

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **August 10, 2021**

ThredUp Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40249
(Commission File Number)

26-4009181
(I.R.S. Employer
Identification No.)

969 Broadway, Suite 200
Oakland, California
(Address of principal executive offices)

94607
(Zip Code)

Registrant's telephone number, including area code: **(415) 402-5202**

Not Applicable
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	TDUP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On August 10, 2021, ThredUp Inc. (the "Company") issued a press release announcing its financial results for the quarter ended June 30, 2021. A copy of the press release is attached hereto as Exhibit 99.1. In addition, a copy of the supplemental financial information is attached hereto as Exhibit 99.2. The press release and supplemental financial information are incorporated herein by reference.

The information in this current report on Form 8-K and the exhibits attached hereto is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 10, 2021
99.2	Supplemental Financial Information dated August 10, 2021

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 10, 2021

THREDUP INC.

By: /s/ Sean Sobers

Sean Sobers

Chief Financial Officer

(Principal Financial and Accounting Officer)

thredUP Announces Second Quarter 2021 Results

- Another record-setting quarter with 27% year-over-year revenue growth
- Gross margins expanded to a record 74% and gross profit grew 34% year-over-year to a record \$44 million
- All-time high Active Buyers of 1.34 million and Orders of 1.22 million
- Announced the initial phase of international expansion with the planned acquisition of Remix in Europe
- Established new resale programs enabled by Resale-as-a-Service® (RaaS®) with consumer brands including Madewell, FARFETCH, Fabletics, Vera Bradley, and LG – the first non-fashion brand to leverage RaaS®
- Published our ninth annual Resale Report, which includes a new thredUP Impact Section detailing our ESG progress and commitment

Oakland, CA – August 10, 2021 – ThredUp Inc. (Nasdaq: TDUP), one of the largest online resale platforms for women’s and kids’ apparel, shoes, and accessories, announced today its financial results for the second quarter ended June 30, 2021.

“thredUP is pleased to share another strong quarter with a further proofpoint of secondhand’s strength as evidenced by our better-than-expected revenue growth. In addition, our industry-leading infrastructure is reflected by our strong gross margin trends” said CEO and co-founder James Reinhart. “Beyond our core marketplace growth, we announced thredUP’s entrance into Europe through the planned acquisition of Remix and further growth of our RaaS® client base including the first white-label resale shop created for Madewell. We also released thredUP’s ninth annual Resale Report, which revealed that the secondhand opportunity is continuing to grow. We believe thredUP is well-positioned to capture growth and fuel the rapidly emerging resale ecosystem.”

Second Quarter 2021 Financial Highlights

- **Revenue:** Total revenue was a record at \$60 million, an increase of 26.7% year-over-year.
- **Gross Profit and Gross Margin:** Gross profit totaled \$44.1 million representing growth of 33.7% year-over-year. Gross margin expanded to 73.6% from 69.7% in the comparable quarter last year.
- **Net Loss:** GAAP net loss was \$14.4 million, or 24% of revenue, for the second quarter 2021, compared to a GAAP net loss of \$6.7 million, or 14.1% of revenue, for the second quarter 2020.
- **Adjusted EBITDA and EBITDA Margin:** The Adjusted EBITDA loss was \$9 million, or 15.1% of revenue, for the second quarter 2021, compared to the Adjusted EBITDA loss of \$3.3 million, or 6.9% of revenue, for the second quarter 2020.
- **Active Buyers and Orders:** Active Buyers of 1.34 million and Orders of 1.22 million grew 8% and 22%, respectively, over the comparable quarter last year.

Recent Business Highlights

- **International Expansion:** thredUP intends to expand its footprint in Europe with the planned acquisition of Remix, and the transaction is expected to close in the fourth quarter of 2021.
- **Resale Report:** In June, thredUP released its comprehensive and frequently-cited industry report, the 2021 Resale Report. The ninth annual edition found that the secondhand market is projected to more than double from \$36 billion in 2021 to \$77 billion in 2025. The report also includes a new thredUP Impact Section detailing thredUP's significant progress and commitments to ESG.
- **RaaS[®] Deals:** Most recently, thredUP announced RaaS[®] agreements with Madewell, Farfetch, LG, Fabletics, and Vera Bradley. These new RaaS[®] deals underscore thredUP's ability to deliver resale at scale for high-profile brands and signal that companies across industries are participating in the apparel resale economy.

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- **Follow-On Offering:** On August 2, we closed a follow-on offering consisting of shares sold by thredUP and certain selling stockholders. Net proceeds from the shares sold by thredUP are expected to be used for working capital and general corporate purposes.

Financial Outlook

Third quarter 2021 and fiscal year 2021 guidance is not pro-forma for the acquisition of Remix. The Remix acquisition is expected to close during the fourth quarter of 2021 and is subject to closing conditions.

For the third quarter 2021, thredUP expects:

- Revenue in the range of \$60 million to \$62 million
- Gross margin in the range of 71.5% to 72.5%
- Adjusted EBITDA margin loss in the range of 19% to 17%

For fiscal year 2021, thredUP expects:

- Revenue in the range of \$236 million to \$241 million
- Gross margin in the range of 71.5% to 72.5%
- Adjusted EBITDA margin loss in the range of 16% to 14.5%

Conference Call and Webcast

- **Conference Call:** The live call is accessible in the U.S. and Canada at +1 800-437-2398 (code 2633061) and outside of the U.S. and Canada at +1 323-289-6576 (code 2633061).
- **Webcast:** The live and archived webcast and all related earnings materials will be available at thredUP's investor relations website: ir.thredup.com.

About thredUP

thredUP is transforming resale with technology and a mission to inspire a new generation of consumers to think secondhand first. By making it easy to buy and sell secondhand, thredUP has become one of the world's largest resale platforms for

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women's and kids' apparel, shoes and accessories. Sellers love thredUP because we make it easy to clean out their closets and unlock value for themselves or for the charity of their choice while doing good for the planet. Buyers love shopping value, premium and luxury brands all in one place, at up to 90% off estimated retail price. Our proprietary operating platform is the foundation for our managed marketplace and consists of distributed processing infrastructure, proprietary software and systems and data science expertise. In 2018, we expanded our platform with thredUP's Resale-as-a-Service (RaaS[®]), which facilitates modern resale for a number of the world's leading brands and retailers. thredUP has processed over 125 million unique secondhand items from 35,000 brands across 100 categories. By extending the life cycle of clothing, thredUP is changing the way consumers shop and ushering in a more sustainable future for the fashion industry.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws, which are statements that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements in this release include, but are not limited to, guidance on financial results for the third quarter and full year of 2021; statements about future operating results and our long term growth; the momentum of our business; the growth rates in the markets in which we compete; the impact of the COVID-19 pandemic on consumer behavior and our business; our investments in technology and infrastructure; our expectations regarding the timing, consideration,

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terms and benefits of the acquisition of Remix; the success of our RaaS[®] model and the timing and plans for future RaaS[®] clients; and our ability to attract new Active Buyers.

The forward-looking statements contained in this release are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission ("SEC"), including in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the final prospectus for our initial public offering filed on March 26, 2021 and in our Quarterly Report on Form 10-Q that will be filed following this earnings release. The forward-looking statements in this release are based on information available to us as of the date hereof, and we disclaim any obligation to update any forward-looking statements, except as required by law. These forward-looking statements should not be relied upon as representing thredUP's views as of any date subsequent to the date of this press release.

Additional information regarding these and other factors that could affect thredUP's results is included in thredUP's SEC filings, which may be obtained by visiting our Investor Relations website at ir.thredup.com or the SEC's website at www.sec.gov.

Operating Metrics

An Active Buyer is a thredUP buyer who has made at least one purchase in the last twelve months. A thredUP buyer is a customer who has created an account in our marketplace. A thredUP buyer is identified by a unique email address and a single person could have multiple thredUP accounts and count as multiple Active Buyers.

Orders are defined as the total number of orders placed by buyers across our marketplace, including through our RaaS[®] partners, in a given period, net of cancellations.

Non-GAAP Financial Measures

This press release and the accompanying tables contain non-GAAP financial measures: Adjusted EBITDA and Adjusted EBITDA margin. In addition to our results determined in accordance with GAAP, we believe that Adjusted EBITDA and Adjusted EBITDA margin,

non-GAAP measures, are useful in evaluating our operating performance. We use Adjusted EBITDA and Adjusted EBITDA margin to evaluate and assess our operating performance and the operating leverage in our business, and for internal planning and forecasting purposes. We believe that Adjusted EBITDA and Adjusted EBITDA margin, when taken collectively with our GAAP results, may be helpful to investors because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. Adjusted EBITDA and Adjusted EBITDA margin is presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP and may be different from a similarly-titled non-GAAP measure used by other companies.

A reconciliation is provided below for Adjusted EBITDA to net loss, the most directly comparable financial measure stated in accordance with GAAP. We calculate Adjusted EBITDA as net loss adjusted to exclude, where applicable in a given period, depreciation and amortization, stock-based compensation expense, interest expense, change in fair value of convertible preferred stock warrant liability and provision for income taxes.

Investors are encouraged to review our results determined in accordance with GAAP and the reconciliation of Adjusted EBITDA to net loss. thredUP is not providing a quantitative reconciliation of forward-looking guidance of Adjusted EBITDA to net loss because certain items are out of thredUP's control or cannot be reasonably predicted. Historically, these items have included, but are not limited to, depreciation and amortization, stock-based compensation expense, change in fair value of convertible preferred stock warrant liability and provision for income taxes. Accordingly, a reconciliation for Adjusted EBITDA in order to calculate forward-looking Adjusted EBITDA margin is not available without unreasonable effort. However, for the third quarter of 2021 and full year 2021 depreciation and amortization is expected to be \$1.9 million and \$7.7 million, respectively. In addition, for the third quarter of 2021 and full year 2021 stock-based compensation expense is expected to be \$2.9 million and \$12.3

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million, respectively. These items are uncertain, depend on various factors, and could result in projected net loss being materially less than is indicated by the currently estimated Adjusted EBITDA margin.

ThredUp Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	June 30, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	\$ 173,058	\$ 64,485
Marketable securities	57,382	—
Accounts receivable, net	1,545	1,823
Inventory, net	4,362	3,519
Other current assets	6,425	5,332
Total current assets	242,772	75,159
Operating lease right-of-use assets	21,272	23,656
Property and equipment, net	45,490	41,131
Other assets	2,837	2,965
Total assets	\$ 312,371	\$ 142,911
Liabilities, Convertible Preferred Stock and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 11,359	\$ 9,386
Accrued and other current liabilities	39,515	32,541
Seller payable	16,709	13,724
Operating lease liabilities, current	2,845	3,643
Current portion of long-term debt	7,746	3,270
Total current liabilities	78,174	62,564
Operating lease liabilities, non-current	20,029	21,574
Long-term debt	31,393	31,190
Other non-current liabilities	1,937	2,719
Total liabilities	131,533	118,047
Convertible preferred stock	—	247,041
Stockholders' equity:		
Common stock	9	1
Additional paid-in capital	463,582	29,989
Accumulated other comprehensive loss	(36)	—
Accumulated deficit	(282,717)	(252,167)
Total stockholders' equity (deficit)	180,838	(222,177)
Total liabilities, convertible preferred stock and stockholders' equity	\$ 312,371	\$ 142,911

ThredUp Inc.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenue:				
Consignment	\$ 48,597	\$ 34,914	\$ 93,285	\$ 70,228
Product	11,362	12,421	22,354	25,422
Total revenue	<u>59,959</u>	<u>47,335</u>	<u>115,639</u>	<u>95,650</u>
Cost of revenue:				
Consignment	10,687	8,297	21,519	17,113
Product	5,140	6,027	10,270	12,900
Total cost of revenue	<u>15,827</u>	<u>14,324</u>	<u>31,789</u>	<u>30,013</u>
Gross profit	<u>44,132</u>	<u>33,011</u>	<u>83,850</u>	<u>65,637</u>
Operating expenses:				
Operations, product and technology	31,062	22,149	59,374	47,624
Marketing	15,957	10,898	31,403	23,899
Sales, general and administrative	10,999	6,438	21,637	13,871
Total operating expenses	<u>58,018</u>	<u>39,485</u>	<u>112,414</u>	<u>85,394</u>
Operating loss	<u>(13,886)</u>	<u>(6,474)</u>	<u>(28,564)</u>	<u>(19,757)</u>
Interest and other (expense) income, net	(480)	(183)	(1,946)	(115)
Loss before provision for income taxes	<u>(14,366)</u>	<u>(6,657)</u>	<u>(30,510)</u>	<u>(19,872)</u>
Provision for income taxes	13	—	40	—
Net loss	<u>\$ (14,379)</u>	<u>\$ (6,657)</u>	<u>\$ (30,550)</u>	<u>\$ (19,872)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.15)</u>	<u>\$ (0.61)</u>	<u>\$ (0.54)</u>	<u>\$ (1.84)</u>
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>94,434,768</u>	<u>10,852,462</u>	<u>56,777,147</u>	<u>10,807,848</u>

ThredUp Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Six months ended June 30,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (30,550)	\$ (19,872)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,899	2,443
Stock-based compensation expense	6,394	3,408
Reduction in the carrying amount of right-of-use assets	2,384	1,865
Changes in fair value of convertible preferred stock warrants and others	1,179	(7)
Changes in operating assets and liabilities:		
Accounts receivable, net	278	(126)
Inventory, net	(843)	565
Other current and non-current assets	(3,364)	136
Accounts payable	2,716	6,361
Accrued and other current liabilities	8,171	1,912
Seller payable	2,985	3,068
Operating lease liabilities	(2,343)	(1,979)
Other non-current liabilities	4	759
Net cash used in operating activities	(9,090)	(1,467)
Cash flows from investing activities		
Purchases of marketable securities	(57,418)	—
Purchase of property and equipment	(8,999)	(10,695)
Net cash used in investing activities	(66,417)	(10,695)
Cash flows from financing activities		
Proceeds from debt issuance, net of issuance costs	4,625	8,427
Repayment of debt	—	(1,190)
Proceeds from issuance of Class A common stock upon initial public offering, net of underwriting discounts and commissions	180,284	—
Proceeds from exercise of common stock options and withholding taxes for the net share settlement of restricted stock units	2,805	242
Payment of costs for the initial public offering	(3,633)	(81)
Net cash provided by financing activities	184,081	7,398
Net increase (decrease) in cash, cash equivalents and restricted cash and cash equivalents	108,574	(4,764)
Cash, cash equivalents and restricted cash and cash equivalents		
Beginning of period	67,539	87,853
End of period	\$ 176,113	\$ 83,089

ThredUp Inc.
Reconciliation of GAAP to Non-GAAP Financial Measures
(in thousands, except percentages)
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Adjusted EBITDA Reconciliation:				
Net loss	\$ (14,379)	\$ (6,657)	\$ (30,550)	\$ (19,872)
Depreciation and amortization	1,861	1,198	3,899	2,443
Stock-based compensation expense	2,896	1,966	6,394	3,408
Interest expense	573	224	1,132	497
Change in fair value of convertible preferred stock warrant liability	—	(1)	930	(173)
Provision for income taxes	13	—	40	—
Adjusted EBITDA	<u>\$ (9,036)</u>	<u>\$ (3,270)</u>	<u>\$ (18,155)</u>	<u>\$ (13,697)</u>
Adjusted EBITDA margin %	(15.1)%	(6.9)%	(15.7)%	(14.3)%

Media
media@thredup.com
Investors
ir@thredup.com

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ThredUp Inc.

Second Quarter 2021 Supplemental Financials

Key Financial Metrics for the Quarter

- Record revenue of \$60 million
 - vs. \$47.3 million in Q2'FY 2020
 - Growth of 26.7% Y/Y
- Record gross profit of \$44.1 million
 - vs. \$33 million in Q2'FY 2020
 - Growth of 33.7% Y/Y
- Record gross margin of 73.6%
 - vs. 69.7% in Q2'FY 2020
 - Four points of expansion Y/Y
- GAAP net loss of \$14.4 million
 - vs. \$6.7 million loss in Q2'FY 2020
- Adjusted EBITDA loss of \$9 million
 - vs. \$3.3 million loss in Q2'FY 2020
- Adjusted EBITDA margin loss of 15.1%
 - vs. loss of 6.9% in Q2'FY 2020
- Cash, cash equivalents, restricted cash and short-term marketable securities were \$233.5 million at the quarter end
- Total quarter Active Buyers of 1.34 million
 - vs. 1.24 million in Q2'FY 2020
 - An increase of 8% Y/Y
- Total Orders of 1.22 million
 - vs. 998,000 in Q2'FY 2020
 - An increase of 22% Y/Y

Conference Call and Webcast

- The live call is accessible in the U.S and Canada at +1 800-437-2398 (code 2633061) and outside of the U.S. and Canada at +1 323-289-6576 (code 2633061)
- The live and archived webcast and all related earnings materials will be available at thredUP's investor relations website: ir.thredup.com

Business Outlook

(not pro-forma for planned Remix acquisition)

For third quarter 2021, thredUP expects:

- Revenue in the range of \$60 million to \$62 million
- Gross margin in the range of 71.5% to 72.5%
- Adjusted EBITDA margin loss in the range of 19% to 17%
- Depreciation and amortization of approximately \$1.9 million
- Stock-based compensation of approximately \$2.9 million
- Weighted-average shares of approximately 97 million

For fiscal year 2021, thredUP expects:

- Revenue in the range of \$236 million to \$241 million
- Gross margin in the range of 71.5% to 72.5%
- Adjusted EBITDA margin loss in the range of 16% to 14.5%
- Depreciation and amortization of approximately \$7.7 million
- Stock-based compensation of approximately \$12.3 million
- Weighted-average shares of approximately 77 million

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ThredUp Inc. Second Quarter 2021 Supplemental Financials

ThredUp Inc.									
Condensed Consolidated Income Statements									
(in thousands, unaudited)									
Three Months Ended	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Revenue:									
Consignment revenue	\$ 22,000	\$ 27,338	\$ 32,026	\$ 35,314	\$ 34,914	\$ 33,657	\$ 34,211	\$ 44,688	\$ 48,597
Product revenue	18,118	18,612	12,611	13,001	12,421	13,275	9,222	10,992	11,362
Total revenue	40,118	45,950	44,637	48,315	47,335	46,932	43,433	55,680	59,959
Cost of revenue:									
Cost of consignment revenue	5,119	5,837	7,599	8,816	8,297	7,984	9,087	10,832	10,687
Cost of product revenue	7,402	7,579	5,660	6,873	6,027	6,172	4,611	5,130	5,140
Total cost of revenue	12,521	13,416	13,259	15,689	14,324	14,156	13,698	15,962	15,827
Gross profit	27,597	32,534	31,378	32,626	33,011	32,776	29,735	39,718	44,132
Gross margin % of revenue	68.8 %	70.8 %	70.3 %	67.5 %	69.7 %	69.8 %	68.5 %	71.3 %	73.6 %
Operating expenses									
Operations, product and technology	19,270	20,831	25,580	25,475	22,149	25,856	27,928	28,312	31,062
Marketing	9,499	13,557	12,674	13,001	10,898	10,614	10,252	15,446	15,957
Sales, general and administrative	5,018	5,199	7,971	7,433	6,438	6,891	7,802	10,638	10,999
Total operating expenses	33,787	39,587	46,225	45,909	39,485	43,361	45,982	54,396	58,018
Operating expenses % of revenue	84.2 %	86.2 %	103.6 %	95.0 %	83.4 %	92.4 %	105.9 %	97.7 %	96.8 %
Operating income (loss)	(6,190)	(7,053)	(14,847)	(13,283)	(6,474)	(10,585)	(16,247)	(14,678)	(13,886)
Operating loss % of revenue	(15.4)%	(15.3)%	(33.3)%	(27.5)%	(13.7)%	(22.6)%	(37.4)%	(26.4)%	(23.2)%
Interest and other (expense) income, net	(399)	(191)	(94)	68	(183)	(419)	(698)	(1,466)	(480)
Income (loss) before provision for income taxes	(6,589)	(7,244)	(14,941)	(13,215)	(6,657)	(11,004)	(16,945)	(16,144)	(14,366)
Provision for (benefit from) income taxes	—	—	36	—	—	—	56	27	13
Net income (loss)	\$ (6,589)	\$ (7,244)	\$ (14,977)	\$ (13,215)	\$ (6,657)	\$ (11,004)	\$ (17,001)	\$ (16,171)	\$ (14,379)
Net income margin %	(16.4)%	(15.8)%	(33.6)%	(27.4)%	(14.1)%	(23.4)%	(39.1)%	(29.0)%	(24.0)%

ThredUp Inc.									
Adjusted EBITDA Reconciliation									
(in thousands, unaudited)									
Three Months Ended	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Adjusted EBITDA reconciliation									
Net income (loss)	\$ (6,589)	\$ (7,244)	\$ (14,977)	\$ (13,215)	\$ (6,657)	\$ (11,004)	\$ (17,001)	\$ (16,171)	\$ (14,379)
Add (deduct):									
Depreciation and amortization	1,076	1,044	1,090	1,245	1,198	1,425	1,713	2,038	1,861
Stock-based compensation expense	938	941	5,118	1,442	1,966	1,649	2,279	3,498	2,896
Interest expense	388	379	365	273	224	368	440	559	573
Change in value of preferred stock warrant	18	(3)	(3)	(172)	(1)	89	285	930	—
Loss on extinguishment of debt	—	—	—	—	—	—	—	—	—
Provision for income taxes	—	—	36	—	—	—	56	27	13
Adjusted EBITDA	\$ (4,169)	\$ (4,883)	\$ (8,371)	\$ (10,427)	\$ (3,270)	\$ (7,473)	\$ (12,228)	\$ (9,119)	\$ (9,036)
Adjusted EBITDA margin %	(10.4)%	(10.6)%	(18.8)%	(21.6)%	(6.9)%	(15.9)%	(28.2)%	(16.4)%	(15.1)%

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ThredUp Inc.
Second Quarter 2021 Supplemental Financials (continued)

ThredUp Inc.									
Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses									
(in thousands, unaudited)									
Three Months Ended	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Operations, product and technology	\$ 19,270	\$ 20,831	\$ 25,580	\$ 25,475	\$ 22,149	\$ 25,856	\$ 27,928	\$ 28,312	\$ 31,062
Marketing	9,499	13,557	12,674	13,001	10,898	10,614	10,252	15,446	15,957
Sales, general and administrative	5,018	5,199	7,971	7,433	6,438	6,891	7,802	10,638	10,999
Total operating expenses	33,787	39,587	46,225	45,909	39,485	43,361	45,982	54,396	58,018
Less: Total stock based compensation	938	941	5,118	1,442	1,966	1,649	2,279	3,498	2,896
Total non-GAAP operating expenses	\$ 32,849	\$ 38,646	\$ 41,107	\$ 44,467	\$ 37,519	\$ 41,712	\$ 43,703	\$ 50,898	\$ 55,122
Non-GAAP operating expenses as a % of revenue	81.9 %	84.1 %	92.1 %	92.0 %	79.3 %	88.9 %	100.6 %	91.4 %	91.9 %

ThredUp Inc.									
Stock Based Compensation Details									
(in thousands, unaudited)									
Three Months Ended	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Stock Based Compensation									
Operations, product and technology	\$ 480	\$ 486	\$ 2,479	\$ 715	\$ 870	\$ 987	\$ 1,167	\$ 1,350	\$ 984
Marketing	137	142	687	174	283	278	332	437	289
Sales, general and administrative	321	313	1,952	553	813	384	780	1,711	1,623
Total	\$ 938	\$ 941	\$ 5,118	\$ 1,442	\$ 1,966	\$ 1,649	\$ 2,279	\$ 3,498	\$ 2,896

THREDUP

ThredUp Inc.
Second Quarter 2021 Supplemental Financials (continued)

ThredUp Inc.					
Condensed Consolidated Balance Sheets					
(in thousands, unaudited)					
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Assets					
Current assets					
Cash and cash equivalents	\$ 79,827	\$ 78,760	\$ 64,485	\$ 246,514	\$ 173,058
Marketable securities	—	—	—	—	57,382
Accounts receivable, net	2,178	1,020	1,823	1,726	1,545
Inventory, net	3,328	3,862	3,519	3,482	4,362
Other current assets	2,688	4,257	5,332	3,168	6,425
Total current assets	88,021	87,899	75,159	254,890	242,772
Operating lease right-of-use assets	25,408	24,808	23,656	22,338	21,272
Property and equipment, net	34,187	37,900	41,131	43,562	45,490
Other assets	3,496	3,144	2,965	2,980	2,837
Total assets	\$ 151,112	\$ 153,751	\$ 142,911	\$ 323,770	\$ 312,371
Liabilities and Stockholder's Equity					
Current liabilities					
Accounts payable	\$ 10,785	\$ 11,893	\$ 9,386	\$ 14,540	\$ 11,359
Accrued and other current liabilities	28,161	30,883	32,541	37,720	39,515
Seller payable	12,385	13,340	13,724	15,194	16,709
Operating lease liabilities, current	3,432	3,838	3,643	3,095	2,845
Current portion of long-term debt	—	1,318	3,270	5,736	7,746
Total current liabilities	54,763	61,272	62,564	76,285	78,174
Operating lease liabilities, non-current	23,213	22,352	21,574	20,811	20,029
Long-term debt	24,525	28,217	31,190	33,320	31,393
Non-current liabilities	1,734	2,684	2,719	1,927	1,937
Total liabilities	104,235	114,525	118,047	132,343	131,533
Convertible preferred stock	246,905	247,041	247,041	—	—
Common stock	1	1	1	9	9
Additional paid in capital	24,133	27,350	29,989	459,756	463,582
Accumulated other comprehensive loss	—	—	—	—	(36)
Accumulated deficit	(224,162)	(235,166)	(252,167)	(268,338)	(282,717)
Total stockholder's (deficit) equity	(200,028)	(207,815)	(222,177)	191,427	180,838
Total liabilities and stockholder's equity	\$ 151,112	\$ 153,751	\$ 142,911	\$ 323,770	\$ 312,371

THREDUP

ThredUp Inc. Second Quarter 2021 Supplemental Financials (continued)

ThredUp Inc.					
Condensed Consolidated Cash Flows (in thousands, unaudited)					
Three Months Ended	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Cash flows from operating activities					
Net loss	\$ (6,657)	\$ (11,004)	\$ (17,001)	\$ (16,171)	\$ (14,379)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:					
Depreciation and amortization	1,198	1,425	1,713	2,038	1,861
Stock-based compensation expense	1,966	1,649	2,279	3,498	2,896
Reduction of the carrying amount of right-of-use assets	992	1,017	1,152	1,318	1,066
Changes in fair value of convertible preferred stock warrants and others	119	173	395	1,048	131
Changes in operating assets and liabilities:					
Accounts receivable, net	212	1,158	(803)	97	181
Inventory, net	514	(534)	343	37	(880)
Other current and non-current assets	2,113	(312)	208	(457)	(2,907)
Accounts payable	5,239	(332)	(2,560)	4,722	(2,006)
Accrued and other current liabilities	121	2,340	930	4,784	3,387
Seller payable	1,850	955	384	1,470	1,515
Operating lease liabilities	(793)	(872)	(973)	(1,311)	(1,032)
Other non-current liabilities	761	941	(309)	4	—
Net cash (used in) provided by operating activities	7,635	(3,396)	(14,242)	1,077	(10,167)
Cash flows from investing activities					
Purchases of marketable securities	—	—	—	—	(57,418)
Purchase of property and equipment	(6,022)	(3,664)	(5,065)	(4,099)	(4,900)
Net cash used in investing activity	(6,022)	(3,664)	(5,065)	(4,099)	(62,318)
Cash flows from financing activities					
Proceeds from debt issuances, net of issuance costs	8,427	5,000	4,925	4,625	—
Repayment of debt	(476)	—	—	—	—
Proceeds from issuance of Class A common stock upon initial public offering, net of underwriting discounts and commissions	—	—	—	180,284	—
Proceeds from exercise of common stock options and withholding taxes for the net share settlement of restricted stock units	232	1,568	360	1,875	930
Payment of costs for the initial public offering	—	(570)	(466)	(1,733)	(1,900)
Net cash (used in) provided by financing activities	8,183	5,998	4,819	185,051	(970)
Net increase (decrease) in cash, cash equivalents and restricted cash and cash equivalents	9,796	(1,062)	(14,488)	182,029	(73,455)
Cash, cash equivalents and restricted cash and cash equivalents					
Beginning of period	73,293	83,089	82,027	67,539	249,568
End of period	\$ 83,089	\$ 82,027	\$ 67,539	\$ 249,568	\$ 176,113

About ThredUp Inc.

thredUP is transforming resale with technology and a mission to inspire a new generation of consumers to think secondhand first. By making it easy to buy and sell secondhand, thredUP has become one of the world's largest resale platforms for women's and kids' apparel, shoes and accessories. Sellers love thredUP because we make it easy to clean out their closets and unlock value for themselves or for the charity of their choice while doing good for the planet. Buyers love shopping value, premium and luxury brands all in one place, at up to 90% off estimated retail price. Our proprietary operating platform is the foundation for our managed marketplace and consists of distributed processing infrastructure, proprietary software and systems and data science expertise. In 2018, we extended our platform with thredUP's Resale-As-A-Service (RaaS[®]), which facilitates modern resale for a number of the world's leading brands and retailers. thredUP has processed over 125 million unique secondhand items from 35,000 brands across 100 categories. By extending the life cycle of clothing, thredUP is changing the way consumers shop and ushering in a more sustainable future for the fashion industry.

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws, which are statements that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "shall," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements in this presentation include, but are not limited to, guidance on financial results for the second quarter and full year of 2021; statements about future operating results and our long term growth; the momentum of our business; the growth rates in the markets in which we compete; the impact of the COVID-19 pandemic on consumer behavior and our business; our investments in technology and infrastructure; our expectations regarding the timing, consideration, terms and benefits of the acquisition of Remix; the success of our RaaS model and the timing and plans for future RaaS clients; and our ability to attract new Active Buyers.

The forward-looking statements contained in this presentation are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission ("SEC"), including in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the final prospectus for our initial public offering filed on March 26, 2021 and in our most recent Quarterly Reports on Form 10-Q. The forward-looking statements in this presentation are based on information available to us as of the date hereof, and we disclaim any obligation to update any forward-looking statements, except as required by law. These

forward-looking statements should not be relied upon as representing thredUP's views as of any date subsequent to the date of this presentation.

Additional information regarding these and other factors that could affect thredUP's results is included in thredUP's SEC filings, which may be obtained by visiting our Investor Relations website at ir.thredup.com or the SEC's website at www.sec.gov.

Operating Metrics

An Active Buyer is a thredUP buyer who has made at least one purchase in the last twelve months. A thredUP buyer is a customer who has created an account in our marketplace. A thredUP buyer is identified by a unique email address and a single person could have multiple thredUP accounts and count as multiple Active Buyers.

Orders are defined as the total number of orders placed by buyers across our marketplace, including through our RaaS partners, in a given period, net of cancellations.

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures: Adjusted EBITDA, Adjusted EBITDA margin and non-GAAP operating expenses. In addition to our results determined in accordance with GAAP, we believe that Adjusted EBITDA, Adjusted EBITDA margin and non-GAAP operating expenses, non-GAAP measures, are useful in evaluating our operating performance. We use Adjusted EBITDA, Adjusted EBITDA margin and non-GAAP operating expenses to evaluate and assess our operating performance and the operating leverage in our business, and for internal planning and forecasting purposes. We believe that Adjusted EBITDA, Adjusted EBITDA margin and non-GAAP operating expenses, when taken collectively with our GAAP results, may be helpful to investors because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. Adjusted EBITDA, Adjusted EBITDA margin and non-GAAP operating expenses are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP and may be different from a similarly-titled non-GAAP measure used by other companies.

A reconciliation is provided above for Adjusted EBITDA to net loss and non-GAAP operating expenses to total operating expenses, respectively, the most directly comparable financial measures stated in accordance with GAAP. We calculate Adjusted EBITDA as net loss adjusted to exclude, where applicable in a given period, depreciation and amortization, stock-based compensation expense, interest expense, change in fair value of convertible preferred stock warrant liability and provision for income taxes. We calculate non-GAAP operating expenses as total operating expenses less stock-based compensation expenses.

Investors are encouraged to review our results determined in accordance with GAAP and the reconciliation of Adjusted EBITDA to net loss and non-GAAP operating expenses to total operating expenses. thredUP is not providing a quantitative reconciliation of forward-looking guidance of Adjusted EBITDA to net loss because certain items are out of thredUP's control or cannot be reasonably predicted. Historically, these items have included, but are not limited to, depreciation and amortization, stock-based compensation expense, change in fair value of convertible preferred stock warrant liability and provision for income taxes. Accordingly, a reconciliation for Adjusted EBITDA in order to calculate forward-looking Adjusted EBITDA margin is not available without unreasonable effort. However, for the third quarter of 2021 and full year 2021 depreciation and amortization is expected to be \$1.9 million and \$7.7 million, respectively. In addition, for the third quarter of 2021 and full year 2021 stock-based compensation expense is expected to be \$2.9 million and \$12.3 million, respectively. These items are uncertain, depend on various factors, and could result in projected net loss being materially less than is indicated by the currently estimated Adjusted EBITDA margin.