



The RealReal

Q3 2026

Financial Results

October 29, 2026

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," "target," "contemplate," "project," "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 recent geopolitical events, and uncertainty surrounding macroeconomic trends, financial guidance, anticipated growth in 2026, the anticipated impact of generative AI, and financial targets, goals 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, 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.

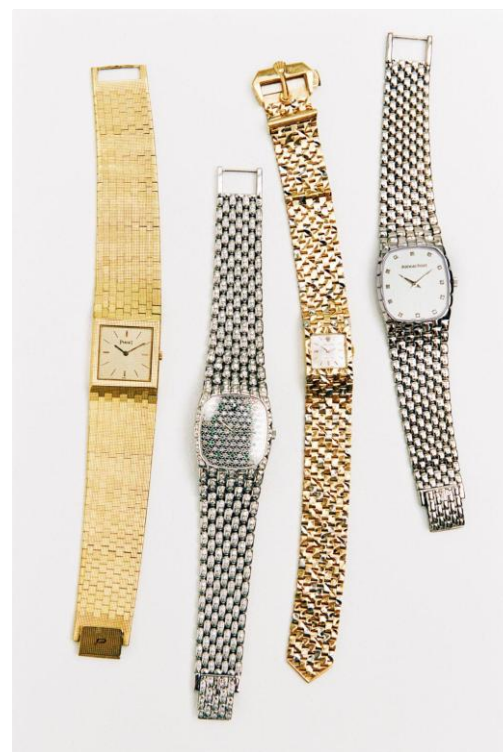
More information about factors that could affect the company's operating results is included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the company's most recent Annual Report on Form 10-K for the year ended December 31, 2025 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. 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, Free Cash Flow, and Adjusted EBITDA Margin (Adjusted EBITDA as a percentage of revenue). These non-GAAP measures are presented for supplemental information 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 outcomes 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).

Changing The Way People Shop For the Better

- ✓ **Trusted market leader** in luxury resale across diverse categories & brands
- ✓ **Tenured sales team** nurtures highly-engaged community of buyers & consignors
- ✓ **Rich data and technology expertise** driving pricing and authentication
- ✓ **Full-service approach** reduces friction for consignors and unlocks supply
- ✓ **Capital-light** consignment business model with attractive margins



Clear and Focused Strategy



UNLOCK SUPPLY
THROUGH
GROWTH PLAYBOOK

OBSESS
OVER
SERVICE

OPERATIONAL
EXCELLENCE

SUPPORTED BY PROPRIETARY TECHNOLOGY AND DATA

Proprietary Technology and Data Is A Key Differentiator

~15 YEARS OF RICH DATA ON >50 MILLION ITEMS

Including luxury item images and attributes, pricing/transactions, and customer behavior

**PROPRIETARY
OPERATIONAL SYSTEMS**



**ADVANCED AI
AND ANALYTICS**

**SOPHISTICATED
PRICING ALGORITHMS**

**BEST-IN-CLASS
AUTHENTICATION**

**AUTOMATED
WORKFLOW**

**PERSONALIZED
EXPERIENCE**



Q3 2026 Key Highlights

CUSTOMERS & MARKET LEADERSHIP

- **Record GMV** of \$642M, up 23% Y/Y; accelerating to 40%+ on a two-year stacked basis
- **Record Revenue** of \$206M, up 19% Y/Y; record Orders up 15% Y/Y — strongest order growth since 2022
- **TTM Active Buyers** exceeded 1.15M, up 13% Y/Y;
- **Gen Z** buyer base grown 60%+ over three years — fastest-growing cohort

SUPPLY & FLYWHEEL MOMENTUM

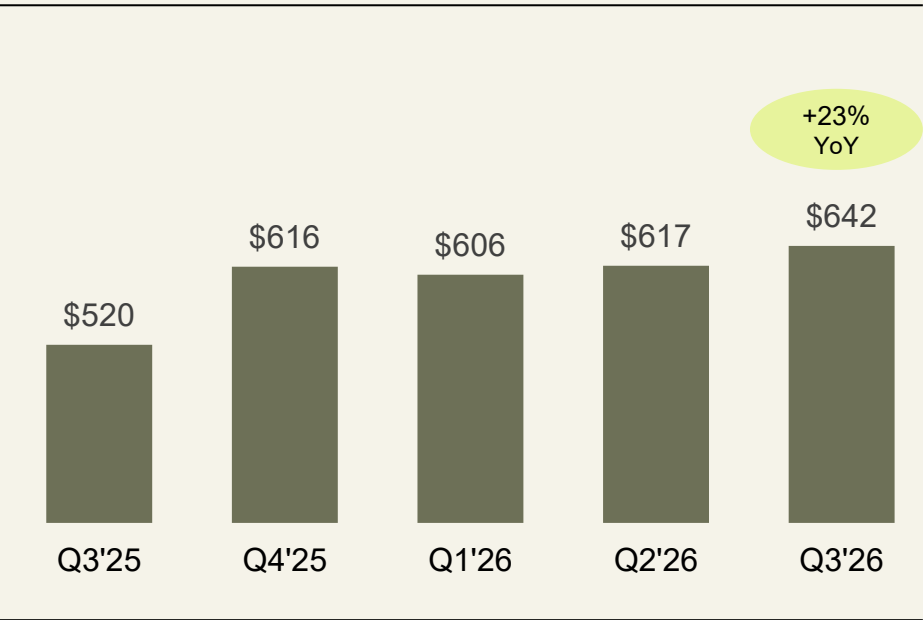
- **Active consignor base** grew double digits Y/Y in Q3
- **Flywheel:** 52% of TTM consignors also made purchases on platform; 44% of new consignors came from the buyer base
- **Diversified Supply Strategy:** Trusts & Estates delivered 35% more units Y/Y; Japanese dropship vendors expanded to 7
- **Stores:** New Boston store opened + pop-up events in test markets

AI-DRIVEN EFFICIENCY, PROFITABILITY & BALANCE SHEET

- **Adj. EBITDA** of \$17.0M (8.3% margin), up 290 bps Y/Y — above the top end of prior guidance
- **Athena** on track to process ~50% of all items by year-end; ASRS live at Perth Amboy — pick/pack time reduced up to 3x
- **Strengthened balance sheet** through \$150M refinancing - reduced annual interest expenses by \$4M and extended maturity profile to 2033

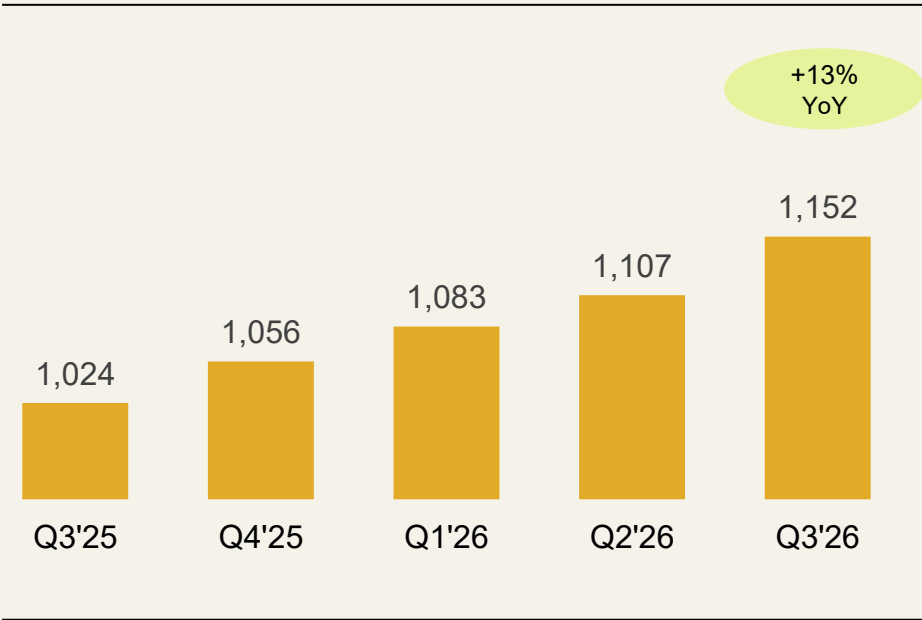
Q3 Financial Summary

GMV (\$M)



GMV increased 23% versus last year, up over 40% on a 2-year stacked basis

ACTIVE BUYERS - TTM (000s)



Active Buyers accelerated to +13% growth in Q3

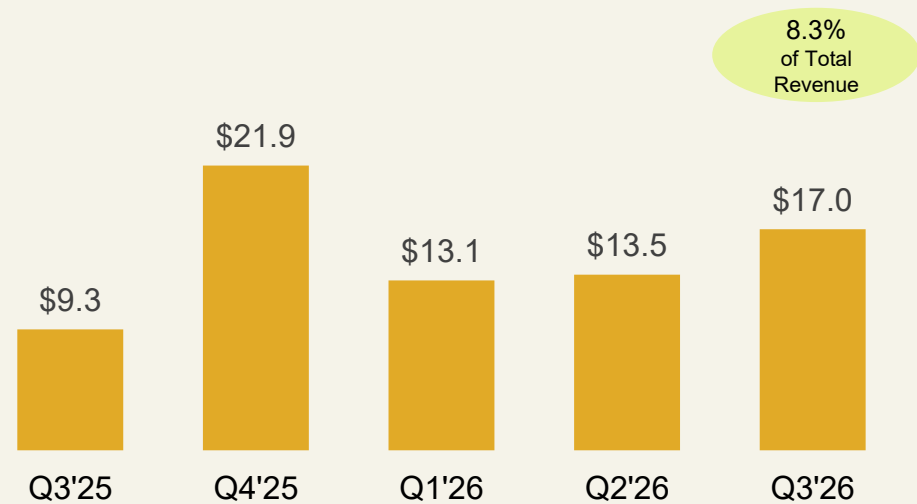
Q3 Financial Summary

REVENUE (\$M)



Balanced growth with Consignment Revenue up 18% and Direct Revenue up 19% YoY

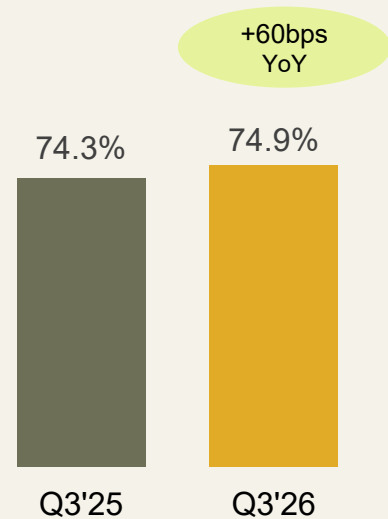
ADJUSTED EBITDA (\$M)



Adjusted EBITDA was \$17.0M, or 8.3% of Total Revenue, up 290 basis points YoY

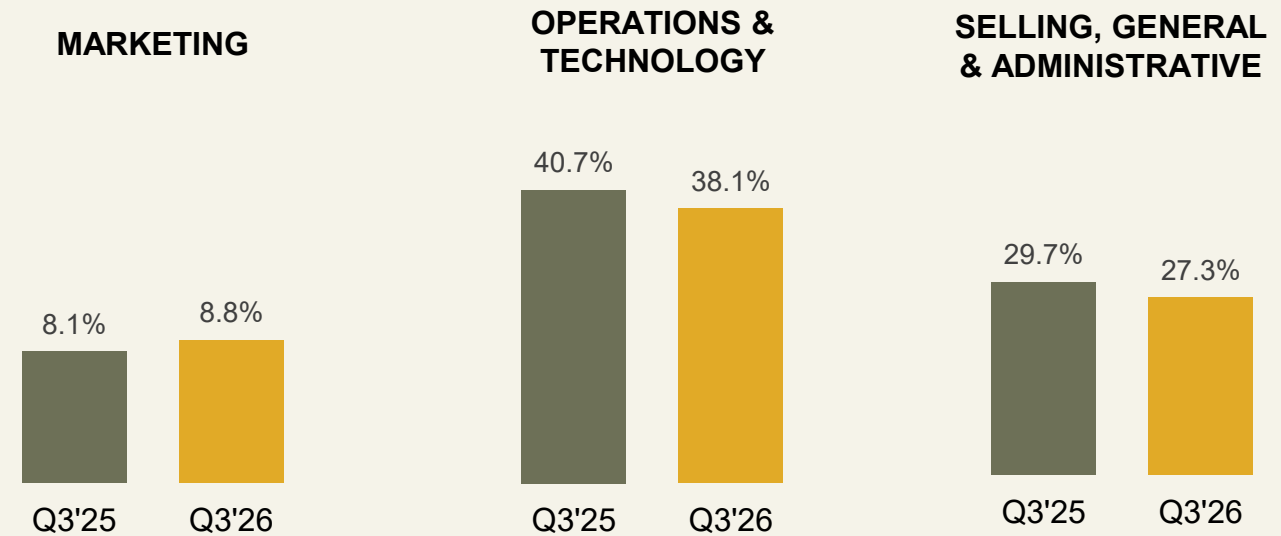
Q3 Financial Summary

GROSS MARGIN



Gross Profit grew 20% to \$154 million as Gross Margin expanded 60 basis points YoY

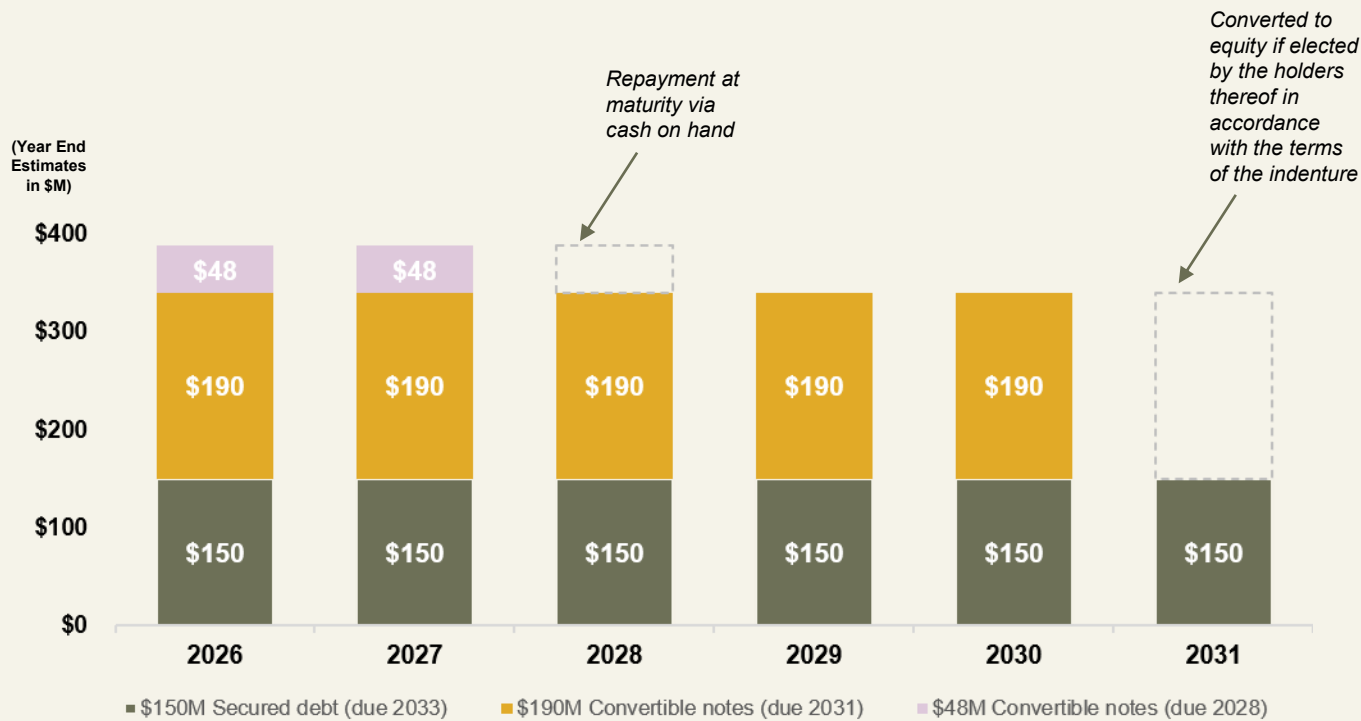
OPERATING EXPENSES (% of Total Revenue)



Total operating expenses leveraged approximately 440 basis points year-over-year as a percentage of revenue driven by efficiencies Ops & Tech and SG&A, partially offset by marketing investments to drive growth

Potential Path for Strengthening Our Balance Sheet and Reducing Total Debt to \$150M⁽¹⁾

(For Illustrative Purposes Only - not a forecast, projection or target. Actual outcomes will depend on, among other things, our cash flows, the trading price of our common stock, and decisions by noteholders that are outside our control)



STRENGTHENING OUR BALANCE SHEET

Meaningful Milestones Achieved

- Reduced total debt principal by over \$80M since the beginning of 2024
- Recent changes to Capital Structure create a potential path to reduce leverage to \$150M

Margin Expansion

- The Company remains focused on topline growth, expanding Adjusted EBITDA Margins and translating the resulting increase in Adjusted EBITDA to operating cash flows.

(1) Does not include scheduled amortization and mandatory prepayments of the new \$150 million senior secured term loan due 2033. Illustration assumes no new indebtedness, no additional note exchanges or repurchases, and holders' election to convert the 2031 Notes. These assumptions may not be realized.

2026 Outlook

Q4 2026	\$720M - \$735M	GMV	\$2.585B - \$2.600B	Full Year 2026
	\$218M - \$222M	REVENUE	\$806M - \$810M	
	\$27.5M - \$29.0M	ADJUSTED EBITDA	\$71.1M - \$72.6M	



Key Advantages and Differentiators



LEADER IN LUXURY RESALE INDUSTRY

scaled platform with strong brand equity and highly engaged member base



A LARGE AND GROWING TAM

supported by unique positioning and strong secular tailwinds



DIFFERENTIATED MODEL

built on foundation of trust, expertise and unmatched end-to-end service



PROPRIETARY DATA ADVANTAGE ACCELERATED BY AI

largest authenticated luxury dataset in the world is the foundation for AI-driven pricing, authentication and discovery



POWERFUL FLYWHEEL

Converting buyers into sellers and accelerating network effects



FOCUSED STRATEGY

unlocking supply, obsessing over service, and operational excellence

Appendix

The RealReal



Q3 2026 Obsessions: Brands Trending on TRR



New Classics

**Phoebe Philo
TOTEME
Róhe
TWP
Heirlome**



Investment Worthy

**Chanel
Hermès
Rolex
Patek Philippe
Bvlgari**



Print Maximalism

**Dries van Noten
Roberto Cavalli
Emilio Pucci
Etro
ALÉMAIS**



Gen Z Favorites

**Miu Miu
Coach
Cult Gaia
Jacquemus
Sandy Liang**

KEY
FINANCIAL
METRICS

Quarter ended September 30	2026	2025
<i>(in thousands, except AOV and percentages)</i>		
GMV	\$641,502	\$519,814
NMV	\$490,528	\$397,062
Consignment Revenue	\$159,145	\$134,429
Direct Revenue	\$27,381	\$22,928
Shipping Services Revenue	\$19,590	\$16,216
Number of Orders	1,020	890
Take Rate	36.8%	37.9%
Active Buyers	1,152	1,024
AOV	\$629	\$584

INCOME STATEMENT

Quarter ended September 30	2026	2025
<i>(in \$000's)</i>		
Total revenue	\$ 206,116	\$ 173,573
<u>Total cost of revenue</u>	<u>51,714</u>	<u>44,653</u>
Gross profit	\$ 154,402	\$ 128,920
<u>Total operating expenses</u>	<u>152,930</u>	<u>136,470</u>
Loss from operations	\$ 1,472	\$ (7,550)
Change in fair value of warrant liability	21,224	(43,928)
Gain on extinguishment of debt	-	3,684
Interest income	846	818
Interest expense	(7,483)	(7,085)
<u>Other income, net</u>	<u>58</u>	<u>34</u>
Loss before provision for income taxes	16,117	(54,027)
Provision for income taxes	111	24
Net income (loss) attributable to common stockholders	16,006	(54,051)

BALANCE SHEET

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<i>(in \$000s)</i>	9/30/26	12/31/25
Cash and cash equivalents	130,405	151,231
Accounts receivable, net	27,870	23,822
Inventory	37,449	30,843
<u>Prepaid expenses and other current assets</u>	<u>22,480</u>	<u>21,595</u>
Total current assets	218,204	227,491
Property and equipment, net	104,204	96,148
Operating lease right-of-use assets	59,835	64,641
Restricted cash	14,777	14,808
<u>Other assets</u>	<u>6,656</u>	<u>5,945</u>
Total assets	\$ 403,676	\$ 409,033

BALANCE SHEET

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<i>(in \$000s)</i>	9/30/26	12/31/25
Accounts payable	13,822	14,565
Accrued consignor payable	108,887	111,497
Operating lease liabilities, current portion	23,172	24,645
<u>Other accrued and current liabilities</u>	<u>115,032</u>	<u>113,533</u>
Total current liabilities	260,913	264,240
Operating lease liabilities, net of current portion	60,120	66,793
Convertible senior notes, net	231,898	230,833
Long term debt, net	147,665	140,980
Warrant liabilities	53,464	114,353
Other noncurrent liabilities	4,042	7,352
Total liabilities	\$ 758,102	\$ 824,551
Total stockholders' deficit	(354,426)	(415,518)
Total liabilities stockholders' deficit	\$ 403,676	\$ 409,033

FREE CASH FLOW

RECONCILIATION OF GAAP TO NON-GAAP RESULTS

	Quarter ended September 30	
(in \$000's)	2026	2025
Net cash provided by (used in) operating activities	\$ 24,976	\$ 19,330
<u>Purchase of property and equipment and capitalized proprietary software development costs</u>	<u>(13,708)</u>	<u>(5,612)</u>
Free (negative) cash flow	\$ 11,268	\$ 13,718

ADJUSTED EBITDA

RECONCILIATION OF GAAP TO NON- GAAP RESULTS

Quarter ended September 30	2026	2025
(in \$000's, except percentages)		
Net Income	\$ 16,006	\$ (54,051)
Depreciation and amortization	8,074	8,209
Net Interest expense	6,637	6,267
<u>Provision for income taxes</u>	<u>111</u>	<u>24</u>
EBITDA	30,828	(39,551)
Stock-based compensation	7,172	6,605
Payroll tax expense on employee stock transactions	234	285
Gain on extinguishment of debt ⁽¹⁾	-	(3,684)
One-time expense ⁽²⁾	-	1,711
<u>Change in fair value of warrant liability</u> ⁽³⁾	<u>(21,224)</u>	<u>43,928</u>
Adjusted EBITDA	\$ 17,010	\$ 9,294
Adjusted EBITDA (% of revenue)	8.3%	5.4%

(1) The gain on extinguishment of debt for the three months ended September 30, 2025 reflects the difference between the carrying value of the 2025 Exchanged Notes and the fair value of the 2031 Notes.

(2) One time expenses for the three months ended September 30, 2025 consist of employee severance costs associated with a departmental reorganization, including certain executives, recorded within Marketing and Selling, General and Administrative expenses on the condensed statements of operations.

(3) The change in fair value of warrant liability for the three months ended September 30, 2026 and September 30, 2025 reflects the remeasurement of the Warrants issued by the Company in connection with the 2024 Note Exchange in February 2024.

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