Q4'21 Earnings Presentation

Investor Relations
February 16, 2021



Forward Looking Statements

This presentation includes forward looking statements, including statements regarding ACV's avenues for long-term growth and total addressable market expansion, our financial guidance for the first quarter and full year of 2022, our 2026 financial targets, and operational and product strategy. These forward-looking statements are subject to risks and uncertainties and involve factors that could cause actual results to differ materially from those expressed or implied by such statements. Additional information will be made available in our Annual Report on Form 10-K for the year ended December 31, 2021 and other filings and reports that we may file from time to time with the SEC. Our remarks during today's discussion should be considered to incorporate this information by reference.

Information About Key Operating and Financial Metrics and Non-GAAP Financial Measures

This presentation refers to key operating and financial metrics and a reconciliation of Adjusted EBITDA to net loss for the quarter ended December 31, 2021. Discussion of our key operating and financial metrics, and non-GAAP financial measures are included in the appendix to this presentation.

Trusted Digital Marketplace for Wholesale Vehicles & Data Services

Q4'20

\$0.9B

GMV

103K

Marketplace Units

\$54M

Revenue

52%

YoY Revenue Growth

Q4'21

\$2.5B

GMV

139K

Marketplace Units

\$100M

Revenue

86%

YoY Revenue Growth

Long-Term Strategy



Marketplace Growth



TAM and Product Expansion



Operating Scale

Trusted Digital Marketplace for Wholesale Vehicles & Data Services



Marketplace Growth



TAM and Product Expansion



Operating Scale

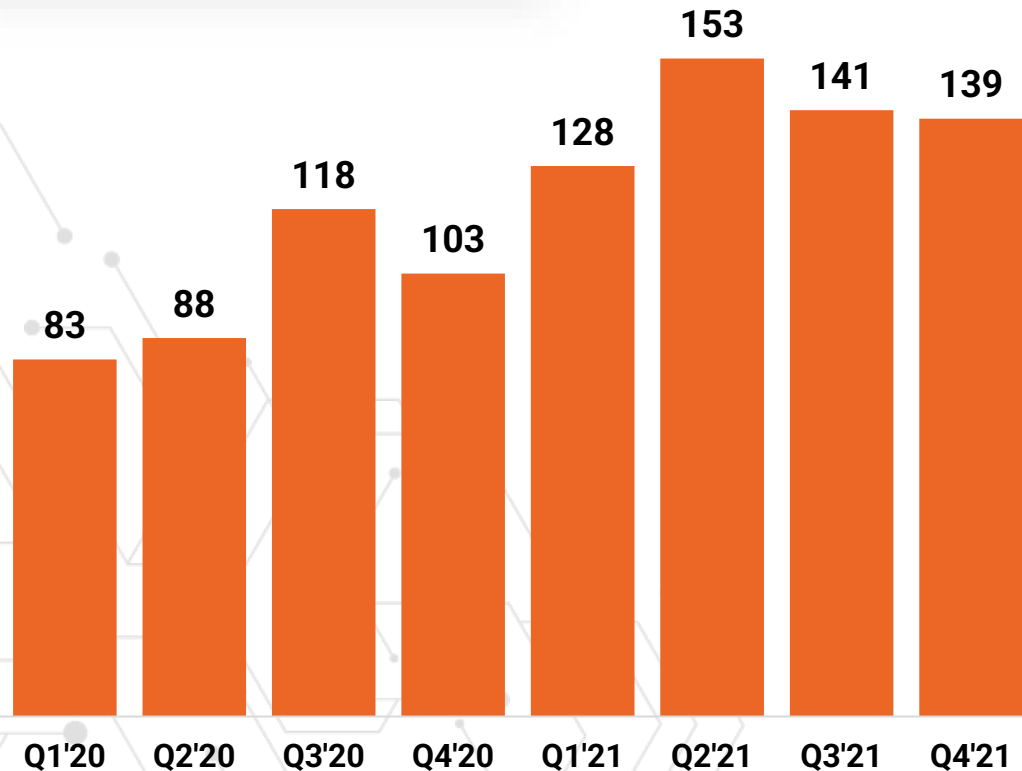
Marketplace Adoption with Strong Vehicle Mix

Marketplace Units (000s)

2021 Units of 561K; +43% YoY

35% YoY

84% 2-Yr.¹

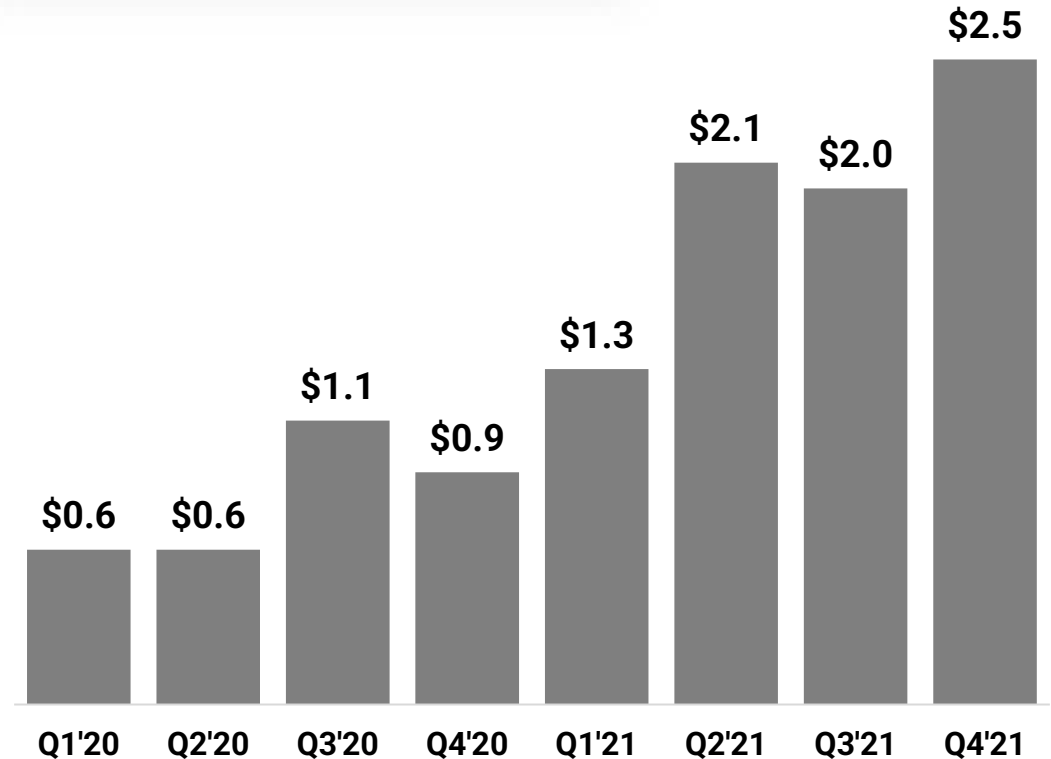


¹Q4'21 units sold vs. Q4'19 units sold

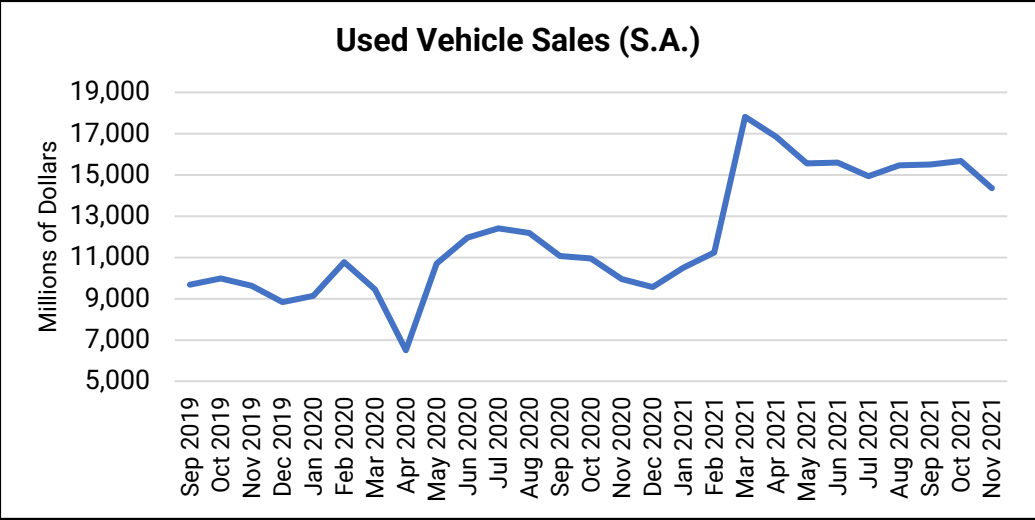
Marketplace GMV (\$B)

2021 GMV of \$7.9B; +140% YoY

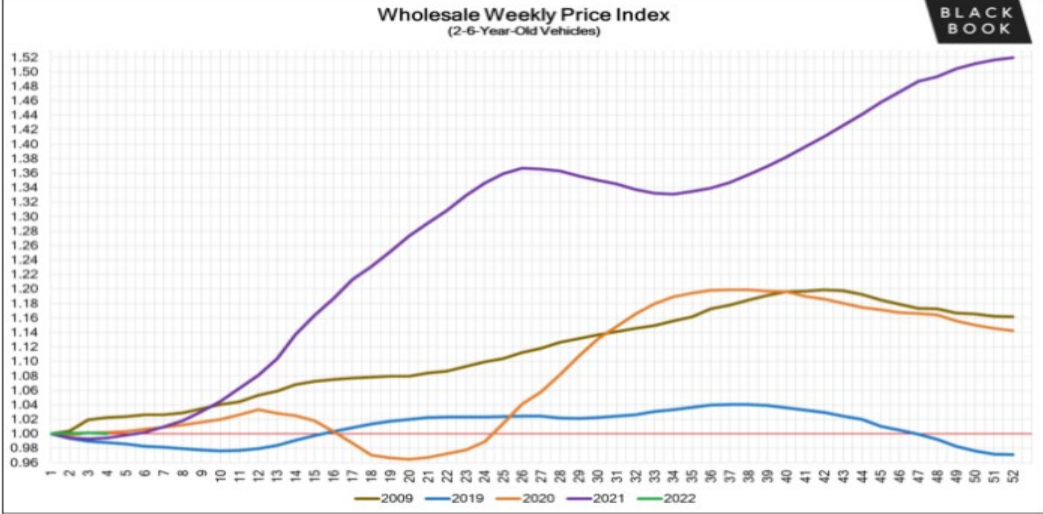
170% YoY



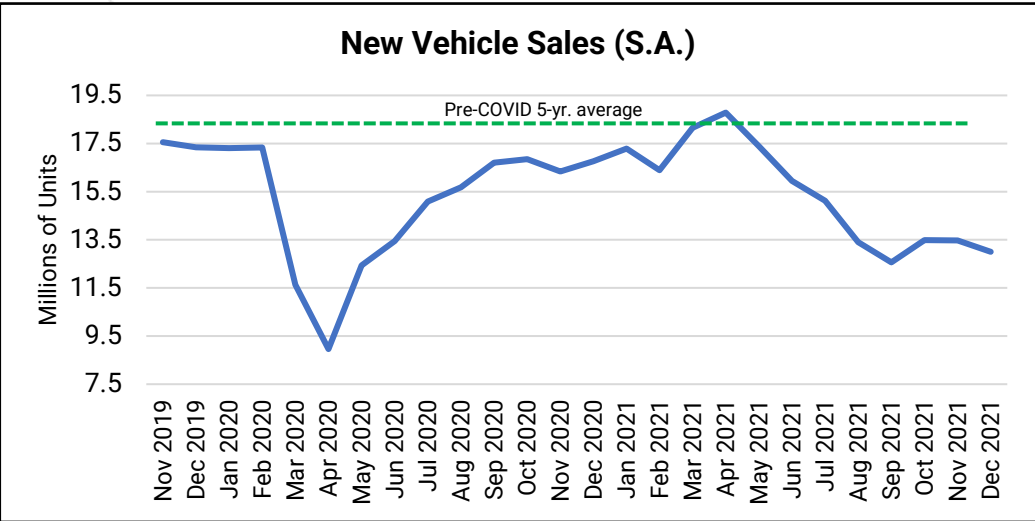
Macro Picture Largely Unchanged



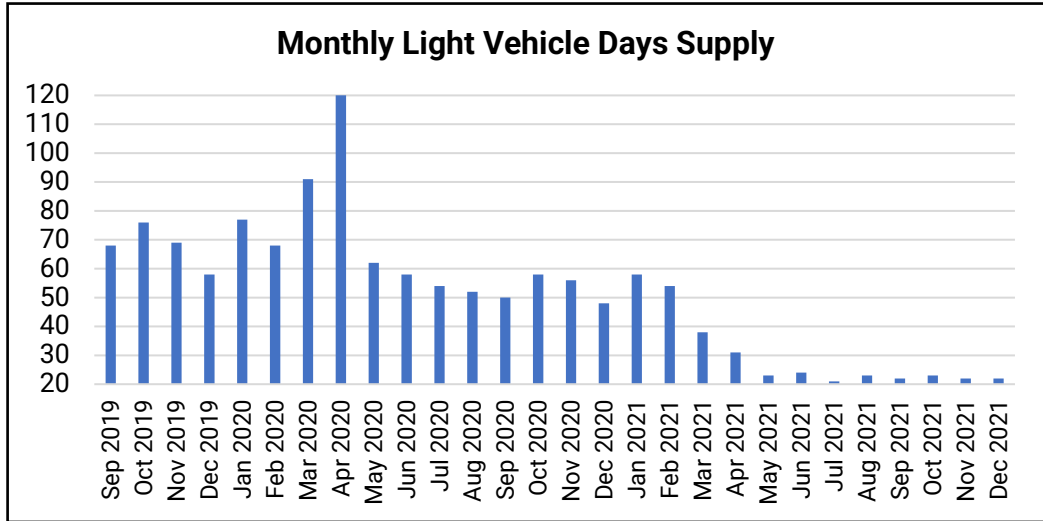
Source: Bureau of Economic Analysis



Source: Black Book



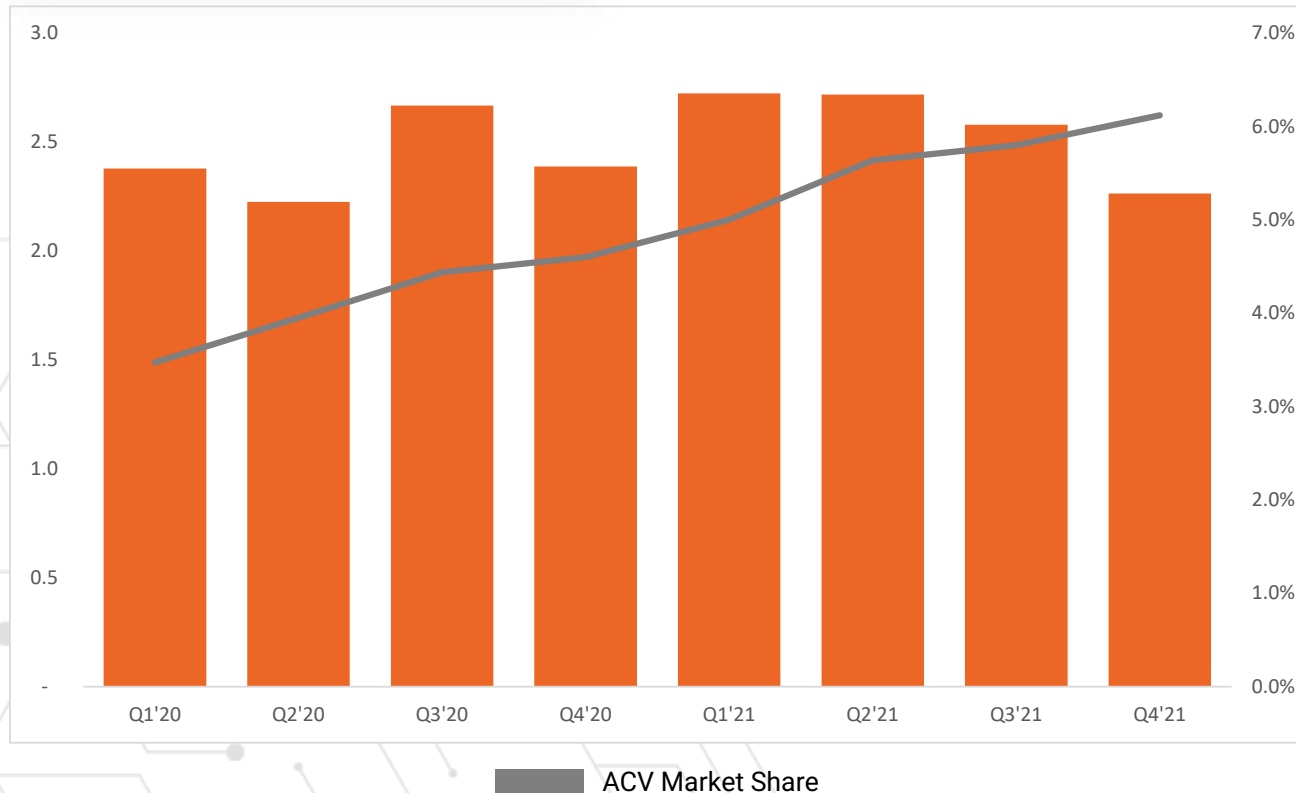
Source: Bureau of Economic Analysis



Source: Autodata

ACV Gaining Significant Share

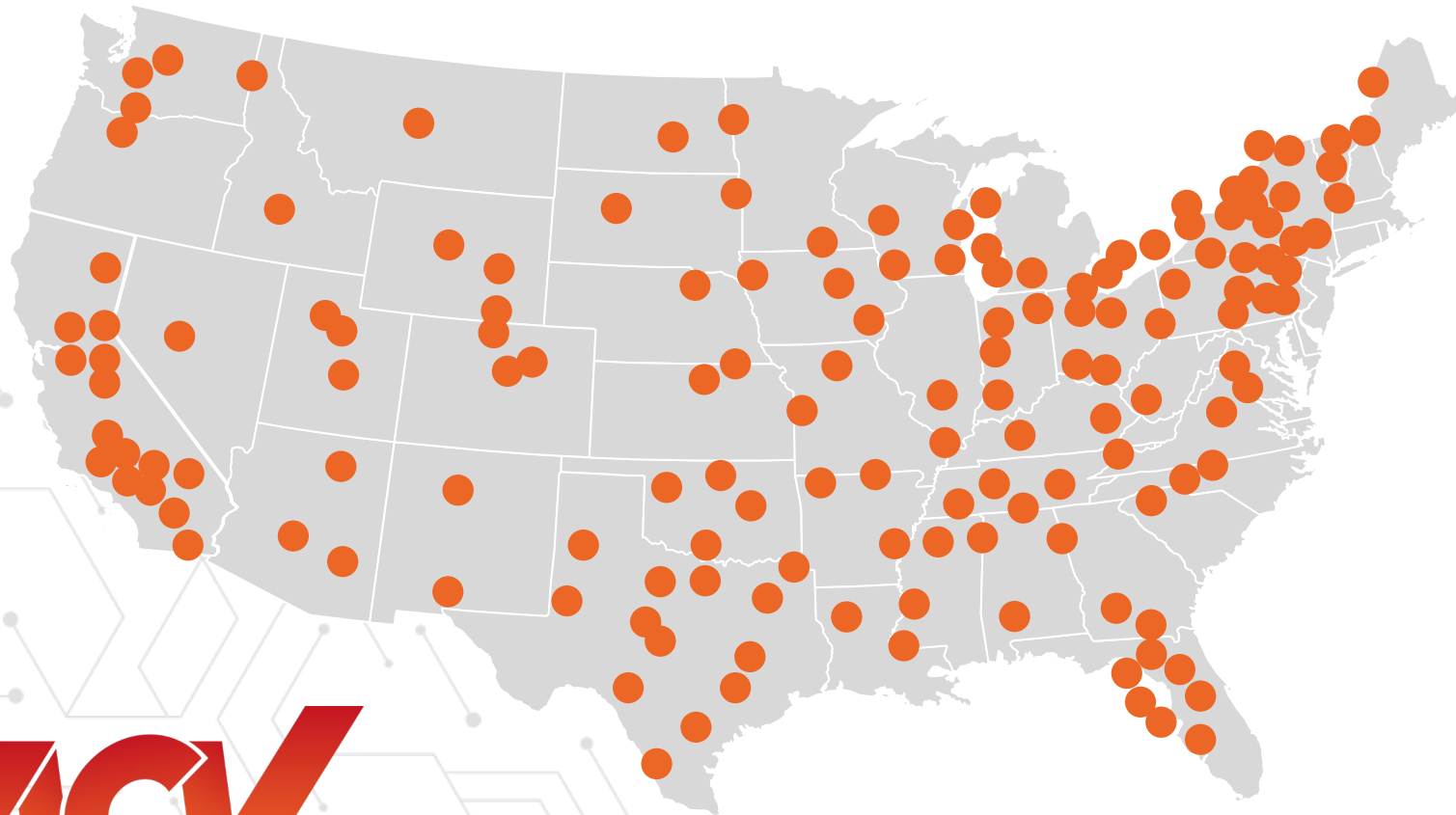
US Dealer Wholesale Units (M)



Source: Company data, NADA

- Q4'21 U.S. Dealer Wholesale Market estimated contraction:
 - (12)% QoQ
 - (5)% YoY
- Implies ACV market share growth of 40% in Q4'21, given 35% YoY unit growth
- U.S. Dealer Wholesale Market estimated to have grown 5% in 2021
- Implies that ACV captured 38% market share for the full year

Nationwide Territory Coverage



ACI

A Proven Playbook

- Inspection team growth
- Dealer acquisition
- Network effect creation

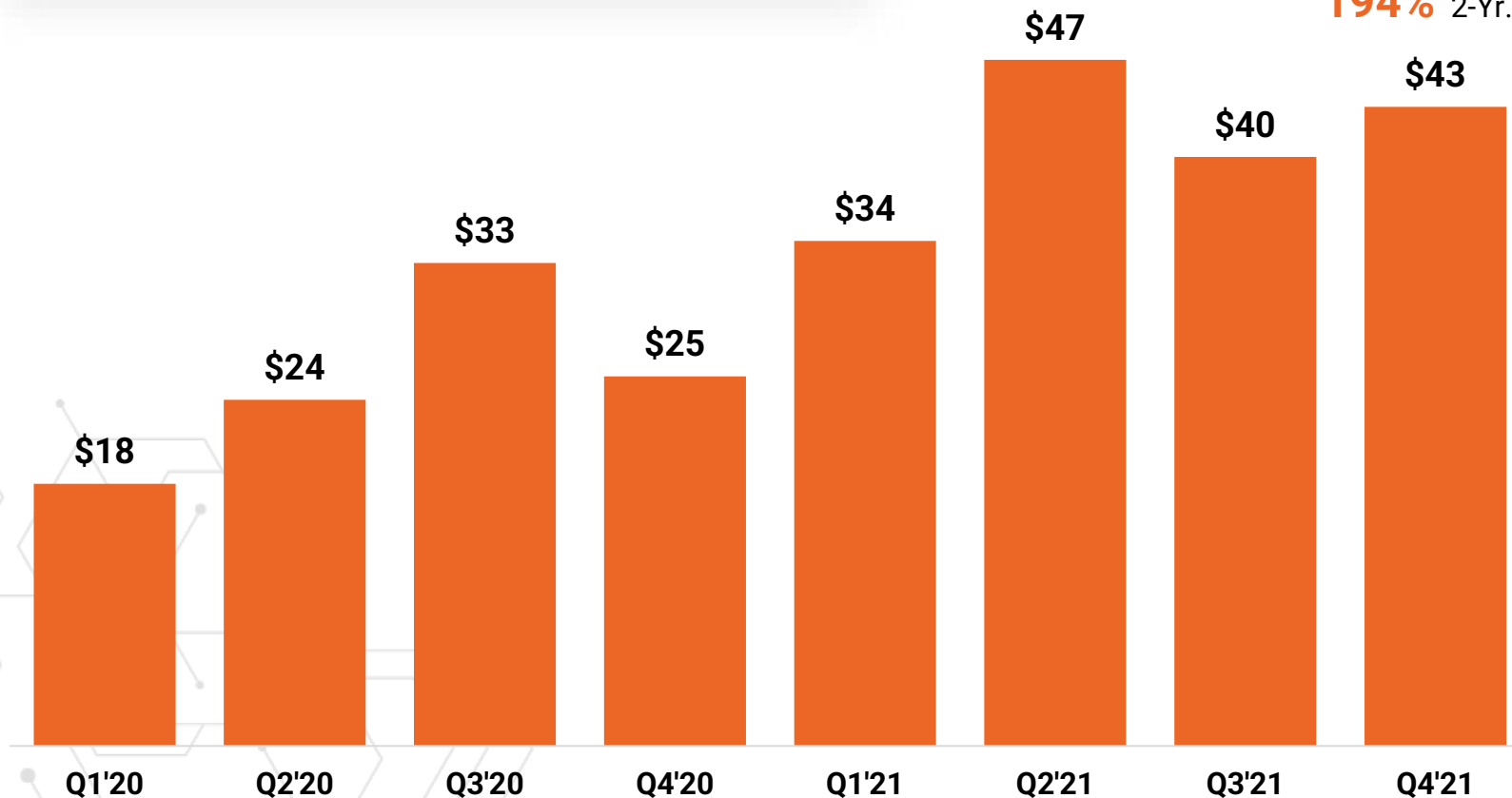
Solid Auction Marketplace Revenue Growth

Auction Marketplace Revenue (\$M)

2021 Auction Marketplace Revenue \$164M; +66% YoY

73% YoY

194% 2-Yr.¹



¹Q4'21 Auction Marketplace Revenue vs. Q4'19 Auction Marketplace Revenue

YOU'VE GOT THE CAR.
WE'VE GOT THE BUYERS.



LEARN YOUR CAR'S VALUE!

Ask your local dealer about ACV's Live Appraisals.

Hundreds of dealers from across the country can compete to purchase your car. To participate in this nationwide program, all you need to do is bring your car into any participating dealership for an ACV vehicle inspection and 20 minute auction. ACV's Live Appraisal is the most trusted way to find out the true value of your car and get the very best price!



Consumer Sourcing Gaining Market Traction

- Real-time competitive offers for consumers
- >\$200M of GMV sold in Q4'21
- Live Appraisal sales in 48 states in 2021



Trusted Digital Marketplace for Wholesale Vehicles & Data Services



Marketplace Growth



TAM and Product Expansion



Operating Scale

Product Expansion Creating New Growth Levers



Programmatic Buying

- Automated bidding and buying
- Driven by data from ACV's industry-leading conditions reports
- "Buying API" adoption ramping
- ACV programmatic user experience launched in Q4
- Mid single-digit % of Q4'21 units



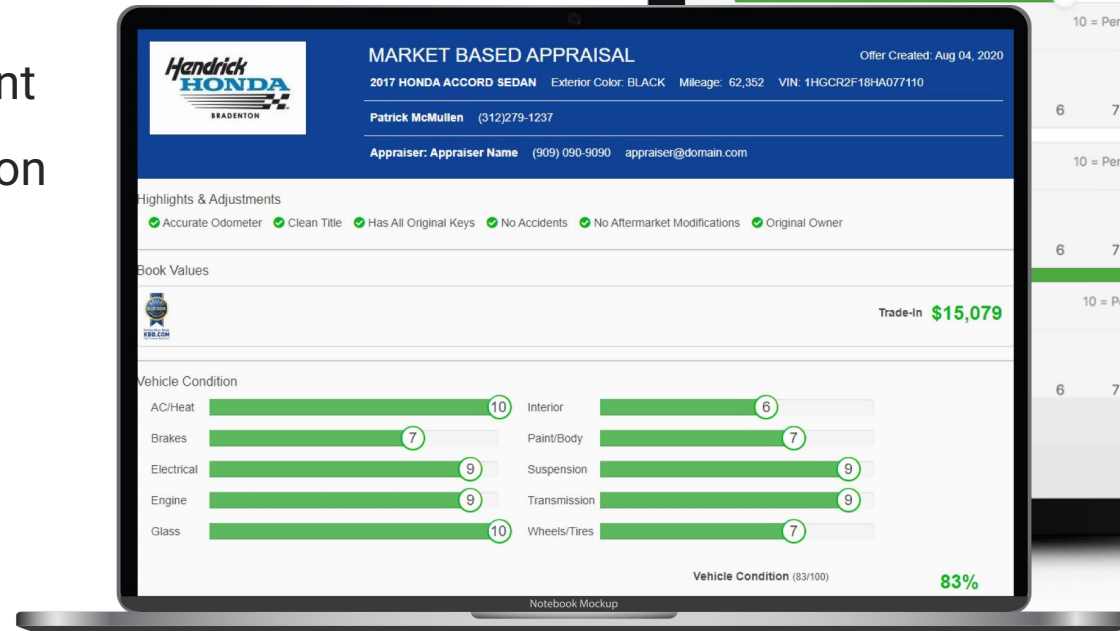
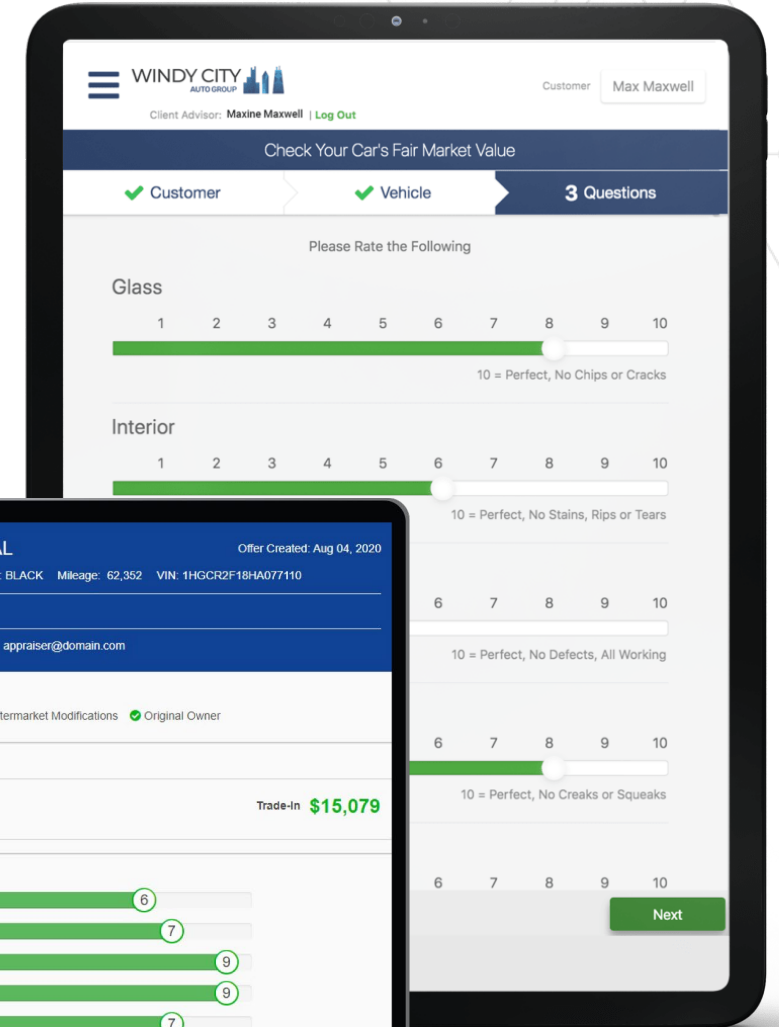
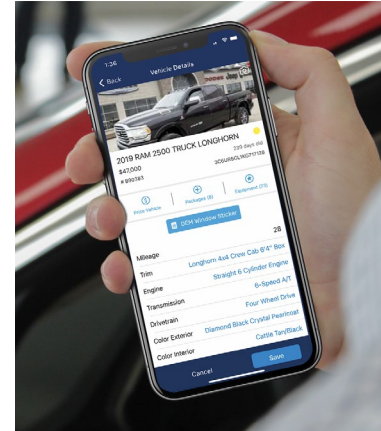
ACV Private Marketplaces

- Private auction platform leveraging ACV's leading marketplace technology
- Enables dealers to optimize trades and aged inventory for both profit and speed
- Creates downstream supply for ACV's Open Marketplace
- Targeting large dealer groups with ~6,000 rooftops across the U.S. and gaining strong market momentum

Expanding Our Digital Capabilities

MAX DIGITAL

- Leading SaaS-based automotive data and merchandising solutions
- Provide dealers with unparalleled data and capabilities to source and sell wholesale or retail vehicles
- Tools include pricing guidance, merchandising, and inventory management
- >150% pipeline growth since the acquisition



Value-Added Services Gaining Further Traction



- ~3,000 carrier partners
- Q4'21 attach rate >50%
- Transports increased >100% YoY
- Winning in the market with fast cycle times and broad reach



"As a seller, I love when buyers select ACV Transport. The pick it up quickly. When buyers use Central Dispatch with a cut rate the cars sit on my lot forever."- David Wilinsky, DNA Auto



- Attach rate in the mid-single digits; wallet share growth
- >200% YoY loan volume growth
- Revenue per loan benefitting from new ACV Capital offerings



"I'd like to take a second to express my outstanding experience with ACV Capital and the whole ACV family. I've been fan of ACV for quite some time and now with ACV Capital they've taken their game to a whole new level!"
- Adel Attal, Champion Auto Sales of the Bronx

Trusted Digital Marketplace for Wholesale Vehicles & Data Services



Marketplace Growth



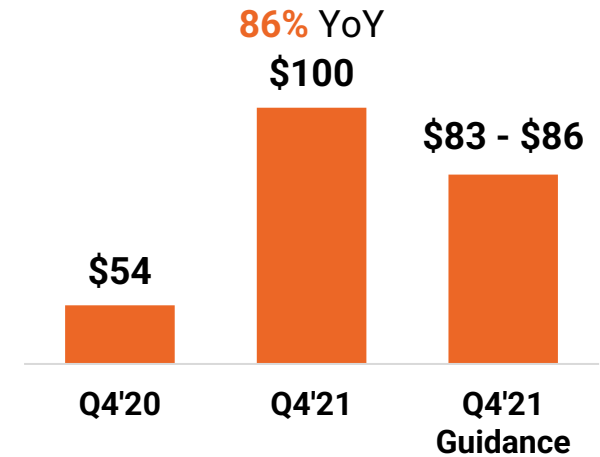
TAM and Product Expansion



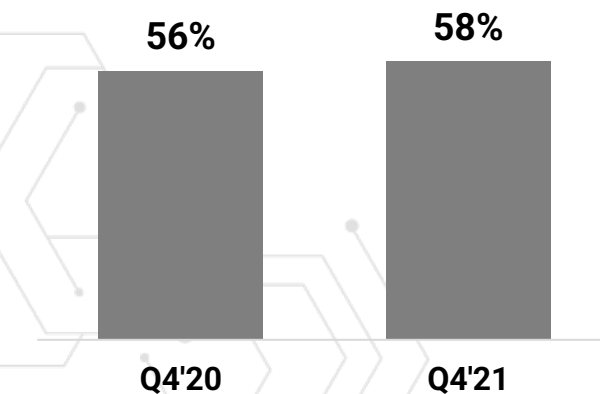
Operating Scale

Strong Q4'21 Performance

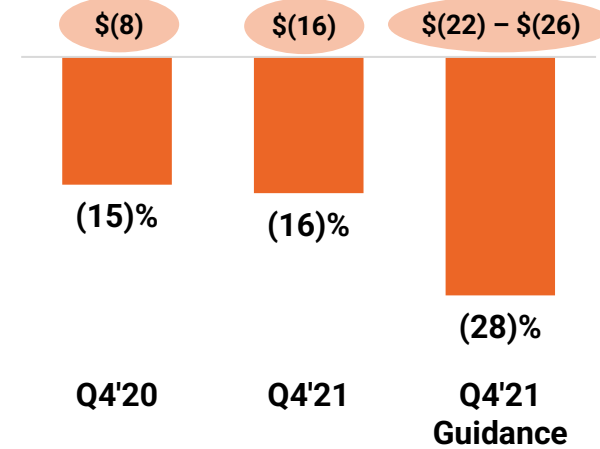
Revenue (\$M)



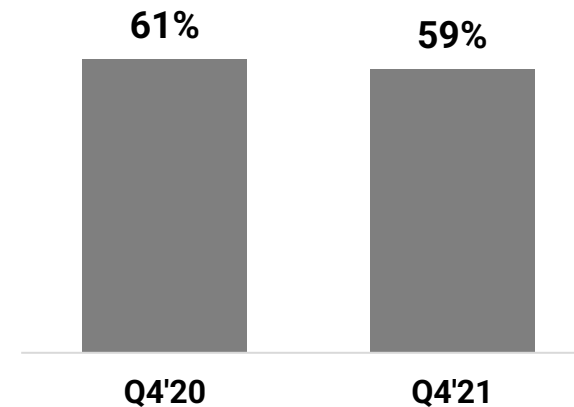
Cost of Revenue²



Adjusted EBITDA¹



Total Operating Cost (ex. COR)³



¹Adjusted EBITDA as % of Revenue; See appendix for Adjusted EBITDA reconciliation

²Non-GAAP Cost of Revenue as % of Revenue; See appendix for Non-GAAP Operating Cost reconciliation

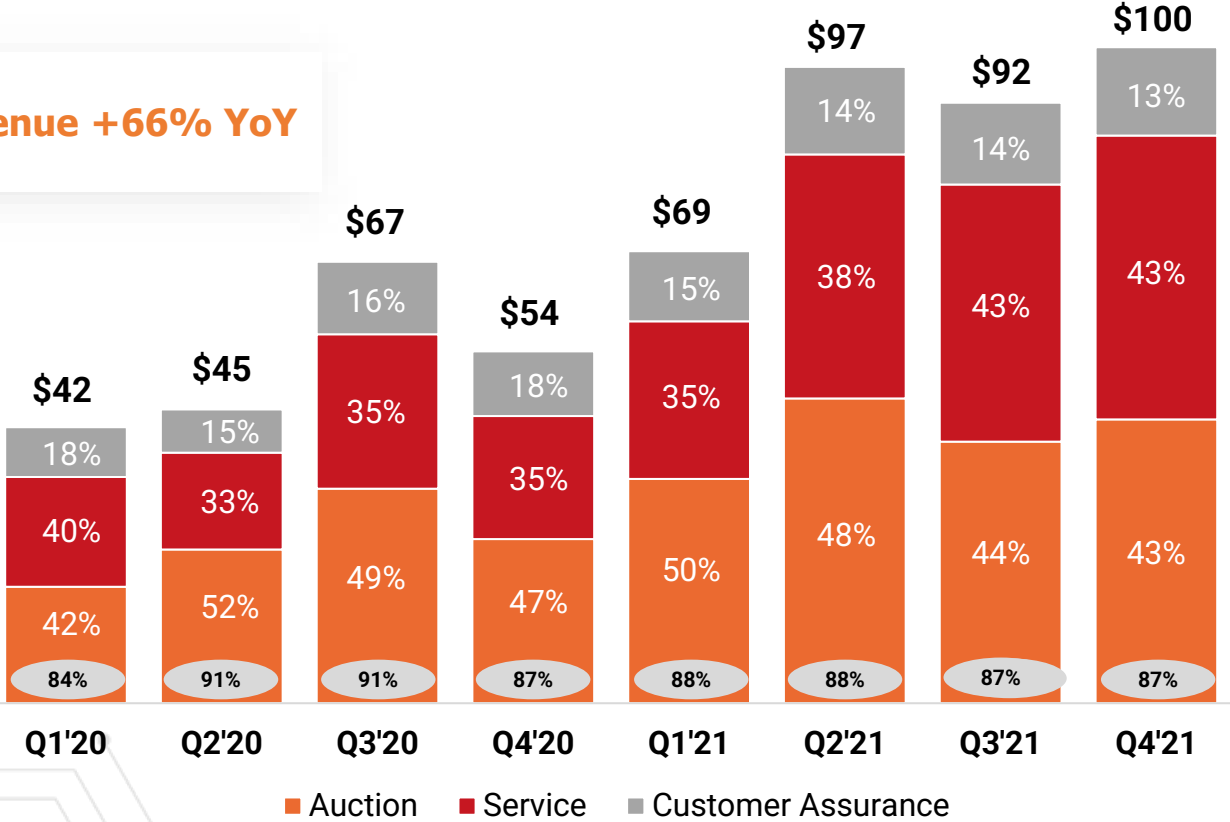
³Non-GAAP Total Operating Cost (ex. Cost of Revenue) as % of Revenue; See appendix for Non-GAAP Operating Cost reconciliation

Diversified Revenue Streams

Revenue Breakdown (\$M)

2021 Auction Marketplace Revenue +66% YoY

- Customer Assurance**
 - Go Green Assurance
 - Other Price Guarantee Products
- Service**
 - Transportation
 - Capital
 - Data Services
- Auction Marketplace**



Note: Percentages may not sum to 100% due to rounding

36% YoY

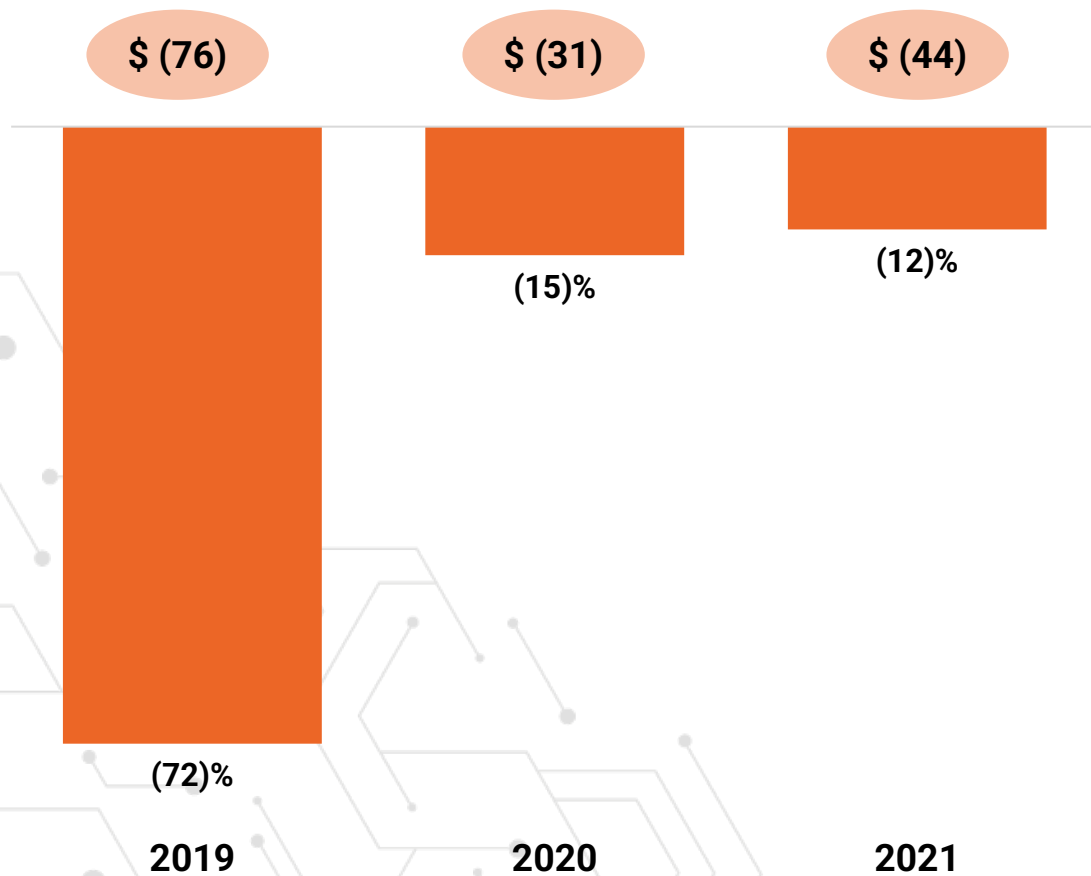
131% YoY

73% YoY

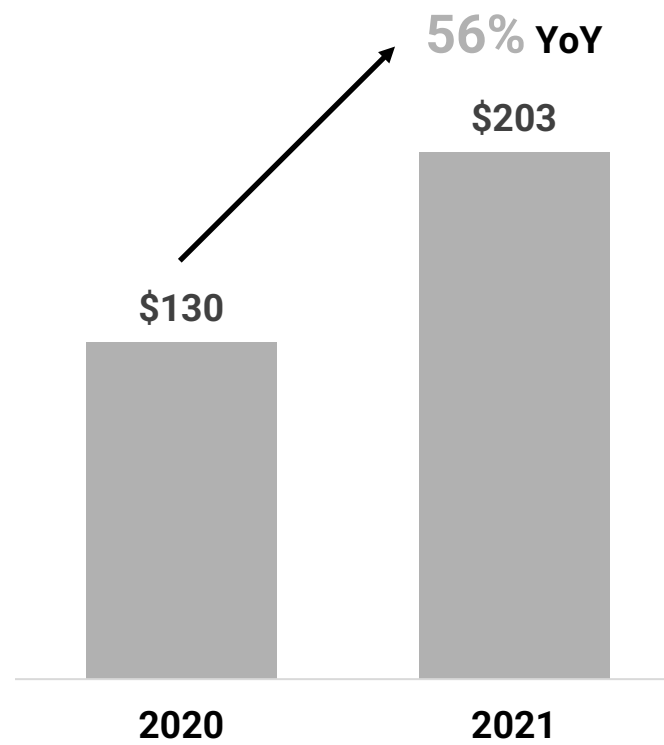
(Auction Marketplace Revenue – Auction Marketplace Cost of Revenue) as a % of Auction Marketplace Revenue

Demonstrated Operating Leverage

Adj. EBITDA Margin



Total Non-GAAP Operating Expense (Ex. COR)



Note: Refer to the adjusted EBITDA and adjusted EBITDA margin reconciliation in the appendix

Guidance

(\$M)	Q1'22	2022	2026 Targets
Total Revenue	\$100 to \$102 <i>45% to 48% YoY</i> <i>137% to 141% 2-Yr.</i>	\$450 to \$460 <i>26% to 28% YoY</i> <i>116% to 121% 2-Yr.</i>	~\$1,300 <i>~30% CAGR</i>
Adjusted EBITDA	\$(18) to \$(17)	\$(57) to \$(53)	~\$325
Adjusted EBITDA %	(18)% to (17)%	(13)% to (12)%	~25%

- Although the ongoing automotive supply chain issues have made it challenging to predict both used-vehicle values and vehicle trade volumes on our marketplace, we believe we have multiple levers in our business model, and therefore multiple paths to achieve our 2022 revenue guidance.
- Total Non-GAAP operating expenses, excluding cost of revenue, are expected to grow approximately 33% year over year in 2022.

Strong Balance Sheet

(\$M)

As of December 31, 2021

Cash, Cash Equivalents and Marketable Securities	\$580M (Includes ~\$164M of auction float)
ACV Capital Revolving Credit Facility	\$0.5M
Other Debt	\$0
Total Assets	\$983M
Total Liabilities	\$427M

Key Takeaways



**Strong Execution Despite
Challenging Market
Factors**



**Gaining Share, Attracting New
Dealers and Growing Wallet
Share**



**Executing on Market
Expansion
and Product Road Map**



**Proven Business Model with Scalable
Growth and Operating Leverage**



Q&A



Appendix



Information About Non-GAAP Financial Measure and Key Operating and Financial Metrics

We supplement our financial results with non-GAAP financial measures: Adjusted EBITDA, non-GAAP cost of revenue and non-GAAP total operating cost (excluding cost of revenue); and key operating and financial metrics: Marketplace Units and Marketplace GMV.

Non-GAAP Financial Measures

We use certain non-GAAP financial measures that are not required by, or presented in accordance with GAAP. We believe that these non-GAAP financial measures, when taken together with our financial results presented in accordance with GAAP, provides meaningful supplemental information regarding our operating performance and facilitates internal comparisons of our historical operating performance on a more consistent basis by excluding certain items that may not be indicative of our business, results of operations or outlook. In particular, we believe that the use of these non-GAAP financial measures is helpful to our investors as it is a measure used by management in assessing the health of our business, determining incentive compensation and evaluating our operating performance, as well as for internal planning and forecasting purposes.

We calculate Adjusted EBITDA, non-GAAP cost of revenue and non-GAAP total operating cost (excluding cost of revenue) as their respective GAAP measures, adjusted as applicable to exclude: (1) depreciation and amortization; (2) provision for income taxes; (3) stock-based compensation expense; (4) interest (income) expense; (5) other (income) expense, net ; (6) intangible amortization; and (7) contingent gains and (losses).

These non-GAAP financial measures are presented for supplemental informational purposes only, have limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, our use of these non-GAAP financial measures may not be comparable to similarly titled measures of other companies because they may not calculate these non-GAAP financial measures in the same manner, limiting their respective usefulness as comparative measures. Because of these limitations, when evaluating our performance, you should consider these non-GAAP financial measures alongside other financial measures, including our results stated in accordance with GAAP.

Key Operating and Financial Metrics

We regularly monitor the following operating and financial metrics in order to measure our current performance and estimate our future performance. Our key operating and financial metrics may be calculated in a manner different than similar business metrics used by other companies.

Marketplace GMV

Marketplace GMV is primarily driven by the volume and dollar value of Marketplace Units transacted on our digital marketplace. We believe that Marketplace GMV acts as an indicator of the success of our marketplace, signaling satisfaction of dealers and buyers on our marketplace, and the health, scale, and growth of our business. We define Marketplace GMV as the total dollar value of vehicles transacted through our digital marketplace within the applicable period, excluding any auction and ancillary fees. Because our definition of Marketplace Units does not include vehicles inspected but not sold on our digital marketplace, GMV does not represent revenue earned by us.

Marketplace Units

Marketplace Units is a key indicator of our potential for growth in Marketplace GMV and revenue. It demonstrates the overall engagement of our customers on the ACV platform, the vibrancy of our digital marketplace and our market share of wholesale transactions in the United States. We define Marketplace Units as the number of vehicles transacted on our digital marketplace within the applicable period. Marketplace Units transacted includes any vehicle that successfully reaches sold status, even if the auction is subsequently unwound, meaning the buyer or seller does not complete the transaction. These instances have been immaterial to date. Marketplace Units exclude vehicles that were inspected by ACV, but not sold on our digital marketplace. Marketplace Units have increased over time as we have expanded our territory coverage, added new Marketplace Participants and increased our share of wholesale transactions from existing customers.

Adjusted EBITDA Reconciliation

<i>(in thousands)</i>	Three months ended		Year Ended December 31,			
	December 31,	December 31,	2018	2019	2020	2021
	2020	2021				
Net Income (Loss)	(\$12,259)	(\$26,312)	(\$35,774)	(\$77,216)	(\$41,021)	(\$78,182)
Depreciation and Amortization	2,040	2,532	271	1,839	7,244	8,753
Stock-based Compensation	2,232	7,275	7,219	998	5,705	23,692
Interest (Income) Expense	154	171	(362)	(2,093)	(115)	653
Provision for Income Taxes	108	449	11	27	489	724
Other (Income) Expense, Net	(457)	175	-	23	(3,054)	223
Adjusted EBITDA	(\$8,182)	(\$15,710)	(\$28,635)	(\$76,422)	(\$30,752)	(\$44,137)
Total Revenue	\$53,763	\$100,177	\$35,536	\$106,847	\$208,357	\$358,435
Adjusted EBITDA Margin	(15%)	(16%)	(81%)	(72%)	(15%)	(12%)

Note: Quarterly reconciliation as of and for the end of the quarterly period noted, annual data as of and for the year ended December 31

Operating Cost Reconciliation

<i>(in thousands)</i>	Three months ended	
	December 31,	December 31,
	2020	2021
Cost of Revenue	\$30,356	\$58,023
Stock-based compensation	\$47	\$110
Non-GAAP Cost of Revenue	\$30,309	\$57,913
Total Operating Cost (Excluding Cost of Revenue)	\$35,404	\$67,846
Stock-based Compensation	\$2,185	\$7,165
Intangible Amortization	\$818	\$1,197
Contingent gains (Loss)	(463)	-
Non-GAAP Total Operating Cost (Excluding Cost of Revenue)	\$32,864	\$59,484

Note: Quarterly reconciliation as of and for the end of the quarterly period noted

Forward-Looking Statements

The forward-looking statements contained in this presentation are based on ACV's current assumptions, expectations and beliefs and are subject to substantial risks, uncertainties and changes in circumstances that may cause ACV's actual results, performance or achievements to differ materially from those expressed or implied in any forward-looking statement. These risks and uncertainties include, but are not limited to: (1) our history of operating losses; (2) our limited operating history; (3) our ability to effectively manage our growth; (4) our ability to grow the number of participants on our platform; (5) our ability to acquire new customers and successfully retain existing customers; (6) our ability to effectively develop and expand our sales and marketing capabilities; (7) breaches in our security measures, unauthorized access to our platform, our data, or our customers' or other users' personal data; (8) risk of interruptions or performance problems associated with our products and platform capabilities; (9) our ability to adapt and respond to rapidly changing technology or customer needs; (10) our ability to compete effectively with existing competitors and new market entrants; (11) our ability to comply or remain in compliance with laws and regulations that currently apply or become applicable to our business in the United States and other jurisdictions where we elect to do business; (12) general market, political, economic, and business conditions; and (13) the impact that the ongoing COVID-19 pandemic and any related economic downturn could have on our or our customers' businesses, financial condition and results of operations.

These risks and uncertainties are more fully described in our filings with the Securities and Exchange Commission ("SEC"), including in the section entitled "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, filed with the SEC pursuant on November 10, 2021. Additional information will be made available in our Annual Report on Form 10-K for the year ended December 31, 2021 and other filings and reports that we may file from time to time with the SEC. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur. The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law.