



Supplemental Financial Tables

Q4 2023

Supplemental Financial Tables

Carvana's long-term financial goal is to generate significant GAAP net income and free cash flow. However, over the last year, we have focused on driving progress in a set of intermediate (Non-GAAP) financial metrics that are key inputs into that long-term goal. To clearly demonstrate our progress and highlight the most meaningful drivers within our business, we report three non-GAAP financial metrics: Non-GAAP Gross Profit, Non-GAAP SG&A Expense, and Adjusted EBITDA. The Non-GAAP metrics presented in these tables do not represent and should not be considered an alternative to net income (loss), gross profit, or SG&A, as determined by U.S. GAAP.

Non-GAAP Gross Profit and Non-GAAP GPU – Non-GAAP Gross Profit is defined as GAAP Gross Profit plus depreciation and amortization in cost of sales, share-based compensation including the CEO Milestone Gift in cost of sales, and restructuring costs, minus revenue related to our Root warrants. Non-GAAP GPU is Non-GAAP Gross Profit divided by retail vehicle unit sales.

Non-GAAP SG&A Expense and Non-GAAP SG&A Expense per Unit – Non-GAAP SG&A Expense is defined as GAAP SG&A expense minus depreciation and amortization in SG&A expense, share-based compensation including the CEO Milestone Gift in SG&A expense, and restructuring costs. Non-GAAP SG&A Expense per Unit is Non-GAAP SG&A Expense divided by retail vehicle unit sales.

Adjusted EBITDA and Adjusted EBITDA Margin – Adjusted EBITDA is defined as net income (loss) plus income tax provision, interest expense, other (income) expense, net, depreciation and amortization in cost of sales and SG&A expense, goodwill impairment, share-based compensation including the CEO Milestone Gift in cost of sales and SG&A expense, and restructuring costs, minus revenue related to our Root warrants and gain on debt extinguishment. Following the ADESA Acquisition, we are also excluding depreciation and amortization in cost of sales, which has historically been only a small component of cost of sales. Adjusted EBITDA margin is Adjusted EBITDA as a percentage of total revenues.

Also of note, these non-GAAP metrics allow for a simple formula for understanding the business:

$$\text{Non-GAAP Gross Profit} \textit{ minus} \text{ Non-GAAP SG\&A Expense} = \text{Adjusted EBITDA}$$

Quarterly Units

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
Retail units sold	92,457	107,815	111,949	113,016	105,185	117,564	102,570	86,977	79,240	76,530	80,987	76,090
Wholesale vehicle units sold	26,040	47,052	50,204	46,760	50,280	55,299	47,763	39,918	35,110	46,453	40,886	34,096
Wholesale marketplace units sold	-	-	-	-	-	111,883	193,061	180,389	213,764	227,698	221,368	208,370

Quarterly GPU

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
<i>Per retail unit sold</i>												
(1) Retail GPU, GAAP	\$ 1,211	\$ 2,022	\$ 1,769	\$ 1,495	\$ 808	\$ 1,131	\$ 1,131	\$ 425	\$ 1,388	\$ 2,666	\$ 2,692	\$ 2,812
(2) Wholesale GPU, GAAP	228	547	420	549	219	383	448	230	883	849	618	526
(3) Other GPU, GAAP	2,217	2,551	2,483	2,522	1,806	1,854	1,921	1,564	2,032	3,005	2,642	1,945
(4) Total GPU, GAAP	\$ 3,656	\$ 5,120	\$ 4,672	\$ 4,566	\$ 2,833	\$ 3,368	\$ 3,500	\$ 2,219	\$ 4,303	\$ 6,520	\$ 5,952	\$ 5,283
(5) D&A	54	56	54	62	76	230	351	494	556	575	518	513
(6) Gift	-	-	-	-	76	51	19	-	-	-	-	-
(7) Root warrant revenue	-	-	-	-	-	-	-	(80)	(63)	(65)	(74)	(66)
(8) Restructuring	-	-	-	-	-	34	-	34	-	-	-	-
Total GPU, Non-GAAP	\$ 3,710	\$ 5,176	\$ 4,726	\$ 4,628	\$ 2,985	\$ 3,683	\$ 3,870	\$ 2,667	\$ 4,796	\$ 7,030	\$ 6,396	\$ 5,730

Numbers may not foot due to rounding.

Notes

- (5) D&A includes depreciation and amortization expenses in cost of sales.
- (6) Gift includes costs related to our CEO's gift of personal stock to Carvana employees.
- (7) Root warrant revenue represents the non-cash impact of earning Root warrants associated with our partnership with Root.
- (8) Restructuring includes costs related to our May 2022 and November 2022 reductions in force.

Quarterly Retail GPU

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
<i>Dollars in millions</i>												
(1) Retail revenue	\$ 1,800	\$ 2,504	\$ 2,650	\$ 2,897	\$ 2,732	\$ 2,962	\$ 2,492	\$ 2,068	\$ 1,827	\$ 1,961	\$ 1,949	\$ 1,777
(2) Retail cost of sales, GAAP	1,688	2,286	2,452	2,728	2,647	2,829	2,376	2,031	1,717	1,757	1,731	1,563
(3) Retail gross profit, GAAP	\$ 112	\$ 218	\$ 198	\$ 169	\$ 85	\$ 133	\$ 116	\$ 37	\$ 110	\$ 204	\$ 218	\$ 214
(4) D&A	4	5	5	6	7	11	12	15	16	15	15	12
(5) Gift	-	-	-	-	8	6	2	-	-	-	-	-
(6) Restructuring	-	-	-	-	-	4	-	3	-	-	-	-
(7) Retail gross profit, Non-GAAP	\$ 116	\$ 223	\$ 203	\$ 175	\$ 100	\$ 154	\$ 130	\$ 55	\$ 126	\$ 219	\$ 233	\$ 226
<i>Per retail unit sold</i>												
(8) Retail revenue	\$ 19,468	\$ 23,225	\$ 23,671	\$ 25,634	\$ 25,973	\$ 25,194	\$ 24,296	\$ 23,776	\$ 23,056	\$ 25,624	\$ 24,066	\$ 23,354
(9) Retail cost of sales, GAAP	18,257	21,203	21,902	24,138	25,165	24,063	23,165	23,351	21,668	22,958	21,374	20,542
(10) Retail GPU, GAAP	\$ 1,211	\$ 2,022	\$ 1,769	\$ 1,495	\$ 808	\$ 1,131	\$ 1,131	\$ 425	\$ 1,388	\$ 2,666	\$ 2,692	\$ 2,812
(11) D&A	43	46	45	53	66	93	118	173	203	196	185	158
(12) Gift	-	-	-	-	76	51	19	-	-	-	-	-
(13) Restructuring	-	-	-	-	-	34	-	34	-	-	-	-
(14) Retail GPU, Non-GAAP	\$ 1,254	\$ 2,068	\$ 1,814	\$ 1,549	\$ 950	\$ 1,309	\$ 1,268	\$ 632	\$ 1,591	\$ 2,862	\$ 2,877	\$ 2,970

Numbers may not foot due to rounding.

Notes

- (4) D&A includes depreciation and amortization expenses in cost of sales.
- (5) Gift includes costs related to our CEO's gift of personal stock to Carvana employees.
- (6) Restructuring includes costs related to our May 2022 and November 2022 reductions in force.

Quarterly Wholesale Vehicle GPU

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
<i>Dollars in millions</i>												
(1) Wholesale vehicle revenue	\$ 240	\$ 557	\$ 552	\$ 571	\$ 575	\$ 596	\$ 504	\$ 444	\$ 407	\$ 554	\$ 393	\$ 294
(2) Wholesale vehicle cost of sales, GAAP	219	498	505	509	552	556	471	428	363	515	365	266
(3) Wholesale vehicle gross profit, GAAP	\$ 21	\$ 59	\$ 47	\$ 62	\$ 23	\$ 40	\$ 33	\$ 16	\$ 44	\$ 39	\$ 28	\$ 28
(4) D&A	1	1	1	1	1	1	2	3	2	3	2	2
(5) Wholesale vehicle gross profit, Non-GAAP	\$ 22	\$ 60	\$ 48	\$ 63	\$ 24	\$ 41	\$ 35	\$ 19	\$ 46	\$ 42	\$ 30	\$ 30
<i>Per retail unit sold</i>												
(6) Wholesale vehicle revenue	\$ 2,596	\$ 5,166	\$ 4,931	\$ 5,052	\$ 5,467	\$ 5,070	\$ 4,913	\$ 5,105	\$ 5,136	\$ 7,239	\$ 4,853	\$ 3,864
(7) Wholesale vehicle cost of sales, GAAP	2,368	4,619	4,511	4,504	5,248	4,730	4,592	4,921	4,581	6,730	4,506	3,496
(8) Wholesale vehicle GPU, GAAP	\$ 228	\$ 547	\$ 420	\$ 549	\$ 219	\$ 340	\$ 321	\$ 184	\$ 555	\$ 509	\$ 347	\$ 368
(9) D&A	11	9	9	9	10	9	19	34	25	39	25	26
(10) Wholesale vehicle GPU, Non-GAAP	\$ 239	\$ 556	\$ 429	\$ 557	\$ 229	\$ 349	\$ 340	\$ 218	\$ 580	\$ 548	\$ 372	\$ 394

Numbers may not foot due to rounding.

Notes

(4) D&A includes depreciation and amortization expenses in cost of sales.

Quarterly Wholesale Marketplace GPU

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
<i>Dollars in millions</i>												
(1) Wholesale marketplace revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108	\$ 193	\$ 189	\$ 211	\$ 223	\$ 217	\$ 205
(2) Wholesale marketplace cost of sales, GAAP	-	-	-	-	-	103	180	185	185	197	195	193
(3) Wholesale marketplace gross profit, GAAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 13	\$ 4	\$ 26	\$ 26	\$ 22	\$ 12
(4) D&A	-	-	-	-	-	15	22	25	26	26	25	25
(5) Wholesale marketplace gross profit, Non-GAAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ 35	\$ 29	\$ 52	\$ 52	\$ 47	\$ 37
<i>Per retail unit sold</i>												
(6) Wholesale marketplace revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 919	\$ 1,882	\$ 2,173	\$ 2,663	\$ 2,914	\$ 2,679	\$ 2,694
(7) Wholesale marketplace cost of sales, GAAP	-	-	-	-	-	876	1,755	2,127	2,335	2,574	2,408	2,536
(8) Wholesale marketplace GPU, GAAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43	\$ 127	\$ 46	\$ 328	\$ 340	\$ 271	\$ 158
(9) D&A	-	-	-	-	-	128	214	287	328	340	308	329
(10) Wholesale marketplace GPU, Non-GAAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171	\$ 341	\$ 333	\$ 656	\$ 680	\$ 579	\$ 487

Numbers may not foot due to rounding.

Notes

(4) D&A includes depreciation and amortization expenses in cost of sales.

Quarterly Other GPU

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
<i>Dollars in millions</i>												
(1) Other gross profit, GAAP	\$ 205	\$ 275	\$ 278	\$ 285	\$ 190	\$ 218	\$ 197	\$ 136	\$ 161	\$ 230	\$ 214	\$ 148
(2) Root warrant revenue	-	-	-	-	-	-	-	(7)	(5)	(5)	(6)	(5)
(3) Other gross profit, Non-GAAP	\$ 205	\$ 275	\$ 278	\$ 285	\$ 190	\$ 218	\$ 197	\$ 129	\$ 156	\$ 225	\$ 208	\$ 143
<i>Per retail unit sold</i>												
(4) Other GPU, GAAP	\$ 2,217	\$ 2,551	\$ 2,483	\$ 2,522	\$ 1,806	\$ 1,854	\$ 1,921	\$ 1,564	\$ 2,032	\$ 3,005	\$ 2,642	\$ 1,945
(5) Root warrant revenue	-	-	-	-	-	-	-	(80)	(63)	(65)	(74)	(66)
(6) Other GPU, Non-GAAP	\$ 2,217	\$ 2,551	\$ 2,483	\$ 2,522	\$ 1,806	\$ 1,854	\$ 1,921	\$ 1,483	\$ 1,969	\$ 2,940	\$ 2,568	\$ 1,879

Numbers may not foot due to rounding.

Notes

(2) Root warrant revenue represents the non-cash impact of earning Root warrants associated with our partnership with Root.

Quarterly SG&A Expense (\$m)

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<i>Dollars in millions</i>												
(1) Compensation and benefits	\$ 126	\$ 148	\$ 181	\$ 212	\$ 256	\$ 252	\$ 223	\$ 212	\$ 176	\$ 163	\$ 160	\$ 162
(2) Advertising	100	119	126	134	155	131	117	87	56	57	56	59
(3) Market occupancy	13	15	18	24	23	24	23	23	21	18	16	16
(4) Logistics	30	34	40	44	56	71	57	51	35	29	29	26
(5) Other	128	154	181	206	237	243	236	259	184	185	172	176
(6) Total SG&A, GAAP	\$ 397	\$ 470	\$ 546	\$ 620	\$ 727	\$ 721	\$ 656	\$ 632	\$ 472	\$ 452	\$ 433	\$ 439
(7) D&A	22	24	26	33	37	49	57	57	49	46	45	43
(8) Gift SBC	-	-	-	-	18	4	2	-	(1)	-	-	-
(9) SBC ex Gift	8	9	11	11	10	9	14	12	16	20	18	20
(10) Restructuring	-	-	-	-	-	10	-	40	4	3	-	-
(11) Total SG&A, Non-GAAP	\$ 367	\$ 437	\$ 509	\$ 576	\$ 662	\$ 649	\$ 583	\$ 523	\$ 404	\$ 383	\$ 370	\$ 376
<i>(12) Additional SG&A Expense Detail</i>												
(13) Retail and wholesale vehicle operations	\$ 190	\$ 232	\$ 276	\$ 310	\$ 351	\$ 338	\$ 271	\$ 251	\$ 185	\$ 163	\$ 158	\$ 154
(14) Wholesale marketplace operations	-	-	-	-	-	5	12	13	15	15	15	13
(15) Overhead	77	86	107	132	156	175	183	172	148	148	141	150

Notes

Numbers may not foot due to rounding.

(7) D&A includes depreciation and amortization expenses in SG&A expense.

(8) Gift SBC includes costs related to our CEO's gift of personal stock to Carvana employees.

(9) SBC ex Gift includes share-based compensation expense in SG&A expense other than that related to our CEO's gift of personal stock to Carvana employees.

(10) Restructuring includes costs related to our May 2022 and November 2022 reductions in force, as well as lease termination and other restructuring expenses.

(12) Additional SG&A Expense Detail represented here is a reallocation of the SG&A expense categories presented above, excluding Advertising, D&A, Gift SBC, SBC ex Gift, and Restructuring.

(13, 14) Operations expenses tend to be more variable in nature, although they also have some semi-fixed components, resulting from, for example, operations management payroll and under-utilization of logistics capacity.

(15) Overhead expenses tend to be more fixed in nature, although they also have some semi-variable components, including certain corporate payroll and technology expenses.

Quarterly SG&A Per Retail Unit

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<i>Per retail unit sold</i>												
(1) Compensation and benefits	\$ 1,363	\$ 1,373	\$ 1,617	\$ 1,876	\$ 2,434	\$ 2,144	\$ 2,174	\$ 2,437	\$ 2,221	\$ 2,130	\$ 1,976	\$ 2,129
(2) Advertising	1,082	1,104	1,126	1,186	1,474	1,114	1,141	1,000	707	745	691	775
(3) Market occupancy	141	139	161	212	219	204	224	265	265	235	198	210
(4) Logistics	324	315	357	389	532	604	556	586	442	379	358	342
(5) Other	1,384	1,428	1,617	1,823	2,253	2,067	2,301	2,978	2,322	2,417	2,124	2,313
(6) Total SG&A, GAAP	\$ 4,294	\$ 4,359	\$ 4,877	\$ 5,486	\$ 6,912	\$ 6,133	\$ 6,396	\$ 7,266	\$ 5,957	\$ 5,906	\$ 5,347	\$ 5,769
(7) D&A	238	223	232	292	352	417	556	655	618	601	556	564
(8) Gift SBC	-	-	-	-	171	34	19	-	(12)	-	-	-
(9) SBC ex Gift	87	83	98	97	95	77	136	138	202	261	222	263
(10) Restructuring	-	-	-	-	-	85	-	460	51	39	-	-
(11) Total SG&A per Unit, Non-GAAP	\$ 3,969	\$ 4,053	\$ 4,547	\$ 5,097	\$ 6,294	\$ 5,520	\$ 5,684	\$ 6,013	\$ 5,098	\$ 5,005	\$ 4,569	\$ 4,942
<i>(12) Additional SG&A Expense Detail</i>												
(13) Retail and wholesale vehicle operations	\$ 2,055	\$ 2,152	\$ 2,465	\$ 2,743	\$ 3,337	\$ 2,875	\$ 2,642	\$ 2,886	\$ 2,335	\$ 2,130	\$ 1,951	\$ 2,024
(14) Wholesale marketplace operations	-	-	-	-	-	43	117	149	189	196	185	\$ 171
(15) Overhead	833	798	956	1,168	1,483	1,489	1,784	1,978	1,868	1,934	1,741	\$ 1,972

Notes

Numbers may not foot due to rounding.

(7) D&A includes depreciation and amortization expenses in SG&A expense.

(8) Gift SBC includes costs related to our CEO's gift of personal stock to Carvana employees.

(9) SBC ex Gift includes share-based compensation expense in SG&A expense other than that related to our CEO's gift of personal stock to Carvana employees.

(10) Restructuring includes costs related to our May 2022 and November 2022 reductions in force, as well as lease termination and other restructuring expenses.

(12) Additional SG&A Expense Detail represented here is a reallocation of the SG&A expense categories presented above, excluding Advertising, D&A, Gift SBC, SBC ex Gift, and Restructuring.

(13, 14) Operations expenses tend to be more variable in nature, although they also have some semi-fixed components, resulting from, for example, operations management payroll and under-utilization of logistics capacity.

(15) Overhead expenses tend to be more fixed in nature, although they also have some semi-variable components, including certain corporate payroll and technology expenses.

Quarterly Adjusted EBITDA (\$m)

	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>	<u>Q4 2021</u>	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
<i>Dollars in millions</i>												
(1) Revenue	\$ 2,245	\$ 3,336	\$ 3,480	\$ 3,753	\$ 3,497	\$ 3,884	\$ 3,386	\$ 2,837	\$ 2,606	\$ 2,968	\$ 2,773	\$ 2,424
(2) Gross profit, GAAP	338	552	523	516	298	396	359	193	341	499	482	402
Less:												
(3) SG&A expense, GAAP	397	470	546	620	727	721	656	632	472	452	433	439
Add back:												
(4) D&A	27	30	32	40	45	76	93	100	93	90	87	82
(5) Gift SBC	-	-	-	-	26	10	4	-	(1)	-	-	-
(6) SBC ex Gift	8	9	11	11	10	9	14	12	16	20	18	20
(7) Root warrant revenue	-	-	-	-	-	-	-	(7)	(5)	(5)	(6)	(5)
(8) Restructuring	-	-	-	-	-	14	-	43	4	3	-	-
(9) Adjusted EBITDA	\$ (24)	\$ 121	\$ 20	\$ (53)	\$ (348)	\$ (216)	\$ (186)	\$ (291)	\$ (24)	\$ 155	\$ 148	\$ 60
(10) Net income (loss)	\$ (82)	\$ 45	\$ (68)	\$ (182)	\$ (506)	\$ (439)	\$ (508)	\$ (1,441)	\$ (286)	\$ (105)	\$ 741	\$ (200)

Numbers may not foot due to rounding.

Notes

- (4) D&A includes depreciation and amortization expenses in cost of sales and SG&A expense.
- (5) Gift SBC includes costs related to our CEO's gift of personal stock to Carvana employees.
- (6) SBC ex Gift includes share-based compensation expense in SG&A expense other than that related to our CEO's gift of personal stock to Carvana employees.
- (7) Root warrant revenue represents the non-cash impact of earning Root warrants associated with our partnership with Root.
- (8) Restructuring includes costs related to our May 2022 and November 2022 reductions in force, as well as lease termination and other restructuring expenses.
- (10) Net Income (loss) includes a non-cash goodwill impairment charge of \$847 million in Q4 2022 and a non-cash gain on debt extinguishment of \$878 million in Q3 2023.