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): November 12, 2024

GROVE COLLABORATIVE HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-40263	88-2840659
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1301 Sansome Street **San Francisco, California**	**94111**
(Address of principal executive offices)	(Zip Code)

(800) 231-8527
(Registrant's telephone number, including area code)

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	**GROV**	**New York Stock Exchange**

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 November 12, 2024, Grove Collaborative Holdings, Inc. (the "Company") issued a press release announcing its earnings for the three and nine months ended September 30, 2024. A copy of such press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

The information provided pursuant to this Item 2.02, including Exhibit 99.1 attached hereto, is being furnished to the Securities and Exchange Commission 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 into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language within such filings except as expressly set forth by specific reference in such filing

Item 7.01 Regulation FD Disclosure

Investor Presentation

On November 12, 2024, the Company posted an investor presentation on its investor relations website at investors.grove.co, which may be used in presentations by the Company's management to investors, analysts and others from time to time. A copy of this presentation is furnished as Exhibit 99.2 and incorporated into this Item 7.01 by reference.

The foregoing (including Exhibit 99.2) is being furnished pursuant to Item 7.01 and will not be deemed to be filed for purposes of Section 18 of the Exchange Act or otherwise be subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filings, except as expressly set forth by specific reference in such filing. The submission of the information set forth in this Item 7.01 shall not be deemed an admission as to the materiality of any information in this Item 7.01, including the information presented in Exhibit 99.2 that is provided solely in connection with Regulation FD.

Item 9.01 Financial Statements and Exhibits.
(d) Exhibits.

Exhibit No.	Description
99.1	Press Release dated November 12, 2024 announcing the Company's earnings for the quarter ended September 30, 2024
99.2	Investor Presentation dated November 12, 2024
104	Cover Page Interactive Data File (formatted as Inline XBRL)

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.

GROVE COLLABORATIVE HOLDINGS, INC.

By:	/s/ Sergio Cervantes
Name:	Sergio Cervantes
Title:	Chief Financial Officer

Date: November 12, 2024

Exhibit 99.1

Grove Announces Third Quarter 2024 Financial Results

- Delivers Third Quarter 2024 Positive Operating Cash Flow of $0.8 Million
- Raises $15M PIPE Investment from Volition Capital
- Announces Exit from Brick & Mortar Retail Channel, Doubles Down on Direct-to-Consumer foundation
- Shifts Strategic Focus to Equal Balance Between Both Environmental and Human Health in Customer Education, Offering
- Announces Revised Full Year 2024 Revenue Guidance

SAN FRANCISCO, CA — November 12, 2024 — Grove Collaborative Holdings, Inc. (NYSE: GROV) ("Grove" or "the Company"), the world's first plastic neutral retailer, a leading sustainable consumer products company, certified B Corporation, and Public Benefit Corporation, today reported financial results for its fiscal third quarter ended September 30, 2024.

"We are making essential progress in our multi-year turnaround journey," said Jeff Yurcisin, Chief Executive Officer of Grove Collaborative. "First, we want to reinforce that, amidst this transformation, our priorities remain clear: drive profitability, strengthen our balance sheet, foster revenue growth, and advance sustainability. When we deliver on these priorities, we will set the stage for being THE destination for conscientious customers who buy natural and environmentally-friendly products. There is also a strategic opportunity for us to expand how we talk about sustainability with our customers by educating them on products that are both good for them AND good for the planet - encompassing environmental AND human health in our differentiated offering. We're excited to integrate this into our marketing, selection, and customer experience in the coming months.

We've also made the decision to focus our efforts on e-commerce while operating more efficiently overall with the customer at the center of everything we do. Furthermore, the $15 million investment from Volition during the quarter enables us to pay down our remaining term debt and reduce interest expense. We continue to forecast sequential revenue growth in the fourth quarter of this year, which remains a key priority, as we stay committed to achieving sustainable, profitable growth as our ultimate goal."

Third Quarter 2024 Financial Results

Revenue was $48.3 million, compared to $52.1 million in the second quarter of 2024 and $61.8 million in the third quarter of 2023. The sequential and year-over-year declines were driven by fewer repeat orders and lower advertising spend throughout 2024 compared to prior years. The sequential decline was also driven by a decrease in Net Revenue per Order and a $0.8 million reduction to retail revenue due to estimated brick and mortar markdowns.

Gross Margin was 53.0%, compared to 53.9% in the second quarter of 2024 and 53.8% in the third quarter of 2023. The sequential decline was primarily due to the estimated brick and mortar retail markdowns noted above. The year-over-year decline was due to the elimination of certain customer fees previously charged to customers and lower product margins from a higher percentage of revenue coming from third party products.

Operating Expenses were $32.3 million, representing a 7.6% decrease compared to $35.0 million in the second quarter of 2024 and a 13.4% decrease compared to $37.3 million in the third quarter of 2023. The sequential decline is mostly due to a $2.2 million restructuring charge incurred in the prior quarter and lower fulfillment and stock based compensation expenses. This was partially offset by $1.2 million of costs associated with moving the Company's Reno fulfillment center in the current quarter to a lower cost facility. The year-over-year decline is driven by lower fulfillment costs from fewer orders and savings across several expense categories as a result of cost reduction measures that the Company has taken since the beginning of FY 2022, including reductions to personnel, facility, professional fees, and technology costs.

Net Loss was $1.3 million, (2.8%) Net Loss margin, compared to a net loss of $10.1 million, (19.3%) Net Loss margin, in the second quarter of 2024 and a net loss of $9.8 million, (15.9%) Net Loss margin, in the third quarter of 2023.

Adjusted EBITDA was breakeven, (0.1)% margin, compared to positive $1.1 million, 2.0% margin, in the second quarter of 2024 and $0.2 million 0.2% margin in the third quarter of 2023.

Cash, Cash Equivalents, and Restricted Cash were $55.6 million as of September 30, 2024, compared to $82.6 million at the end of the second quarter of 2024. The change in cash position was primarily driven by the Company's $42.0 million voluntary prepayment of its outstanding term debt offset by the $15.0 million investment the Company received during the third quarter from Volition Capital. Of note, the Company plans to pay off the remaining $30.0 million of its outstanding term debt facility with a portion of the Volition investment by November 30, 2024. After full repayment of the term loan, Grove's only remaining debt would be $7.5 million under its asset based loan facility.

Operating Cash Flow was $0.8 million, the fourth quarter with positive operating cash flow in the last six. The Company maintained strict expense discipline in the quarter despite the revenue decline while also reducing its inventory position to $24.5 million at the end of Q3 2024 from $27.8 million at the end of Q2 2024.

Third Quarter 2024 Key Business Highlights:

	Three months ended		
(in thousands, except DTC Net Revenue Per Order and percentages)	**September 30, 2023**	**June 30, 2024**	**September 30, 2024**
Financial and Operating Data			
Grove Brands % Net Revenue	44.8 %	41.1 %	38.5 %
DTC Total Orders	917	732	708
DTC Active Customers	1,019	745	710
DTC Net Revenue Per Order	$ 65	$ 68	$ 67

Grove Brands % of Net Revenue was 38.5%, down 260 basis points quarter-over-quarter and 630 basis points year-over-year. The sequential and year-over-year declines were largely due to the continued expansion of the Company's third party product offering. The number of third party brands sold increased by 18.3% in the third quarter of 2024 compared to the third quarter of 2023 and is critical in building THE destination for conscientious customers.

Direct to Consumer (DTC) Total Orders totaled 0.7 million, down 3.3% quarter-over-quarter and 22.8% year-over-year. **DTC Active Customers**, the number of customers that have placed an order in the trailing twelve months ended September 30, 2024, also totaled 0.7 million, down 4.8% compared to the second quarter of 2024 and 30.4% compared to the third quarter of 2023. The year-over-year declines continued to be impacted by lower advertising spend relative to prior years. The sequential declines have slowed as our customer base stabilizes in the aggregate.

DTC Net Revenue Per Order was $67.02 in the third quarter of 2024, a decrease of 1.0% compared to the second quarter of 2024 but an increase of 2.7% compared to the third quarter of 2023. The year-over-year improvement was due to an increase in the average number of units per order, particularly of third party products, as well as favorable product mix and strategic price increases. The sequential decline was primarily driven by a higher percentage of first orders from an increase in DTC Advertising spend, which have lower average net revenue per order.

Brick & Mortar Retail Update:

The Company is announcing that it is doubling down on its direct to consumer business and heritage by exiting Grove Co. branded products from brick and mortar retail locations nationwide. Brick and mortar accounts for less than 4% of Grove's revenue and has been consistently unprofitable since launching in April 2021. The Company believes that it can deliver higher returns by focusing its investment in its DTC channels. After more than three years in the channel and with a renewed focus on serving its core 57 million conscientious customers, Grove is confident that the best path to a sustainable business with profitable revenue growth is meeting that customer online. The Company plans to see through current contracts and sell existing inventory with brick and mortar retail partners through early 2025. Grove will continue expanding its flagship brand, Grove Co., as an exclusive for direct to consumer channels that serves as one of the most sustainable product lines available in the consumer goods sector.

Plastic Intensity[1]:

Plastic intensity across the entire Grove business (across all online and retail sales) was 1.06 pounds of plastic per $100 in net revenue in the third quarter of 2024, up from 1.02 pounds in the second quarter of 2024 but down from 1.11 pounds in the third quarter of 2023.

Financial Outlook:

The Company is revising revenue guidance for the full fiscal year 2024 to $200 to $205 million, a change from $205 to $215 million.

The Company is maintaining Adjusted EBITDA Margin guidance of 0.5% to 1.5%.

Conference Call Information:

The Company will host an investor conference call and webcast to review these financial results at 5:00pm ET / 2:00pm PT on November 12, 2024. The webcast can be accessed at https://investors.grove.co/. The conference call can be accessed by calling 877-413-7205. International callers may dial 201-689-8537. A replay of the call will be available until December 12, 2024 and can be accessed by dialing 877-660-6853 or 201-612-7415, access code: 13749762. The webcast will remain available on the Company's investor relations website for 6 months following the webcast.

About Grove Collaborative Holdings, Inc.

Grove Collaborative Holdings, Inc. (NYSE: GROV) is the one-stop online destination for sustainable everyday essentials. Driven by the belief that changing the world starts with what you bring into your home, Grove creates and curates household cleaning, personal care, health and wellness, laundry, clean beauty, baby, and pet care products from over 240 brands that help you Go Beyond Plastic. Everything Grove sells meets a higher standard — from ingredients to performance to packaging and environmental impact — so you get a great value without compromising your values. With Grove, you can see, track, and celebrate your sustainable choices. Be a force of nature at Grove.com.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements regarding the paydown of Grove's remaining term debt, Grove's plans relating to the exit of its retail channel, delivering higher returns by focusing its investment in DTC, expansion of the Grove Co. brand, future sustainable profitable growth and Grove's 2024 guidance for Net Revenue and Adjusted EBITDA margin. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. The forward-looking statements contained in this press release are based on Grove's current expectations and beliefs in light of the Company's experience and perception of historical trends, current conditions and expected future developments and their potential effects on the Company as well as other factors believed to be appropriate under the circumstances. There can be no assurance that future developments affecting the Company will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the Company's control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements, including changes in business, market, financial, political and legal conditions; legal and regulatory matters and developments; risks relating to the uncertainty of the projected financial information; Grove's ability to successfully expand their business; competition; the uncertain effects of the COVID-19 pandemic; risks relating to inflation and interest rates; effectiveness of the Company's ecommerce platform and selling and marketing efforts; demand for Grove products and other brands that it sells and those factors discussed in documents filed, or to be filed, with the U.S. Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should any assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. All forward-looking statements in this press release are made as of the date hereof, based on information available to Grove as of the date hereof, and Grove assumes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Non-GAAP Financial Measures

Some of the financial information and data contained in this press release, such as Adjusted EBITDA and Adjusted EBITDA margin, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). These non-GAAP financial measures, and other measures that are calculated using such non-GAAP measures, are an addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to revenue, operating income, profit before tax, net income or any other performance measures derived in accordance with GAAP. Investors should not consider them in isolation from, or as a substitute for, GAAP measures. A reconciliation of historical Adjusted EBITDA to Net Income is provided in the tables at the end of this press release. The reconciliation of projected Adjusted EBITDA and projected Adjusted EBITDA Margin to the closest corresponding GAAP measure is not available without unreasonable effort on a forward-looking basis due to the high variability, complexity, and low visibility with respect to the charges excluded from these non-GAAP measures, such as the impact of depreciation and amortization of fixed assets, amortization of internal use software, the effects of net interest expense (income), other expense (income), and non-cash stock based compensation expense. Grove believes these non-GAAP measures of financial results, including on a forward-looking basis, provide useful information to management and investors regarding certain financial and business trends relating to Grove's financial condition and results of operations. Grove's management uses these non-GAAP measures for trend analyses and for budgeting and planning purposes. Grove believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating projected operating results and trends in and in comparing Grove's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Management of Grove does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. Other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore Grove's non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

Grove calculates Adjusted EBITDA as net loss, adjusted to exclude: stock-based compensation expense; depreciation and amortization; changes in fair values of derivative liabilities; transaction costs allocated to derivative liabilities upon closing of the transaction where we became a publicly traded company; interest income; interest expense; restructuring and severance related costs; provision for income taxes and certain litigation and legal settlement expenses. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by net revenue. Because Adjusted EBITDA excludes these elements that are otherwise included in the Company's GAAP financial results, this measure has limitations when compared to net loss determined in accordance with GAAP. Further, Adjusted EBITDA is not necessarily comparable to similarly titled measures used by other companies. For these reasons, investors should not consider Adjusted EBITDA in isolation from, or as a substitute for, net loss determined in accordance with GAAP.

Investor Relations Contact

ir@grove.co

Media Relations Contact

Ryan.Zimmerman@grove.co

[1] Grove defines plastic intensity as pounds of plastic used per $100 in revenue as a way to hold itself accountable for the pace at which it decouples revenue from the use of plastic. To calculate plastic intensity, Grove Collaborative defines "plastic" as any of the following materials within both products and packaging: plastic resin codes #1-7 (from the ASTM International Resin Identification Coding System), inclusive of polyvinyl alcohol (PVA, PVOH, PVAl), silicone, bioplastics, and any plastic liners, coatings, and resins.

Grove Collaborative Holdings, Inc.
Consolidated Balance Sheets
(Unaudited)
(In thousands, except per share amounts)

	September 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 50,762	$ 86,411
Restricted cash	3,825	5,650
Inventory	24,546	28,776
Prepaid expenses and other current assets	2,708	3,359
Total current assets	81,841	124,196
Restricted cash	1,002	2,802
Property and equipment, net	5,987	11,625
Operating lease right-of-use assets	13,622	9,612
Other long-term assets	2,741	2,507
Total assets	$ 105,193	$ 150,742
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 9,668	$ 8,074
Accrued expenses	11,550	16,020
Deferred revenue	6,770	7,154
Debt, current	10,000	—
Operating lease liabilities, current	1,205	3,489
Other current liabilities	393	306
Total current liabilities	39,586	35,043
Debt, noncurrent	22,166	71,662
Operating lease liabilities, noncurrent	13,588	14,404
Derivative liabilities	3,491	11,511
Total liabilities	78,831	132,620
Redeemable convertible preferred stock, $0.0001 par value	24,842	10,000
Stockholders' equity:		
Common stock, $0.0001 par value	4	4
Additional paid-in capital	637,394	629,208
Accumulated deficit	(635,878)	(621,090)
Total stockholders' equity	1,520	8,122
Total liabilities, redeemable convertible preferred stock and stockholders' equity	$ 105,193	$ 150,742

Grove Collaborative Holdings, Inc.
Consolidated Statements of Operations
(Unaudited)

(In thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue, net	$ 48,280	$ 61,750	$ 153,924	$ 199,421
Cost of goods sold	22,678	28,516	70,519	94,624
Gross profit	25,602	33,234	83,405	104,797
Operating expenses:				
Advertising	2,820	4,062	7,312	17,392
Product development	4,802	3,578	13,864	11,846
Selling, general and administrative	24,726	29,699	76,444	102,879
Operating loss	(6,746)	(4,105)	(14,215)	(27,320)
Non-operating expenses (income):				
Interest expense	2,942	4,145	11,188	11,918
Changes in fair value of derivative liabilities	(7,813)	2,733	(8,019)	1,298
Other income, net	(550)	(1,179)	(2,627)	(6,817)
Total non-operating expenses (income), net	(5,421)	5,699	542	6,399
Loss before provision for income taxes	(1,325)	(9,804)	(14,757)	(33,719)
Provision for income taxes	11	7	31	28
Net loss	$ (1,336)	$ (9,811)	$ (14,788)	$ (33,747)
Less: Accretion on Series A preferred stock	—	(976)	—	(976)
Less: Accumulated dividends on convertible preferred stock	(174)	(82)	(474)	(82)
Net loss attributable to common stockholders, basic and diluted	$ (1,510)	$ (10,869)	$ (15,262)	$ (34,805)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.04)	$ (0.31)	$ (0.41)	$ (1.01)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	37,343,930	35,253,756	36,798,814	34,433,760

Grove Collaborative Holdings, Inc.

Consolidated Statements of Cash Flows

(Unaudited)

(In thousands)

	Nine Months Ended September 30,	
	2024	**2023**
Cash Flows from Operating Activities		
Net loss	$ (14,788)	$ (33,747)
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on lease modification	(3,139)	—
Stock-based compensation expense	9,268	11,941
Depreciation and amortization	7,401	4,359
Changes in fair value of derivative liabilities	(8,019)	1,298
Reduction of transaction costs allocated to derivative liabilities upon Business Combination	—	(3,745)
Non-cash interest expense	2,811	2,872
Asset impairment charges	700	—
Inventory reserve	(1,883)	1,123
Other non-cash expenses (income)	(133)	99
Changes in operating assets and liabilities:		
Inventory	6,113	10,297
Prepaids and other assets	340	(574)
Accounts payable	1,318	(1,846)
Accrued expenses	(5,040)	2,469
Deferred revenue	(384)	(3,133)
Operating lease right-of-use assets and liabilities	(4,671)	(752)
Other liabilities	87	237
Net cash used in operating activities	(10,019)	(9,102)
Cash Flows from Investing Activities		
Proceeds from sale of property and equipment	93	—
Purchase of property and equipment	(1,392)	(2,383)
Net cash used in investing activities	(1,299)	(2,383)
Cash Flows from Financing Activities		
Proceeds from issuance of debt	—	7,500
Payment of debt issuance costs	(114)	(925)
Repayment of debt	(42,000)	(575)
Proceeds from issuance of redeemable convertible preferred stock	15,000	10,000
Payment of transaction costs related to Business Combination, Preferred Stock and settlement of Additional Shares liability	—	(4,295)
Payments related to stock-based award activities, net	(1,077)	(1,672)
Proceeds from issuance under employee stock purchase plan	235	213
Net cash (used in) provided by financing activities	(27,956)	10,246
Net decrease in cash, cash equivalents and restricted cash	(39,274)	(1,239)
Cash, cash equivalents and restricted cash at beginning of period	94,863	95,985
Cash, cash equivalents and restricted cash at end of period	$ 55,589	$ 94,746

Grove Collaborative Holdings, Inc.

Non-GAAP Financial Measures
(Unaudited)

(In thousands, except percentages)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Reconciliation of Net Loss to Adjusted EBITDA				
Net loss	$ (1,336)	$ (9,811)	$ (14,788)	$ (33,747)
Stock-based compensation	2,758	2,100	9,268	11,941
Depreciation and amortization	2,774	1,462	7,401	4,359
Changes in fair value of derivative liabilities	(7,813)	2,733	(8,019)	1,298
Reduction of transaction costs allocated to derivative liabilities upon Business Combination	—	—	—	(3,745)
Interest income	(549)	(1,180)	(2,628)	(2,625)
Interest expense	2,942	4,145	11,188	11,918
Restructuring and severance related costs	1,181	—	466	553
Provision for income taxes	11	7	31	28
Litigation and legal settlement expenses	—	700	—	700
Total Adjusted EBITDA	$ (32)	$ 156	$ 2,919	$ (9,320)
Net loss margin	(2.8)%	(15.9)%	(9.6)%	(16.9)%
Adjusted EBITDA margin (loss)	(0.1)%	0.3 %	1.9 %	(4.7)%

Source: Grove Collaborative Holdings, Inc.

Exhibit 99.2

November 2024

Investor Presentation

Updated Post Q3 2024 Earnings

Safe Harbor Statement/Non-GAAP Measures

Forward-Looking Statements

Certain statements included in this presentation are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements other than statements about historical fact. The forward looking statements in this presentation include, but are not limited to, statements regarding sequential revenue growth in the fourth quarter of 2024, adjusted EBITDA profitability for 2024, revenue and adjusted EBITDA expectations for 2024, being term debt free heading into 2025, Shopify replatforming expected completion by the first quarter of 2025, future SKU count, future average order value, future addition of products and opportunity for expansion, wellness as a next generation shopping occasion, unit economic growth, customer experience transformation, continuing momentum in VMS and the impact of customer experience changes. These forward-looking statements are subject to a number of risks and uncertainties, and you should not rely upon the forward-looking statements as predictions of future events. The future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Grove cannot guarantee that future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. Except as required by law, Grove disclaims any obligation to update these forward-looking statements to reflect future events or circumstances. The forward-looking statements are subject to a number of risks and uncertainties, including: changes in business, market, financial, political and legal conditions; risks relating to the uncertainty of the projected financial information; Grove's ability to successfully expand its business; competition; the uncertain effects of the COVID-19 pandemic; risks relating to growing inflation and rising interest rates; and those factors discussed in documents of Grove filed, or to be filed, with the U.S. Securities and Exchange Commission. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. These forward-looking statements should not be relied upon as representing Grove's assessments as of any date subsequent to the date of this presentation.

Non-GAAP Information

Grove uses certain non-GAAP measures in this presentation including Adjusted EBITDA. Grove believes the presentation of its non-GAAP financial measures enhances investors' overall understanding of the company's historical financial performance. The presentation of the company's non-GAAP financial measures is not meant to be considered in isolation or as a substitute for the company's financial results prepared in accordance with GAAP, and the company's non-GAAP measures may be different from non-GAAP measures used by other companies. Reconciliations of these non-GAAP financial measures to the most comparable GAAP measures, may be found in the Supplemental Materials at the end of this presentation.

Long Term Sustainable Growth

Customer Driven Growth

Sequential Revenue Growth Expected in Q4 2024

- New leadership brings DTC best practices from Amazon to transform the customer experience
- Expansion into wellness has provided the blueprint for further category expansion

Profitability

Five Consecutive Quarters of Positive or Breakeven Adjusted EBITDA[1]

- YTD 2024 Adjusted EBITDA of $2.9M; Adjusted EBITDA profitability projected for full year 2024
- YTD 2024 Gross Margin of 54.2%

Strengthen Balance Sheet

Expect to be Term Debt Free Heading into 2025

- $42M Voluntary Term Debt Paydown in the third quarter
- $15 million PIPE raise from Volition Capital enables the payoff of the remaining term debt

Leading Brand in Wellness and Sustainability

Developing a Platform for Conscientious Consumers

- 5 million lifetime customers
- 57 million Addressable Market of Conscientious Consumers

Notes:
[1] Adj. EBITDA is a non-GAAP metric; please refer to Appendix for reconciliation of adjusted EBITDA to net loss in the table at the end


THE Trusted Brand for Conscientious Consumers
Grove Co.
Hydrating Hand Soap
Grove Co.
Hydrating Hand Soap
Grove Co.
Hydrating Hand Soap
Grove Co.
Hydrating Hand Soap
LEMON & EUCALYPTUS
APPLE & PEAR BLOSSOM
ORANGE & ROSEMARY
GLASS
MULTI
Grove creates and curates high performance, planet-first products

A Leading Sustainable Brand is Inevitable

CONSUMER PREFERENCE IS CLEAR

SUSTAINABILITY	TRANSPARENCY	MISSION-DRIVEN
73%	72%	74%
Of shoppers believe it is important to shop sustainably [(1)]	Of consumers place importance on purchasing beauty and personal care products that are clean [(2)]	Of retail consumers aged 25 – 34 place importance on social impact [(3)]

Notes:

[(1)] Ell, Kellie, *Forecasting Consumer Demands*. WWD (December 2020)

[(2)] Alix Partners *Naturally Beautiful – Millennials and Preferences in Beauty and Personal Care Products*. (May 2019)

[(3)] Cowen Equity Research, *Gen Z and Millennials Are the Driving Force in Scaling Digital and Sustainability*. (October 2020)

Plastic is a Core Sustainability Issue

More U.S. consumers care about plastic waste than about climate change. [1] Plastic packaging represents nearly half of all plastic waste. [2]

89

Percent of Ocean plastic is single-use plastic[3,4]

98

Percent of single use plastic is made from fossil fuels[5]

5

Percent of plastic is recycled[6]

240K

Number of detectable nanoplastic fragments in the average liter of bottled water[7]

Notes:

[1] Shelton Grp, *Waking the Sleeping Giant: What Middle America knows about plastic waste and how they're taking action.* June, 2019
[2] Supply Chain Dive, *Packaging Makes Up Nearly Half Of Plastic Waste.* March, 2019
[3] https://www.unep.org/news-and-stories/story/single-use-plastic-has-reached-worlds-deepest-ocean-trench
[4] https://education.nationalgeographic.org/resource/plastic-bag-found-bottom-worlds-deepest-ocean-trench/
[5] https://www.weforum.org/agenda/2022/06/recycling-global-statistics-facts-plastic-paper/
[6] https://www.greenpeace.org/usa/news/new-greenpeace-report-plastic-recycling-is-a-dead-end-street-year-after-year-plastic-recycling-declines-even-as-plastic-waste-increases/
[7] https://www.publichealth.columbia.edu/news/bottled-water-can-contain-hundreds-thousands-nanoplastics

Leadership on Plastic Helped Make Grove a Breakthrough Brand in Digitally Native HPC

BRAND HIGHLIGHTS

CLEAR WINNER IN NEXT-GEN HPC

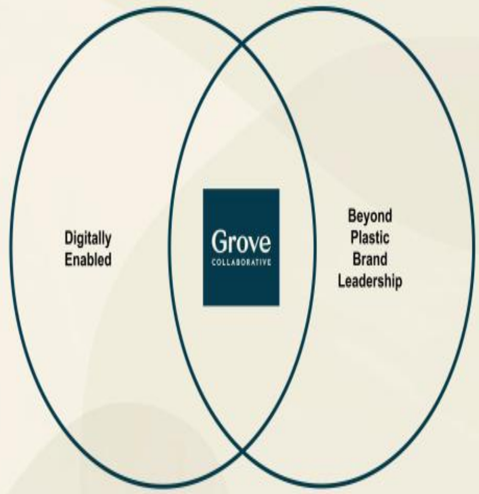
- #1 Brand awareness among plastic neutral brands[1]

CATEGORY LEADER IN SUSTAINABLE PACKAGING

- Grove customers have prevented >10 million lbs of plastic waste
- 16M Beyond Plastic items sold in 2023
- 28% of Grove Brand products were reusable or refillable in 2023

TIP OF SPEAR ON ESG + IMPACT BUSINESS MODEL

- Certified B-Corp since 2014 + Public Benefit Corp
- Carbon Neutral Shipping & Facilities; Plastic Neutral since 2020
- Scalable, ethical and sustainable supply chain practices for all supplier facilities[2]

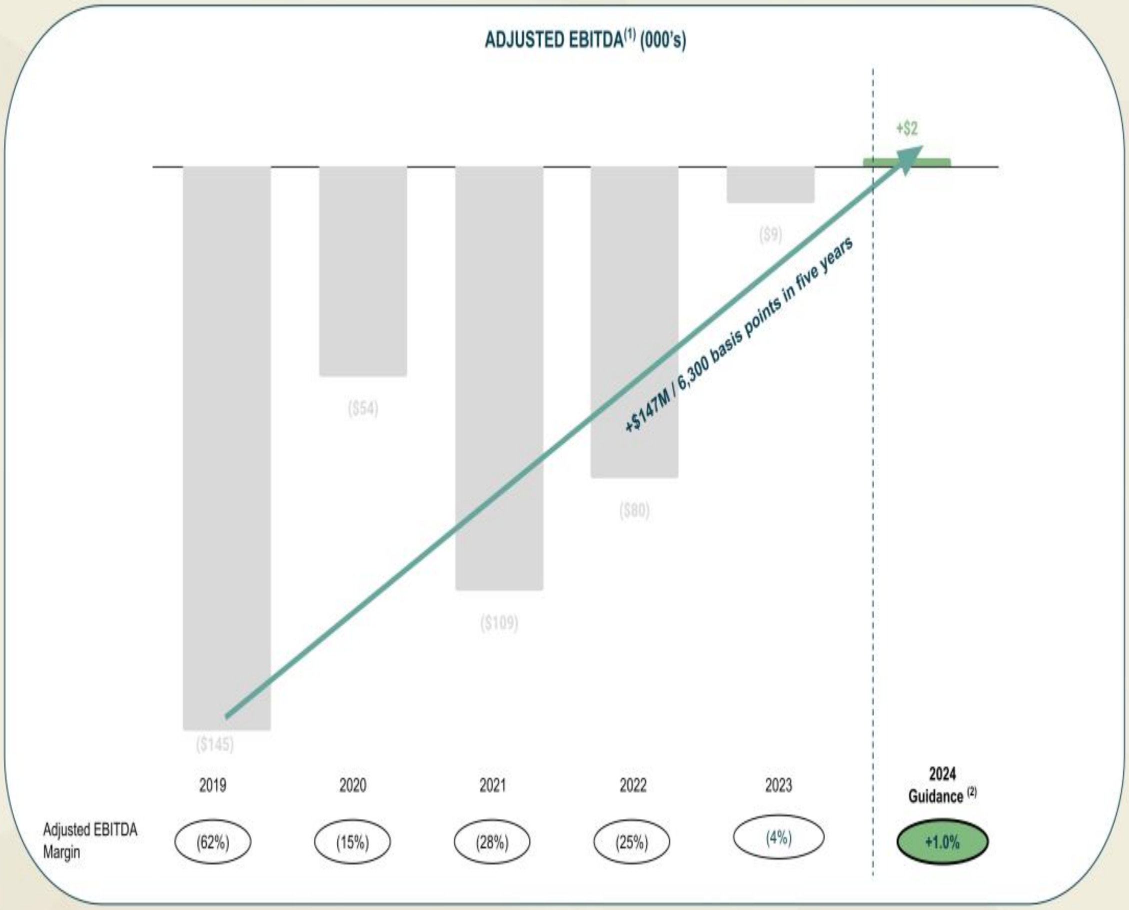


5M+[3]	0.7M[3]	$67[4]
Lifetime DTC Customers	Active DTC Customers	Net Revenue Per Order

Notes:
(1) Grove consumer awareness survey, June 2023
(2) We review supplier factories for safety and well-being according to the international Business Social Compliance Initiative.
(3) As of September 30, 2024
(4) YTD as of September 30, 2024


2023 Set the Stage for Profitable Growth
Grove Co.
Wool Dryer Balls

In the Last Two Years, We Have Driven Profitability



Notes:
(1) Adj. EBITDA is a non-GAAP metric; please refer to Appendix for reconciliation of adjusted EBITDA to net loss in the table at the end
(2) Midpoint of guidance

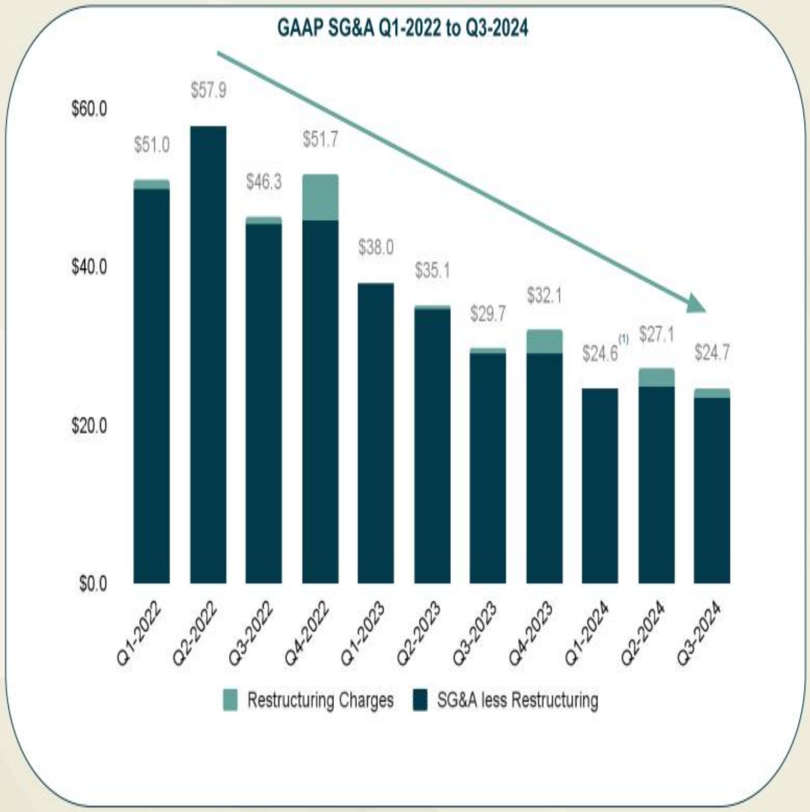
We Aggressively Right Sized Our Cost Structure in 2023 & Continue to Optimize in 2024

Hard Decisions Executed in 2023

- >50% reduction of corporate personnel since beginning of 2022
- Increased utilization of near-shore resources where possible
- Significantly reduced software spend where not generating enough return

More in 2024

- Downsized headquarters lease footprint
- Consolidated fulfillment centers to improve efficiency and reduce cost
- Shopify replatforming expected to be complete by first quarter of 2025



Note:
(1) Q1-2024 included a $2.9 million gain on restructuring primarily related to our SF lease


2024:
Transforming the Business
Grove Co.
hand soap
Grove Co.
dish soap
Grove Co.
dish soap
GO BEYOND PLASTIC
LEMON & EUCALYPTUS
16 FL OZ (473 mL)
CONFIDENTIAL

Strategic Pillars

1. Transform the Customer Experience

Introduce best in class e-commerce practices to the leading sustainable platform

2. Platform for Safe and Sustainable Products

Expand and curate third-party selection to new and adjacent categories making Grove THE destination for sustainable shopping

3. Owned Brand Innovation

Bring innovative products to our online platform and lead the industry in plastic-free and reduced-plastic alternatives

4. Sustainability

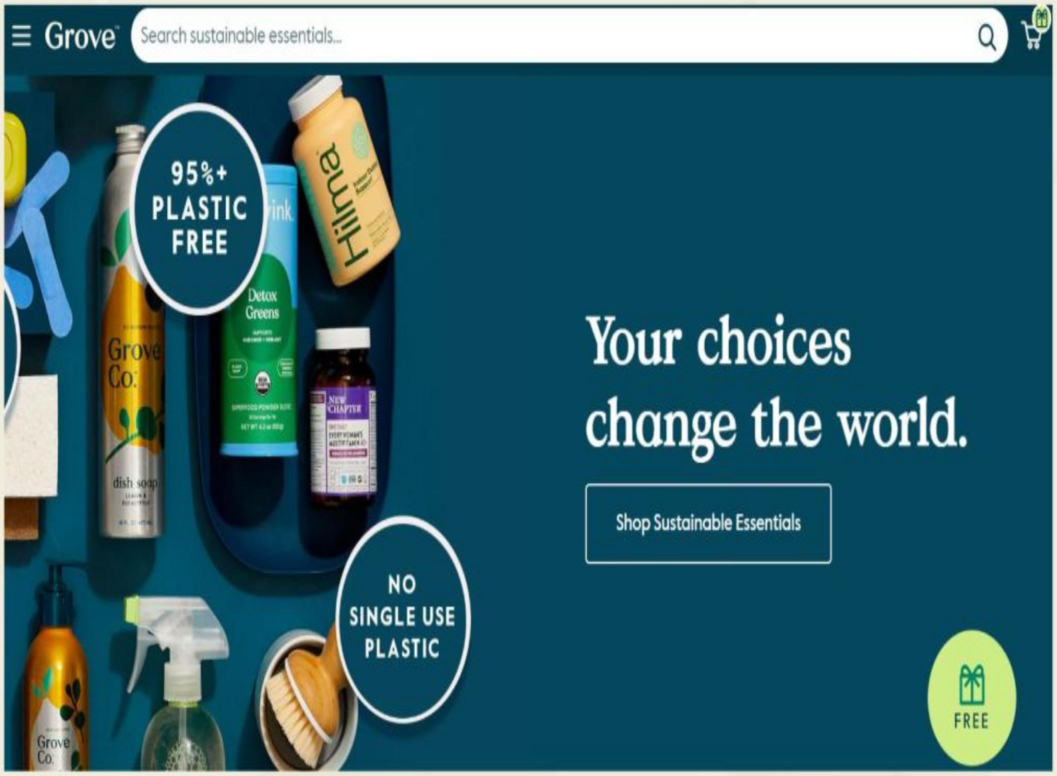
Build upon sustainability as our point of differentiation

5. Revenue Acceleration

Accelerate revenue growth through M&A, additional Advertising investment, and increased LTV with Subscribe and Save.

1

Optimizing Our Growth Model to Improve Customer Loyalty and Grow TAM



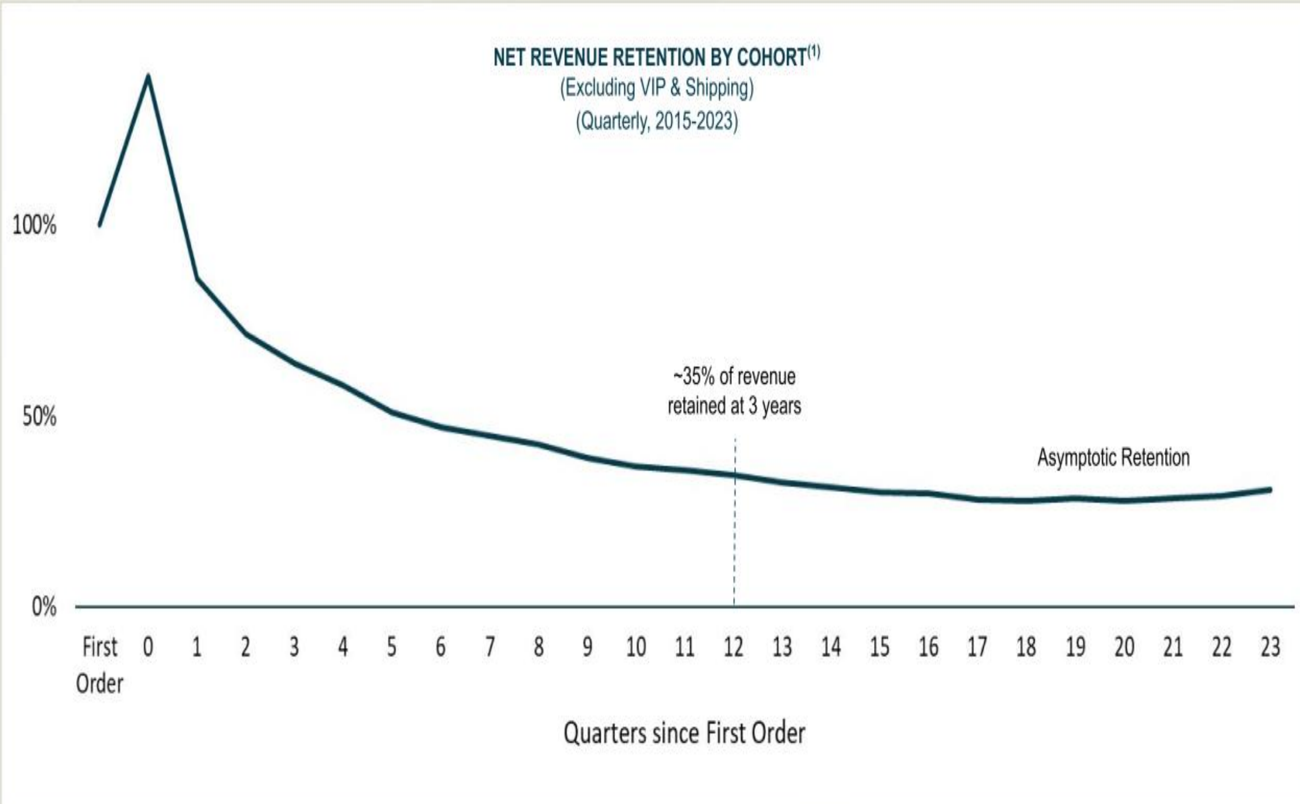
Historical

- Default subscriptions and gated shopping experience

Customer-centered Experience

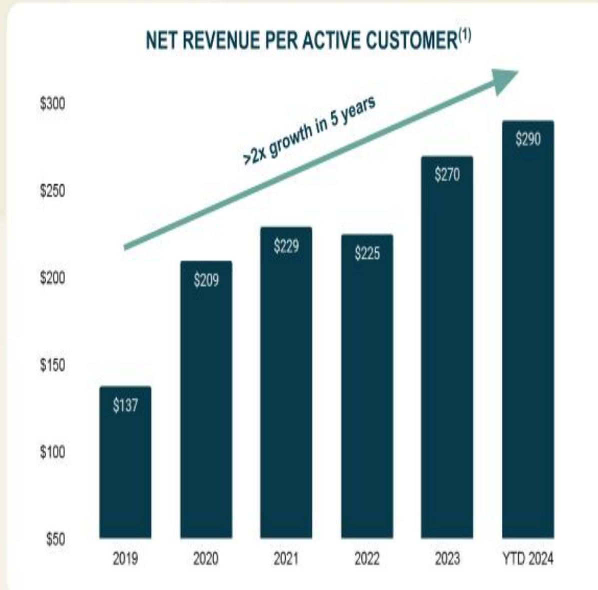
- Incentive to Subscribe and Save
- Open shopping experience
- Larger TAM
- Remove Fees that drove attrition
- Premium shopping experience with fair and competitive pricing

Long Term Customer Loyalty Creates Revenue Base



Note:
(1) Y-axis represents average of all historical quarterly cohort revenue as % of the cohort first order revenue, excludes VIP and shipping; Through FY 2023 cohorts using December 2023 data

The Value of Our Active Customers Increases Over Time



Note:
(1) As of the last day of each reporting period, we determine our number of DTC Active Customers by counting the number of individual customers who submitted orders through our DTC platform, and for whom an order has shipped, at least once during the preceding 364-day period.
(2) Quarterly Metrics reported using Orders and Net Revenue generated during the preceding 364-day period as of the end of the reporting period

② Building a Platform from Everyday Essentials

Discovery & Inspiration

- Highly differentiated
- Strong sustainability story
- Rotated and curated

Innovate for Growth

- Disruptive brands with high social currency
- Stretching consumer journey
- Basket drivers

Nurture/Maintain

- Everyday Essentials
- Leading brands at EDLP
- Strong selection in core
- Sustainability leaders

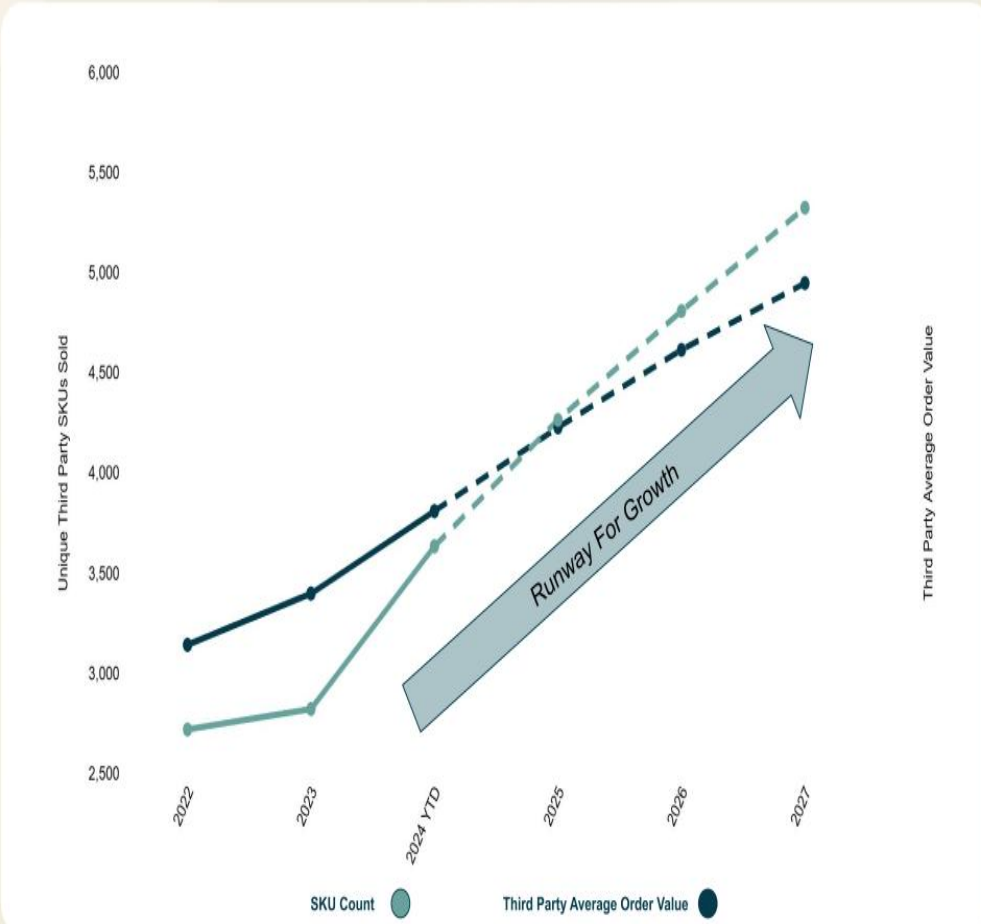
Evolving Beyond Sustainable Home Care into New Categories

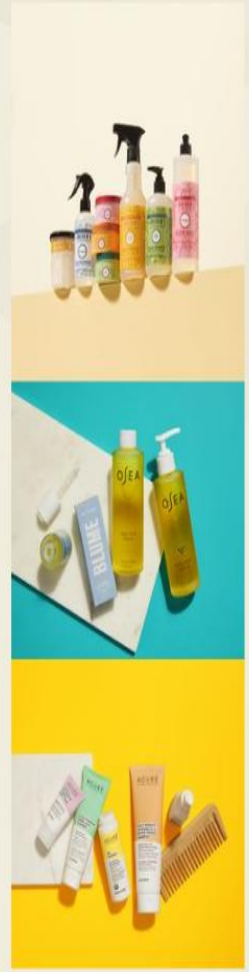
% of Third Party Net Revenue by Category (Q3-2024)[1]

"Grove has so many product options. They make it even easier to shop my other favorite brands."

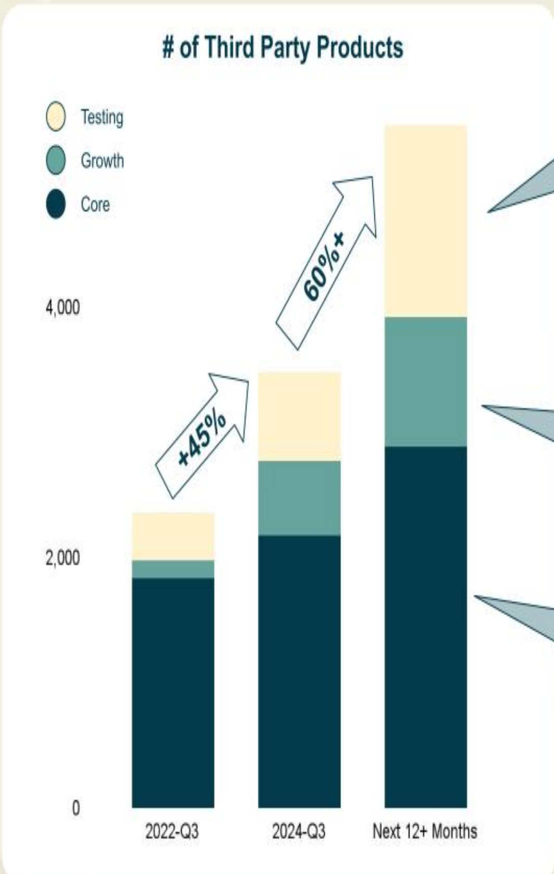
Notes:
(1) Third Party Brand Revenue as a % of Total Company DTC Revenue excluding Shipping and VIP Revenue during Q3-2024
2) In Q3-2024 category definitions changed to align with future category growth goals. As a result, categories are not directly comparable to prior quarter presentations

We are Creating a Platform for Curated Discovery





We Are Accelerating the Pace at Which We are Expanding Assortment and Driving Order Size



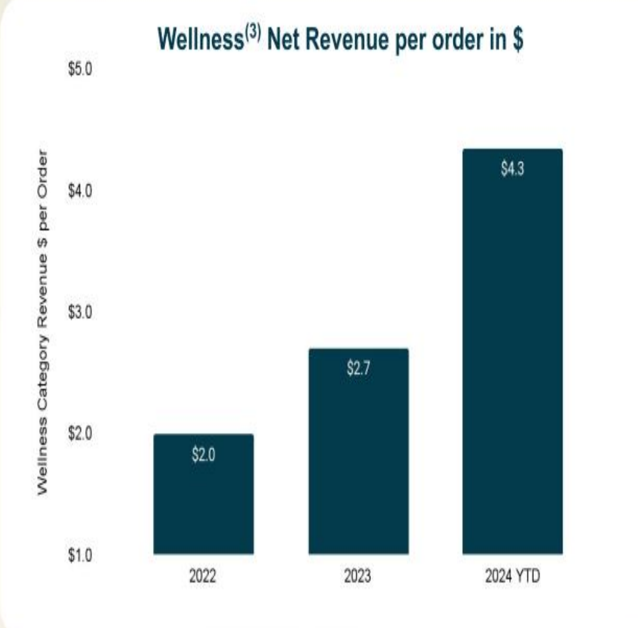
Testing: Follow on categories include Pet, Gardening, Kitchen Tools and Baby, with early research proving large opportunity for continued expansion.

Growth Category: Identified Wellness as the next gen shopping occasion for Grove.com.

Core Innovation: Continue to add cutting edge assortment to maintain competitive edge in Home & Personal Care.

VMS Success Provides the Blueprint for Further Category Expansion

- **89%** of survey respondents would trust Grove over other retailers to solve their Health & Wellness needs[1]
- Customers purchasing Wellness products have **>20%** higher Net Revenue per Order than average
- Highly regimented, leading to ~**3X** better LTV[2] for customers who purchase wellness products
- Small item sizes ensure incremental net revenue per order is margin accretive



Momentum continuing into 2024

Notes:
(1) Internal Survey - 2023
(2) 2.7x higher six month LTV for customers that purchase Wellness Products compared to those that have not
(3) In Q3-2024 category definitions changed to align with future category growth goals. As a result, categories are not directly comparable to prior quarter presentations.

(3) Grove's Flagship Brand, Grove Co., Includes a Portfolio of Over 300 Items

- **With over 50 no-way ingredients, including** parabens, phthalates, and phosphates, we work hard to create products we use in our own homes.
- **Internal R&D** capability enables nimble go-to-market innovation.
- **Award-winning** designs, fragrances, packaging and sustainability we our proud to put our name on.
- **Margin accretive**, data driven products offering sustainable choices.

Certified B Corporation

FSC

USDA CERTIFIED BIOBASED PRODUCT PRODUCT 95%

WINNER ModernRetail Awards

Better Homes & Gardens CLEAN HOUSE AWARDS 2021

Our Innovation Pipeline Focuses on Delivering Beyond Plastic Options

1 Accessible Sustainability for All

- *Rebranding across the entire Grove Co line to increase presence, showcase our materials choices and shine a light on sustainability*

2 Hero Platforms of Beyond Plastic Innovation

- *Grove Co's Ultra-concentrated laundry detergent is now available in aluminum bottles*

3 Buzzworthy & Counterworthy

- *The summer limited edition collection featured our partnership with Nature Conservancy and includes hand, dish, laundry and air care products.*

Platform for Conscientious Shoppers Can Be Enabled With M&A

Leading Sustainable Platform

Grove COLLABORATIVE

Strategic Partner + Access to Capital

HumanCo

We evaluate M&A opportunities with our strategic partner, HumanCo. Synergy opportunities include:

- Grove.com platform sales of acquired brand
- Grove DTC fulfillment capability
- Grove in-house marketing capabilities

4 Grove is the Leader in Sustainable Home and Wellness

Sustainability and Trust Differentiate Us

Our Newly Introduced Badges Earn Customer Trust Through Transparency

BEYOND™ PLASTIC 100% PLASTIC FREE	**100% Plastic-Free**	• 100% plastic-free and **does not include any PVA** or plastic lacquers, liners, or coatings • ***Product Examples:*** *Wool Dryer Balls, Candles, and Bar Soaps*	
BEYOND™ PLASTIC NO SINGLE USE PLASTIC	**No Single Use Plastic**	• There is **no single-use plastic, such as polybags**. The product contains durable, reusable plastic, defined by the EPA as lasting 3 years or more. • ***Product Examples:*** *Reusable Hand and Dish Soap Dispensers and Glass Spray Bottles*	
BEYOND™ PLASTIC 95% PLASTIC FREE	**95%+ Plastic-Free By weight**	• **No more than 5% plastic by total weight** of the product. This includes products that are packaged in aluminum with a coating containing a very minimal amount of plastic that **does not affect recyclability.** • ***Product Examples:*** *Hand and Dish Soaps, Cleaning Concentrates, Laundry Detergent Pods*	

Grove's Annual Sustainability Report is a Catalyst for Change Within the CPG Industry

By setting **new benchmarks** and spotlighting **key metrics**, our reports **inspire action** towards a more sustainable future for all.

Other Key Achievements

15M lbs of single-use nature- and ocean-bound **plastic collected**[1]

rePurpose

10.8M lbs of plastic avoided by offering products that contain less plastic compared to other household brands[2]

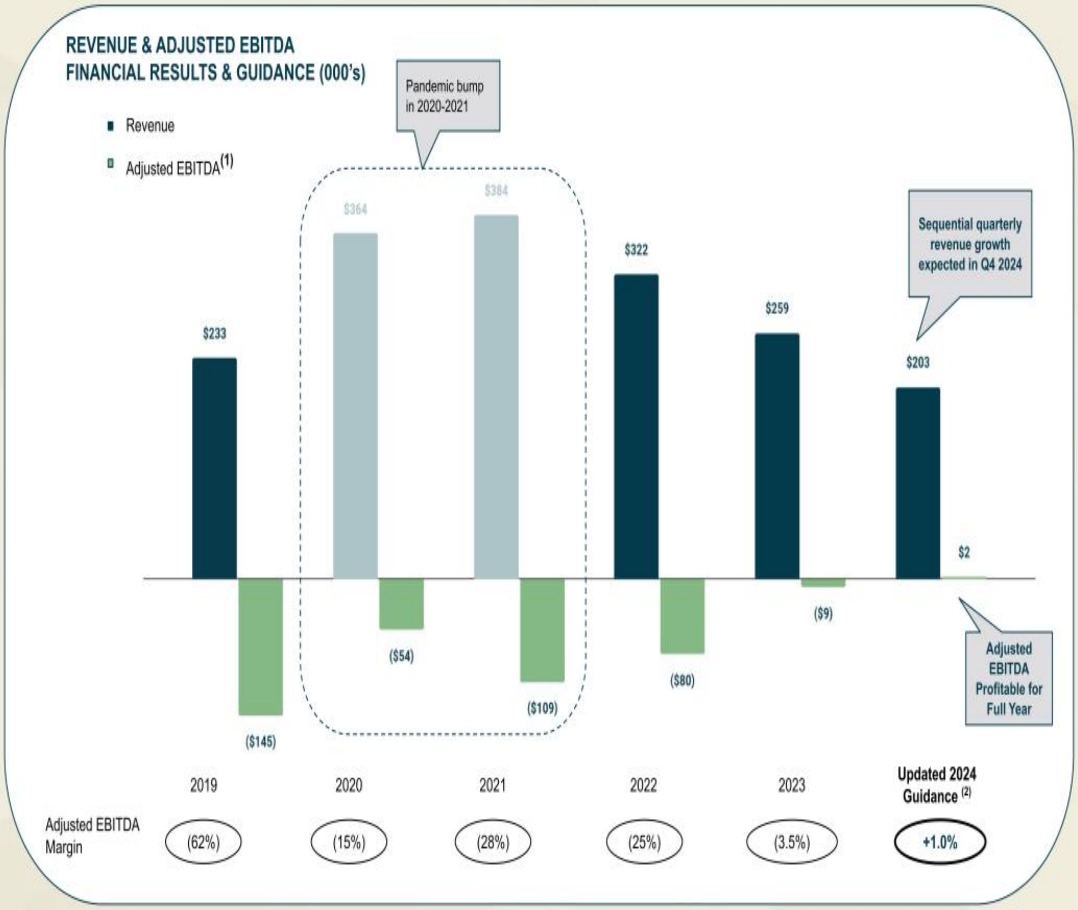
1M trees planted by leveraging mission-driven partnerships[3]

The Nature Conservancy

Notes:
(1) Since 2020
(2) Since 2017
(3) As of April 2022

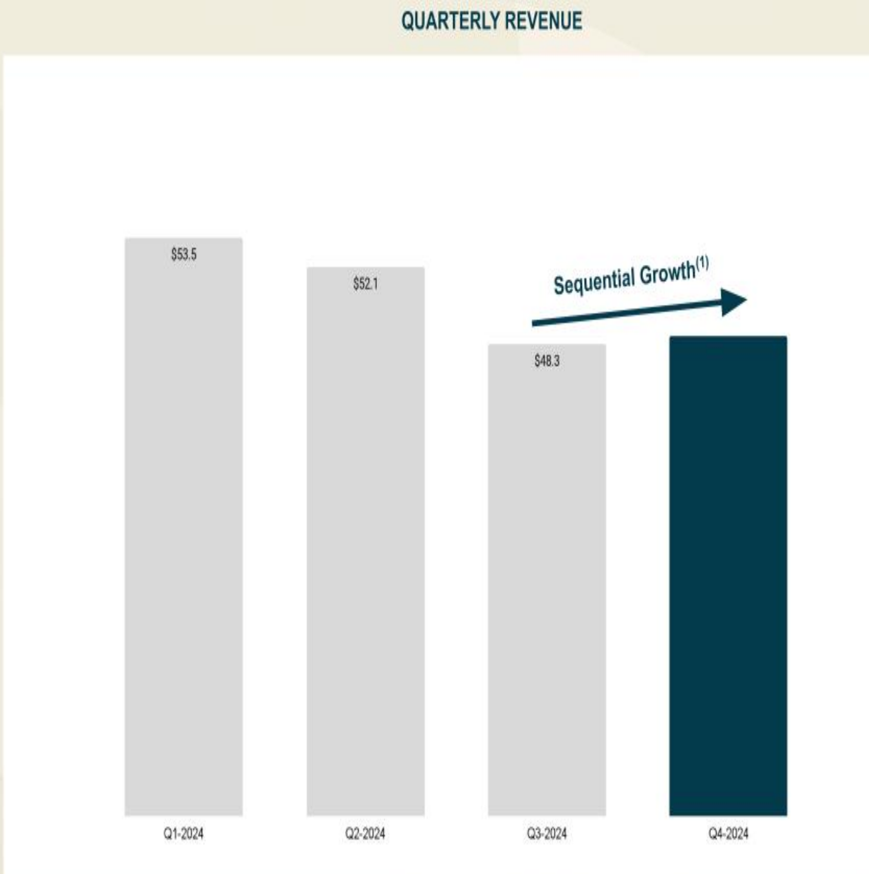
Financials

We will be Adjusted EBITDA Profitable and Growing in 2024



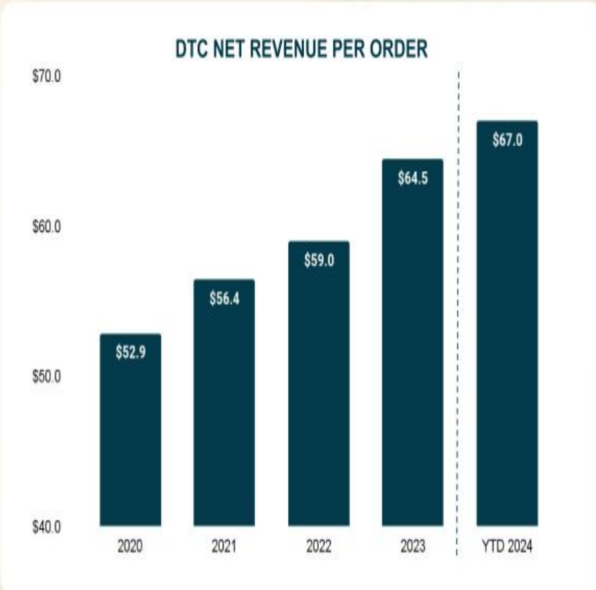
Notes:
(1) Adj. EBITDA is a non-GAAP metric; please refer to Appendix for reconciliation of adjusted EBITDA to net loss in the table at the end
(2) Midpoint of guidance. Net revenue of $200 to $205 million, and Adjusted EBITDA margin of 0.5% to 1.5%

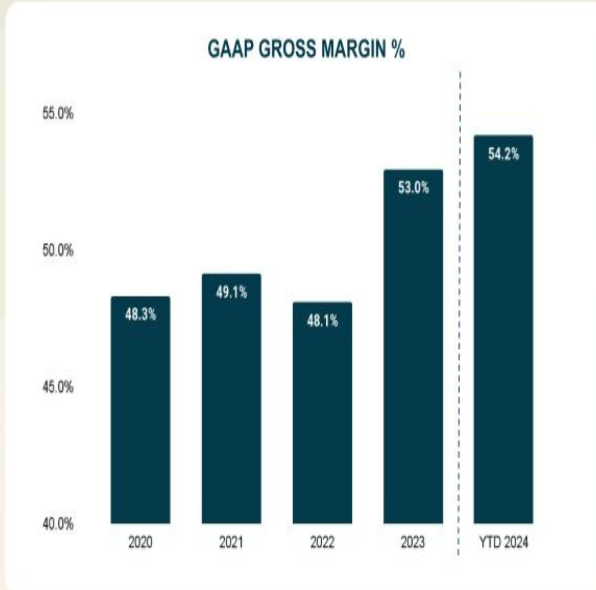
Sequential Revenue Growth Expected in Q4-2024



Notes:
(1) Represents potential trajectory of revenue in 2024 and should not be interpreted as quarterly revenue guidance

We Have Built a Platform that Delivers Strong Unit Economics





Category Expansion + Improved E-commerce Platform + Product Innovation will drive further Unit Economic Growth

Balance Sheet + Available Capital

	Sep 30, 2024	December 31, 2023
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$50,762	$86,411
Restricted cash	3,825	5,650
Inventory, net	24,546	28,776
Prepaid expenses and other current assets	2,708	3,359
Total current assets	**81,841**	**124,196**
Restricted cash	1002	2,802
Property and equipment, net	5,987	11,625
Operating lease right-of-use assets	13,622	9,612
Other long-term assets	2,741	2,507
Total assets	**$105,193**	**$150,742**
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$9,668	$8,074
Accrued expenses	11,550	16,020
Deferred revenue	6,770	7,154
Debt, current	10,000	
Operating lease liabilities, current	1,205	3,489
Other current liabilities	393	306
Total current liabilities	**39,586**	**35,043**
Debt, noncurrent	22,166	71,662
Operating lease liabilities, noncurrent	13,588	14,404
Derivative liabilities	3,491	11,511
Total liabilities	**78,831**	**132,620**
Commitments and contingencies (Note 6)		
Convertible preferred stock, $0.0001 par value — 100,000,000 shares authorized as of September 30, 2024 and December 31, 2023; 25,000 and 10,000 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	24,842	10,000
Stockholders' equity:		
Common stock - $0.0001 par value — 600,000,000 Class A shares authorized as of September 30, 2024 and December 31, 2023; 33,899,853 and 32,183,695 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively; 200,000,000 Class B shares authorized as of September 30, 2024 and December 31, 2023; 5,451,863 and 5,724,199 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	4	4
Additional paid-in capital	637,394	629,208
Accumulated deficit	-635,878	-621,090
Total stockholders' equity	**1,520**	**8,122**
Total liabilities, redeemable convertible preferred stock and stockholders' equity	**$105,193**	**$150,742**

9/30/24 Cash + Available Liquidity ($M)

9/30/24 Cash[1]	$55.6
ABL Availability	$6.8
Total Liquidity	**$62.4**

In July 2022, we entered into a **Standby Equity Purchase Agreement**, which would allow us to raise approximately $8.6M[2].

Notes:
[1] Restricted cash was $4.8M as of September 30, 2024
[2] Using closing share price as of September 30, 2024
[3] Term Debt Facility is subject to a $23.75M unrestricted cash covenant as of September 30, 2024
[4]Specific details can be found in the Form 8-K filing from July 19, 2024

Supplemental Materials

Leadership Team With Depth of Ecommerce Experience to Execute

amazon
shopbop
zulily
Madrona

Jeff Yurcisin, Chief Executive Officer

- Proven direct to consumer leadership as CEO of multiple billion-dollar brands, twice succeeding founders
- Experience overseeing owned brand creation, product development, and using tech to deliver a superior customer experience
- Passionate about the role the private sector can play in sustainability

Sergio Cervantes, Chief Financial Officer

- Global Executive with entrepreneurial mindset and extensive leadership experience in turning around businesses & delivering sustainable profitable growth
- Integration of businesses post acquisition creating efficiencies across the P&L, BS and Cash Flow.
- Served as finance business partner to founders, CEOs, and heads of functional areas. while overlooking all support functions and operations.

Unilever
Gillette

Grove COLLABORATIVE
kaggle
blackbaud

Chris Clark, Co-Founder & Chief Technology Officer

- Daily leadership of product management, engineering, analytics, data science, and digital product design functions in service of the company's director-to-consumer business operations
- Established the company's e-commerce platform and continuous evolution of the customer experience

Scott Giesler, General Counsel

- Nearly 20 years of experience overseeing private and public ecommerce company legal functions
- Managed mergers, acquisitions, and other corporate reorganizations, initial public offerings, public and private company financing transactions and public company governance.

just answer
eHealth
WILSON SONSINI

hive
TARGET
amazon

Jennifer Pann, Vice President, Merchandising & E-Commerce

- 25+ years of expertise working across product categories for merchandising, inventory, and supply chain for e-commerce and brick and mortar retailers
- Leads all aspects of physical product buying and merchandising for Grove, including owned brand innovation and third party category, product expansion

Jason Buursma, Vice President, Marketing

- Broad experience across marketing functions, including individual and cross-functional channels, to build brands and customer bases
- Manages day to day integrated marketing across acquisition, retention, brand, and public relations channels to articulate Grove's value proposition and offering to new and existing customers
- Former professional athlete with passion for team-building

healthe commerce
BEACHBODY
LOVEVERY
zulily
33

Adjusted EBITDA Reconciliation

$MM [1]

	2019A	2020A	2021A	2022A	2023A	Q3-2023A	Q3-2024A
Net Loss	($161.0)	($72.3)	($135.9)	($87.7)	($43.2)	($9.8)	($1.3)
Stock-Based Compensation	$12.0	$7.8	$14.6	$45.7	$15.5	$2.1	$2.8
Depreciation and Amortization	$2.0	$4.1	$5.0	$5.7	$5.8	$1.5	$2.8
Remeasurement of Convertible Preferred Stock Warrant Liability	—	$1.0	$1.2	($1.6)	$0.0	—	—
Changes in fair value of derivative liabilities	—	—	—	($71.5)	($0.2)	$2.7	($7.8)
Transaction Costs Allocated to Derivative Liabilities upon Business Combination	—	—	—	$6.9	($3.7)	—	—
Interest Income	—	—	—	($0.5)	($3.8)	($1.2)	($0.6)
Interest Expense	$2.0	$5.6	$5.2	$9.7	$16.1	$4.1	$2.9
Restructuring Expenses	—	—	—	$8.9	$3.8	—	$1.2
Loss on Extinguishment of Debt	—	—	$1.0	$4.7	$0.0	—	—
Provision for Income Taxes	$0.0	$0.0	$0.1	$0.1	$0.0	$0.0	$0.0
Litigation and legal settlement expenses	—	—	—	—	$0.5	$0.7	—
Adjusted EBITDA	**($145.0)**	**($53.8)**	**($108.8)**	**($79.9)**	**($9.2)**	**$0.2**	**($0.0)**

Note:
[1] Totals in table may not sum due to rounding


Grove Co
Tree-Free
Toilet Paper
We're
moving
Beyond
Plastic.
Grove®
COLLABORATIVE
35