



Q1'21 Earnings Presentation

Investor Relations
May 13, 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 second quarter of 2021 and the full year of 2021, and opportunities for margin expansion. 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. A discussion of the risks and uncertainties related to our business is contained in our final prospectus filed with the SEC on March 24, 2021 and our Quarterly Report on Form 10-Q for the three months ended March 31, 2021 that will be filed with the SEC following this earnings call, and 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 March 31, 2021. Discussion of our key operating and financial metrics, and non-GAAP financial measures are included in the appendix to this presentation.

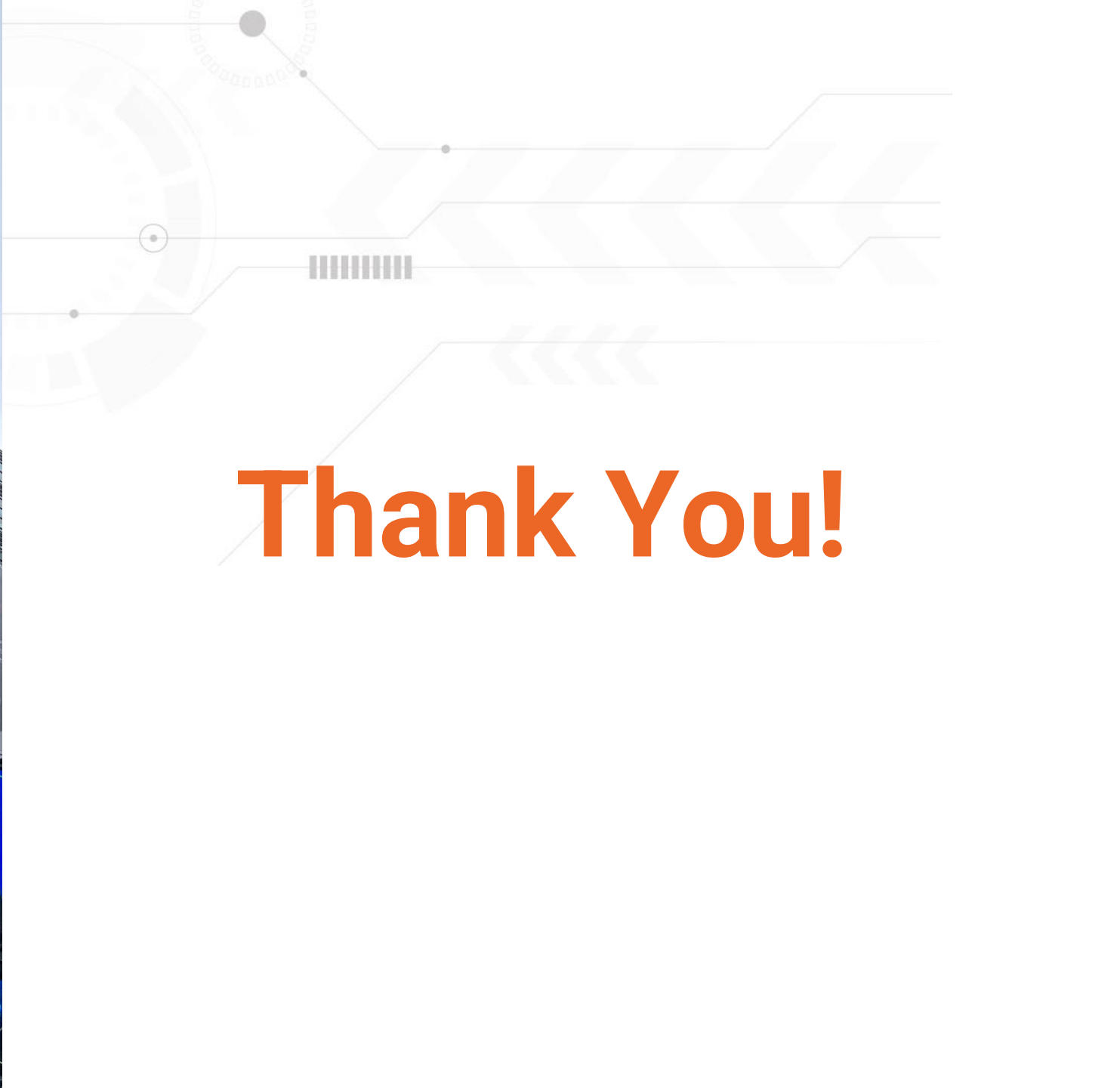
Today's Presenters



George Chamoun
CEO



Bill Zerella
CFO



Thank You!

Trusted Digital Marketplace for Wholesale Vehicles & Data Services

2020

\$3B+

GMV

391K+

Marketplace Units

\$208M

Revenue

95%

YoY Revenue Growth

Q1'21

\$1.3B

GMV

128K+

Marketplace Units

\$69M

Revenue

64%

YoY Revenue Growth

Long-Term Strategy



Marketplace Growth



TAM and Product Expansion



Operating Scale

Note: 2020 figures as of December 31, 2020; Q1'21 figures as of March 31, 2021

ACV Overview



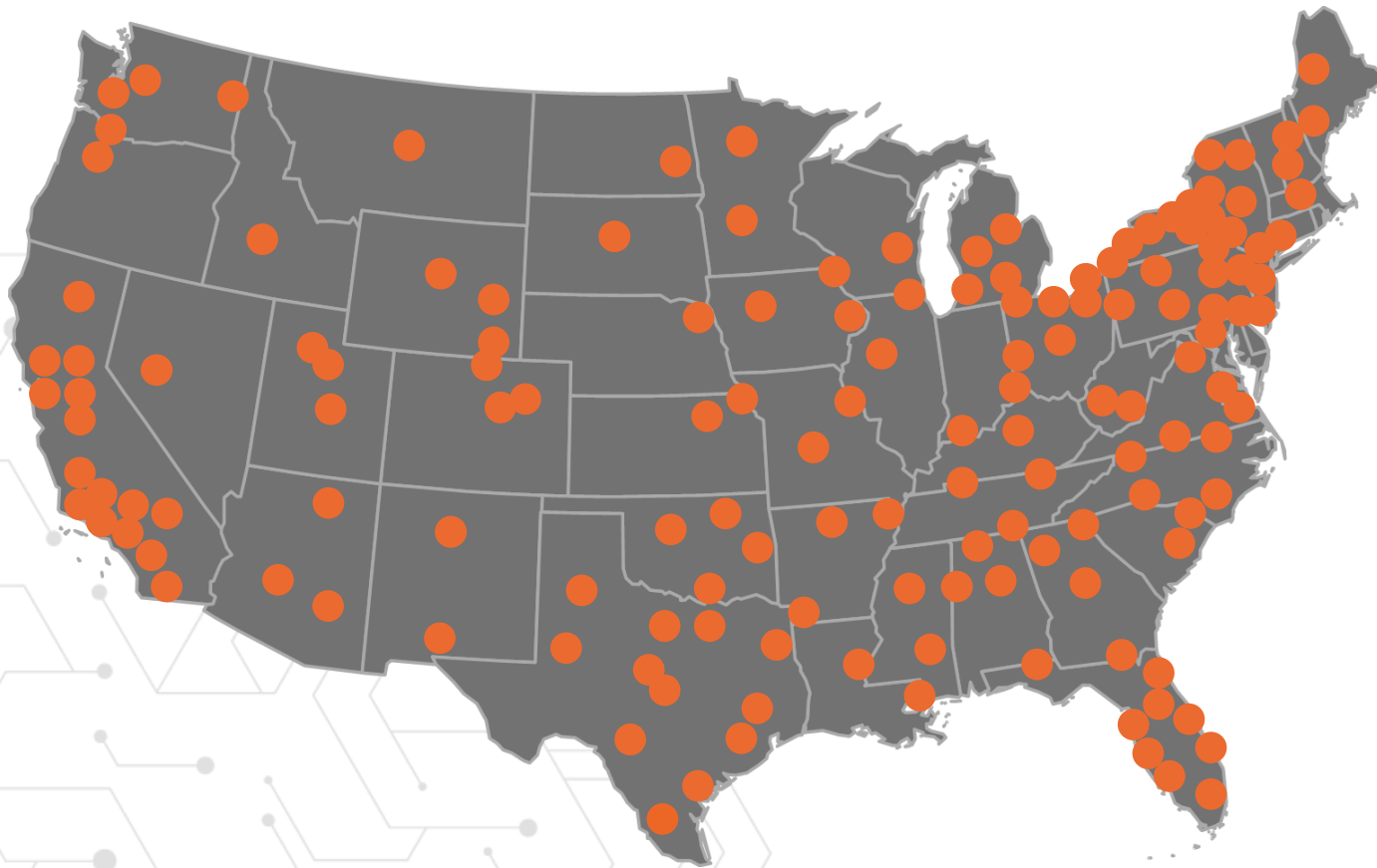
Our Mission

To build and enable the **most trusted and efficient digital marketplace** for buying and selling used vehicles with transparency and comprehensive data that was previously unimaginable



ACV at a Glance

Trusted Digital Marketplace for Wholesale Vehicles & Data Services



125

Territories

16K+

Marketplace Participants

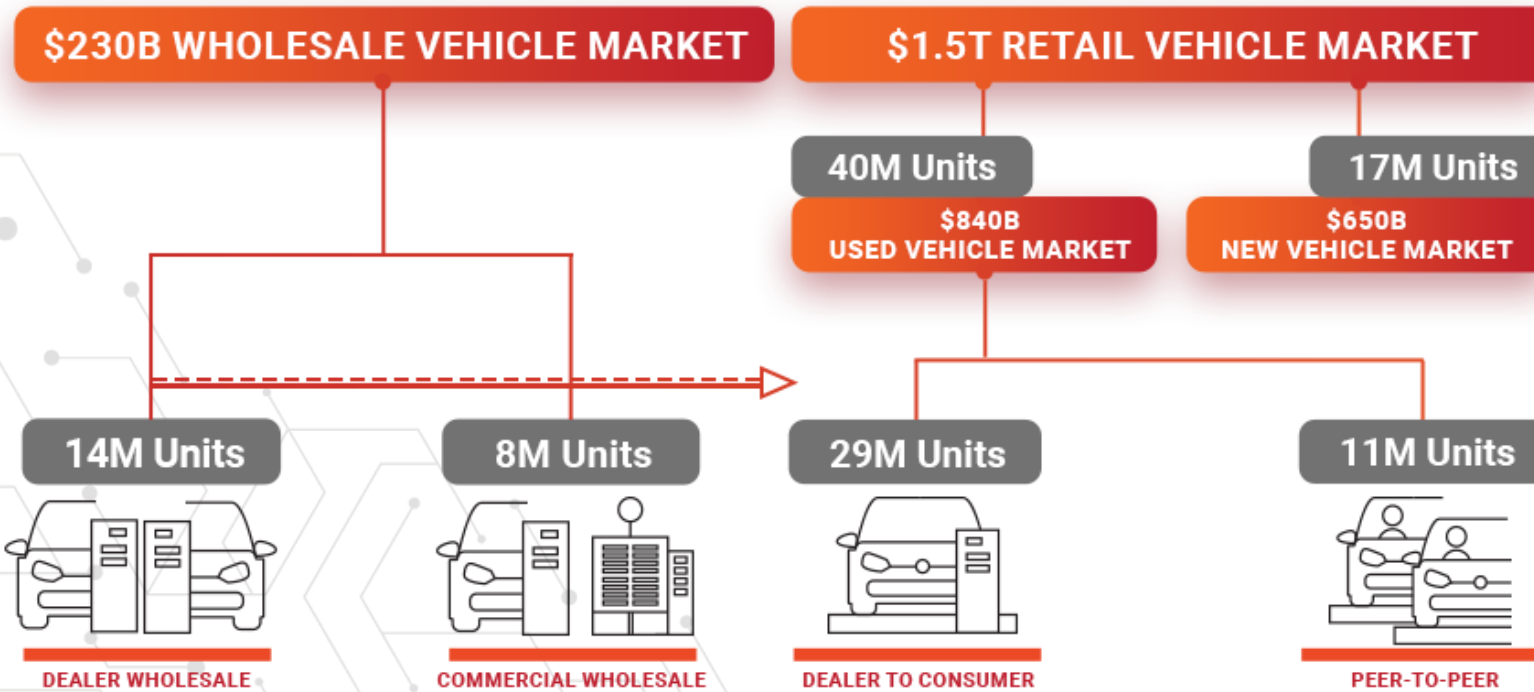
Note: All data as of and for the year ended December 31, 2020

Large and Complex Addressable Market Opportunity

Wholesale is a Critical Supply Source to Used Retail

Used Market is Highly Fragmented

~\$1.7 Trillion US Annual Vehicle Market



38,000+
INDEPENDENT DEALERS

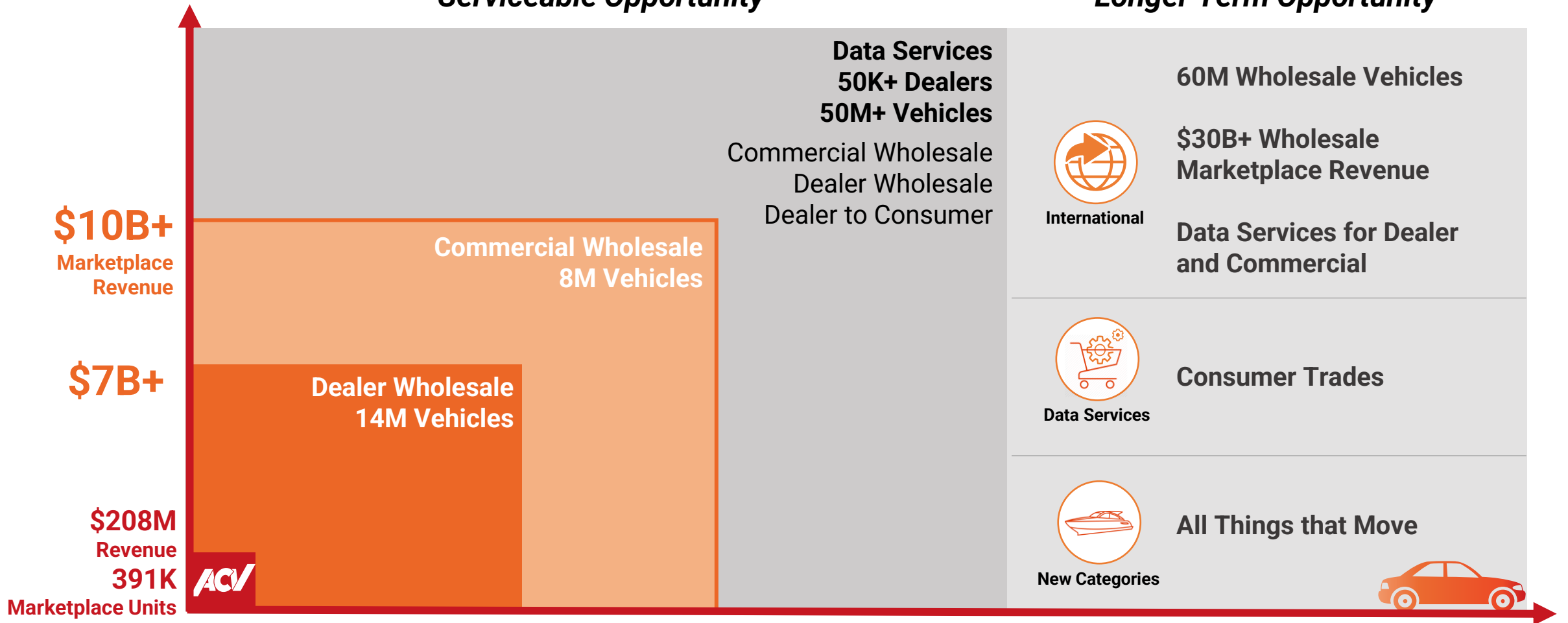
16,500+
FRANCHISE DEALERS

1,000+
COMMERCIAL CONSIGNORS

Significant Untapped Opportunity

Serviceable Opportunity

Longer Term Opportunity



Note: TAM assumes an average fee per unit inclusive of auction and transportation fees of ~\$494 per unit for the year ended December 31, 2020. The average fee per unit of ~\$494 international market size based on US share of the international market (~36% per Technavio, Global Used Car Market 2020–2024, US Used Car Market 2020–2024) and the average fee per unit of ~\$494.

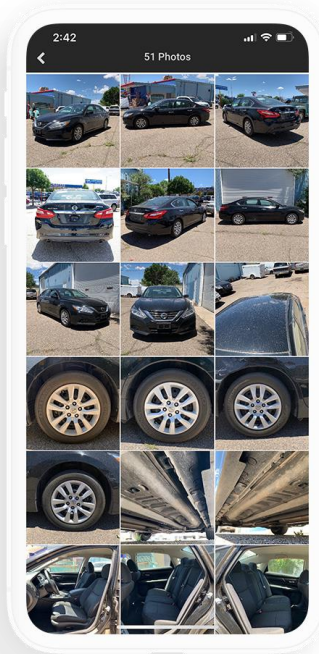
Trust and Transparency Unlock Digital

Listing

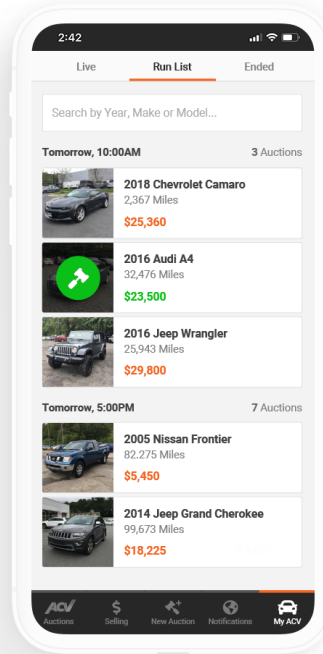
Vehicle Discovery

Vehicle Intelligence

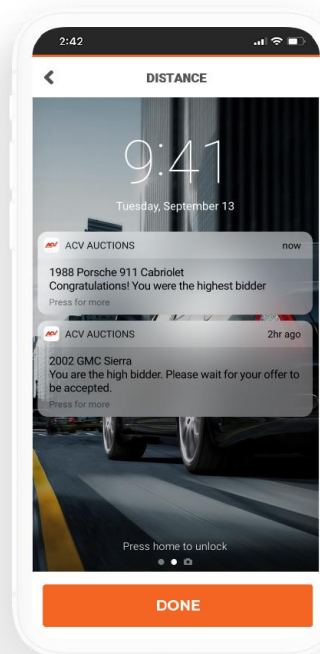
Auction Experience



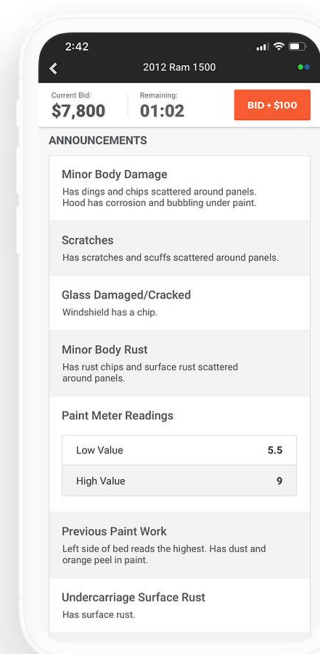
Proprietary Inspection



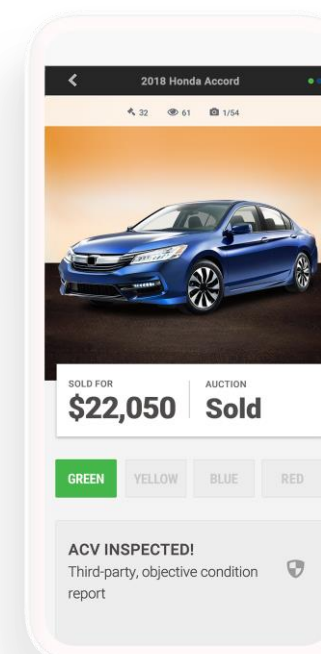
Customized Filters



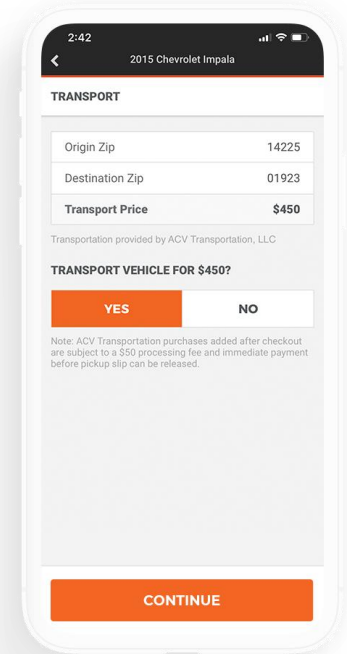
Instant Notifications



Condition and Market Report



Live Auction



Post-Auction Services

Proprietary Data and Technology Power Our Products

DIGITAL MARKETPLACE

AUCTION

TRANSPORTATION

CAPITAL

GO GREEN

DATA SERVICES

TRUE360

MARKET REPORT

DATA & TECHNOLOGY

INSPECTION

VEHICLE INTELLIGENCE

MARKETPLACE ENABLEMENT

OPERATIONS AUTOMATION



PLATFORM

TRUSTED | EFFICIENT | TRANSPARENT

Suite of Products Enable Our Digital Marketplace

Enable dealers and commercial partners to easily transact with confidence and efficiency

DIGITAL MARKETPLACE



**Online auction for
instant wholesale
transactions**



**Assess the value of
consumer vehicles**



**Wholesale market's
first seller assurance
service**



**Integrated
transportation
services**



**Straightforward
short-term
inventory financing**

Data Powers ACV Marketplace and Beyond

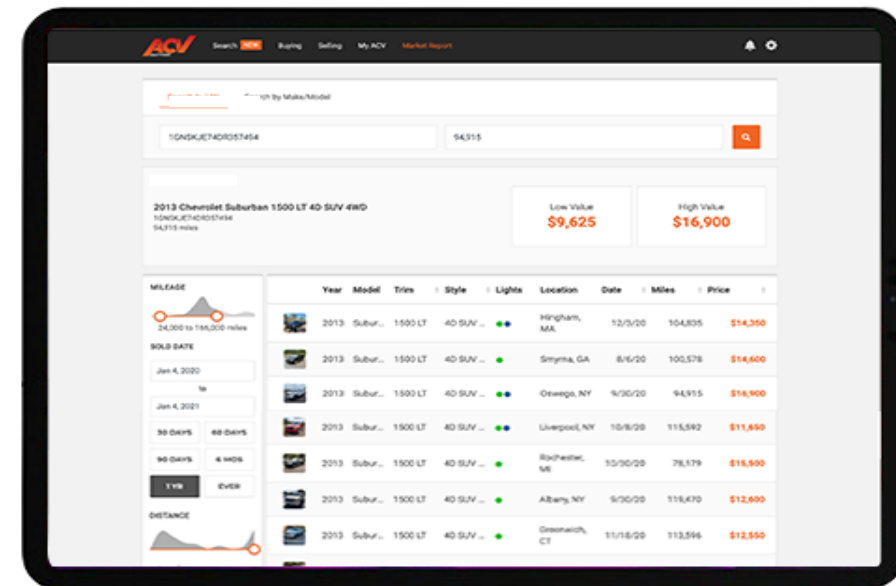
Enable dealers, their customers, and commercial partners to make informed decisions and transact with confidence and efficiency both on and off our marketplace

DATA SERVICES

TRUE360°

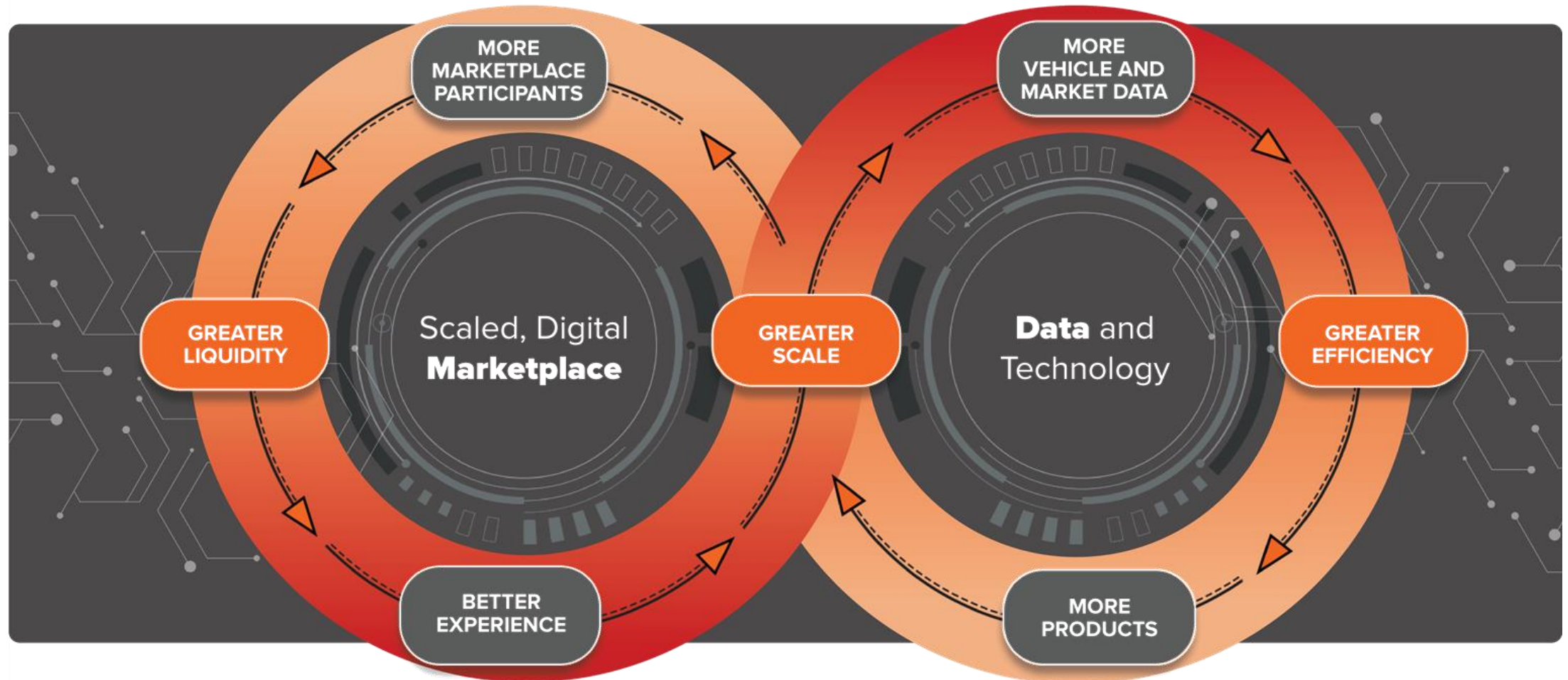


Market Report

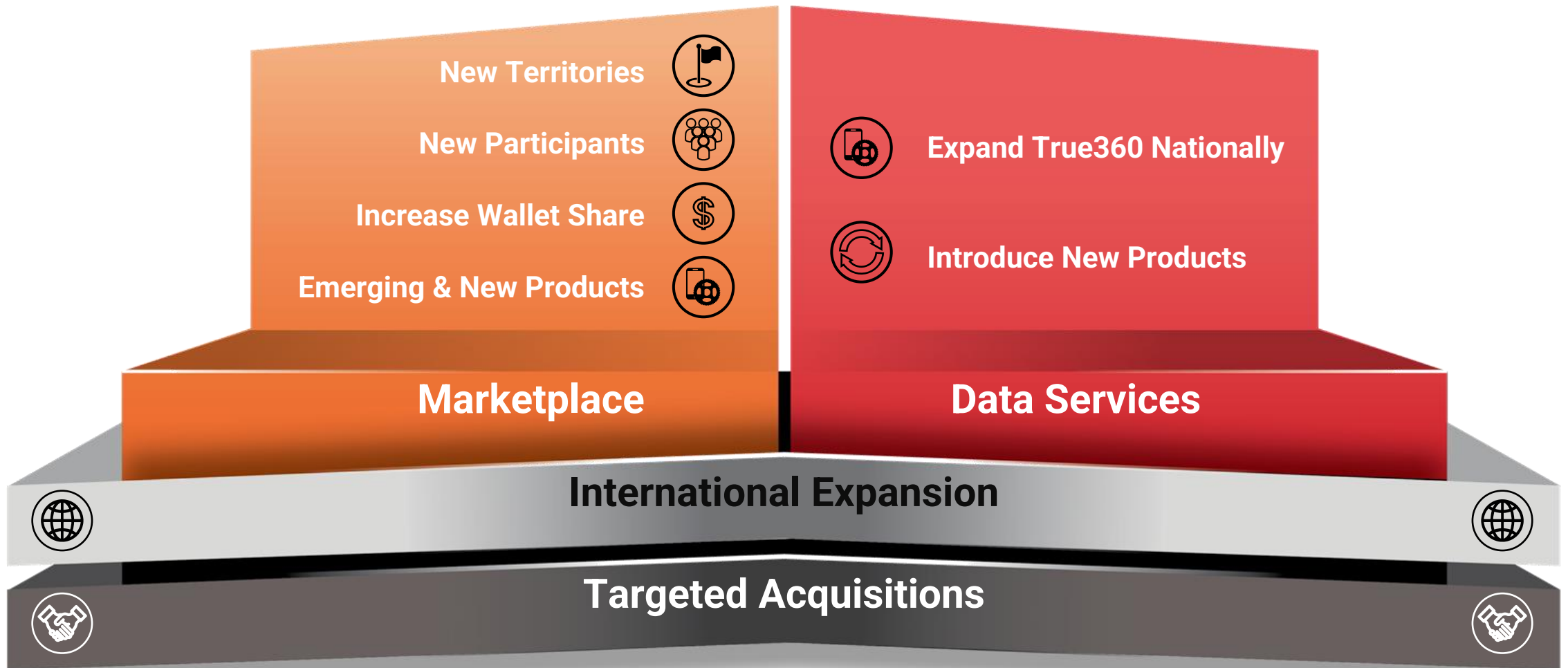


Self-Reinforcing Network Effects

Driving Greater Scale, Efficiency, and Liquidity



Significant Avenues for Future Growth



Mission-Driven Culture and Proven Team



**Sallie
Reid**

Vice President
People &
Culture



**Craig
Anderson**

Chief Corp Dev
& Strategy
Officer



**Vikas
Mehta**

Chief
Operating
Officer



**Bill
Zerella**

Chief Financial
Officer



**Kate
Clegg**

Chief Marketing
Officer



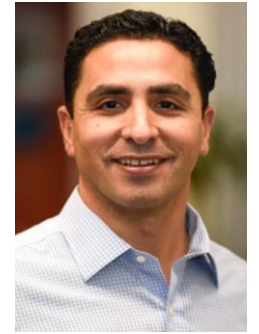
**Mike
Waterman**

Chief Sales
Officer



**Joseph
Neiman**

Chief Customer
Success Officer
(Co-Founder)



**George
Chamoun**

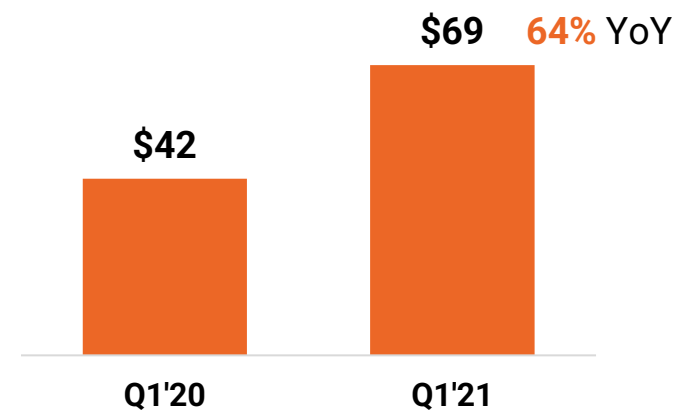
Chief Executive
Officer

Financial Overview

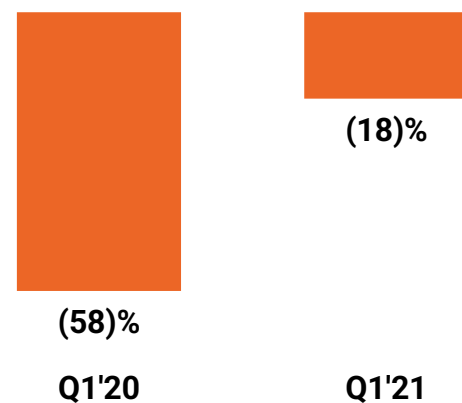


Strong Q1'21 Performance

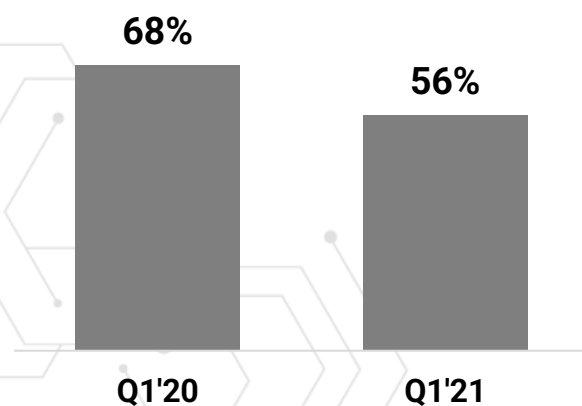
Revenue (\$M)



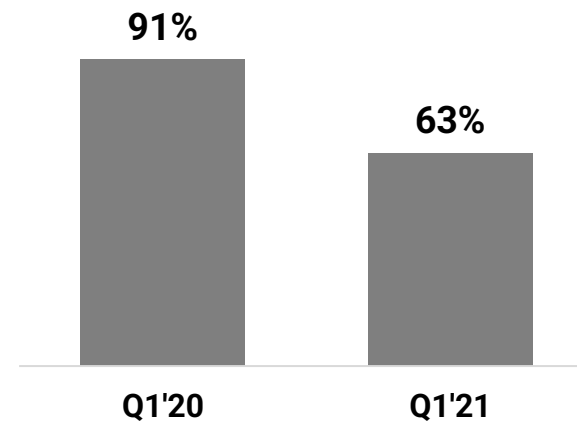
Adjusted EBITDA¹



Cost of Revenue²



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

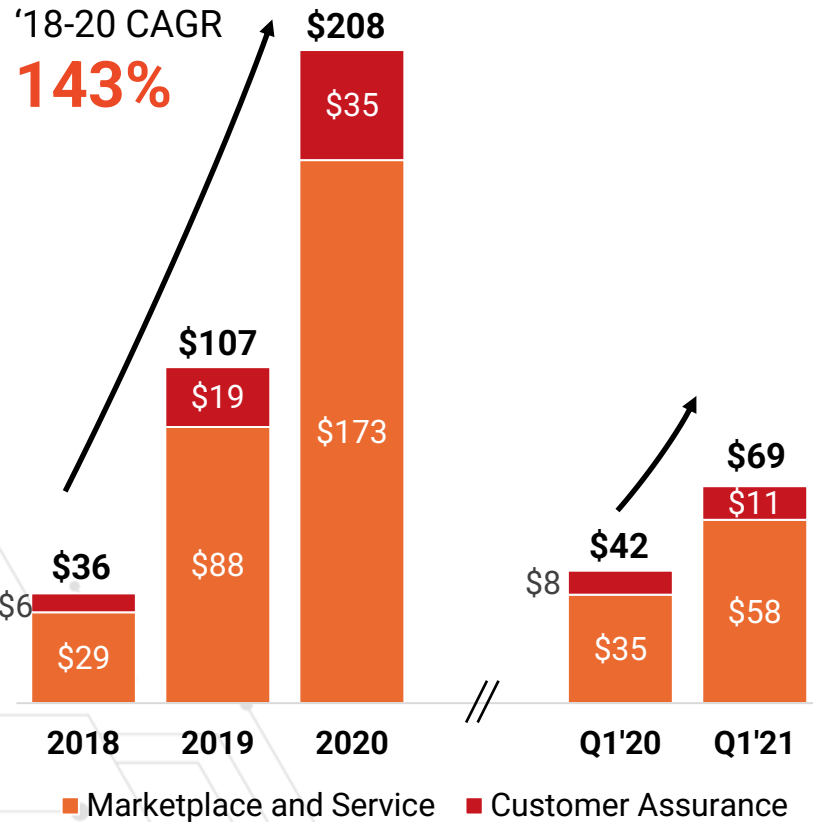
³Non-GAAP Total Operating Cost (ex. Cost of Revenue) as % of Revenue; See appendix for Non-GAAP Operating Cost reconciliation

Diversified Revenue Streams

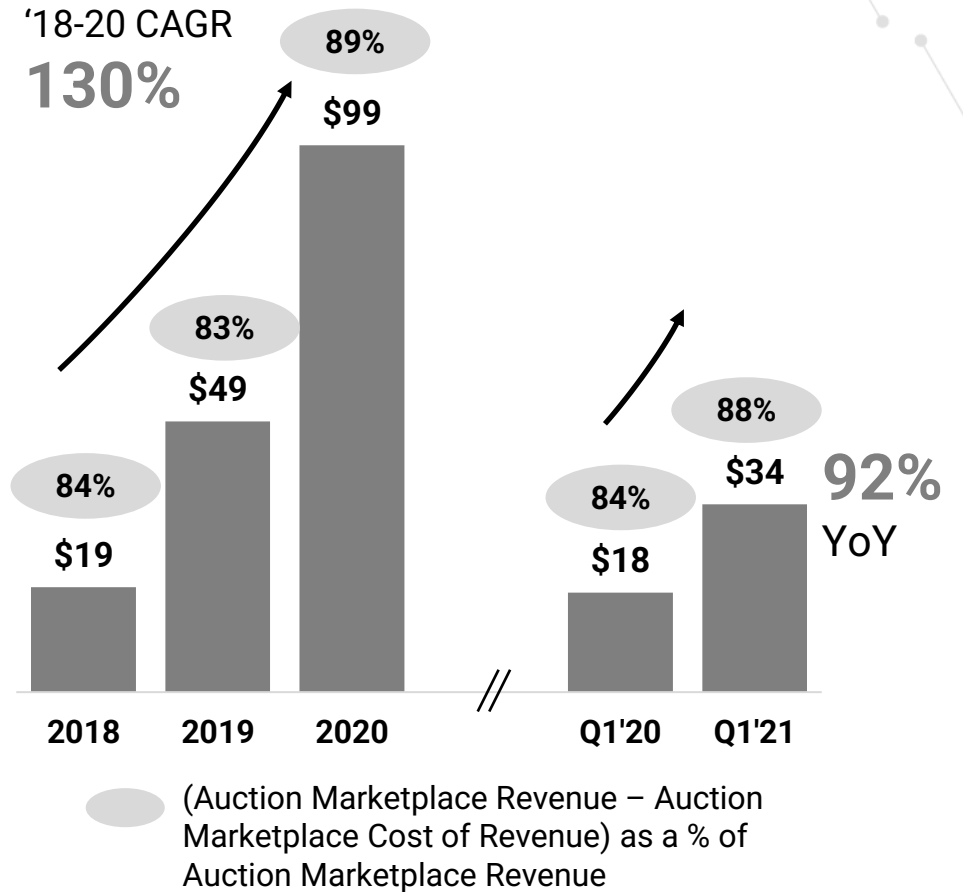
Revenue Breakdown (\$M)

- Marketplace and Service**
- Auction
 - Transportation
 - Capital
 - Data Services – True360

- Customer Assurance**
- Go Green Assurance
 - Other Price Guarantee Products



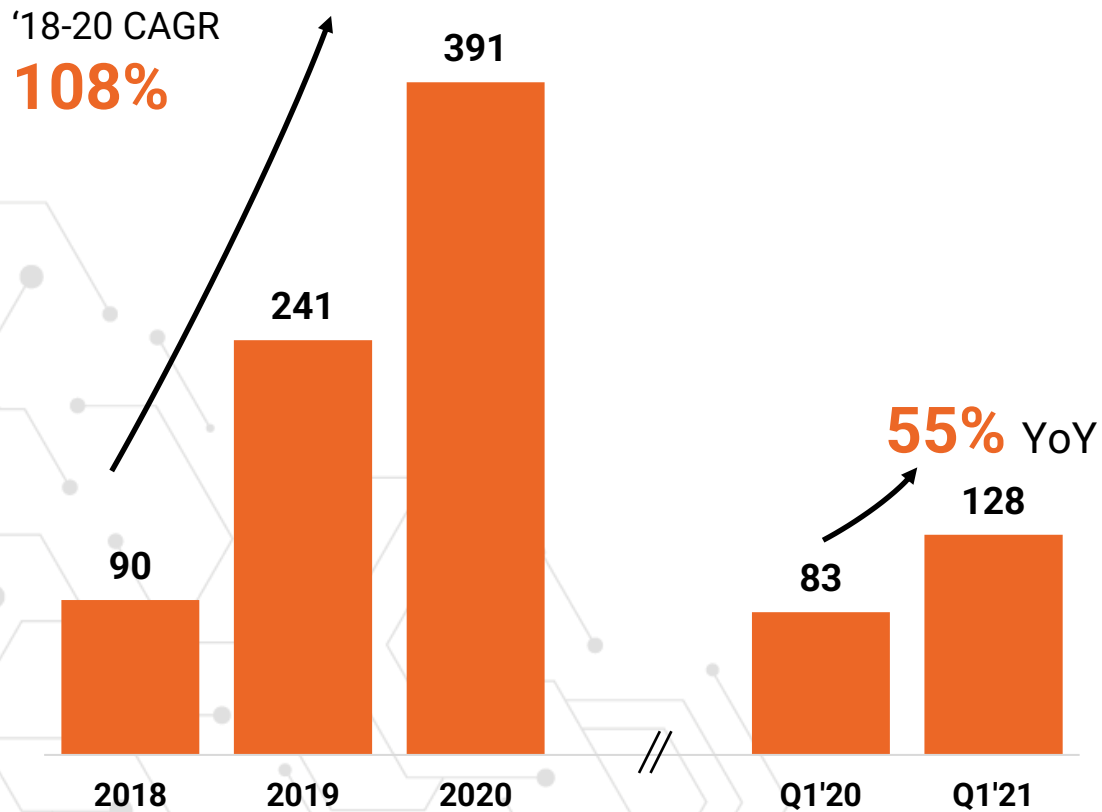
Auction Marketplace Revenue (\$M)



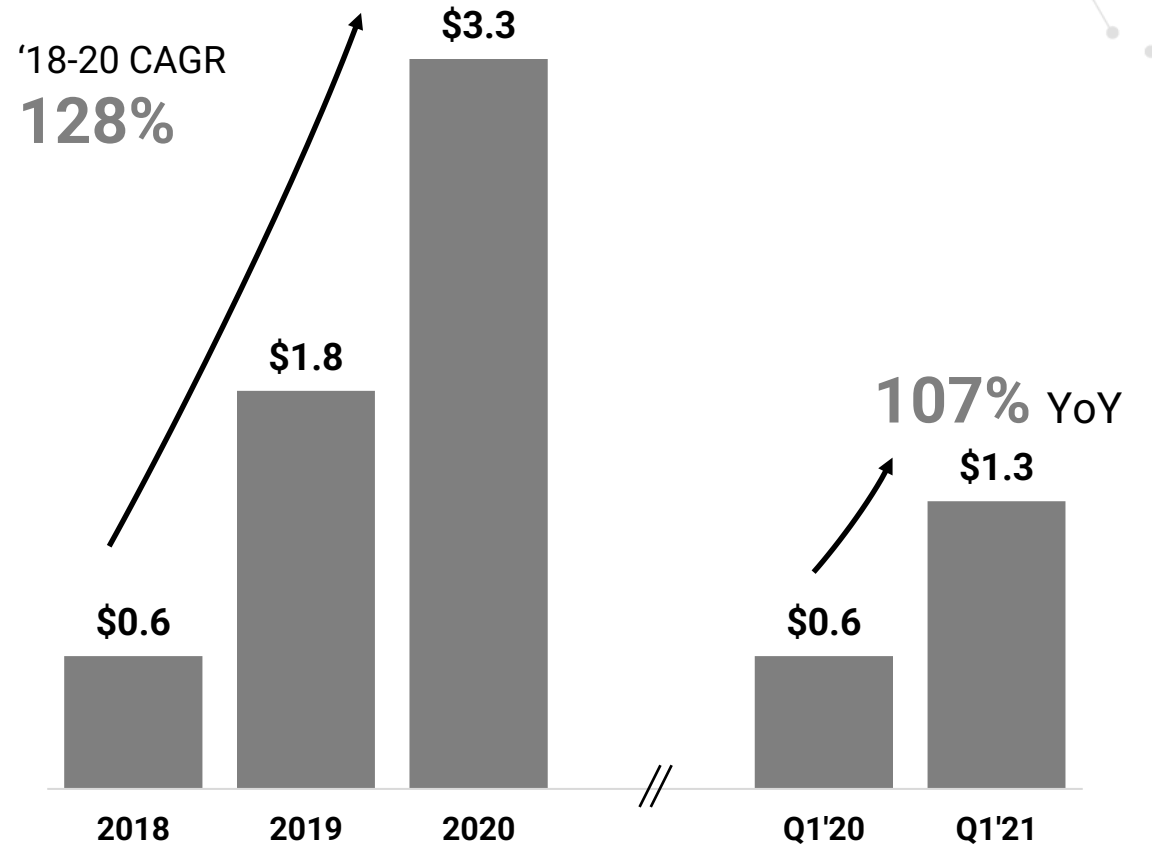
Note: Annual data as of and for the year ended December 31; Q1'20 and Q1'21 data as of March 31

Significant Growth at Scale

Marketplace Units (000s)



Marketplace GMV (\$B)

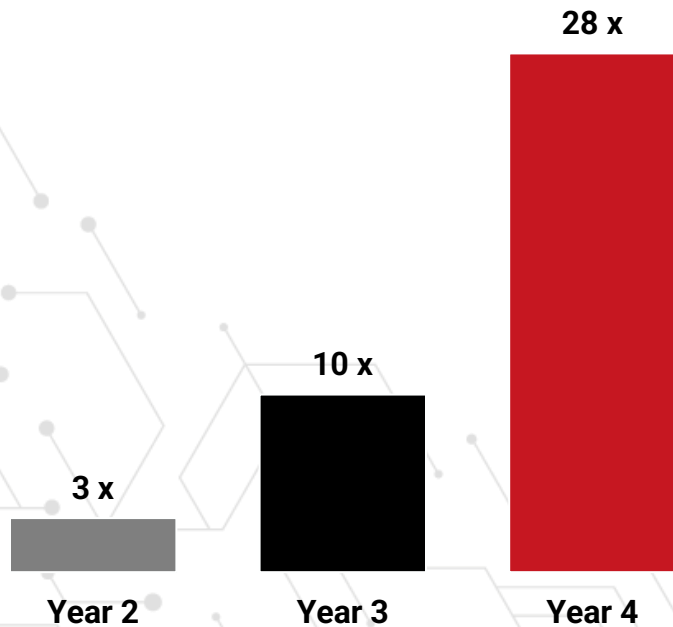


Note: Annual data as of and for the year ended December 31; Q1'20 and Q1'21 data as of March 31

Significant Growth and Cost Efficiency as Territories Mature

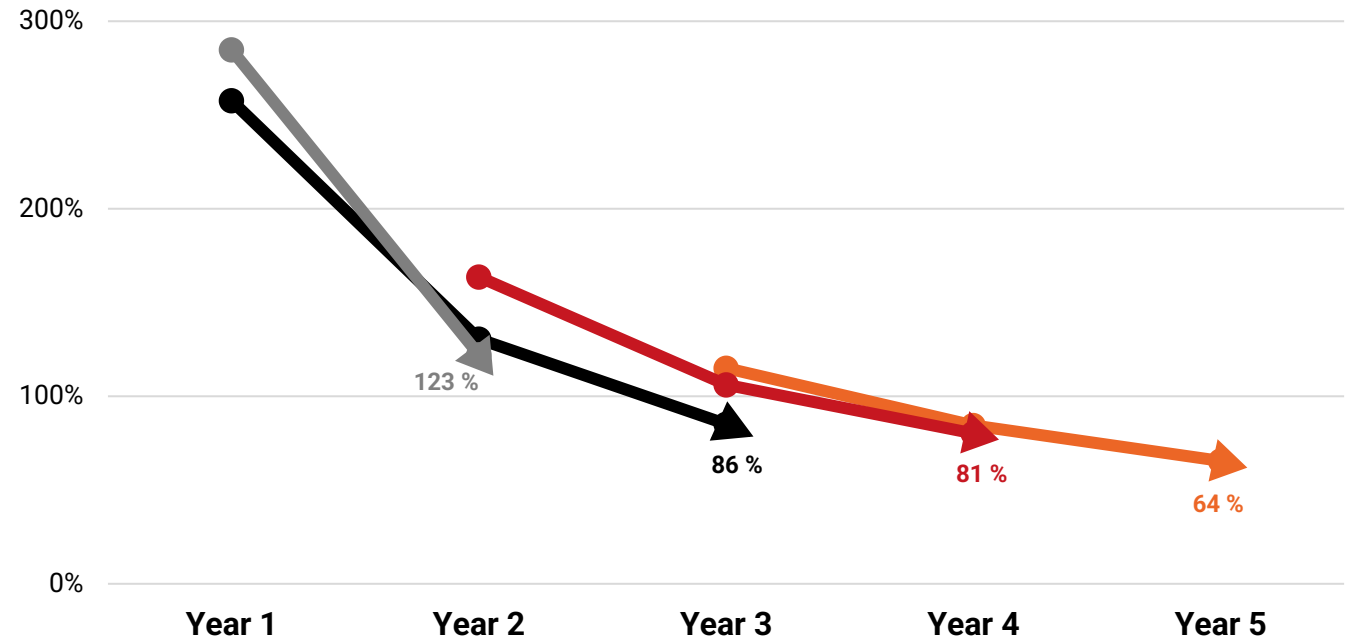
Strong Territory Cohort Growth

Marketplace Units in FY 2020 Indexed to Cohort's Year 1



Improving Cost Efficiency Across Territories

Auction Expenses as a % of Auction and Customer Assurance Revenue as of FY 2020

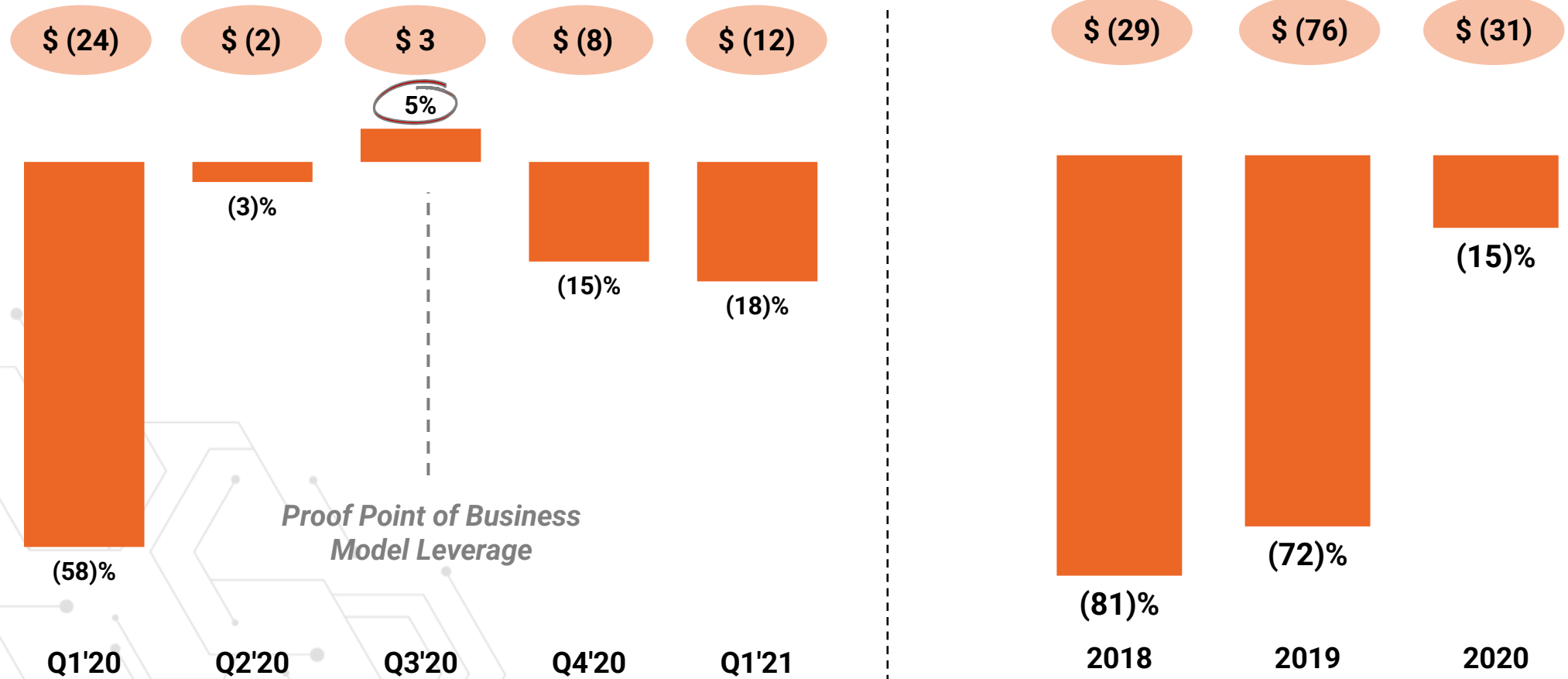


Territory Cohort ■ Pre-2017 ■ 2017 ■ 2018 ■ 2019

Note: All data as of and for the year ended December 31, 2020. Cohort auction revenue includes auction and customer assurance revenue. Auction expenses include GAAP cost of revenue related to Go Green arbitration and auction-related processing costs as well as GAAP operating expenses for auction and related inspection operations as well as field sales costs. The Pre-2017 Cohort includes all territories launched in 2016, which constitutes a substantial majority of the aggregated cohort, and the portion of 2015 following our offering first going live in June 2015. All the years following the initial year for this cohort are treated as if the 2015 territories were launched in 2016.

Proven Path to Profitability

Adj. EBITDA Margin



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

Guidance

(\$M)	Q2'21	2021
Total Revenue	\$72 to \$75 <i>60% to 67% YoY</i>	\$307 to \$313 <i>47% to 50% YoY</i>
Adjusted EBITDA Loss	\$20 to \$22	\$79 to \$82

- Favorable market dynamics expected to continue near-term with more normalized levels expected later in 2021
- 2021 full-year total operating expense growth of 62% to 64%

Note: Reconciliation of Adjusted EBITDA for the quarter ended June 30, 2021 and the full year ended December 31, 2021 to the most directly comparable GAAP measure, net loss, is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from this Non-GAAP measure; in particular, the effects of stock-based compensation awards that are directly impacted by unpredictable fluctuations in our stock price. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results.

Strong Balance Sheet

(\$M)

As of March 31, 2021

Cash and Cash Equivalents	\$660M (Includes ~\$98M of auction float)
ACV Capital Revolving Credit Facility	\$7M
Other Debt	\$0
Total Assets	\$928M
Total Liabilities	\$330M

Summary



Strong Q1 Results with 64% YoY Revenue Growth



Significant Progress Redefining Wholesale but Still in Early Innings



Data and Technology Will Remain Core to Our Advantage



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) stock-based compensation expense; (3) interest (income) expense; (4) provision for income taxes; (5) other (income) expense, net; and (6) intangible amortization.

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. Management intends to report Marketplace Participants, which is defined as dealers or commercial partners with a unique customer ID that have transacted at least once in the last 12 months as either a buyer or seller on our digital marketplace, on an annual basis.

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>	March 31,	June 30,	September 30,	December 31,	March 31,	Year Ended December 31,		
	2020	2020	2020	2020	2021	2018	2019	2020
Net Loss	(\$27,525)	(\$4,396)	\$3,159	(\$12,259)	(\$17,375)	(\$35,774)	(\$77,216)	(\$41,021)
Depreciation and Amortization	1,446	1,733	2,025	2,040	1,891	271	1,839	7,244
Stock-based Compensation	2,097	1,033	343	2,232	2,867	7,219	998	5,705
Interest (Income) Expense	(398)	39	90	154	183	(362)	(2,093)	(115)
Provision for Income Taxes	47	48	286	108	58	11	27	489
Other (Income) Expense, Net	(31)	21	(2,587)	(457)	15	-	23	(3,054)
Adjusted EBITDA	(\$24,364)	(\$1,522)	\$3,316	(\$8,182)	(\$12,361)	(\$28,635)	(\$76,422)	(\$30,752)
Total Revenue	\$42,237	\$44,897	\$67,460	\$53,763	\$69,086	\$35,536	\$106,847	\$208,357
Adjusted EBITDA Margin	(58%)	(3%)	5%	(15%)	(18%)	(81%)	(72%)	(15%)

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>	March 31, 2020	March 31, 2021
Cost of Revenue	\$28,887	\$38,895
Stock-based compensation	\$4	\$65
Non-GAAP Cost of Revenue	\$28,883	\$38,830
Total Operating Cost (Excluding Cost of Revenue)	\$41,226	\$47,326
Stock-based Compensation	\$2,093	\$2,802
Intangible Amortization	\$564	\$818
Non-GAAP Total Operating Cost (Excluding Cost of Revenue)	\$38,569	\$43,705

Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements concerning avenues for long-term growth and total addressable market expansion, our financial guidance for the second quarter of 2021 and the full year of 2021 and opportunities for margin expansion. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions. You should not rely on forward-looking statements as predictions of future events.

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 prospectus filed with the SEC pursuant to Rule 424(b), on March 24, 2021. Additional information will be made available in our quarterly report on Form 10-Q for the quarter ended March 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.