

# The RealReal

To our community,

Resale is not just a trend; it is going to shape the next era of fashion and change the way consumers shop. The RealReal recognized early on the transformative potential of resale and the profound impact it can have on people, planet and innovation, which is what drew me to the company in 2023.

Since its founding in 2011, The RealReal grew by double and triple digits year over year, went public in 2019, navigated and overcame a global pandemic, macro tailwinds, inflation and economic instability. I am elated and proud of the way this team navigated this rapid, ever-evolving consumer landscape. Given so much has changed since our inception more than a decade ago, I wanted to take this opportunity to reassert our commitments and reflect on just how incredible The RealReal *really* is.

First and foremost, **we will continue to build our business based on trust.** We pioneered the resale industry by establishing trust with our millions of members. Our trust is built on authentication, expertise, innovation and collaboration with our vast community. Our authentication process is fueled by our decade's worth of rich data that powers our AI, and is overseen by hundreds of experts and authenticators. This unparalleled combination has kept hundreds of thousands of counterfeits off the secondhand market and created a safe and reliable luxury resale platform. Second, we listen. We're deeply committed to listening to the market, to our customers, and to our shareholders to grow and evolve our business. We will remain focused on delivering exceptional, luxury service.

Secondly, **we will reinforce our unique business model, which is built on a combination of art and science.** Our unique mix of technology, innovation, scale and human expertise is what allows us to move 1 million individual luxury skus through our system per month, connecting one individual seller to one individual buyer. We authenticate using technology and data. Our curation is led by best in class industry experts. It's this combination of cutting-edge technology and our experts' insatiable passion for luxury that truly differentiates us. There is no other resale platform that delivers this level of luxury service at this scale.

Thirdly, I want to **reaffirm our unwavering commitment to sustainability.** It's not just one of our company's values, it's fundamentally who we are, in all aspects of its meaning. We keep well-made items in circulation and out of landfill, extending the life of these luxury items. We created a community –inside and out– that champions a cleaner future for fashion and for the next generation of leaders, thinkers and innovators. And, we've built a business that's financially and operationally sustainable, while growing a community of luxury and environmental stewards. We pledge to continue leading the charge towards a more sustainable industry and forge our own path as a sustainable and thriving business.

Finally, we'll **continue to demonstrate the viability of resale and of The RealReal.** From day one, we set out to prove that the resale industry can be profitable while upholding the highest standards of service. In that pursuit, we are committed to pushing the boundaries of what's possible in the resale industry.

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As we continue on our journey, I want to express my deepest gratitude to each and every one of you for your continued support and trust in The RealReal. We will continue to remain transparent, deliver on a luxury experience, and double down on creating a sustainable and equitable future for our people (inside and out) and our planet.

Together, we are not just reshaping the fashion industry; we are building a better future. Thank you for being part of our story.

John E. Koryl, CEO