

# CASE STUDY: VROOM IPO

**One of the first post-COVID Technology IPOs, Vroom generated strong investor demand for an accelerated, oversubscribed and upsized IPO that resulted in exceptional aftermarket performance <sup>(1)</sup>**

## INITIAL PUBLIC OFFERING



## KEY DEAL METRICS

Pricing Date	June 8, 2020
NASDAQ Ticker Symbol	VRM
Offering Size <sup>(2)</sup>	\$537.6 million
Market Capitalization at Pricing	\$2,535.2 million
Shares Offered <sup>(2)</sup>	24,437,500
Shares Initially Filed	18,750,000
Initial Filing Range	\$15.00 – \$17.00
Revised Filing Range	\$18.00 – \$20.00
Offering Price	\$22.00
Primary / Secondary Split	100% Primary
Offer to 1-Day	+117.7%

(1) Based on Technology IPO offer-to-one day performance as of June 9, 2020. Excludes deals under \$15 million.

(2) Includes 3,187,500 shares sold pursuant to the underwriters' overallotment option.

(3) Based on the mid-point of the initial filing range.

## ABOUT VROOM

- End-to-end ecommerce platform that is **transforming the used vehicle industry**
- \$1.2 billion in 2019 revenue, representing **39% growth YoY**
- **121% CAGR** of units sold from January 2019 to April 2020
- 947,014 average monthly visitors in Q1 2020, **up 2.3x YoY**
- Large, fragmented used-car **market opportunity of \$841 billion** in 2019
- **National vehicle inventory** superior to typical dealerships

## INVESTOR FEEDBACK

- ✓ Differentiated **asset-light** business model that provides greater business scaling flexibility compared to peers
- ✓ Strong and improving **gross margin trends** paired with impressive **top-line growth**
- ✓ Experienced **management team**
- ✓ Clear and achievable **path to profitability** at smaller scale
- ✓ Comprehensive **technology stack** built to drive continuous innovation and margin improvement
- ✓ **Secular shift** towards online and touchless transactions

## TRANSACTION HIGHLIGHTS

- +38%** Increase in offer price from initial filing <sup>(3)</sup>
- +79%** Increase in total gross proceeds from initial filing <sup>(2)(3)</sup>
- 5-Day** Virtual roadshow, accelerated from anticipated 7-day roadshow
- +118%** First day trading performance after opening at \$40.25, up 83%
- Best** First day Technology IPO trading debut since September 2018 <sup>(1)</sup>

## PRE-IPO INVESTORS



GENERAL CATALYST

