

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

**SCHEDULE TO  
(Rule 13e-4)**

**Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)  
of the Securities Exchange Act of 1934**

**GROVE COLLABORATIVE HOLDINGS, INC.**  
(Name of Subject Company (Issuer) and Filing Person (Offeror))

**Options to Purchase Class A Common Stock, Par Value \$0.0001 Per Share  
Options to Purchase Class B Common Stock, Par Value \$0.0001 Per Share**  
(Title of Class of Securities)

**39957D102 (Class A Common Stock)  
N/A (Class B Common Stock)**  
(CUSIP Number of Class of Securities)

**Delida Costin  
Chief Legal & People Officer  
GROVE COLLABORATIVE HOLDINGS, INC.  
1301 Sansome Street  
San Francisco, California 94111  
(800) 231-8527**

(Name, Address and Telephone Number of Person Authorized to Receive Notices and  
Communications on Behalf of Filing Person)

*Copies to:*  
**Martin A. Wellington  
Sidley Austin LLP  
1001 Page Mill Road Building 1  
Palo Alto, CA 94304  
Telephone: (650) 565-7100**

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
- Issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
  - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
-

**Item 1. Summary Term Sheet.**

The information set forth under “*Summary Term Sheet—Overview*” and “*Summary Term Sheet—Questions and Answers*” in the Offer to Exchange Eligible Options for New Restricted Stock Units dated September 26, 2022 (the “**Exchange Offer**”), attached hereto as Exhibit (a)(1)(A), is incorporated herein by reference.

**Item 2. Subject Company Information.**

(a) *Name and Address.*

GROVE COLLABORATIVE HOLDINGS, INC., a Delaware public benefit corporation (the “**Company**”), is the issuer of the securities subject to the Exchange Offer. The Company’s principal executive offices are located at 1301 Sansome Street, San Francisco, California 94111, and the telephone number of its principal executive offices is (800) 231-8527.

(b) *Securities.*

This Tender Offer Statement on Schedule TO relates to an offer by the Company to certain optionholders, subject to specified conditions, to exchange some or all of their outstanding options to purchase shares of Class A common stock, par value \$0.0001 per share, and outstanding options to purchase shares of Class B common stock, par value \$0.0001 per share, as applicable, for new restricted stock units (“**RSUs**”) with respect to shares of the Company’s Class A Common Stock, par value \$0.0001 per share. In addition, optionholders who tender their Eligible Options (as defined below) in the Exchange Offer will also be required to tender any Grove Earnout Shares (as defined below) associated with the tendered Eligible Options. Grove Earnout Shares may not be tendered separately from the stock option awards with which they are associated.

Each existing option has associated shares of Class B common stock that were granted in connection with such options as Grove Earnout Shares pursuant to the terms of that certain Agreement and Plan of Merger, dated December 7, 2021, as amended and restated on March 31, 2022 (as may be further amended, supplemented, or otherwise modified from time to time, the “**Merger Agreement**”), by and among the Company, Treehouse Merger Sub, Inc., Treehouse Merger Sub II, LLC, and Grove Collaborative, Inc., a Delaware public benefit corporation (“**Grove**”). Under the terms of the Merger Agreement, each outstanding option to purchase Grove common stock (whether vested or unvested) was assumed by the Company and converted into (i) comparable options exercisable for shares of Class B Common Stock, with a value determined in accordance with the Exchange Ratio (as defined in the Merger Agreement) and (ii) the right to receive a number of restricted shares of Class B Common Stock scheduled to vest upon the achievement of certain earnout thresholds prior to the tenth anniversary of the Closing (as defined in the Merger Agreement) (such shares, the “**Grove Earnout Shares**”). Under the terms of the Merger Agreement, if, at any time prior to the date on which the Grove Earnout Shares vest, any holder of Grove Earnout Shares forfeits all or any portion of such holder’s converted Grove options, all unvested Grove Earnout Shares issued to such holder with respect to any such awards shall be automatically forfeited the Company and distributed to the other holder of Grove securities (including options and RSUs) as if immediately prior to the closing of the Business Combination (as defined in the Merger Agreement) on a pro rata basis. Following the Closing, certain holders of options exercisable for shares of Class B Common Stock elected to convert their options into options exercisable for the same number of shares of Class A Common Stock.

The Company’s named executive officers, as disclosed in the Company’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on July 18, 2022, and members of the Company’s board of directors will be eligible to participate in this offer.

An option will be eligible for exchange (an “**Eligible Option**”) if it was granted under the Company’s 2016 Equity Incentive Plan and has an exercise price equal to or greater than \$1.92 per share. As of September 26, 2022, Eligible Options to purchase 4,583,180 shares of Class A common stock, 11,180,624 shares of Class B common stock and an associated 1,385,174 Grove Earnout Shares were outstanding.

Pursuant to the Exchange Offer, in exchange for the tender and cancellation of Eligible Options, the Company will grant new RSUs (each, a “**New RSU**”) following the Expiration Time (as defined in the Exchange Offer) for a number of shares of Class A common stock based on the exercise price of and the number of shares of Class A Common Stock or Class B common stock, as applicable, subject to the tendered Eligible Option and subject to the terms and conditions described in the Exchange Offer and in the related accompanying Election Form, the form of which is attached hereto as Exhibit (a)(1)(C). In addition, pursuant to the terms of the Merger Agreement, upon the tender and cancellation of an Eligible Option, the associated Grove Earnout Shares will be automatically forfeited to

---

the Company and distributed to the other holders of Grove securities as of immediately prior to the closing of the Business Combination on a pro rata basis.

The information set forth in the Exchange Offer under “*Summary Term Sheet—Overview*” and “*Summary Term Sheet—Questions and Answers*” and the information set forth under Section 1 (“*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*”), Section 5 (“*Acceptance of Eligible Options for Exchange; Grant of New RSUs*”) and Section 7 (“*Price Range of Our Class A Common Stock*”) of the Offering Memorandum for the Exchange Offer contained in the Exchange Offer (the “*Offering Memorandum*”) are incorporated herein by reference.

(c) *Trading Market and Price.*

The information set forth under Section 7 (“*Price Range of Our Class A Common Stock*”) of the Offering Memorandum is incorporated herein by reference.

**Item 3. Identity and Background of Filing Person.**

(a) *Name and Address.*

The Company is both the filing person and the subject company. The information set forth under Item 2(a) above and under Section 9 (“*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*”) of the Offering Memorandum are incorporated herein by reference.

The address of each executive officer and director of the Company is:

GROVE COLLABORATIVE HOLDINGS, INC.  
1301 Sansome Street  
San Francisco, California 94111

The directors and executive officers of the Company are set forth below:

<b>Executive Officers</b>	<b>Title</b>
Stuart Landesberg	Chief Executive Officer and Director
Sergio Cervantes	Chief Financial Officer
Christopher Clark	Chief Technology Officer and Director
Delida Costin	Chief Legal and People Officer; Secretary
Jennie Perry	Chief Marketing Officer
Jon Silverman	Senior Vice President, Physical Goods

  

<b>Directors</b>	<b>Title</b>
David Glazer	Director
John Replogle	Director
Kristine Miller	Director
Naytri Shroff Sramek	Director
Rayhan Arif	Director
Fumbi Chima	Director

**Item 4. Terms of the Transaction.**

(a) *Material Terms.*

The information set forth in the Exchange Offer under “*Summary Term Sheet—Overview*” and “*Summary Term Sheet—Questions and Answers*” and the information set forth in the Offering Memorandum under Section 1 (“*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*”), Section 3 (“*Procedures for Tendering Eligible Options*”), Section 4 (“*Withdrawal Rights*”), Section 5 (“*Acceptance of Eligible Options for Exchange; Grant of New RSUs*”), Section 6 (“*Conditions of the Exchange Offer*”), Section 8

---

(“*Information Concerning Grove; Financial Information*”), Section 10 (“*Accounting Consequences of the Exchange Offer*”), Section 11 (“*Legal Matters; Regulatory Approvals*”), Section 12 (“*Material United States Tax Consequences*”) and Section 13 (“*Extension of the Exchange Offer; Termination; Amendment*”) are incorporated herein by reference.

(b) *Purchases.*

The information set forth under Section 9 (“*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*”) of the Offering Memorandum is incorporated herein by reference.

**Item 5. Past Contacts, Transactions, Negotiations and Agreements.**

(e) *Agreements Involving the Subject Company’s Securities.*

The information set forth under Section 9 (“*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*”) of the Offering Memorandum is incorporated herein by reference. The documents incorporated herein by reference as Exhibit (d)(1) also contain information regarding agreements relating to securities of the Company.

**Item 6. Purposes of the Transaction and Plans or Proposals.**

(a) *Purposes.*

The information set forth under Section 2 (“*Purpose of the Exchange Offer; Additional Considerations*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Use of Securities Acquired.*

The information set forth under Section 5 (“*Acceptance of Eligible Options for Exchange; Grant of New RSUs*”) of the Offering Memorandum is incorporated herein by reference.

(c) *Plans.*

The information set forth under Section 2 (“*Purpose of the Exchange Offer; Additional Considerations*”) of the Offering Memorandum is incorporated herein by reference.

**Item 7. Source and Amount of Funds or Other Consideration.**

(a) *Source of Funds.*

The information set forth under Section 14 (“*Consideration; Fees and Expenses*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Conditions.*

The information set forth under Section 6 (“*Conditions of the Exchange Offer*”) of the Offering Memorandum is incorporated herein by reference.

(d) *Borrowed Funds.*

Not applicable.

**Item 8. Interest in Securities of the Subject Company.**

(a) *Securities Ownership.*

The information set forth under Section 9 (“*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*”) of the Offering Memorandum is incorporated herein by reference.

(b) *Securities Transactions.*

---

The information set forth under Section 9 (*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*) of the Offering Memorandum is incorporated herein by reference.

**Item 9. Persons/Assets, Retained, Employed, Compensated or Used.**

(a) *Solicitations or recommendations.*

Not applicable.

**Item 10. Financial Statements.**

(a) *Financial Information.*

The information set forth under Section 8 (*Information Concerning Grove; Financial Information*), including Schedule A, and Section 15 (*Additional Information*) of the Offering Memorandum is incorporated herein by reference.

(b) *Pro Forma Information.*

Not applicable.

**Item 11. Additional Information.**

(a) *Agreements, Regulatory Requirements and Legal Proceedings.*

- (1) The information set forth under Section 9 (*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*) of the Offering Memorandum is incorporated herein by reference.
- (2) The information set forth under Section 11 (*Legal Matters; Regulatory Approvals*) of the Offering Memorandum is incorporated herein by reference.
- (3) Not applicable.
- (4) Not applicable.
- (5) Not applicable.

(c) *Other Material Information.*

Not applicable.

---

**Item 12. Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>
(a)(1)(A)	<a href="#">Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022</a>
(a)(1)(B)	<a href="#">Form of Announcement Email to Eligible Holders</a>
(a)(1)(C)	<a href="#">Election Form</a>
(a)(1)(D)	<a href="#">Notice of Withdrawal of Election Form</a>
(a)(1)(E)	<a href="#">Form of Email Confirming Receipt of Election Form</a>
(a)(1)(F)	<a href="#">Form of Email Confirming Receipt of Notice of Withdrawal of Election Form</a>
(a)(1)(G)	<a href="#">Form of Reminder Email to Eligible Holders Regarding the Expiration of the Exchange Offer</a>
(a)(1)(H)	<a href="#">Form of Email to Eligible Holders Confirming Acceptance of Eligible Options</a>
(a)(1)(I)	<a href="#">Form of Email Notice Regarding Rejection of Options for Exchange</a>
(a)(1)(J)	<a href="#">Form of Expiration Notice Email</a>
(a)(1)(K)	<a href="#">Form of Stock Option Grant Notice and Option Agreement under the Grove Collaborative, Inc. 2016 Equity Incentive Plan (incorporated by reference to Exhibit 10.19 of the Company's Form 8-K (File No. 001-40263), filed with the Commission on June 23, 2022).</a>
(a)(1)(L)	<a href="#">Form of Vested Option New Restricted Stock Unit Award Notice under Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan</a>
(a)(1)(M)	<a href="#">Form of Unvested Option New Restricted Stock Unit Award Notice under Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan</a>
(b)	Not applicable
(d)(1)	<a href="#">Grove Collaborative, Inc. 2016 Equity Incentive Plan (incorporated by reference to Exhibit 10.18 to the Company's Current Report on Form 8-K filed with the Commission on June 23, 2022).</a>
(d)(2)	<a href="#">Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan (incorporated by reference to Annex I to the Company's Registration Statement on Form S-4/A (File No. 333-262200), filed with the Commission on May 13, 2022).</a>
(g)	Not applicable
(h)	Not applicable

(b) *Filing Fee.*

[Filing Fee Exhibit.](#)

**Item 13. Information Required by Schedule 13E-3.**

Not applicable.

---

**SIGNATURES**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete, and correct.

**GROVE COLLABORATIVE HOLDINGS, INC.**

By: /s/ Stuart Landesberg  
Stuart Landesberg  
Chief Executive Officer

Dated: September 26, 2022

Table 1: Transaction Valuation

	Transaction Valuation <sup>1</sup>	Fee Rate	Amount of Filing Fee <sup>2</sup>
Fees to Be Paid	\$ 46,818,497.88	0.0000927	\$4,340.07
Fees Previously Paid	—		—
<b>Total Transaction Valuation</b>	\$46,818,497.88		
<b>Total Fees Due for Filing</b>			\$4,340.07
<b>Total Fees Previously Paid</b>			—
<b>Total Fee Offsets</b>			—
<b>Net Fee Due</b>			\$4,340.07

- 1 Estimated solely for purposes of calculating the amount of the filing fee. The calculation of the transaction valuation assumes that all stock options to purchase shares of the issuer's Class A common stock and Class B common stock, as applicable, that may be eligible for exchange in the offer will be tendered pursuant to this offer. This calculation assumes stock options to purchase an aggregate of 4,583,180 shares of the issuer's Class A common stock and 11,180,624 shares of Class B common stock, having an aggregate value of \$46,818,498 as of September 23, 2022, calculated based on the closing price of the issuer's Class A common stock as reported on the NYSE on September 23, 2022, which was \$2.97 per share. This value does not include any value associated with any Grove Earnout Shares (as defined in the Schedule TO to which this exhibit is attached) associated with such stock options, as such Grove Earnout Shares have no value as of the date hereof. Grove Earnout Shares may not be tendered separately from the stock option awards with which they are associated. Following the Closing (as defined in the Schedule TO to which this exhibit is attached), certain holders of options exercisable for shares of Class B Common Stock elected to convert their options into options exercisable for the same number of shares of Class A Common Stock.
- 2 The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, as amended, equals \$92.70 per \$1,000,000 of the aggregate amount of the Transaction Valuation (or 0.00927% of the aggregate Transaction Valuation). The Transaction Valuation set forth above was calculated for the sole purpose of determining the filing fee and should not be used for any other purpose.



GROVE COLLABORATIVE HOLDINGS, INC.  
1301 SANSOME STREET  
SAN FRANCISCO, CALIFORNIA 94111

OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR NEW RESTRICTED STOCK UNITS

September 26, 2022

GROVE COLLABORATIVE HOLDINGS, INC.  
SUMMARY TERM SHEET - OVERVIEW

OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR NEW RESTRICTED STOCK UNITS

**This offer and withdrawal rights will expire at 6:00 p.m., Pacific Time,  
on Friday, October 21, 2022, unless extended**

By this Offer to Exchange Eligible Options for New Restricted Stock Units (as the context requires, this document and the actions taken hereby, the *‘Exchange Offer’*), GROVE COLLABORATIVE HOLDINGS, INC., which we refer to in this document as *‘we,’ ‘us,’ ‘our’* or *‘Grove,’* is giving each Eligible Holder (as defined below) the opportunity to exchange one or more Eligible Options (as defined below) for New RSUs (as defined below), as discussed below and in the Offering Memorandum for the Exchange Offer beginning on page 14 (the *‘Offering Memorandum’*). Our 2016 Equity Incentive Plan (the *‘2016 Plan’*) permits us to make the Exchange Offer to Eligible Holders (as defined below).

The *‘Expiration Time’* of the Exchange Offer is 6:00 p.m., Pacific Time, on Friday, October 21, 2022. If we extend the period of time during which this Exchange Offer remains open, the term *‘Expiration Time’* will refer to the last time and date on which this Exchange Offer expires.

You are an *‘Eligible Holder’* if, on the New RSU Grant Date (as defined below), you are employed by or serving as a non-employee director of Grove or its subsidiaries.

An *‘Eligible Option’* is an outstanding option to purchase shares of our Class A common stock or Class B common stock that:

- is held by an Eligible Holder;
- has an exercise price equal to or greater than \$1.92 per share; and
- was granted under our 2016 Plan.

If you choose to participate in the Exchange Offer and tender Eligible Options for exchange, and if we accept your tendered Eligible Options, then we will grant you an award of restricted stock units (*‘RSUs’*), and each such award, a *‘New RSU’*) with the following terms (collectively, the *‘New RSU Terms’*):

- Each New RSU will represent your right to receive a number of shares of our Class A common stock that is calculated using an exchange ratio based on the exercise price of and number of shares of Class A common stock or Class B common stock, as applicable, subject to your tendered Eligible Option. The chart below sets forth the applicable exchange ratios for outstanding Eligible Options based on the dollar range of the exercise prices of such Eligible Options.
  - Under the dual-class structure of our common stock, our Class B Common Stock is entitled to ten votes per share, while our Class A Common Stock is entitled to one vote per share, but is otherwise identical to the Class A Common Stock in all other respects, including economic rights.

Eligible Option Exercise Price Range	Exchange Ratio (Surrendered Eligible Options: New RSUs)*
\$1.92 to \$2.21	1.20 to 1
\$2.22 to \$5.59	1.45 to 1
\$5.60 to \$6.49	1.70 to 1
\$6.50 and above	1.95 to 1

\* Rounded up to the nearest share

**Example:** If you tender for exchange an Eligible Option to purchase 195 shares of Class B Common Stock with an exercise price of \$6.50 per share, you will receive a New RSU with respect to 100 shares of Class A Common Stock.

- Your New RSU will be granted under our 2022 Equity and Incentive Plan (the “**2022 Plan**”).
- To the extent any Eligible Option that you tender for exchange is partially vested as of the Expiration Time, you will receive one New RSU in exchange for the vested shares underlying such Eligible Option (a “**Vested Option New RSU**”) and one New RSU in exchange for the unvested shares underlying such Eligible Option (an “**Unvested Option New RSU**”).
- New RSUs will not be fully vested on the grant date of the New RSUs. The vesting terms of your New RSUs will be as follows:
  - Each Vested Option New RSU granted in exchange for the vested shares underlying an Eligible Option will vest 50% on the grant date of the New RSU and will vest with respect to the remaining 50% in two equal installments on each of February 15, 2023 and May 15, 2023, in each case, subject to your continued employment or service with Grove through each applicable vesting date.
  - Each Unvested Option New RSU granted in exchange for the unvested shares underlying an Eligible Option will vest in equal installments on each February 15, May 15, August 15 and November 15 until becoming fully vested in the calendar quarter in which the Eligible Option tendered in exchange for such New RSU would have fully vested had it not been exchanged in this Exchange Offer and subject to your continued employment or service with Grove through each applicable vesting date.
  - As with any unvested equity award under our 2022 Plan, you must remain in continuous service with Grove through each vesting date. Other than in connection with certain qualifying terminations of employment, in the event that your service with Grove terminates for any reason prior to the vesting date of any unvested portion of your New RSU, such unvested portion will be forfeited on your termination date. In the event your service with Grove is terminated without cause, due to your death or disability or you resign for good reason, your Vested Option New RSU will fully vest, subject, in the case of a termination without cause or resignation for good reason, to your execution and non-revocation of a waiver and release of claims and subject to the other conditions prescribed by the Company as set forth in the relevant restricted stock unit award agreement for such New RSUs, and any then-unvested portion of your Unvested Option New RSU will be forfeited on your termination date. In the event your service with Grove is terminated without cause, due to your death or disability or you resign for good reason, in each case, within 24 months following a change in control of Grove, your Vested Option New RSUs and Unvested Option New RSUs will become fully vested as of such termination, subject, in the case of a termination without cause or resignation for good reason, to your execution and non-revocation of a waiver and release of claims and subject to the other conditions prescribed by the Company as set forth in the relevant restricted stock unit award agreement for such New RSUs.
- Upon tender and cancellation of your Eligible Options, you will forfeit and have no further rights to the Earnout Shares (as defined below) that were granted in connection with such Eligible Options. An “**Earnout Share**” is a share of our Class B common stock that, pursuant to the Merger Agreement (as defined below), was issued together with an Eligible Option upon the closing of the Business Combination (as defined below) in exchange for options to purchase shares of common stock of Grove Collaborative Inc. For additional information regarding the Earnout Shares, please see Q&A-4 in the Summary Term Sheet – Questions and Answers below.

The commencement date of the Exchange Offer is September 26, 2022. We are making the Exchange Offer upon the terms and subject to the conditions described in the Offering Memorandum and in the related Election Form distributed with the Offering Memorandum. The Exchange Offer is voluntary with respect to each Eligible Option you hold. You are not required to participate in the Exchange Offer. If you hold more than one option grant that qualifies as an Eligible Option and elect to participate in the Exchange Offer, you will be allowed to tender for

exchange as few or as many of your Eligible Option grants as you wish. Eligible Options properly tendered in this Exchange Offer and accepted by us for exchange will be cancelled, and your New RSUs will be granted with the New RSU Terms effective promptly following the Expiration Time (such date, the “*New RSU Grant Date*”).

See the “Risk Factors” section of this Exchange Offer beginning on page 12 for a discussion of risks and uncertainties that you should consider before agreeing to exchange your Eligible Options for New RSUs. You should consider, among other things, these risks and uncertainties before deciding whether to participate in the Exchange Offer.

Shares of our Class A common stock are quoted on the New York Stock Exchange (the “*NYSE*”) under the symbol “GROV.” On September 23, 2022, the closing price of our Class A common stock as reported on the NYSE was \$2.97 per share. We recommend that you obtain current market quotations for our Class A common stock before deciding whether to elect to participate in the Exchange Offer. Under the dual-class structure of our common stock, our Class B Common Stock is entitled to ten votes per share, while our Class A Common Stock is entitled to one vote per share, but is otherwise identical to the Class A Common Stock in all other respects, including economic rights.

You should direct any questions about the Exchange Offer or requests for assistance (including requests for additional or paper copies of the Offering Memorandum, the Election Form, the Notice of Withdrawal or any other documents relating to the Exchange Offer) by email to 2022-tender-offer@grove.co.

#### IMPORTANT

**If you choose to participate in the Exchange Offer, you must properly complete and sign the accompanying Election Form and deliver the properly completed and signed Election Form to us so that we receive it before 6:00 p.m. Pacific Time, on Friday, October 21, 2022 (or such later date as may apply if the Exchange Offer is extended), by the Election Form sent via Google Forms.**

You are responsible for making sure that the Election Form is delivered as indicated above. You must allow for sufficient time to complete, sign and deliver your Election Form to ensure that we receive your Election Form before the Expiration Time.

You do not need to return your stock option agreements for your Eligible Options to be cancelled and exchanged in the Exchange Offer. We will provide you with a written confirmation of the cancellation of any such options along with a restricted stock unit award agreement for your New RSUs shortly following the grant of your New RSUs.

Although Grove’s board of directors (the “*Board*”) has approved the Exchange Offer, consummation of the Exchange Offer is subject to the satisfaction or waiver of the conditions described in Section 6 of the Offering Memorandum (“*Conditions of the Exchange Offer*”). Neither we nor the Board (or the compensation committee thereof) makes any recommendation as to whether you should participate, or refrain from participating, in the Exchange Offer. You must make your own decision whether to participate. You should consult your personal financial and tax advisors if you have questions about your financial or tax situation as it relates to the Exchange Offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of this transaction or passed upon the fairness or merits of this transaction or the accuracy or adequacy of the information contained in the Exchange Offer. Any representation to the contrary is a criminal offense.

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER OR NOT YOU SHOULD PARTICIPATE IN THE EXCHANGE OFFER. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR IN DOCUMENTS TO WHICH WE HAVE REFERRED YOU.

WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE EXCHANGE OFFER OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT OR IN THE RELATED ELECTION FORMS. IF ANYONE MAKES ANY RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY INFORMATION, YOU SHOULD NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY GROVE.

## SUMMARY TERM SHEET - QUESTIONS AND ANSWERS

### OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR NEW RSUS

Set forth below are answers to some of the questions that you may have about the Exchange Offer. We encourage you to carefully read the remainder of this Offer to Exchange Eligible Options for New RSUs and the accompanying Election Form. Where appropriate, we have included references to the relevant sections of the Offering Memorandum where you can find a more complete description of the topics in this summary.

No.	Question	Page
Q1.	Why is Grove making the Exchange Offer?	5
Q2.	Who is eligible to participate in the Exchange Offer?	5
Q3.	Which options are subject to the Exchange Offer?	5
Q4.	Will the terms and conditions of my New RSUs be the same as my exchanged options?	5
Q5.	How many New RSUs will I receive for the Eligible Options I exchange?	6
Q6.	When will my New RSUs vest?	6
Q7.	Do I need to exercise my New RSU in order to receive shares?	7
Q8.	If I participate in the Exchange Offer, when will my New RSUs be granted?	7
Q9.	What happens to my New RSUs if I terminate my employment or service with Grove?	7
Q10.	What happens to the Earnout Shares that I received in relation to any tendered Eligible Options?	7
Q11.	Must I participate in the Exchange Offer?	8
Q12.	How should I decide whether or not to participate in the Exchange Offer?	8
Q13.	How do I find out how many Eligible Options I have and what their exercise prices are?	9
Q14.	Can I tender for exchange stock options that I have already fully exercised?	9
Q15.	Can I tender for exchange the remaining unexercised portion of an Eligible Option that I have already partially exercised?	9
Q16.	Can I tender for exchange a portion of an Eligible Option?	9
Q17.	What if I am on an authorized leave of absence during the Exchange Offer?	9
Q18.	What happens if my employment or service with Grove terminates before the Expiration Time?	9
Q19.	Will I owe taxes if I participate in the Exchange Offer?	10
Q20.	Will I owe taxes if I do not participate in the Exchange Offer?	10
Q21.	What will happen to my Eligible Options if I participate in the Exchange Offer?	10
Q22.	What happens to Eligible Options that I choose not to tender or that are not accepted for exchange in the Exchange Offer?	10
Q23.	How long do I have to decide whether to participate in the Exchange Offer?	10
Q24.	How do I tender my Eligible Options for exchange?	10
Q25.	Can I withdraw previously tendered Eligible Options?	11
Q26.	How will I know whether you have received my Election Form or my Notice of Withdrawal?	11
Q27.	What will happen if I do not return my Election Form by the deadline?	11
Q28.	What if I have any questions regarding the Exchange Offer?	12

### **Q1. Why is Grove making the Exchange Offer?**

Equity awards are a critical component of our compensation philosophy, the focal point of which is to align the interests of our employees with the Company's business objectives and increase long-term stockholder value. We believe equity awards help us achieve this objective in several important ways, including by motivating employees' performance toward the successful execution of our company philosophy and business objectives; by aligning our employees' interests with the interests of our stockholders; and by encouraging our employees who have received equity awards to continue their employment or service with us.

The price of our common stock has significantly decreased since the Eligible Options were granted. As of September 23, 2022, the closing price of our Class A common stock on the NYSE was \$2.97 per share, resulting in approximately 56% of the outstanding stock options held by our employees being "underwater," meaning the exercise price of each of those options is greater than our current stock price. This means that these underwater stock options may no longer be effective as incentives to motivate or retain employees holding these options.

Our Board believes that the Exchange Offer is in the best interests of our stockholders and Grove, as we believe that new RSUs granted under the Exchange Offer will provide a better incentive and motivation to employees than the underwater options and the related Earnout Shares they currently hold and would surrender, including the related Earnout Shares that will be forfeited upon termination of the Eligible Option. We believe that the receipt of new RSUs will increase the retention of our employees, reduce the costs and disruptions associated with employee resignations and better ensure our performance as a company. In addition, it will provide the opportunity to reduce the "overhang" of outstanding stock options, a substantial portion of which have an exercise price that is significantly greater than our current stock price. Our Board also recognizes our competition's ability to attract and recruit top talent and views it as critical that Grove be able to retain and motivate key employees in this way. Our Board believes that it has a responsibility to address these issues and to properly incentivize our employees.

See Section 2 of the Offering Memorandum ("*Purpose of The Exchange Offer; Additional Considerations*") for more information.

### **Q2. Who is eligible to participate in the Exchange Offer?**

Only Eligible Holders are eligible to participate in the Exchange Offer. You are an "*Eligible Holder*" if, on the New RSU Grant Date (as defined below), you are employed by or serving as a non-employee director of Grove or its subsidiaries.

See Section 1 of the Offering Memorandum ("*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*") for more information.

### **Q3. Which options are subject to the Exchange Offer?**

Under the Exchange Offer, Eligible Holders will be able to elect to tender outstanding Eligible Options for exchange.

An "*Eligible Option*" is an outstanding option that:

- is held by an Eligible Holder;
- has an exercise price equal to or greater than \$1.92 per share; and
- was granted under the 2016 Plan.

See Section 1 of the Offering Memorandum ("*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*") for more information.

### **Q4. Will the terms and conditions of my New RSUs be the same as my exchanged options?**

RSUs are a different type of equity award from options. Therefore, when you are issued New RSUs the terms and conditions of your New RSUs necessarily will be different from your Eligible Options. While your Eligible Options were granted under, and subject to, the terms of the 2016 Plan, your New RSUs will be granted under, and subject to, the terms and conditions of our 2022 Plan and an award agreement between you and Grove thereunder. The form of New RSU agreements under the 2022 Plan is filed as an exhibit to the Schedule TO with which this Offer to Exchange has been filed and are available on the SEC website at [www.sec.gov](http://www.sec.gov).

The vesting of any New RSUs will differ significantly from the corresponding Eligible Options. You will not have any of the rights or privileges of a stockholder of Grove as to the shares of Class A common stock associated with your New RSUs until you are issued the shares. Shares subject to the New RSU will be issued if and when the

applicable portion of the New RSU Grant vests and, once you have been issued the shares of Class A common stock, you will have all of the rights and privileges of a stockholder with respect to those shares, including the right to vote and to receive dividends, if any.

In addition, upon tender and cancellation of your Eligible Options, you will forfeit and have no further rights to the Earnout Shares that were granted in connection with such Eligible Options. The Earnout Shares were unvested at the closing of the Merger and are scheduled to automatically vest effective (A) with respect to 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$12.50 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to the Earnout Period and (B) with respect to the other 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$15.00 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to expiration of the Earnout Period. In addition, in the event that (x) there is a "Change of Control" (or a definitive agreement providing for a "Change of Control" has been entered into) after the closing of the Merger and prior to the expiration of the Earnout Period or (y) there is a liquidation, dissolution, bankruptcy, reorganization, assignment for the benefit of creditors or similar event with respect to Grove after the closing and on or prior to the expiration of the Earnout Period, the Earnout Shares that have not vested prior to such occurrence will automatically vest. Under the terms of the Merger Agreement, if, at any time prior to the date on which the Earnout Shares vest, any holder of Earnout Shares forfeits all or any portion of such holder's related Grove options, all unvested Earnout Shares issued to such holder with respect to any such awards shall be automatically forfeited to the Company and distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis. In addition, the shares subject to the option awards tendered will be recycled into the 2022 Plan in accordance with the terms of the 2022 Plan.

In addition, each New RSU will represent your right to receive a number of shares of our Class A common stock, including New RSUs granted in exchange for Eligible Options to purchase shares of our Class B common stock. Under the dual-class structure of our common stock, our Class B Common Stock is entitled to ten votes per share, while our Class A Common Stock is entitled to one vote per share, but is otherwise identical to the Class A Common Stock in all other respects, including economic rights.

The tax treatment of the New RSUs will differ significantly from the tax treatment of your Eligible Options. Please see Q&A 18 and the remainder of this Offer to Exchange for further details.

**Q5. How many New RSUs will I receive for the Eligible Options I exchange?**

The number of shares to be granted to you under each New RSU will be determined using an exchange ratio based on the exercise price of and number of shares of Class A common stock or Class B common stock, as applicable, subject to your tendered Eligible Option. The chart below sets forth the applicable exchange ratio for outstanding Eligible Options based on the dollar range of the exercise prices of such Eligible Options.

Eligible Option Exercise Price Range	Exchange Ratio (Surrendered Eligible Options: New RSUs)*
\$1.92 to \$2.21	1.20 to 1
\$2.22 to \$5.59	1.45 to 1
\$5.60 to \$6.49	1.70 to 1
\$6.50 and above	1.95 to 1

\* Rounded up to the nearest share

**Example:** If you tender for exchange an Eligible Option to purchase 195 shares of Class B Common Stock with an exercise price of \$6.50 per share, you will receive a New RSU with respect to 100 shares of Class A Common Stock.

To the extent any Eligible Option that you tender for exchange is partially vested as of the Expiration Time, you will receive one Vested Option New RSU in exchange for the vested shares underlying such Eligible Option and one Unvested Option New RSU in exchange for the unvested shares underlying such Eligible Option.

**Q6. When will my New RSUs vest?**

Each Vested Option New RSU granted in exchange for the vested shares underlying an Eligible Option will vest 50% on the grant date of the New RSU and will vest with respect to the remaining 50% in two equal installments on

each of February 15, 2023 and May 15, 2023, in each case, subject to your continued employment with Grove through each applicable vesting date.

Each Unvested Option New RSU granted in exchange for the unvested shares underlying an Eligible Option will vest in equal installments on each February 15, May 15, August 15 and November 15 until becoming fully vested in the calendar quarter in which the Eligible Option tendered in exchange for such New RSU would have fully vested had it not been exchanged in this Exchange Offer and subject to your continued employment or service with Grove through each applicable vested date.

As with any unvested equity award under our 2022 Plan, you must remain in continuous service with Grove through each vesting date. Other than in connection with certain qualifying terminations of employment, in the event that your service with Grove terminates for any reason prior to the vesting date of any unvested portion of your New RSU, such unvested portion shall be forfeited on your termination date. In the event your service with Grove is terminated without cause, due to your death or disability or you resign for good reason, your Vested Option New RSU will fully vest, subject, in the case of a termination without cause or resignation for good reason, to your execution and non-revocation of a waiver and release of claims and subject to the other conditions prescribed by the Company as set forth in the relevant restricted stock unit award agreement for such New RSUs, and any then-unvested portion of your Unvested Option New RSU will be forfeited on your termination date. In the event your service with Grove is terminated without cause, due to your death or disability or you resign for good reason, in each case, within 24 months following a change in control of Grove, your Vested Option New RSUs and Unvested Option New RSUs will become fully vested as of such termination, subject, in the case of a termination without cause or resignation for good reason, to your execution and non-revocation of a waiver and release of claims and subject to the other conditions prescribed by the Company as set forth in the relevant restricted stock unit award agreement for such New RSUs.

**Q7. Do I need to exercise my New RSUs in order to receive shares?**

RSUs do not need to be exercised in order to receive shares of Class A common stock. If your New RSUs vest in accordance with the vesting schedule set forth in the applicable award agreement, you automatically will receive the shares of Class A common stock subject to the New RSUs promptly thereafter in accordance with the terms and conditions of our 2022 Plan and the award agreement (less any shares of Class A common stock sold or withheld to satisfy any applicable tax withholding). New RSUs that do not vest will be forfeited and you will receive no payment for them.

**Q8. If I participate in the Exchange Offer, when will my New RSUs be granted?**

Unless we amend or terminate the Exchange Offer in accordance with its terms, we will grant you New RSUs in exchange for Eligible Options with respect to which you properly made a valid election (and did not validly revoke that election), effective as of the New RSU Grant Date, which is currently expected to be on or promptly following October 21, 2022. The New RSUs will reflect the New RSU Terms.

See Section 1 of the Offering Memorandum ("*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*") for more information.

**Q9. What happens to my New RSUs if I terminate my employment or service with Grove?**

Vesting of your New RSUs will cease upon termination of your service with Grove. Your unvested New RSUs will be forfeited.

Nothing in the Exchange Offer should be construed to confer upon you the right to remain employed by or in service with Grove. The terms of your employment or service with Grove remain unchanged. We cannot guarantee or provide you with any assurance that you will not be subject to involuntary termination or that you will otherwise remain employed by Grove until the expiration of the Exchange Offer, the New RSU Grant Date or thereafter during the vesting period of the New RSUs. In addition, we cannot provide any assurance that your employment or service with Grove will continue past the vesting date of any New RSU issued in exchange for an Eligible Option that would have been vested and exercisable as of your termination date had the Eligible Option not been exchanged for a New RSU.

See Section 1 of the Offering Memorandum ("*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*") and Section 5 of the Offering Memorandum ("*Acceptance of Eligible Options for Exchange; Grant of New RSUs*") for more information.

**Q10. What happens to the Earnout Shares that I received in relation to any tendered Eligible Options?**

Upon tender and cancellation of your Eligible Options, you will forfeit and have no further rights to the Earnout Shares that were granted in connection with such Eligible Options. The Earnout Shares were invested at the closing of the Merger and are scheduled to automatically vest effective (A) with respect to 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$12.50 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to the Earnout Period and (B) with respect to the other 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$15.00 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to expiration of the Earnout Period. In addition, in the event that (x) there is a "Change of Control" (or a definitive agreement providing for a "Change of Control" has been entered into) after the closing of the Merger and prior to the expiration of the Earnout Period or (y) there is a liquidation, dissolution, bankruptcy, reorganization, assignment for the benefit of creditors or similar event with respect to Grove after the closing and on or prior to the expiration of the Earnout Period, the Earnout Shares that have not vested prior to such occurrence will automatically vest.

Under the terms of the Merger Agreement, if, at any time prior to the date on which the Earnout Shares vest, any holder of Earnout Shares forfeits all or any portion of such holder's related Grove options, all unvested Earnout Shares issued to such holder with respect to any such awards shall be automatically forfeited to the Company and distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis. In addition, the shares subject to the option awards tendered will be recycled into the 2022 Plan in accordance with the terms of the 2022 Plan.

The number of Earnout Shares you currently hold is approximately 9% of the number of Eligible Options. For an exact amount, please contact 2022-tender-offer@grove.co.

#### **Q11. Must I participate in the Exchange Offer?**

No. Participation in the Exchange Offer is voluntary and no response to the Exchange Offer is required. However, if (1) any of your Eligible Options are currently treated as incentive stock options ("*ISOs*"), (2) we extend the Exchange Offer beyond the original Expiration Time of Friday, October 21, 2022, and it remains outstanding for more than 29 days, and (3) you do not reject this Exchange Offer within the first 29 days in which it is outstanding (that is, by Friday, October 21, 2022), then your Eligible Options may cease to be treated as ISOs as of October 21, 2022. If the fair market value of our Class A common stock or Class B common stock, as applicable, as of the Expiration Time is less than the exercise price currently in effect for your Eligible Options, the Board can take action to "retest" your Eligible Options to determine if they can again be treated as ISOs. However, even if they can again be treated as ISOs, your holding period under your Eligible Options (as further described below in the section called "Taxation of Incentive Stock Options") will start over on the Expiration Time. Therefore, if we extend the Exchange Offer beyond the original Expiration Time on Friday, October 21, 2022 and it remains outstanding for more than 29 days, and you wish to avoid the possible impact on your ISO status, you must reject this Exchange Offer by completing and submitting the Election Form on or prior to 6:00 p.m. Pacific Time on Friday, October 21, 2022.

If you hold more than one option grant under our 2016 Plan that qualifies as an Eligible Option and would like to participate in the Exchange Offer, you will be allowed to elect to tender for exchange as few or as many of your Eligible Option grants as you wish. If you choose not to participate in the Exchange Offer, then your Eligible Options will remain outstanding and subject to their current terms and the limitations noted above.

#### **Q12. How should I decide whether or not to participate in the Exchange Offer?**

We are providing substantial information to assist you in making your own informed decision. Please read all the information contained in the various sections of the Offering Memorandum below, including the information in Section 2 ("*Purpose of The Exchange Offer; Additional Considerations*"), Section 7 ("*Price Range of Our Class A Common Stock*"), Section 8 ("*Information Concerning Grove; Financial Information*"), Section 9 ("*Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities*"), Section 12 ("*Material United States Tax Consequences*") and Section 15 ("*Additional Information*") of the Offering Memorandum. You should seek further advice from your legal counsel, accountant and financial advisor. Participation in the Exchange Offer is entirely your decision and should be made based on your personal circumstances. No one from Grove is, or will be, authorized to provide you with legal, tax, financial or other advice or recommendations regarding whether you should participate in the Exchange Offer.

In addition to reviewing the materials provided, please note the following:

- You should carefully consider the potential tax consequences of your exchange of Eligible Options for New RSUs.



- New RSUs granted in the Exchange Offer will be subject to new, longer vesting schedules, even if the Eligible Options you exchange are fully vested at the time of the exchange.
- New RSUs will be with respect to Class A common stock, which will have lower voting rights as compared to the Class B common stock subject to certain Eligible Options.
- You will forfeit any Earnout Shares associated with the Eligible Options and such Earnout Shares will be distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis. In addition, the shares subject to the option awards tendered will be recycled into the 2022 Plan in accordance with the terms of the 2022 Plan.

Please also review the “Risk Factors” that appear on page [12](#).

**Q13. How do I find out how many Eligible Options I have and what their exercise prices are?**

The Election Form distributed along with the Exchange Offer includes a list of your Eligible Options as of September 26, 2022. At any time during the Exchange Offer, you may review your grants in Fidelity NetBenefits or contact us via email at [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co) to confirm the number of option grants that you have and the grant dates, remaining term, exercise prices, vesting schedule and other information regarding such option grants. The number of Earnout Shares you currently hold is approximately 9% of the number of Eligible Options. For an exact amount, please contact [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

**Q14. Can I tender for exchange stock options that I have already fully exercised?**

No. The Exchange Offer applies only to outstanding Eligible Options. An option that has been fully exercised is no longer outstanding and is therefore not an Eligible Option.

**Q15. Can I tender for exchange the remaining unexercised portion of an Eligible Option that I have already partially exercised?**

Yes. If you exercised an Eligible Option in part before the Expiration Time, you may tender for exchange the remaining unexercised portion of such Eligible Option, but only if you tender 100% of such unexercised portion; partial exchanges of unexercised Eligible Options will not be permitted.

See Section 3 of the Offering Memorandum (“*Procedures for Tendering Eligible Options*”) for more information.

**Q16. Can I tender for exchange a portion of an Eligible Option?**

Yes, but only if you have previously exercised the portion of such Eligible Option that is not being exchanged. The partial exchange of the unexercised portion of an Eligible Option will not be permitted. If you elect to tender an Eligible Option for exchange, you must tender all of that Eligible Option to the extent it has not been exercised. You may elect to tender as few or as many of your Eligible Option grants as you wish.

See Section 3 of the Offering Memorandum (“*Procedures for Tendering Eligible Options*”) for more information.

**Q17. What if I am on an authorized leave of absence during the Exchange Offer?**

Any Eligible Holder who is on an authorized leave of absence will be eligible to participate in the Exchange Offer.

See Section 1 of the Offering Memorandum (“*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*”) for more information.

**Q18. What happens if my employment or service with Grove terminates before the Expiration Time?**

If you have tendered Eligible Options under the Exchange Offer and your employment or service with Grove terminates for any reason prior to the New RSU Grant Date, you will no longer be eligible to participate in the Exchange Offer. Accordingly, we will not accept your Eligible Options for exchange, and you will not be eligible to receive New RSUs. In such a case, you may be able to exercise the vested portion of your existing Eligible Options for a limited time after your termination date, subject to and in accordance with their original terms.

Nothing in the Exchange Offer should be construed to confer upon you the right to remain an employee or other service provider of Grove. The terms of your employment or service with Grove remain unchanged. We cannot guarantee or provide you with any assurance that you will not be subject to involuntary termination or that you will otherwise remain in our service until the Expiration Time, the New RSU Grant Date or thereafter. In addition, we cannot provide any assurance that your employment or service with Grove will continue past the vesting date of any

New RSU granted in exchange for an Eligible Option that would have been vested and exercisable as of your termination date had the Eligible Option not been exchanged for a New RSU.

See Section 1 (“*Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer*”) and Section 5 (“*Acceptance of Eligible Options for Exchange; Grant of New RSUs*”) of the Offering Memorandum for more information.

**Q19. Will I owe taxes if I participate in the Exchange Offer?**

We do not expect either the acceptance of your Eligible Options for exchange or the grant of any New RSUs to be a taxable event for U.S. federal income tax purposes.

You should consult with your tax advisor to determine the personal tax consequences of participating in the Exchange Offer. If you are an Eligible Holder who is subject to the tax laws of a country other than the United States or of more than one country, you should be aware that there may be additional or different tax consequences that may apply to you. We advise all Eligible Holders who may consider tendering their Eligible Options for exchange to consult with their own tax advisors with respect to the federal, state, local and foreign tax consequences of participating in the Exchange Offer.

See Section 12 of the Offering Memorandum (“*Material United States Tax Consequences*”) for more information regarding the tax aspects of the Exchange Offer.

**Q20. Will I owe taxes if I do not participate in the Exchange Offer?**

In general, your rejection of the Exchange Offer will not be a taxable event for U.S. federal income tax purposes.

See Section 12 of the Offering Memorandum (“*Material United States Tax Consequences*”) for more information.

**Q21. What will happen to my Eligible Options if I participate in the Exchange Offer?**

We will cancel all Eligible Options tendered by you and accepted by Grove for exchange in the Exchange Offer. As noted in Q&A 10, any Earnout Shares associated with your Eligible Options that are tendered by and accepted for exchange in the Exchange Offer will be forfeited by you and distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis. In addition, the shares subject to the option awards tendered will be recycled into the 2022 Plan in accordance with the terms of the 2022 Plan.

**Q22. What happens to Eligible Options that I choose not to tender or that are not accepted for exchange in the Exchange Offer?**

Generally, there will be no impact to Eligible Options that you choose not to tender for exchange prior to the original Expiration Time.

We will not accept for exchange any options that are tendered that do not qualify as Eligible Options. If you tender an option that is not accepted for exchange, we will send you a separate email following the Expiration Time notifying you that your tendered option was not accepted for exchange.

**Q23. How long do I have to decide whether to participate in the Exchange Offer?**

The Exchange Offer expires at 6:00 p.m., Pacific Time, on Friday, October 21, 2022 (or such later date as may apply if the Exchange Offer is extended). We will not make any exceptions to this deadline. However, although we do not currently intend to do so, we may, in our sole discretion, extend the expiration date of the Exchange Offer at any time. If we extend the Exchange Offer, we will publicly announce the extension and the new expiration date no later than 6:00 a.m., Pacific Time, on the next business day after the last previously scheduled or announced expiration date.

See Section 13 of the Offering Memorandum (“*Extension of Exchange Offer; Termination; Amendment*”) for more information.

**Q24. How do I tender my Eligible Options for exchange?**

If you are an Eligible Holder, you may tender your Eligible Options for exchange at any time before the Exchange Offer expires at 6:00 p.m., Pacific Time, on Friday, October 21, 2022 (or such later date as may apply if the Exchange Offer is extended).

To validly tender your Eligible Options, you must deliver a properly completed and signed Election Form, and any other documents required by the Election Form via Google Forms.

You do not need to return your stock option agreements relating to any tendered Eligible Options as they will be automatically cancelled effective as of the New RSU Grant Date if we accept your Eligible Options for exchange. We will separately provide to you the grant documents relating to your New RSUs for your acceptance through Fidelity NetBenefits following the New RSU Grant Date.

Your Eligible Options will not be considered tendered until we receive your properly completed and signed Election Form. We must receive your properly completed and signed Election Form before 6:00 p.m., Pacific Time, on Friday, October 21, 2022 (or such later date as may apply if the Exchange Offer is extended). If you miss this deadline, you will not be permitted to participate in the Exchange Offer.

We will accept delivery of the signed Election Form only via Google Forms. You are responsible for making sure that the Election Form is submitted via Google Forms. You must allow for sufficient time to complete and deliver your Election Form to ensure that we receive your Election Form before the Expiration Time.

We reserve the right to reject any or all tenders of Eligible Options that we determine are not in appropriate form or that we determine would be unlawful to accept. Subject to our rights to extend, terminate and amend the Exchange Offer, we expect to accept all properly tendered Eligible Options on Friday, October 21, 2022 following the Expiration Time.

See Section 3 of the Offering Memorandum ("*Procedures for Tendering Eligible Options*") for more information.

**Q25. Can I withdraw previously tendered Eligible Options?**

Yes. You may withdraw your tendered Eligible Options at any time before the Exchange Offer expires at 6:00 p.m., Pacific Time, on Friday, October 21, 2022 (or such later date as may apply if the Exchange Offer is extended).

To withdraw tendered Eligible Options, you must deliver to us a properly completed and signed Notice of Withdrawal of Election Form (a "*Notice of Withdrawal*") with the required information prior to the Expiration Time. The Notice of Withdrawal must be delivered by email (by PDF or similar imaged document file) to [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

If you miss the deadline to withdraw but remain an Eligible Holder, any previously tendered Eligible Options will be exchanged pursuant to the Exchange Offer. You may change your mind as many times as you wish, but you will be bound by the last properly submitted Election Form or Notice of Withdrawal that we receive before the Expiration Time.

You are responsible for making sure that you properly submit a Notice of Withdrawal for any tendered Eligible Option that you wish to subsequently withdraw. You must allow sufficient time to complete, sign and deliver your Notice of Withdrawal to ensure that we receive it before the Expiration Time.

Once you have withdrawn Eligible Options, you may re-tender such Eligible Options by submitting a new Election Form and following the procedures for validly tendering Eligible Options in the Exchange Offer described in Question 24 above.

See Section 4 of the Offering Memorandum ("*Withdrawal Rights*") for more information.

**Q26. How will I know whether you have received my Election Form or my Notice of Withdrawal?**

We will send you an email or other form of communication, as appropriate, to confirm receipt of your Election Form or Notice of Withdrawal, as applicable, shortly after we receive it. However, it is your responsibility to ensure that we receive your Election Form or Notice of Withdrawal, as applicable, prior to the Expiration Time.

See Section 3 of the Offering Memorandum ("*Procedures for Tendering Eligible Options*") for more information.

**Q27. What will happen if I do not return my Election Form by the deadline?**

If we do not receive an Election Form from you by the Expiration Time, then all of your Eligible Options will remain outstanding at their original exercise price and subject to their original terms and you will also retain the associated Earnout Shares. If you prefer not to tender any of your Eligible Options for exchange in the Exchange Offer, you do not need to do anything. However, if we extend the Exchange Offer beyond the original Expiration Time on Friday, October 21, 2022 and it remains outstanding for more than 29 days, and you wish to avoid the

possible impact on the ISO status of any of your Eligible Options, you must reject this Exchange Offer by completing and submitting the Election Form on or prior to 6:00 p.m., Pacific Time, on Friday, October 21, 2022.

See Section 3 of the Offering Memorandum ("*Procedures for Tendering Eligible Options*") for more information.

**Q28. What if I have any questions regarding the Exchange Offer?**

You should direct questions about the Exchange Offer (including requests for additional or paper copies of the Exchange Offer and other Exchange Offer documents which we will promptly furnish to you at our expense) by email to 2022-tender-offer@grove.co.

**RISK FACTORS**

Participation in the Exchange Offer involves a number of potential risks and uncertainties, including those described below. You should consider, among other things, these risks and uncertainties before deciding whether or not to request that we exchange your Eligible Options in the manner described in the Exchange Offer. You should carefully review the risk factors set forth below and those contained in our Registration Statement on Form S-1, filed with the Securities and Exchange Commission (the "*SEC*") on July 18, 2022 and as amended on August 25, 2022 and our Annual Report on Form 10-K for the year ended December 31, 2021 and in our subsequent Quarterly Reports on Form 10-Q, filed with the SEC, as well as the other information provided in the Exchange Offer and the other materials that we have filed with the SEC, before making a decision as to whether or not to tender your Eligible Options. See Section 15 of the Offering Memorandum ("*Additional Information*") for more information regarding reports we file with the SEC and how to obtain copies of or otherwise review these reports.

**Risks Related to the Exchange Offer**

***Holders of Class A Common Stock are entitled to reduced voting rights in comparison to the holders of Class B Common Stock.***

Certain Eligible Options represent the right to purchase shares of our Class B common stock, while the New RSUs will represent the right to receive shares of our Class A common stock. Under the dual-class structure of our common stock, our Class B Common Stock is entitled to ten votes per share, while our Class A Common Stock is entitled to one vote per share, but is otherwise identical to the Class A Common Stock in all other respects, including economic rights.

***Holders of Eligible Options also hold related Earnout Shares that will be forfeited upon tender and acceptance of the related Eligible Options.***

Upon tender and cancellation of your Eligible Options, you will forfeit and have no further rights to the Earnout Shares that were granted in connection with such Eligible Options. The Earnout Shares were invested at the closing of the Merger and are scheduled to automatically vest effective (A) with respect to 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$12.50 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to the Earnout Period and (B) with respect to the other 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$15.00 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to expiration of the Earnout Period. In addition, in the event that (x) there is a "Change of Control" (or a definitive agreement providing for a "Change of Control" has been entered into) after the closing of the Merger and prior to the expiration of the Earnout Period or (y) there is a liquidation, dissolution, bankruptcy, reorganization, assignment for the benefit of creditors or similar event with respect to Grove after the closing and on or prior to the expiration of the Earnout Period, the Earnout Shares that have not vested prior to such occurrence will automatically vest.

Under the terms of the Merger Agreement, if, at any time prior to the date on which the Earnout Shares vest, any holder of Earnout Shares forfeits all or any portion of such holder's related Grove options, all unvested Earnout Shares issued to such holder with respect to any such awards shall be automatically forfeited to the Company and distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis.

***If your service with Grove terminates before your New RSUs vest, you will not be able to receive value for your unvested New RSUs, but you may have been able to receive value for the Eligible Options you exchanged for the New RSUs.***

The New RSUs will be subject to a new vesting schedule that differs from the vesting schedules of the Eligible Options that you exchange. Accordingly, if your service with Grove terminates after you exchange your Eligible Options for New RSUs, you may not be able to realize as much value from your New RSUs as you could have realized from the Eligible Options you exchanged. For example, if you do not exchange your vested Eligible Options for New RSUs, and your service with Grove terminates, if our stock price increases above the exercise price per share of your vested Eligible Options, you would still be able to exercise and sell the underlying shares of Class A common stock or Class B common stock, as applicable, for these vested Eligible Options at a gain. However, if you exchange your vested Eligible Options for New RSUs, and your service with Grove terminates after you receive New RSUs but before such New RSUs have vested and can be exercised, you will receive no value from the unvested portion of the New RSUs if our stock price increases.

***The U.S. tax effects of RSUs differ significantly from the U.S. tax treatment of your Eligible Options.***

You generally will have taxable ordinary income when the shares of Class A common stock underlying your New RSUs are issued to you upon the vesting of the New RSUs. If you are an employee of Grove or its subsidiaries, then Grove (or its applicable subsidiary) also typically will have a tax withholding obligation at such time. Grove will satisfy all tax withholding obligations in the manner specified in your RSU award agreement. You also will recognize a capital gain or loss when you later sell such shares to the extent the sale proceeds are more or less than the value of the shares at the time the New RSUs became vested. Note that the tax treatment of RSUs differs significantly from the tax treatment of your Eligible Options and as a result of your participation in the Exchange Offer, your tax liability could be higher than if you had kept your Eligible Options. For more detailed information regarding the tax treatment of stock options and RSUs, see Section 12 of the Offering Memorandum ("**Material United States Tax Consequences**").

**OFFERING MEMORANDUM**  
**OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR NEW RSUS**

**Table of Contents**

	<u>Page</u>
<b>Section 1. Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer</b>	<b>1</b>
<b>Section 2. Purpose of the Exchange Offer; Additional Considerations</b>	<b>3</b>
<b>Section 3. Procedures for Tendering Eligible Options</b>	<b>5</b>
<b>Section 4. Withdrawal Rights</b>	<b>6</b>
<b>Section 5. Acceptance of Eligible Options for Exchange; Grant of New RSUs</b>	<b>6</b>
<b>Section 6. Conditions of the Exchange Offer</b>	<b>7</b>
<b>Section 7. Price Range of Our Class A Common Stock</b>	<b>8</b>
<b>Section 8. Information Concerning Grove; Financial Information</b>	<b>9</b>
<b>Section 9. Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities</b>	<b>9</b>
<b>Section 10. Accounting Consequences of the Exchange Offer</b>	<b>10</b>
<b>Section 11. Legal Matters; Regulatory Approvals</b>	<b>10</b>
<b>Section 12. Material United States Tax Consequences</b>	<b>10</b>
<b>Section 13. Extension of the Exchange Offer; Termination; Amendment</b>	<b>12</b>
<b>Section 14. Consideration; Fees and Expenses</b>	<b>12</b>
<b>Section 15. Additional Information</b>	<b>13</b>
<b>Section 16. Miscellaneous</b>	<b>13</b>
<b>Schedule A: Selected Financial Data</b>	<b>15</b>

**OFFERING MEMORANDUM**  
**OFFER TO EXCHANGE ELIGIBLE OPTIONS FOR NEW RSUS**

**Section 1. Eligible Holders; Eligible Options; the Proposed Exchange; Expiration and Extension of the Exchange Offer**

GROVE COLLABORATIVE HOLDINGS, INC. (“*Grove*,” “*we*,” “*us*” or “*our*”) is offering eligible employees and non-employee directors the opportunity to exchange, in accordance with the terms of our 2016 Equity Incentive Plan (the “**2016 Plan**”), certain outstanding stock options for replacement restricted stock units with modified terms. As described in this Section 1 of this Offering Memorandum-Offer to Exchange Eligible Options for New RSUs (this “**Offering Memorandum**”), Eligible Options that are validly tendered prior to the Expiration Time will be exchanged for New RSUs in exchange for an Eligible Holder’s agreement to a revised vesting schedule and the tax treatment of the New RSUs. Each capitalized term that is used in this paragraph without being defined has the meaning set forth below.

We are making the offer on the terms and subject to the conditions described in this Offering Memorandum, as they may be amended from time to time, and these terms and conditions constitute the “**Exchange Offer**.” The Exchange Offer is not conditioned on the acceptance of the Exchange Offer by a minimum number of optionholders or the tender of elections to exchange options covering a minimum number of shares.

*Eligible Holders*

All individuals who hold Eligible Options and who, as of the date the Exchange Offer commences and as of the New RSU Grant Date (as defined below), are current employees of or serving as non-employee directors of Grove or its subsidiaries, may participate in the Exchange Offer (the “**Eligible Holders**”). To be an Eligible Holder, you must continue to be employed by or serve as a non-employee director of Grove or its subsidiaries on the New RSU Grant Date.

You will not be eligible to tender Eligible Options for exchange in the Exchange Offer if you cease to be an Eligible Holder for any reason prior to or as of the New RSU Grant Date, including due to your voluntary resignation, retirement, involuntary termination, layoff, death or disability. An individual who is on an authorized leave of absence and is otherwise an Eligible Holder on the New RSU Grant Date will be eligible to tender Eligible Options in the Exchange Offer. A leave of absence is considered “authorized” if it was approved in accordance with Grove’s policies.

Your employment with Grove will remain at will, regardless of your participation in the Exchange Offer, and can be terminated by you or Grove at any time. Nothing in the Exchange Offer should be construed to confer upon you the right to remain employed by or otherwise in a service relationship with Grove. The terms of your employment with Grove remain unchanged. We cannot guarantee or provide you with any assurance that you will not be subject to involuntary termination or that you will otherwise remain employed by or in a service relationship with Grove until the New RSU Grant Date or any vesting date of your New RSUs in the future.

*Eligible Options*

An “**Eligible Option**” is an outstanding option that:

- is held by an Eligible Holder;
- has an exercise price equal to or greater than \$1.92 per share; and
- was granted under our 2016 Plan.

*The Proposed Exchange*

If you choose to participate in the Exchange Offer and tender Eligible Options for exchange, and if we accept your tendered Eligible Options, then we will grant you an award of restricted stock units (“**RSUs**”, and each such award, a “**New RSU**”) with the following terms (collectively, the “**New RSU Terms**”):

- Each New RSU will represent your right to receive a number of shares of our Class A common stock that is calculated using an exchange ratio based on the exercise price of and number of shares of Class A common stock or Class B common stock, as applicable, subject to your tendered Eligible Option. The chart below sets forth the applicable exchange ratios for outstanding Eligible Options based on the dollar range of the exercise prices of such Eligible Options.

- Under the dual-class structure of our common stock, our Class B Common Stock is entitled to ten votes per share, while our Class A Common Stock is entitled to one vote per share, but is otherwise identical to the Class A Common Stock in all other respects, including economic rights.

Eligible Option Exercise Price Range	Exchange Ratio (Surrendered Eligible Options: New RSUs)*
\$1.92 to \$2.21	1.20 to 1
\$2.22 to \$5.59	1.45 to 1
\$5.60 to \$6.49	1.70 to 1
\$6.50 and above	1.95 to 1

\* Rounded up to the nearest share

**Example:** If you tender for exchange an Eligible Option to purchase 195 shares of Class B Common Stock with an exercise price of \$6.50 per share, you will receive a New RSU with respect to 100 shares of Class A Common Stock.

- Your New RSU will be granted under our 2022 Equity and Incentive Plan (the “**2022 Plan**”).
- To the extent any Eligible Option that you tender for exchange is partially vested as of the Expiration Time, you will receive one New RSU in exchange for the vested shares underlying such Eligible Option (a “**Vested Option New RSU**”) and one New RSU in exchange for the unvested shares underlying such Eligible Option (an “**Unvested Option New RSU**”).
- New RSUs will not be fully vested on the grant date of the New RSUs. The vesting terms of your New RSUs will be as follows:
  - Each Vested Option New RSU granted in exchange for the vested shares underlying an Eligible Option will vest 50% on the grant date of the New RSU and will vest with respect to the remaining 50% in two equal installments on each of February 15, 2023 and May 15, 2023, in each case, subject to your continued employment or service with Grove through each applicable vesting date.
  - Each Unvested Option New RSU granted in exchange for the unvested shares underlying an Eligible Option will vest in equal installments on each February 15, May 15, August 15 and November 15 until becoming fully vested in the calendar quarter in which the Eligible Option tendered in exchange for such New RSU would have fully vested had it not been exchanged in this Exchange Offer and subject to your continued employment or service with Grove through each applicable vesting date.
  - As with any unvested equity award under our 2022 Plan, you must remain in continuous service with Grove through each vesting date. Other than in connection with certain qualifying terminations of employment, in the event that your service with Grove terminates for any reason prior to the vesting date of any unvested portion of your New RSU, such unvested portion will be forfeited on your termination date. In the event your service with Grove is terminated without cause, due to your death or disability or you resign for good reason, your Vested Option New RSU will fully vest, subject, in the case of a termination without cause or resignation for good reason, to your execution and non-revocation of a waiver and release of claims and subject to the other conditions prescribed by the Company as set forth in the relevant restricted stock unit award agreement for such New RSUs, and any then-unvested portion of your Unvested Option New RSU will be forfeited on your termination date. In the event your service with Grove is terminated without cause, due to your death or disability or you resign for good reason, in each case, within 24 months following a change in control of Grove, your Vested Option New RSUs and Unvested Option New RSUs will become fully vested as of such termination, subject, in the case of a termination without cause or resignation for good reason, to your execution and non-revocation of



a waiver and release of claims and subject to the other conditions prescribed by the Company as set forth in the relevant restricted stock unit award agreement for such New RSUs.

- Upon tender and cancellation of your Eligible Options, you will forfeit and have no further rights to the Earnout Shares (as defined below) that were granted in connection with such Eligible Options. An “**Earnout Share**” is a share of our Class B common stock that, pursuant to the Merger Agreement (as defined below), was issued together with an Eligible Option upon the closing of the Business Combination (as defined below) in exchange for options to purchase shares of common stock of Grove Collaborative Inc.
  - The Earnout Shares were invested at the closing of the Merger and are scheduled to automatically vest effective (A) with respect to 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$12.50 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to the ten year anniversary of the closing of the Merger (the “Earnout Period”) and (B) with respect to the other 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$15.00 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to expiration of the Earnout Period. In addition, in the event that (x) there is a “Change of Control” (or a definitive agreement providing for a “Change of Control” has been entered into) after the closing of the Merger and prior to the expiration of the Earnout Period or (y) there is a liquidation, dissolution, bankruptcy, reorganization, assignment for the benefit of creditors or similar event with respect to Grove after the closing and on or prior to the expiration of the Earnout Period, the Earnout Shares that have not vested prior to such occurrence will automatically vest.
  - Under the terms of the Merger Agreement, if, at any time prior to the date on which the Earnout Shares vest, any holder of Earnout Shares forfeits all or any portion of such holder’s related Grove options, all unvested Earnout Shares issued to such holder with respect to any such awards shall be automatically forfeited to the Company and distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis. In addition, the shares subject to the option awards tendered will be recycled into the 2022 Plan in accordance with the terms of the 2022 Plan.

You are not required to participate in the Exchange Offer. If you hold more than one option grant that qualifies as an Eligible Option and elect to participate in the Exchange Offer, you will be allowed to tender for exchange as few or as many of your Eligible Option grants as you wish. Eligible Options properly tendered in this Exchange Offer and accepted by Grove for exchange will be cancelled and your New RSUs will be granted with the New RSU Terms effective on a date on or promptly following the Expiration Time (such date, the “**New RSU Grant Date**”).

#### *Expiration and Extension of the Exchange Offer*

The Exchange Offer is scheduled to expire at 6:00 p.m., Pacific Time, on Friday, October 21, 2022, unless we, in our sole discretion, extend the expiration date of the Exchange Offer (such time and date referred to herein as the “**Expiration Time**”). See Section 13 (“**Extension of Exchange Offer; Termination; Amendment**”) for a description of our rights to extend, terminate and amend the Exchange Offer.

If you do not elect to tender your Eligible Options before the Expiration Time, such Eligible Options will remain subject to their current terms, including the current exercise prices and vesting schedules, and you will continue to hold the related Earnout Shares.

#### **Section 2. Purpose of the Exchange Offer; Additional Considerations**

Equity awards are a critical component of our compensation philosophy, the focal point of which is to align the interests of our employees with the Company’s business objectives and increase long-term stockholder value. Our board of directors (our “**Board**”) believes that the Exchange Offer is in the best interests of our stockholders and the Company, as we believe that New RSUs granted under the Exchange Offer will provide a better incentive and motivation to employees to successfully execute our company philosophy and business objectives than the underwater options they currently hold and would surrender. We believe that the receipt of New RSUs will increase the retention of our employees, reduce the costs and disruptions associated with employee resignations and better

ensure our performance as a company. In addition, it will provide the opportunity to reduce the “overhang” of outstanding stock options, many of which are well out of the money.

We evaluated several alternatives to the Exchange Offer in order to remain competitive within our industry and with our employees, including granting additional stock options or exchanging underwater options for stock options with lower exercise prices. While equity awards and cash compensation are part of our overall compensation packages, we believe that relying exclusively on such forms of compensation is not an ideal use of our resources. For example, granting additional stock options would cause further dilution to our current stockholders, and increasing cash compensation would reduce the cash resources we can devote to product development and marketing. Accordingly, we determined that the Exchange Offer was the most attractive alternative for stockholders.

The price of our common stock has significantly decreased since the Eligible Options were granted. As of September 23, 2022, approximately 56% of the outstanding stock options held by our employees are “underwater,” meaning the exercise price of those options is greater than our current stock price. This means that a substantial portion of these stock options may have little or no perceived value to our employees who hold them and therefore may no longer be effective as incentives to motivate or retain these individuals.

We designed the Exchange Offer to restore equity value, increase retention and motivation in a competitive labor market, provide non-cash compensation incentives and better align our employee and stockholder interests for long-term growth. We believe that underwater stock option awards are of limited benefit in motivating and retaining our employees. Through the Exchange Offer, we believe that we will be able to enhance long-term stockholder value by increasing our ability to retain experienced employees and by better aligning the interests of these individuals with the interests of our stockholders. Because many of our employees’ stock options are underwater (and for a large number of employees, significantly so), we may face a considerable challenge in retaining these employees, and there is a possibility that our competitors may be able to offer equity incentives or other forms of compensation that are more attractive and that, in some cases, could make the terms of employment at a new employer more attractive than what we offer to our existing employees. The Exchange Offer is designed to address these concerns as well as improve morale among our employees generally and reinvigorate a culture where equity compensation is a key component of our overall compensation package.

In deciding whether to tender one or more Eligible Options pursuant to the Exchange Offer, you should know that we continually evaluate and explore strategic opportunities as they arise. At any given time, we may be engaged in discussions or negotiations with respect to one or more corporate transactions of the type described below. We also grant equity awards in the ordinary course of business to our directors and our current and new employees, including our executive officers. Our directors and employees, including our executive officers, from time to time may acquire or dispose of our securities. We may from time to time repurchase our own outstanding securities after we have announced any decision by the Board to authorize us to do so, in accordance with applicable securities laws. In addition, we may pursue opportunities to raise additional capital through the issuance of equity or convertible debt securities. If this occurs, the percentage ownership of our stockholders could be significantly diluted, and these newly-issued securities may have rights, preferences or privileges senior to those of existing stockholders. We cannot assure you that additional financing will be available on terms favorable to Grove, or at all.

Subject to the foregoing and except as otherwise disclosed in the Exchange Offer or in our filings with the Securities and Exchange Commission (the “SEC”), we currently have no plans, proposals or negotiations that relate to or would result in:

- any extraordinary corporate transaction, such as a material merger, reorganization or liquidation, involving Grove;
- any purchase, sale or transfer of a material amount of our assets;
- any material change in our present dividend policy or our indebtedness or capitalization;
- any material change in our Board or executive management team, excluding any plans to fill any existing vacancies on the Board or executive management team;
- any other material change in our corporate structure or business;
- our Class A common stock not being traded on a national securities exchange;
- our Class A common stock becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”);
- the suspension of our obligation to file reports pursuant to Section 15(d) of the Exchange Act;
- the acquisition by any person of any of our securities or the disposition of any of our securities, other than in the ordinary course of business or pursuant to existing options or other rights; or
- any change in our certificate of incorporation or bylaws, or any actions that may impede the acquisition of control of us by any person.

WE DO NOT MAKE ANY RECOMMENDATION AS TO WHETHER YOU SHOULD TENDER YOUR ELIGIBLE OPTIONS, NOR HAVE WE AUTHORIZED ANY PERSON TO MAKE ANY SUCH RECOMMENDATION. YOU SHOULD EVALUATE CAREFULLY ALL OF THE INFORMATION IN THE EXCHANGE OFFER AND CONSULT YOUR OWN FINANCIAL AND TAX ADVISORS. YOU MUST MAKE YOUR OWN DECISION WHETHER TO TENDER YOUR ELIGIBLE OPTIONS FOR EXCHANGE.

### **Section 3. Procedures for Tendering Eligible Options.**

If you wish to tender your Eligible Options for exchange, you must properly complete and sign the accompanying Election Form and deliver the properly completed and signed document to us so that we receive it before the Expiration Time via Google Forms.

Except as described in the following sentence, the Election Form must be signed by the Eligible Holder who holds the Eligible Options to be tendered using the same name for such Eligible Holder as appears on the applicable stock option agreement. If the signature is by an attorney-in-fact or another person acting in a fiduciary or representative capacity, the signer's full title and proper evidence of the authority of such person to act in such capacity must be identified on the Election Form.

Your Eligible Options will not be considered tendered until we receive the properly completed and signed Election Form. We must receive your properly completed and signed Election Form before the Expiration Time. If you miss this deadline or submit an Election Form that is not properly completed as of the deadline, you will not be permitted to participate in the Exchange Offer.

We will accept delivery of the signed Election Form only via Google Forms. You are responsible for making sure that the Election Form is delivered via Google Forms. You must allow for sufficient time to complete and deliver your Election Form to ensure that we receive your Election Form before the Expiration Time.

You do not need to return your stock option agreements relating to any tendered Eligible Options, as they will be automatically cancelled in exchange for New RSUs if we accept your Eligible Options for exchange.

*Determination of Validity; Rejection of Eligible Options; Waiver of Defects; No Obligation to Give Notice of Defects.*

To validly tender your Eligible Options pursuant to the Exchange Offer, you must remain an Eligible Holder through the New RSU Grant Date and your employment or service with us must not have terminated for any other reason, including due to your voluntary resignation, retirement, involuntary termination, layoff, death or disability, prior to or as of the New RSU Grant Date.

If you hold multiple option grants that each qualify as an Eligible Option and elect to participate in the Exchange Offer, you will be able to elect to tender as few or as many of your Eligible Option grants as you wish.

We will determine all questions as to form of documents and the validity, eligibility, time of receipt and acceptance of any tender of Eligible Options. Neither Grove nor any other person is obligated to give notice of any defects or irregularities in tenders. No tender of Eligible Options will be deemed to have been properly made until all defects or irregularities have been cured by the tendering Eligible Holder or waived by Grove. Subject to any order or decision by a court or arbitrator of competent jurisdiction, our determination of these matters will be final and binding on all parties.

The Exchange Offer is a one-time offer, and we will strictly enforce the offer period, subject only to any extension of the Expiration Time that we may grant in our sole discretion. Subject to Rule 13e-4 under the Exchange Act, we also reserve the right to waive any of the conditions of the Exchange Offer or any defect or irregularity in any tender with respect to any particular Eligible Option or any particular Eligible Holder.

*Our Acceptance Constitutes an Agreement*

Your tender of Eligible Options pursuant to the procedures described above constitutes your acceptance of the terms and conditions of the Exchange Offer and will be controlling, absolute and final, subject to your withdrawal rights under Section 4 ("*Withdrawal Rights*") and our acceptance of your tendered Eligible Options in accordance with Section 5 ("*Acceptance of Eligible Options for Exchange; Grant of New RSUs*"). Our acceptance for exchange of Eligible Options that you tender pursuant to the Exchange Offer will constitute a binding agreement between Grove and you upon the terms and subject to the conditions of the Exchange Offer.

Subject to our rights to terminate and amend the Exchange Offer in accordance with Section 6 ("*Conditions of the Exchange Offer*"), and as described in Section 1 of this Offering Memorandum, on the New RSU Grant Date, we

expect to accept for exchange all properly tendered Eligible Options that have not been validly withdrawn by the Expiration Time, and we expect to cancel the Eligible Options that we accept in exchange for the grant of New RSUs with the New RSU Terms. We expect the New RSU Grant Date to occur on or promptly following the Expiration Time. If the Expiration Time is extended, then the New RSU Grant Date will be similarly extended.

#### **Section 4. Withdrawal Rights.**

If you elect to accept the Exchange Offer with respect to some or all of your Eligible Options and later change your mind, you may withdraw any tendered Eligible Options by following the procedure described in this Section 4.

We will permit any Eligible Options tendered in the Exchange Offer to be withdrawn at any time during the period the Exchange Offer remains open. Please note that, upon the terms and subject to the conditions of the Exchange Offer, we expect to accept for exchange all Eligible Options properly tendered and not validly withdrawn by the Expiration Time.

To validly withdraw tendered Eligible Options, you must deliver to us (using the same delivery method described in Section 3) a properly completed and signed Notice of Withdrawal of Election Form (“*Notice of Withdrawal*”) during a period in which you have the right to withdraw the tendered Eligible Options. Your tendered Eligible Options will not be considered withdrawn until we receive your properly completed and signed Notice of Withdrawal. If you miss the deadline for withdrawal but remain an Eligible Holder, we will exchange any previously tendered Eligible Options pursuant to the Exchange Offer and your previously submitted Election Form.

You are responsible for making sure that, if you wish to withdraw tendered Eligible Options, the Notice of Withdrawal is delivered as indicated in Section 3 above. The Notice of Withdrawal must specify the Eligible Options to be withdrawn. Except as described in the following sentence, the Notice of Withdrawal must be signed by the Eligible Holder who holds the Eligible Options to be tendered using the same name for such Eligible Holder as appears on the applicable stock option agreement and the previously submitted Election Form. If the signature is by an attorney-in-fact or another person acting in a fiduciary or representative capacity, the signer’s full title and proper evidence of the authority of such person to act in such capacity must be identified on the Notice of Withdrawal. We have filed a form of the Notice of Withdrawal as an exhibit to the Tender Offer Statement on Schedule TO filed by Grove with the SEC on September 26, 2022 (the “*Schedule TO*”). We will deliver a copy of the Notice of Withdrawal form to all Eligible Holders.

You may not rescind any withdrawal, and any Eligible Options you withdraw will thereafter be deemed not properly tendered for purposes of the Exchange Offer unless you properly re-tender those Eligible Options before the Expiration Time by following the procedures described in Section 3 of this Offering Memorandum.

Neither we nor any other person is obligated to give notice of any defects or irregularities in any Notice of Withdrawal, nor will anyone incur any liability for failing to give notice of any defects or irregularities. We will determine all questions as to the form and validity, including time of receipt, of Notices of Withdrawal. Subject to any order or decision by a court or arbitrator of competent jurisdiction, our determinations of these matters will be final and binding.

#### **Section 5. Acceptance of Eligible Options for Exchange; Grant of New RSUs**

Upon the terms and subject to the conditions of the Exchange Offer, we expect to accept for exchange all Eligible Options properly tendered and not validly withdrawn by the Expiration Time. On the New RSU Grant Date, we expect to cancel the Eligible Options we have accepted in exchange for the grant of the New RSUs with the New RSU Terms. In addition, on the date of cancellation of the Eligible Options, the related Earnout Shares will be automatically forfeited to the Company and distributed to the other holders of Grove securities (including options and RSUs) as of immediately prior to the closing of the Business Combination on a pro rata basis. If the Expiration Time is extended, then the New RSU Grant Date will be similarly extended. The shares subject to the option awards tendered will be recycled into the 2022 Plan in accordance with the terms of the 2022 Plan.

To the extent any Eligible Option that you tender for exchange is partially vested as of the Expiration Time, you will receive one New RSU in exchange for the vested shares underlying such Eligible Option (a “*Vested Option New RSU*”) and one New RSU in exchange for the unvested shares underlying such Eligible Option (an “*Unvested Option New RSU*”).

Promptly after we grant the New RSUs, we will send each tendering Eligible Holder a confirmation email with respect to the Eligible Options that we have accepted for exchange. In addition, we will separately provide to each tendering Eligible Holder for acceptance via Fidelity NetBenefits the RSU documentation relating to the Eligible Holder’s New RSUs. We have filed a form of such confirmation email as an exhibit to the Schedule TO.

If you have tendered Eligible Options under the Exchange Offer and your employment terminates for any reason, before the New RSU Grant Date, you will no longer be eligible to participate in the Exchange Offer, and we will not accept your Eligible Options for exchange. In that case, you may be able to exercise your existing vested Eligible Options for a limited time after your termination date in accordance with and subject to their terms.

#### Section 6. Conditions of the Exchange Offer.

Notwithstanding any other provision of the Exchange Offer, we will not be required to accept any Eligible Options tendered for exchange, and we may terminate or amend the Exchange Offer, in each case subject to Rule 13e-4(f)(5) under the Exchange Act, if at any time on or after the date hereof and prior to the Expiration Time, any of the following events has occurred, or if we have determined, in our reasonable judgment, that any of the following events has occurred:

- there shall have been threatened or instituted any action or proceeding by any government or governmental, regulatory or administrative agency, authority or tribunal or other person, domestic or foreign, before any court, authority, agency or tribunal that (i) directly or indirectly challenges the making of the Exchange Offer or the exchange of some or all of the Eligible Options tendered for exchange, (ii) otherwise relates in any manner to the Exchange Offer, or (iii) in our reasonable judgment, could materially affect our business, condition (financial or other), assets, income, operations, prospects or stock ownership;
- there shall have been threatened, instituted or taken, any action, or any approval, exemption or consent shall have been withheld, or any statute, rule, regulation, judgment, order or injunction shall have been proposed, sought, promulgated, enacted, entered, amended, interpreted, enforced or deemed to be applicable to the Exchange Offer or Grove, by or from any court or any regulatory or administrative authority, agency or tribunal that, in our reasonable judgment, would directly or indirectly:
  - make it illegal for us to accept some or all of the tendered Eligible Options for exchange, otherwise restrict or prohibit consummation of the Exchange Offer or otherwise relate in any manner to the Exchange Offer;
  - delay or restrict our ability, or render us unable, to accept the tendered Eligible Options for exchange; or
  - impair the contemplated benefits of the Exchange Offer to Grove;
- there will have occurred:
  - any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or automated quotation system or in the over-the-counter market;
  - the declaration of a banking moratorium or any suspension of payments with respect to banks in the United States;
  - any limitation, whether or not mandatory, by any governmental, regulatory or administrative agency or authority on, or any event that, in our reasonable judgment, might affect the extension of credit to us by banks or other lending institutions in the United States;
  - in our reasonable judgment, any extraordinary or material adverse change in United States financial markets generally, including a decline of at least 10% in either the Dow Jones Industrial Average or the Standard & Poor's 500 Index from the date of commencement of the Exchange Offer;
  - the commencement or escalation of a war or other national or international calamity directly or indirectly involving the United States, which could reasonably be expected to affect materially or adversely, or to delay materially, the completion of the Exchange Offer; or
  - any of the situations described above which existed at the time of commencement of the Exchange Offer, where such situation, in our reasonable judgment, deteriorates materially after commencement of the Exchange Offer.
- a tender or exchange offer (other than the Exchange Offer) with respect to some or all of our capital stock, or a merger or acquisition proposal for Grove, shall have been proposed, announced or publicly disclosed or we shall have learned that:
  - any person, entity or group (where “**group**” has the meaning given within Section 13(d)(3) of the Exchange Act) has acquired more than 5% of our outstanding common stock, other than a person, entity or group that had publicly disclosed such ownership with the SEC prior to the date of commencement of the Exchange Offer;

- any such person, entity or group that had publicly disclosed such ownership prior to such date has acquired additional common stock constituting more than 1% of our outstanding shares; or
- any new group has been formed that beneficially owns more than 5% of our outstanding common stock that, in our judgment in any such case, and regardless of the circumstances, makes it inadvisable to proceed with the Exchange Offer or with such acceptance of Eligible Options for exchange;
- any change, development, clarification or position taken in generally accepted accounting principles that could or would require us to record for financial reporting purposes compensation expense against our earnings in connection with the Exchange Offer, other than as contemplated as of the commencement date of this Exchange Offer (as described in Section 10 of this Offering Memorandum, “*Accounting Consequences of this Exchange Offer*”);
- any changes occur in our business, financial condition, assets, income, operations, prospects or stock ownership that, in our reasonable judgment, is or may be material to Grove;
- Any event or events occur that have resulted or may result, in our reasonable judgment, in a material impairment of the contemplated benefits of the Exchange Offer to Grove (see Section 2 of this Offering Memorandum, “*Purpose of the Exchange Offer; Additional Consideration*,” for a description of the contemplated benefits of the Exchange Offer to Grove); and
- Any rules or regulations by any governmental authority, the NYSE, or other regulatory or administrative authority or any national securities exchange have been enacted, enforced, or deemed applicable to us that have resulted or may result, in our reasonable judgment, in a material impairment of the contemplated benefits of the Exchange Offer to Grove (see Section 2 of this Offering Memorandum, “*Purpose of the Exchange Offer; Additional Consideration*,” for a description of the contemplated benefits of the Exchange Offer to Grove).

The conditions to the Exchange Offer are for Grove’s benefit. We may assert them prior to the Expiration Time regardless of the circumstances giving rise to them (other than circumstances caused by our action or inaction). We may waive the conditions, in whole or in part, at any time and from time to time prior to our acceptance of your tendered Eligible Options for exchange, whether or not we waive any other condition to the Exchange Offer. Subject to any order or decision by a court or arbitrator of competent jurisdiction, any determination we make concerning the events described in this Section 6 will be final and binding upon all persons.

### Section 7. Price Range of Our Class A Common Stock

The Eligible Options give Eligible Holders the right to acquire shares of our Class A common stock or Class B common stock. Neither the Class B common stock or any of the Eligible Options are traded on any trading market but, instead, are exchange on a one-for-one basis into Class A common stock. New RSUs will entitle participants to receive shares of our Class A common stock. Our Class A common stock trades on the NYSE under the symbol “*GROV*.”

The following table sets forth the high and low per share sales prices of our Class A common stock on the NYSE during the periods indicated.

<u>Year Ending December 31, 2022</u>	<u>High</u>	<u>Low</u>
First quarter	\$9.94	\$9.83
Second quarter	\$10.00	\$4.63

As of September 23, 2022, we had 556 stockholders of record of our Class A common stock, and 56,081,240 shares of our Class A common stock were issued and outstanding. Because brokers and other institutions hold many of our shares on behalf of stockholders, we are unable to estimate the total number of beneficial stockholders represented by these record holders. On September 23, 2022, the closing price for our Class A common stock as reported on the NYSE was \$2.97 per share. We recommend that you obtain current market quotations for our Class A common stock before deciding whether or not to tender your Eligible Options for exchange. The price of our Class A common stock has been, and in the future may be, volatile and could decline. The trading price of our Class A common stock has fluctuated in the past and is expected to continue to do so in the future as a result of a number of factors, many of which are outside our control. In addition, the stock market has experienced extreme price and volume fluctuations that have affected the market prices of many companies and that have often been unrelated or disproportionate to the operating performance of those companies.

## Section 8. Information Concerning Grove; Financial Information.

### *Information Concerning Grove.*

We are a digital-first, sustainability-oriented consumer products innovator. We use our connection with consumers to create and curate authentic, disruptive brands and products. Grove builds natural products that perform as well as or better than many leading CPG brands (both conventional and natural), while being healthier for consumers and the planet.

On June 16, 2022 (the “Closing Date”), we consummated the previously-announced transactions contemplated by the Agreement and Plan of Merger, dated December 7, 2021, amended and restated on March 31, 2022 (the “Merger Agreement”), among Virgin Group Acquisition Corp. II (“VGAC II”), Treehouse Merger Sub, Inc. (“VGAC II Merger Sub I”), Treehouse Merger Sub II, LLC (“VGAC II Merger Sub II”), and Grove Collaborative, Inc. (“Legacy Grove”) (“the Merger”). In connection with the Merger, VGAC II changed its jurisdiction of incorporation from the Cayman Islands to the State of Delaware and changed its name to Grove Collaborative Holdings, Inc (the “Domestication”), a public benefit corporation. On the Closing Date, VGAC Merger Sub II merged with and into Legacy Grove with Legacy Grove being the surviving corporation and a wholly-owned subsidiary of the Company (the “Initial Merger”), and, immediately following the Initial Merger, and as part of the same overall transaction as the Initial Merger, Legacy Grove merged with and into VGAC Merger Sub II, the separate corporate existence of Legacy Grove ceased, and Merger Sub II continued as the surviving company and a wholly-owned subsidiary of the Company and changed its name to Grove Collaborative, Inc. (together with the Merger and the Domestication, the “Business Combination”).

Our principal offices are located at 1301 Sansome Street, San Francisco, CA 94111, and our telephone number is (800) 231-8527. Our website address is [www.grove.co](http://www.grove.co). Information found on, or accessible through, our website is not a part of, and is not incorporated into, this Exchange Offer.

For additional information regarding Grove’s business, please see the “Business” section included in our Registration Statement on Form S-1, filed with the SEC on July 18, 2022 and as amended on August 25, 2022, which is incorporated herein by reference.

### *Financial Information.*

A summary of certain financial information is attached as Schedule A to this Offering Memorandum and should be read in conjunction with the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and the notes thereto included in our Registration Statement on Form S-1, filed with the SEC on July 18, 2022 and as amended on August 25, 2022 (the “**Registration Statement**”), our Annual Report on Form 10-K (File No. 001-40263) for the year ended December 31, 2021, filed with the SEC on February 24, 2022 (our “**Annual Report**”), and in our Quarterly Report on Form 10-Q (File No. 001-40263) for the quarter ended June 30, 2022, filed with the SEC on August 12, 2022, as amended on August 22, 2022 (our “**Quarterly Report**”), which are incorporated herein by reference. The fair market value per share of our Class A common stock as of September 23, 2022 was \$2.97 per share as reported on the NYSE.

### *Additional Information.*

For more information about Grove, please refer to our Registration Statement, our Annual Report, our Quarterly Report and our other filings made with the SEC. We recommend that you review the materials that we have filed with the SEC before making a decision on whether or not to tender your Eligible Options. We will also provide without charge to you, upon your written or oral request, a copy of any or all of the documents to which we have referred you. See Section 15 (“**Additional Information**”) for more information regarding reports we file with the SEC and how to obtain copies of or otherwise review such reports.

## Section 9. Interests of Directors and Executive Officers; Transactions and Arrangements Concerning Our Securities

Our executive officers and members of our Board may participate in the Exchange Offer.

Other than outstanding stock option and other equity awards granted to our directors, executive officers and other employees and consultants pursuant to our various equity incentive plans, which are described in the notes to our financial statements as set forth in our Registration Statement, Annual Report and Quarterly Report, neither Grove nor, to our knowledge, any of our executive officers or directors, any person controlling Grove or any executive officer or director of such control person, is a party to any agreement, arrangement or understanding with respect to any of our securities, including any agreement, arrangement or understanding concerning the transfer or the voting

of any of our securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or the giving or withholding of proxies, consents or authorizations.

During the 60-day period prior to the date of this Offering Memorandum, we have not granted any options that are Eligible Options, and no Eligible Options have been exercised. During such 60-day period, neither we, nor, to the best of our knowledge, any member of our Board or any of our executive officers, nor any of our affiliates, has engaged in any transaction involving the Eligible Options.

For additional information regarding the our directors and executive officers and their compensation, please see the “Management” and “Executive and Director Compensation” sections included in our Registration Statement on Form S-1, filed with the SEC on July 18, 2022 and as amended on August 25, 2022, each of which is incorporated herein by reference. For additional information regarding certain related parties and beneficial owners of Grove’s Class A common stock and Class B common stock, please see the “Certain Relationships and Related Party Transactions” and “Principal Securityholders” sections included in our Registration Statement on Form S-1, filed with the SEC on July 18, 2022 and as amended on August 25, 2022, each of which is incorporated herein by reference.

#### **Section 10. Accounting Consequences of the Exchange Offer**

We have adopted the provisions of the Financial Accounting Standard Board’s *Accounting Standards Update 2014-12, Compensation-Stock Compensation (Topic 718)* (“**ASC Topic 718**”) regarding accounting for share-based payments. Under ASC Topic 718, we will recognize the grant date fair value of the tendered Eligible Options plus the incremental compensation cost of the New RSUs. The incremental compensation cost will be measured as the excess, if any, of the fair value of the New RSUs over the fair value of the original Eligible Options prior to exchange. The fair value of New RSUs will be measured as of the New RSU Grant Date and the fair value of the Eligible Options surrendered will be measured as of the Expiration Time. This incremental compensation cost will be recognized in compensation expense ratably over the vesting period of the New RSUs.

The amount of compensation cost will depend on a number of factors, including the level of participation in the Exchange Offer and the exercise price per share of Eligible Options, as applicable, exchanged in the Exchange Offer. Since these factors cannot be predicted with any certainty as of the date of this Offering Memorandum and will not be known until the Expiration Time, we cannot predict the exact amount of the charge (if any) that will result from the Exchange Offer.

#### **Section 11. Legal Matters; Regulatory Approvals**

We are not aware of any material pending or threatened legal actions or proceedings relating to the Exchange Offer. We are not aware of any margin requirements or anti-trust laws applicable to the Exchange Offer. We are not aware of any license or regulatory permit that appears to be material to our business that might be adversely affected by our acceptance of Eligible Options for exchange and grant of New RSUs as contemplated by the Exchange Offer, or of any regulatory requirements that we must comply with or approval or other action by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, that would be required for the completion of the Exchange Offer as contemplated herein. Should any such compliance or approval or other action be required, we currently contemplate that we will use commercially reasonable efforts to comply with such requirements or seek such approval or take such other action. We cannot assure you that any such compliance or approval or other action, if needed, would be achieved or obtained or would be achieved or obtained without substantial conditions or that the failure to achieve such compliance or obtain any such approval or other action would not adversely affect our business. Our obligation under the Exchange Offer to accept tendered Eligible Options for exchange and to grant New RSUs with the New RSU Terms would be subject to achieving such compliance or obtaining any such governmental approval or other action.

#### **Section 12. Material United States Tax Consequences**

The following is a summary of the anticipated material United States federal income tax consequences of the Exchange Offer. This tax summary does not discuss all of the tax consequences that may be relevant to you in light of your particular circumstances (including the consequences of any state or local taxes), nor is it intended to apply in all respects to all categories of Eligible Holders. The tax consequences for individuals who are subject to the tax laws of a country other than the United States or of more than one country may differ from the United States federal income tax consequences summarized herein. The rules governing the tax treatment of equity awards are complex. ***You should consult with your tax advisor to determine the personal tax consequences to you of rejecting or participating in the Exchange Offer.***

##### *Tax Effects of Rejecting the Offer*



In general, your rejection of the Exchange Offer will not be a taxable event for United States federal income tax purposes. However, if (1) any of your Eligible Options are currently treated as ISOs, (2) the Exchange Offer remains outstanding for more than 29 days (that is, if we extend the Exchange Offer beyond the original Expiration Time on Friday, October 21, 2022), and (3) you do not reject this Exchange Offer within the first 29 days in which it is outstanding (that is, by Friday, October 21, 2022), your Eligible Options may cease to be treated as ISOs as of October 21, 2022. If the fair market value of our Class A common stock or Class B common stock, as applicable, as of the Expiration Time is less than the exercise price currently in effect for your Eligible Options, the Board can take action to “retest” your Eligible Options to determine if they can again be treated as ISOs. However, even if they can again be treated as ISOs, your 2-Year Holding Period (as defined below) under your Eligible Options (as further described below in the section called “Taxation of Incentive Stock Options”) will start over on the original Expiration Time. Therefore, if we extend the Exchange Offer beyond the original Expiration Time on Friday, October 21, 2022 and it remains outstanding for more than 29 days, and you wish to avoid the possible impact on ISO status, you must reject this Exchange Offer by completing and submitting the Election Form on or prior to 6:00 p.m. Pacific Time on October 21, 2022.

#### *Tax Effects of Accepting the Offer*

We do not expect you to recognize any income, gain or loss as a result of the exchange and cancellation of your Eligible Options for New RSUs for United States federal income tax purposes.

#### *Taxation of Incentive Stock Options*

Generally, if an optionholder holds an ISO, he or she would not have recognized any income, gain or loss upon the granting of such ISO. Upon the exercise of an ISO, an optionholder is typically not subject to United States federal income tax except for the possible imposition of alternative minimum tax. Rather, the optionholder is taxed for United States federal income tax purposes at the time he or she disposes of the stock subject to the option.

If the date upon which the optionholder disposes of the stock subject to an ISO is more than two years from the date on which the ISO was granted (the **2-Year Holding Period**) and more than one year from the date on which the optionholder exercised the option (the **1-Year Holding Period**), then the optionholder’s entire gain or loss on such disposition is characterized as long-term capital gain or loss, rather than as ordinary income. However, if the optionholder fails to satisfy both the 2-Year Holding Period and the 1-Year Holding Period, then a portion of the optionholder’s profit from the sale of the stock subject to the ISO will be characterized as ordinary income and a portion may be short-term capital gain if the 1-Year Holding Period has not been satisfied. The portion of the profit that is characterized as ordinary income will be equal to the lesser of (a) the excess of the fair market value of the stock on the date of exercise over the exercise price of the option and (b) the excess of the value of the proceeds received on such disposition over the exercise price of the option. This deferral of the recognition of tax until the time of sale of the stock, as well as the possible treatment of the “spread” as long-term capital gain, are the principal advantages of your options being treated as ISOs.

#### *Taxation of Nonstatutory Stock Options (“NSOs”)*

Generally, if an optionholder holds an NSO, he or she would not have recognized any income, gain or loss upon the granting of such NSO. Upon the exercise of an NSO, an optionholder will recognize ordinary income on each purchased share equal to the difference between the fair market value of the stock on the date of exercise and the exercise price of the NSO.

If and when an optionholder sells the stock purchased upon the exercise of an NSO, any additional increase or decrease in the fair market value on the date of sale, as compared to the fair market value on the date of exercise, will be treated as a capital gain or loss. If the optionholder has held those shares for more than one year from the date of exercise, such gain or loss will be a long-term capital gain or loss. If the optionholder has held those shares for not more than one year from the date of exercise, such gain or loss will be a short-term capital gain or loss.

#### *Taxation of Restricted Stock Units*

Generally, a participant will not recognize any income, gain or loss on the granting of an unvested RSU. When the restriction period (or other restrictions) applicable to such RSU lapses and the shares of Class A common stock subject to the RSU are transferred to the participant, the participant will recognize compensation taxable as ordinary income in an amount equal to the fair market value of the transferred shares of Class A common stock on the date of transfer. The tax basis of the shares of Class A common stock received will be equal to the amount of compensation recognized, and the holding period for those shares will commence on the day following the date on which the shares are transferred to the participant. Any dividend equivalents paid on RSUs will be included as compensation for federal income tax purposes when received.

Participants who receive New RSUs that vest on the grant date will recognize compensation taxable as ordinary income when the shares of Class A common stock subject to such New RSUs are transferred to the participant in an amount equal to the fair market value of the transferred shares of Class A common stock on the date of transfer. The tax basis of the shares of Class A common stock received will be equal to the amount of compensation recognized, and the holding period for those shares will commence on the day following the date on which the shares are transferred to the participant.

#### *Withholding*

We will withhold all required local, state, federal, foreign and other taxes and any other amount required to be withheld by any governmental authority or law with respect to ordinary compensation income recognized with respect to the exercise of a stock option by an Eligible Holder. We will require any such Eligible Holder to make arrangements to satisfy this withholding obligation prior to the delivery or transfer of any shares of our Class A common stock.

#### **Section 13. Extension of the Exchange Offer; Termination; Amendment**

We may, from time to time, extend the period of time during which the Exchange Offer is open and delay accepting any Eligible Options tendered to us by disseminating notice of the extension to Eligible Holders by public announcement, written notice, including electronically posted or delivered notices, or otherwise as permitted by Rule 13e-4(e)(3) under the Exchange Act. If the Exchange Offer is extended, we will provide appropriate notice of the extension and the new Expiration Time no later than 6:00 a.m. Pacific Time on the next business day following the previously scheduled Expiration Time. For purposes of the Exchange Offer, a “business day” means any day other than a Saturday, Sunday or United States federal holiday and consists of the time period from 12:00 a.m. through 11:59 p.m., Pacific Time.

We also expressly reserve the right, in our reasonable judgment, prior to the Expiration Time, to terminate or amend the Exchange Offer upon the occurrence of any of the conditions specified in Section 6 (“*Conditions of the Exchange Offer*”), by disseminating notice of such termination or amendment to Eligible Holders by public announcement, written notice, including electronically posted or delivered notices, or otherwise as permitted by applicable law.

Subject to compliance with applicable law, we further reserve the right, in our discretion, and regardless of whether any event set forth in Section 6 (“*Conditions of the Exchange Offer*”) has occurred or we deem any such event to have occurred, to amend the Exchange Offer in any respect prior to the Expiration Time. We will promptly disseminate any notice of such amendment required pursuant to the Exchange Offer or applicable law to Eligible Holders in a manner reasonably designed to inform Eligible Holders of such change and will file such notice with the SEC as an amendment to the Schedule TO.

If we materially change the terms of the Exchange Offer or the information concerning the Exchange Offer, or if we waive a material condition of the Exchange Offer, we will extend the Exchange Offer to the extent required by Rules 13e-4(d)(2) and 13e-4(e)(3) under the Exchange Act. Under these rules, the minimum period during which a tender or Exchange Offer must remain open following material changes in the terms of or information concerning a tender or Exchange Offer, other than a change in price or a change in percentage of securities sought, will depend on the facts and circumstances, including the relative materiality of such terms or information.

In addition, we will publicly notify or otherwise inform Eligible Holders in writing if we decide to take any of the following actions and will keep the Exchange Offer open for at least 10 business days after the date of such notification:

- we increase or decrease the amount of consideration offered for the Eligible Options; or
- increase or decrease the number of Eligible Options that may be tendered in the Exchange Offer.

#### **Section 14. Consideration; Fees and Expenses**

Each Eligible Holder who properly tenders an Eligible Option to be exchanged and accepted by Grove pursuant to this Exchange Offer will receive a New RSU. RSUs are equity awards which represent the right to receive a specified number of shares of Class A common stock, subject to the expiration of a specified restriction period.

Subject to the terms and conditions of this Exchange Offer, upon our acceptance of your properly tendered Eligible Options, you will be entitled to receive New RSUs for a number of shares of Class A common stock calculated using an exchange ratio based on the exercise price of your tendered Eligible Options, as described in Section 1 of this Offering Memorandum. A portion of the New RSUs will be invested as of the New RSU Grant Date and will be subject to a new vesting schedule, as described in Section 1 of this Offering Memorandum. If you receive New

RSUs, you do not have to make any cash payment to Grove to receive your New RSUs, but upon vesting of your New RSUs, you will be required to pay any applicable withholding taxes to receive any shares of Class A common stock subject to your New RSUs.

If we receive and accept tenders from Eligible Holders of all Eligible Options (comprising a total of options to purchase 15,763,804 shares outstanding as of September 23, 2022) subject to the terms and conditions of this Exchange Offer, we will grant New RSUs covering a total of approximately 11,632,758 shares of Class A common stock.

We will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Eligible Options pursuant to the Exchange Offer. You will be responsible for any expenses that you incur in connection with your election to participate in the Exchange Offer, including mailing, faxing and telephone expenses, as well as any expenses associated with any tax, legal or other advisor that you consult or retain in connection with the Exchange Offer.

#### **Section 15. Additional Information.**

With respect to the Exchange Offer, we have filed the Schedule TO, as may be amended, of which the Exchange Offer is a part. The Exchange Offer document does not contain all of the information contained in the Schedule TO and the exhibits to the Schedule TO. Before making a decision on whether or not to tender your Eligible Options, we highly recommend that you review the Schedule TO, as may be amended, including its exhibits, and the following materials that we have filed with the SEC:

- our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 24, 2022;
- our Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, filed with the SEC on May 16, 2022;
- our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, filed with the SEC on August 12, 2022, as amended August 22, 2022;
- our Current Reports on Form 8-K filed with the SEC on April 4, 2022, April 14, 2022, June 2, 2022, June 15, 2022, June 23, 2022, July 19, 2022, August 22, 2022, August 30, 2022 and September 23, 2022; and
- the description of our Class A common stock contained in our Registration Statement on Form S-1, filed with the SEC on July 18, 2022 pursuant to Section 12(b) of the Exchange Act, including any amendments or reports filed for the purpose of updating such description.

Our SEC filings are available to the public on the SEC's website at <http://www.sec.gov>. We also make available on or through our corporate website, free of charge, copies of these reports as soon as reasonably practicable after we electronically file or furnish them to the SEC.

We will also promptly provide without charge to each Eligible Holder to whom we deliver a copy of the Exchange Offer, upon written or oral request, a copy of any or all of the documents to which we have referred you, other than exhibits to such documents (unless specifically incorporated by reference into such documents). Written requests should be directed to [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

The information about us contained in the Exchange Offer should be read together with the information contained in the documents to which we have referred you.

#### **Section 16. Miscellaneous.**

The Exchange Offer and our SEC reports referred to above include forward-looking statements. Words such as "believes," "will," "should," "could," "expects," "anticipates," "estimates," "plans," "objectives," and other similar statements of expectation identify forward-looking statements. These forward-looking statements involve risks and uncertainties, including those described in this Offering Memorandum, our Annual Report and our Quarterly Report, that could cause actual results to differ materially from those expressed in the forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on these forward-looking statements. While we believe our plans, intentions and expectations reflected in these forward-looking statements are reasonable, these plans, intentions or expectations may not be achieved.

**WE ENCOURAGE YOU TO REVIEW THE RISK FACTORS CONTAINED IN OUR ANNUAL REPORT AND QUARTERLY REPORT BEFORE YOU DECIDE WHETHER TO PARTICIPATE IN THE EXCHANGE OFFER.**

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER OR NOT YOU SHOULD TENDER YOUR ELIGIBLE OPTIONS PURSUANT TO THE EXCHANGE OFFER. YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR IN DOCUMENTS TO WHICH WE HAVE REFERRED YOU. WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE EXCHANGE OFFER OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT OR IN THE RELATED DOCUMENTS. IF ANYONE MAKES ANY RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY INFORMATION, YOU SHOULD NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY US.

## Schedule A

### Selected Financial Data

The following financial information should be read in conjunction with the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the audited financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 24, 2022, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the unaudited financial statements and the notes thereto included in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, filed with the SEC on August 12, 2022, as amended August 22, 2022, and the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the unaudited financial statements and the notes thereto included in our Registration Statement on Form S-1, filed with the SEC on July 18, 2022 and as amended on August 25, 2022, each of which is incorporated herein by reference. See Section 15 of the Offering Memorandum (“*Additional Information*”) for more information regarding reports we file with the SEC and how to obtain copies of or otherwise review these reports.

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

	June 30, 2022	December 31, 2021
	(Unaudited)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 132,393	\$ 78,376
Inventory, net	53,494	54,453
Prepaid expenses and other current assets	7,491	8,104
Total current assets	193,378	140,933
Property and equipment, net	15,831	15,932
Operating lease right-of-use assets	19,581	21,214
Other long-term assets	1,249	4,394
Total assets	\$ 230,039	\$ 182,473
<b>Liabilities, Convertible Preferred Stock and Stockholders' Deficit</b>		
Current liabilities:		
Accounts payable	\$ 17,714	\$ 21,346
Accrued expenses	40,830	20,651
Deferred revenue	12,575	11,267
Operating lease liabilities, current	3,788	3,550
Other current liabilities	854	1,650
Debt, current	22,708	10,750
Total current liabilities	98,469	69,214
Debt, noncurrent	43,694	56,183
Operating lease liabilities, noncurrent	18,106	20,029
Derivative liabilities	76,686	—
Other long-term liabilities	1,562	5,408
Total liabilities	238,517	150,834
Commitments and contingencies (Note 7)		
Convertible preferred stock, \$0.0001 par value – 100,000,000 and 115,527,580 shares authorized at June 30, 2022 and December 31, 2021, respectively; no and 114,795,034 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	—	487,918
Stockholders' deficit:		
Common stock - Class A shares, \$0.0001 par value – 600,000,000 shares authorized at June 30, 2022 and no shares authorized at December 31, 2021; 38,513,779 and no shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively;		
Class B shares, \$0.0001 par value – 200,000,000 and 194,046,918 shares authorized at June 30, 2022 and December 31, 2021, respectively; 124,355,978 and 9,368,167 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	16	1
Additional paid-in capital	564,343	33,863
Accumulated deficit	(572,837)	(490,143)
Total stockholders' deficit	(8,478)	(456,279)
Total liabilities, convertible preferred stock and stockholders' deficit	\$ 230,039	\$ 182,473

**Grove Collaborative Holdings, Inc.**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**  
**(In thousands, except share and per share amounts)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021 (As Restated)	2022	2021 (As Restated)
Revenue, net	\$ 79,279	\$ 99,023	\$ 169,758	\$ 201,243
Cost of goods sold	40,322	49,957	88,064	99,985
Gross profit	38,957	49,066	81,694	101,258
Operating expenses:				
Advertising	17,898	22,516	50,691	58,152
Product development	5,922	5,688	12,162	10,850
Selling, general and administrative	57,895	46,971	108,865	94,509
Operating loss	(42,758)	(26,109)	(90,024)	(62,253)
Interest expense	2,285	1,096	4,372	2,059
Loss on extinguishment on debt	—	1,027	—	1,027
Change in fair value of Additional Shares liability	2,015	—	2,015	—
Change in fair value of Earn-Out liability	(17,345)	—	(17,345)	—
Change in fair value of Public and Private Placement Warrants liability	(1,180)	—	(1,180)	—
Other expense, net	6,775	268	4,783	1,044
Interest and other expense (income), net	(7,450)	2,391	(7,355)	4,130
Loss before provision for income taxes	(35,308)	(28,500)	(82,669)	(66,383)
Provision for income taxes	2	16	25	28
Net loss	\$ (35,310)	\$ (28,516)	\$ (82,694)	\$ (66,411)
Net loss per share attributable to common stockholders, basic and diluted	\$ (1.06)	\$ (3.38)	\$ (3.86)	\$ (8.17)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	33,384,292	8,446,353	21,419,222	8,125,747

**Grove Collaborative Holdings, Inc.**

**Condensed Consolidated Statements of Convertible Preferred Stock, Contingently Redeemable Convertible Common Stock and Stockholders' Deficit**  
(In thousands)

	Convertible Preferred Stock <sup>(1)</sup>		Contingently Redeemable Convertible Common Stock <sup>(1)</sup>		Common Stock <sup>(1)</sup>		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balances at March 31, 2022	97,611	\$487,918	2,350	\$ 27,473	8,040	\$1	\$38,660	\$(537,527)	\$(498,866)
Recapitalization	17,184	—	400	—	1,415	—	—	—	—
Balances at March 31, 2022	114,795	487,918	2,750	27,473	9,455	1	38,660	(537,527)	(498,866)
Issuance of preferred stock and common stock upon net exercise of warrants	168	989	—	—	156	—	—	—	—
Conversion of preferred stock warrant liability to common stock warrants	—	—	—	—	—	—	2,182	—	2,182
Convertible preferred stock and contingently redeemable common stock conversion	(114,963)	(488,907)	(2,750)	(27,473)	118,205	12	516,368	—	516,380
Issuance of common stock in connection with Business Combination, including Backstop Tranche 2 Shares and PIPE offering, net of \$17.1 million in transaction costs	—	—	—	—	20,921	2	79,979	—	79,981
Additional Shares liability, Earn-Out liability and Public and Private Placement Warrants recognized upon Business Combination	—	—	—	—	—	—	(93,196)	—	(93,196)
Issuance of Earn-Out Shares	—	—	—	—	14,000	1	—	—	1
Issuance of Class A common stock issued to employees, net of withholding taxes	—	—	—	—	32	—	(96)	—	(96)
Issuance of common stock upon exercise of stock options	—	—	—	—	118	—	162	—	162
Repurchase of early exercise of options	—	—	—	—	(17)	—	—	—	—
Stock-based compensation	—	—	—	—	—	—	20,284	—	20,284
Net loss	—	—	—	—	—	—	—	(35,310)	(35,310)
Balances at June 30, 2022 (Unaudited)	—	\$—	—	\$—	162,870	\$16	\$564,343	\$(572,837)	\$(8,478)

<sup>(1)</sup> The shares of the Company's common, convertible preferred stock and contingently redeemable convertible common stock prior to the Closing of the Business Combination have been retroactively restated to reflect the exchange ratio of approximately 1.1760 established in the Merger Agreement.



**Grove Collaborative Holdings, Inc.**

**Condensed Consolidated Statements of Convertible Preferred Stock, Contingently Redeemable Convertible Common Stock and Stockholders' Deficit**

(In thousands)

	Convertible Preferred Stock <sup>(1)</sup>		Common Stock <sup>(1)</sup>		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balances at March 31, 2021	97,611	\$ 487,918	7,329	\$ 1	\$ 19,402	\$ (392,142)	\$ (372,739)
Recapitalization	17,184	—	1,290	—	—	—	—
Balance at March 31, 2021	114,795	487,918	8,619	1	19,402	(392,142)	(372,739)
Issuance of common stock for services	—	—	4	—	49	—	49
Issuance of common stock upon exercise of stock options	—	—	216	—	227	—	227
Vesting of early exercise of options	—	—	—	—	221	—	221
Issuance of common stock warrants	—	—	—	—	1,622	—	1,622
Stock-based compensation	—	—	—	—	3,861	—	3,861
Net loss	—	—	—	—	—	(28,516)	(28,516)
Balances at June 30, 2021 (Unaudited)	114,795	\$ 487,918	8,839	\$ 1	\$ 25,382	\$ (420,658)	\$ (395,275)

<sup>(1)</sup> The shares of the Company's common and convertible preferred stock prior to the Closing of the Business Combination have been retroactively restated to reflect the exchange ratio of approximately 1.1760 established in the Merger Agreement.

**Grove Collaborative Holdings, Inc.**

**Condensed Consolidated Statements of Convertible Preferred Stock, Contingently Redeemable Convertible Common Stock and Stockholders' Deficit**

(In thousands)

	Convertible Preferred Stock <sup>(1)</sup>		Contingently Redeemable Convertible Common Stock <sup>(1)</sup>		Common Stock <sup>(1)</sup>		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balances at December 31, 2021	97,611	\$ 487,918	—	\$ —	7,966	\$ 1	\$ 33,863	\$ (490,143)	\$ (456,279)
Recapitalization	17,184	—	—	—	1,402	—	—	—	—
Balances at December 31, 2021	114,795	487,918	—	—	9,368	1	33,863	(490,143)	(456,279)
Issuance of preferred stock and common stock upon net exercise of warrants	168	989	—	—	156	—	—	—	—
Conversion of preferred stock warrant liability to common stock warrants	—	—	—	—	—	—	2,182	—	2,182
Convertible preferred stock and contingently redeemable common stock conversion	(114,963)	(488,907)	(2,750)	(27,473)	118,205	12	516,368	—	516,380
Issuance of common stock in connection with Business Combination, including Backstop Tranche 2 Shares and PIPE offering, net of \$17.1 million in transaction costs	—	—	—	—	20,921	2	79,979	—	79,981
Additional Shares liability, Earn-Out liability and Public and Private Placement Warrants recognized upon Business Combination	—	—	—	—	—	—	(93,196)	—	(93,196)
Issuance of Earn-Out Shares	—	—	—	—	14,000	1	—	—	1
Issuance of Class A common stock issued to employees, net of withholding taxes	—	—	—	—	32	—	(96)	—	(96)
Issuance of convertible common stock	—	—	2,750	27,473	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	—	—	205	—	333	—	333
Vesting of early exercised options	—	—	—	—	—	—	125	—	125
Repurchase of early exercise of options	—	—	—	—	(17)	—	—	—	—
Stock-based compensation	—	—	—	—	—	—	24,785	—	24,785
Net loss	—	—	—	—	—	—	—	(82,694)	(82,694)
Balances at June 30, 2022 (Unaudited)	—	\$ —	—	\$ —	162,870	\$ 16	\$ 564,343	\$ (572,837)	\$ (8,478)

<sup>(1)</sup> The shares of the Company's common, convertible preferred stock and contingently redeemable convertible common stock prior to the Closing of the Business Combination have been retroactively restated to reflect the exchange ratio of approximately 1.1760 established in the Merger Agreement.

**Grove Collaborative Holdings, Inc.**

**Condensed Consolidated Statements of Convertible Preferred Stock, Contingently Redeemable Convertible Common Stock and Stockholders' Deficit**  
(In thousands)

	Convertible Preferred Stock <sup>(1)</sup>		Common Stock <sup>(1)</sup>		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balances at December 31, 2020	97,611	\$ 487,918	7,200	\$ 1	\$ 14,605	\$ (354,247)	\$ (339,641)
Recapitalization	17,184	—	1,268	—	—	—	—
Balances at December 31, 2020	114,795	487,918	8,468	1	14,605	(354,247)	(339,641)
Issuance of common stock for services	—	—	4	—	49	—	49
Issuance of common stock upon exercise of stock options	—	—	522	—	517	—	517
Vesting of early exercise of options	—	—	—	—	1,245	—	1,245
Repurchase of early exercised options	—	—	(155)	—	—	—	—
Issuance of common stock warrants	—	—	—	—	1,622	—	1,622
Stock-based compensation	—	—	—	—	7,344	—	7,344
Net loss	—	—	—	—	—	(66,411)	(66,411)
Balances at June 30, 2021 (Unaudited)	114,795	\$ 487,918	8,839	\$ 1	\$ 25,382	\$ (420,658)	\$ (395,275)

<sup>(1)</sup> The shares of the Company's common and convertible preferred stock prior to the Closing of the Business Combination have been retroactively restated to reflect the exchange ratio of approximately 1.1760 established in the Merger Agreement.

**Grove Collaborative Holdings, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**  
**(In thousands)**

	Six Months Ended June 30,	
	2022	2021
<b>Cash Flows from Operating Activities</b>		
Net loss	\$ (82,694)	\$ (66,411)
Adjustments to reconcile net loss to net cash used in operating activities:		
Remeasurement of convertible preferred stock warrant liability	(1,616)	1,308
Stock-based compensation	24,534	7,269
Depreciation and amortization	2,864	2,337
Changes in fair value of derivative liabilities	(16,510)	—
Transaction costs allocated to derivative liabilities upon Business Combination	6,673	—
Non-cash interest expense	312	313
Inventory reserve	1,693	1,719
Loss on extinguishment of debt	—	1,027
Other non-cash expenses	139	387
Changes in operating assets and liabilities:		
Inventory	(734)	(11,320)
Prepays and other assets	613	(3,059)
Accounts payable	(3,495)	(3,426)
Accrued expenses	525	7,327
Deferred revenue	1,308	1,788
Operating lease right-of-use assets and liabilities	(52)	45
Other liabilities	302	(1,103)
<b>Net cash used in operating activities</b>	<b>(66,138)</b>	<b>(61,799)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(2,610)	(2,845)
<b>Net cash used in investing activities</b>	<b>(2,610)</b>	<b>(2,845)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issuance of common stock upon Closing of Business Combination	97,100	—
Proceeds from issuance of contingently redeemable convertible common stock	27,500	—
Payment of transaction costs related to the Closing of the Business Combination and convertible preferred stock issuance costs	(1,267)	(340)
Proceeds from the issuance of debt	—	25,000
Repayment of debt	(562)	(21,165)
Payment of debt extinguishment	—	(2,499)
Payment of debt issuance costs	(211)	(375)
Proceeds from exercise of stock options, net of withholding taxes paid related to common stock issued to employees	237	525
Repurchase of common stock	(32)	(297)
<b>Net cash provided by financing activities</b>	<b>122,765</b>	<b>849</b>
Net increase (decrease) in cash and cash equivalents	54,017	(63,795)
Cash and cash equivalents at beginning of period	78,376	176,523
Cash and cash equivalents at end of period	<u>\$ 132,393</u>	<u>\$ 112,728</u>

---

---

**Supplemental Disclosure**

Cash paid for taxes	\$	61	\$	52
Cash paid for interest		3,052		1,299

**Supplemental Disclosure of Non-Cash Investing and Financing Activities**

Transaction costs, convertible preferred stock and contingently redeemable convertible common stock issuance costs included in accounts payable and accrued liabilities	\$	21,435	\$	291
Purchases of property and equipment included in accounts payable and accrued liabilities		122		139
Initial measurement of common stock warrants recorded as debt fees		—		1,622
Net exercise of preferred stock warrants		989		—
Conversion of contingently redeemable convertible common stock and convertible preferred stock to common stock		516,365		—
Assumption of derivative liabilities upon Business Combination		93,196		—
Reclassification of Grove's preferred stock warrant liability to additional paid-in capital		2,182		—
Vesting of early exercised stock options		125		1,245

## FORM OF ANNOUNCEMENT EMAIL TO ELIGIBLE HOLDERS

**Subject:** GROVE COLLABORATIVE HOLDINGS, INC. Offer to Exchange Eligible Options for New Restricted Stock Units

**To:** All Eligible Holders

**Date:** September 26, 2022

We are pleased to announce that GROVE COLLABORATIVE HOLDINGS, INC. (“*Grove*,” “*we*,” “*us*” or “*our*”) is commencing an Offer to Exchange Eligible Options for New Restricted Stock Units (the “*Exchange Offer*”) today, Monday, September 26, 2022. You are receiving this email because you are currently eligible to participate and exchange certain outstanding stock options for replacement restricted stock units (“*RSUs*”). The terms of the Exchange Offer are described in detail in the attached Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022 (the “*Offer Documents*”), that has been filed with the U.S. Securities and Exchange Commission and can be accessed using the following link:

[URL to Offer Documents]

You will receive a separate email with a statement listing your “*Eligible Options*,” which include all outstanding stock options granted to you under Grove’s 2016 Equity Incentive Plan with an exercise price equal to or greater than \$1.92 per share. Please notify us immediately if you find any discrepancy or have any questions regarding the Eligible Options listed in your statement. To participate in the Exchange Offer, you must submit the Election Form available through this link:

[URL to Election Form]

If you participate in the Exchange Offer, we will cancel your tendered Eligible Options and grant you one or more “*New RSUs*,” as described in the Offer Documents. Your New RSUs will represent a right to receive shares following the vesting of such New RSUs and without the payment of any exercise price as was the case with your Eligible Options. As a result, the terms of your New RSUs, including the vesting schedule and potential tax treatment, will be different than your Eligible Options, and in exchange for your receipt of such New RSUs, all corresponding Eligible Options will be irrevocably cancelled.

The Election Form should be submitted via the link above. All other documents, communications and questions regarding the Exchange Offer should be delivered to and received from our designated email account (the “*Exchange Account*”): [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

Please carefully read *all* of the Offer Documents before making any decisions regarding this Exchange Offer. To participate in the Exchange Offer, please deliver your completed and signed Election Form to the Exchange Account. If you later decide to withdraw your election, please deliver your completed and signed Notice of Withdrawal, a copy of which is attached to this email, to the Exchange Account.

The Exchange Offer will expire at **6:00 p.m., Pacific Time, on Friday, October 21, 2022** (the “*Expiration Time*”). We may extend the Expiration Time in our discretion, in which case references to the “*Expiration Time*” shall refer to any such extended date and time. If you would like to tender Eligible Options under the Exchange Offer, Grove must **receive** your properly completed and signed Election Form by the Expiration Time. Similarly, if you would like to withdraw a prior election, Grove must **receive** your Notice of Withdrawal by the Expiration Time.

We cannot advise you on whether or not to participate in the Exchange Offer. Participation in the Exchange Offer is entirely your decision and at your discretion, and you should make the decision about whether to participate based on your personal circumstances. Grove recommends that you consult your tax and financial advisors to address questions regarding your decision.

**This notice does not constitute an offer. The full terms of the Exchange Offer are described in the Schedule TO-I and accompanying documents, which you may access on our website at [investors.grove.co/sec-filings/all-sec-filings](http://investors.grove.co/sec-filings/all-sec-filings) or through the SEC website at [www.sec.gov](http://www.sec.gov). Capitalized terms used but not otherwise defined in this email shall have the meanings set forth in the Offer Documents.**

GROVE COLLABORATIVE HOLDINGS, INC.

1301 SANSOME STREET

SAN FRANCISCO, CA 94111

OPTION EXCHANGE - ELECTION FORM

THIS OFFER AND YOUR WITHDRAWAL RIGHTS WILL EXPIRE AT 6:00 P.M., PACIFIC TIME, ON FRIDAY, OCTOBER 21, 2022, UNLESS EXTENDED

**Before completing and signing this Election Form, we encourage you to read the documents that make up this tender offer** including (1) the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022, filed with the U.S. Securities and Exchange Commission and separately delivered to you by email from GROVE COLLABORATIVE HOLDINGS, INC. ("*Grove*"), describing the terms of the Exchange Offer (the "*Offer Documents*"); (2) the email from Grove on September 26, 2022 announcing the commencement of the Exchange Offer; and (3) this Election Form, including the Agreement to the Terms of Election and Instructions to Election Form attached below. The Exchange Offer is subject to the terms set forth in the Offer Documents, as they may be amended. The Exchange Offer expires at 6:00 p.m., Pacific Time, on Friday, October 21, 2022, unless extended. All capitalized terms used in this Election Form but not defined herein shall have the meanings given in the Offer Documents.

**PLEASE CAREFULLY REVIEW AND FOLLOW THE INSTRUCTIONS BELOW AND ATTACHED TO THIS FORM.**

If you wish to participate in the Exchange Offer with respect an Eligible Option, please check the box next to "Yes, exchange Eligible Option for New RSU" in order to tender all of such Eligible Option in exchange for the grant of a New RSU under the terms of the Exchange Offer. As described in the Offer Document, if you exchange an Eligible Option, the associated Earnout Share will be forfeited. If you check the box next to "No, retain Eligible Option" with respect to an Eligible Option, such Eligible Option will remain outstanding subject to its original terms, and no New RSUs will be granted to you in exchange for such Eligible Option.

If you make no election, or do not return this Election Form before the Expiration Time, you will retain your Eligible Options subject to their original terms, and no New RSUs will be granted to you.

If you wish to reject the Exchange Offer and retain all of your Eligible Options, you may check the box next to "No, reject the Exchange Offer and retain all Eligible Options" below.

If Grove extends the expiration of the Exchange Offer past the original Expiration Time on Friday, October 21, 2022, to the extent any of your Eligible Options are currently treated as "incentive stock options" ("*ISOs*") and you would like to retain the ISO status of such Eligible Options, you must affirmatively elect to retain such Eligible Options by checking the box(es) below next to "No, retain Eligible Option" with respect to such Eligible Options, or, if applicable, the box next to "No, reject the Exchange Offer and retain all Eligible Options," and return this Election Form to Grove on or before 6:00 p.m., Pacific Time, on Friday, October 21, 2022.

Please submit this Election Form to Grove via Google Forms.

See the Instructions to Election Form attached to this Election Form for additional information.

**Employee Name:** [Name]

Refer to the statement of your Eligible Options provided by email. Your statement shows the Grant Number, which you will need to complete the Election Form, below. It also shows other information about your Eligible Options, including the Exercise Price (referred to as the Grant Price on the statement), and the quantity outstanding and unvested.

Use the fields and checkboxes below to elect to tender Eligible Options in exchange for New RSUs. Each Grant should be entered separately. You must enter every grant listed on your statement of Eligible Options or your submission will be rejected. Do not use more rows than the number of Eligible Options listed on your statement.

**How many grants (the number of distinct Client Grant IDs) are listed on your statement of Eligible Options?**

---

Not applicable. I want to reject the Exchange Offer and retain all Eligible Options. If you check this box, you do not need to make any elections in the form below. Click "Submit" to record your election.

[Number of grants]

**Grant # [Grant Number]**

**Client Grant ID:** [Client Grant ID]

**Election to tender Eligible Option in exchange for New RSU(s)**

- Yes, exchange Eligible Option for New RSU  
 No, retain Eligible Option

**Acknowledgement**

I understand that, to the extent I have elected (1) with respect to the vested shares in the Eligible Option, New RSUs will vest 50% on the grant date of the New RSU and will vest with respect to the remaining 50% in two equal installments on each of February 15, 2023 and May 15, 2023, in each case, subject to your continued service with Grove through each applicable vesting date, as further described in the Agreement to Terms of Election below, and (2) with respect to the unvested shares in the Eligible Option New RSUs will vest in equal installments on each February 15, May 15, August 15 and November 15 until becoming fully vested in the calendar quarter in which the Eligible Option tendered in exchange for such New RSU would have fully vested had it not been exchanged in this Exchange Offer and subject to your continued service with Grove through each applicable vesting date, as further described in the Agreement to Terms of Election below.

**YOUR SIGNATURE AND SUBMISSION OF THIS ELECTION FORM INDICATES THAT YOU AGREE TO ALL TERMS OF THE EXCHANGE OFFER AS SET FORTH IN THE OFFER DOCUMENTS, AS WELL AS THE AGREEMENT TO THE TERMS OF THE ELECTION ATTACHED HERETO.**

Please note that you may change your election by submitting a new properly completed and signed Election Form prior to the expiration time, which is 6:00 p.m., Pacific Time, on Friday, October 21, 2022, unless extended. The last valid election submitted to Grove prior to the expiration of the Exchange Offer shall be effective and supersede any prior Election Forms you submit.

---



Employee Name: [Name]

---

(Signature)

---

(Print Name)

(Date)

### AGREEMENT TO THE TERMS OF ELECTION

To: GROVE COLLABORATIVE HOLDINGS, INC. ("*Grove*")  
1301 Sansome Street  
San Francisco, CA 94111  
  
VIA GOOGLE FORM

**By signing and submitting this Election Form, I acknowledge and agree that:**

1. I have received from Grove the Offer to Exchange Eligible Options for New RSUs, including the Summary Term Sheet - Questions and Answers, dated September 26, 2022 (collectively, the "*Offer Documents*"), and upon making an election herein, I agree to all of the terms and conditions of the Offer Documents.
2. I tender to Grove for exchange the Eligible Options specified on this Election Form and understand that, upon acceptance by Grove, this Election Form will constitute a binding agreement between Grove and me. I have checked the box(es) corresponding to the Eligible Options that I elect to tender for exchange. I understand that any election that I make to tender an option for exchange that does not qualify as an Eligible Option will not be accepted, and such options will remain outstanding subject to their original terms following the expiration of the Exchange Offer.
3. If I validly tender an Eligible Option for exchange and such Eligible Option is accepted by Grove, such Eligible Option will automatically be cancelled by Grove in exchange for the grant of one or more New RSUs with the applicable New RSU Terms described in the Offer Documents, including, without limitation:
  - Each New RSU will represent the right to receive a number of shares of our Class A common stock rather than Class B common stock based on the exchange ratio specified in the Offer Documents and referenced on the Election Form. Under the dual-class structure of Grove's common stock, our Class B Common Stock is entitled to ten votes per share, while our Class A Common Stock is entitled to one vote per share.
  - The vesting schedule of my New RSUs will be as follows:
    - With respect to any New RSU granted in exchange for shares underlying an Eligible Option that are vested as of the grant date of the New RSU (the "*Exchange Date*"), such New RSU will vest 50% on the Exchange Date and will vest with respect to the remaining 50% in two equal installments on each of February 15, 2023 and May 15, 2023, in each case, subject to your continued service with Grove through each applicable vesting date.
    - With respect to any New RSU granted in exchange for shares underlying an Eligible Option that are unvested as of the Exchange Date, such New RSU will vest in equal installments on each February 15, May 15, August 15 and November 15 until becoming fully vested in the calendar quarter in which the Eligible Option tendered in exchange for such New RSU would have fully vested had it not been exchanged in this Exchange Offer and subject to your continued service with Grove through each applicable vesting date.
    - Upon tender and cancellation of your Eligible Options, you will forfeit and have no further rights to the Earnout Shares that were granted in connection with such Eligible Options. The Earnout Shares were unvested at the closing of the Merger and are scheduled to automatically vest effective (A) with respect to 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$12.50 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the

closing of the Merger and on or prior to the Earnout Period and (B) with respect to the other 50% of the Earnout Shares, if the daily volume weighted average price of the shares of Class A common stock is greater than or equal to \$15.00 per share for any 20 trading days (which may be consecutive or not consecutive) within any 30-trading-day period that occurs after the closing of the Merger and on or prior to expiration of the Earnout Period. In addition, in the event that (x) there is a "Change of Control" (or a definitive agreement providing for a "Change of Control" has been entered into) after the closing of the Merger and prior to the expiration of the Earnout Period or (y) there is a liquidation, dissolution, bankruptcy, reorganization, assignment for the benefit of creditors or similar event with respect to Grove after the closing and on or prior to the expiration of the Earnout Period, the Earnout Shares that have not vested prior to such occurrence will automatically vest. Under the terms of the Merger Agreement, if, at any time prior to the date on which the Earnout Shares vest, any holder of Earnout Shares forfeits all or any portion of such holder's related Grove options, all unvested Earnout Shares issued to such holder with respect to any such awards shall be automatically forfeited to the Company and distributed to the other holder of Grove securities as if immediately prior to the closing of the Business Combination on a pro rata basis.

4. To remain eligible to tender Eligible Options for exchange pursuant to the Exchange Offer, I must remain an Eligible Holder on the date the New RSU is granted, which will occur on or promptly following the Expiration Time, which is currently scheduled to be **6:00 p.m., Pacific Time, on Friday, October 21, 2022**, unless extended. I understand that if my employment with Grove ceases prior to the date on which the New RSU is granted, Grove will not accept my Eligible Options for exchange and I or my estate or beneficiaries, as the case may be, will retain my Eligible Options subject to their original terms and conditions. If I cease providing services to Grove before the shares underlying my New RSUs vest, I will forfeit any unvested portion of my New RSUs, subject to the terms of Grove's 2022 Equity and Incentive Plan and the underlying award agreement.
  5. Neither the ability to participate in the Exchange Offer nor actual participation in the Exchange Offer will be construed as a right to continued employment or service with Grove.
  6. This election is entirely voluntary, and I am aware that I may change or withdraw my decision to tender my Eligible Options at any time until the Expiration Time, as described in the Instructions to Election Form. **I understand that this decision to tender my Eligible Options will be irrevocable as of 6:00 p.m., Pacific Time, Friday, October 21, 2022, unless the Exchange Offer is extended.** Participation in the Exchange Offer is entirely my decision and should be made based on my personal circumstances. Grove has not authorized any person to make any recommendation on its behalf as to whether or not I should participate in the Exchange Offer.
  7. I may receive certain future confirmation letters or other communications from Grove in connection with the Exchange Offer, including a communication confirming that Grove has received this Election Form and whether Grove ultimately accepts or rejects this Election Form.
-

## INSTRUCTIONS TO ELECTION FORM

- 1. DEFINED TERMS.** All capitalized terms used in this Election Form but not defined herein have the meanings given in the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022, filed with the U.S. Securities and Exchange Commission and separately delivered to you by email from Grove. The use of “*Grove*,” “*we*,” “*us*” and “*our*” in this Election Form refers to GROVE COLLABORATIVE HOLDINGS, INC.
- 2. EXPIRATION TIME.** The Exchange Offer and any rights to tender or to withdraw a tender of Eligible Options expire **at 6:00 p.m., Pacific Time, Friday, October 21, 2022**, unless the Exchange Offer is extended.
- 3. DELIVERY OF ELECTION FORM.** If you intend to tender Eligible Options under the Exchange Offer, a signed copy of this Election Form must be **received** by Grove via Google Form before **6:00 p.m., Pacific Time, on Friday, October 21, 2022** (or such later date as may apply if the Exchange Offer is extended).

Your Election Form will be effective only upon receipt by us. **You are responsible for making sure that the Election Form is delivered via Google Forms as indicated above. You must allow for sufficient time to complete and submit this Election Form to ensure that we receive your Election Form on time.**

You are not required to tender any of your Eligible Options for exchange. If you choose to tender one or more of your Eligible Options for exchange, please check the box on your Election Form corresponding to each Eligible Option that you wish to tender for exchange. You do not need to return your stock option agreements relating to any tendered Eligible Options, as they will be automatically cancelled if we accept your Eligible Options for exchange and grant you New RSUs.

- 4. WITHDRAWAL OF ELECTION.** Tenders of Eligible Options made under the Exchange Offer may be withdrawn at any time before **6:00 p.m., Pacific Time, on Friday, October 21, 2022**, unless we extend the expiration date, in which case withdrawals must be received before such later expiration date and time.

To withdraw tendered Eligible Options, you must deliver a properly completed and signed Notice of Withdrawal via email (by PDF or similar imaged document file) to **2022-tender-offer@grove.co**.

Withdrawals may not be rescinded unless the withdrawn Eligible Options are properly re-tendered before the Expiration Time by following the procedures described in Instruction 3 above.

- 5. SIGNATURES.** Please sign and date this Election Form via Google Forms. Except as described in the following sentence, this Election Form must be signed by the Eligible Holder who holds the Eligible Options to be tendered using the same name for such Eligible Holder as appears on the applicable stock option agreement. If the signature is by an attorney-in-fact or another person acting in a fiduciary or representative capacity, the signer’s full title and proper evidence of the authority of such person to act in such capacity must be identified on this Election Form.
- 6. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES.** Any questions or requests for assistance regarding the Exchange Offer (including requests for additional or hard copies of the Offer Documents or this Election Form) should be directed via email to **2022-tender-offer@grove.co**.
- 7. IRREGULARITIES.** We will determine all questions as to the number of shares subject to Eligible Options tendered and the validity, form, eligibility (including time of receipt) and acceptance of any tender of Eligible Options for exchange. Subject to any order or decision by a court or arbitrator of competent jurisdiction, our determination of these matters will be final and binding on all parties. We may reject any or all tenders of Eligible Options for exchange that we determine are not in appropriate form or that we determine are unlawful to accept. We may waive any defect or irregularity in any tender with respect to any particular Eligible Options or any particular Eligible Holder before the Expiration Time. No Eligible Options will be accepted for exchange until the Eligible Holder exchanging the Eligible Options has cured all defects or irregularities to our satisfaction, or they have been waived by us, prior to the Expiration Time. Neither we nor any other person is obligated to give notice of any defects or irregularities involved in the exchange of any Eligible Options.
- 8. ALTERNATIVE, CONDITIONAL OR CONTINGENT OFFERS.** We will not accept any alternative, conditional or contingent tenders.
- 9. IMPORTANT U.S. TAX INFORMATION.** You should refer to Section 12 of the Offering Memorandum included in the Offer Documents, which contains important U.S. tax information. We encourage you to consult with your own financial and tax advisors if you have questions about your financial or tax situation.

**INSTRUCTIONS TO NOTICE OF WITHDRAWAL OF ELECTION FORM**

If you previously elected to accept the offer by GROVE COLLABORATIVE HOLDINGS, INC. ("**Grove**") to exchange some or all of your outstanding Eligible Options for New RSUs, subject to the terms and conditions of the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022 (the "**Exchange Offer**"), and you would like to change your election and withdraw the tender of any of your Eligible Options for exchange, **you must complete and sign this Notice of Withdrawal of Election Form (this "Notice of Withdrawal") and return it to Grove before 6:00 p.m., Pacific Time, on October 21, 2022** Once you have completed and signed this Notice of Withdrawal, please return it to Grove by the following means:

***Return via email (by PDF or similar imaged document file) to: 2022-tender-offer@grove.co***

Your tendered Eligible Options will not be considered withdrawn from the Exchange Offer until we receive your properly completed and signed Notice of Withdrawal. If you miss the deadline to submit the Notice of Withdrawal but remain an Eligible Holder, any previously tendered Eligible Options will be cancelled pursuant to the Exchange Offer in exchange for the grant of New RSUs. In addition, any Grove Earnout Shares associated with such tendered Eligible Options will be forfeited by you, as described in the Exchange Offer. You must sign the Notice of Withdrawal using the same name that appears on the Election Form you previously submitted. If your signature is by an attorney-in-fact or another person acting in a fiduciary or representative capacity for you, the signer's full title and proper evidence of the authority of that person to act in that capacity must be identified on this Notice of Withdrawal.

You should receive a confirmation of receipt within three (3) business days after submitting your Notice of Withdrawal. If you have not received a confirmation of receipt before October 27, 2022, please contact us promptly via email at **2022-tender-offer@grove.co** to confirm that we received your Notice of Withdrawal.

***DO NOT COMPLETE AND RETURN THIS NOTICE OF WITHDRAWAL UNLESS YOU WISH TO WITHDRAW A PREVIOUS TENDER OF ELIGIBLE OPTIONS FOR EXCHANGE PURSUANT TO THE EXCHANGE OFFER.***

---

GROVE COLLABORATIVE HOLDINGS, INC.

1301 SANSOME STREET

SAN FRANCISCO, CA 94111

NOTICE OF WITHDRAWAL OF ELECTION FORM

Return via email (by PDF or similar imaged document file) to: 2022-tender-offer@grove.co

I previously received from Grove the Offer to Exchange Eligible Options for New RSUs, dated September 26, 2022, and the Election Form. I signed and returned the Election Form, in which I elected to tender some or all of my Eligible Options in exchange for New RSUs. By submitting this Notice of Withdrawal of Election Form (this “*Notice of Withdrawal*”), I am revoking that election and hereby withdraw from the Exchange Offer with respect to the Eligible Options and associated Grove Earnout Shares listed below:

Eligible Options		Withdrawal of election to tender Eligible Option for New RSU(s)
Grant Number	Grant Date	
		<input type="checkbox"/> <u>Revoke election</u>
		<input type="checkbox"/> <u>Revoke election</u>
		<input type="checkbox"/> <u>Revoke election</u>
		<input type="checkbox"/> <u>Revoke election</u>
		<input type="checkbox"/> <u>Revoke election</u>
		<input type="checkbox"/> <u>Revoke election</u>
		<input type="checkbox"/> <u>Revoke election</u>

I understand that, by signing this Notice of Withdrawal and delivering it to Grove, I withdraw my acceptance of the Exchange Offer with respect to the Eligible Options listed above. By rejecting the Exchange Offer with respect to the Eligible Options listed above, I understand that such Eligible Options will not be cancelled in exchange for the grant of New RSUs, and I will retain these Eligible Options subject to their existing exercise price, term, vesting schedule and other terms and conditions. I agree that Grove has made no representations or warranties to me regarding my rejection of the Exchange Offer. The withdrawal of the Eligible Options listed above is at my sole and exclusive discretion. I agree that Grove will not be liable for any costs, taxes, losses or damages I may incur as a result of my decision to withdraw the Eligible Options listed above.

By signing below, I hereby revoke my prior election to tender the Eligible Options listed above.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Date)

**FORM OF EMAIL**  
**CONFIRMING RECEIPT OF ELECTION FORM**

**From: GROVE COLLABORATIVE HOLDINGS, INC.**

**Re: Confirmation of Receipt of Election Form**

This message confirms that GROVE COLLABORATIVE HOLDINGS, INC. ("**Grove**") has received your Election Form. This confirmation should not, however, be construed to imply that the Election Form you submitted has been properly completed or signed or that we have accepted any of your Eligible Options for exchange.

If your Election Form has been properly completed and signed, and all eligibility requirements are met, we expect to accept the Eligible Options you have elected to exchange and to grant you New RSUs promptly following the Expiration Time, subject to the terms and conditions of the Exchange Offer. If you have included in your Election Form an election to tender options for exchange that do not qualify as Eligible Options, such options will not be accepted by Grove and will remain outstanding subject to their original terms following the expiration of the Exchange Offer. If you do not deliver a signed Notice of Withdrawal before the Expiration Time, and we accept your tendered Eligible Options for exchange, we will provide you with a confirmation letter promptly following the Expiration Time confirming that your Eligible Options have been accepted for exchange. In addition, we will separately provide you with award agreements for your New RSUs for acceptance via Fidelity.

Your Election Form may be changed or withdrawn by subsequently delivering a new, properly completed and signed Election Form or Notice of Withdrawal at any time before **6:00 p.m., Pacific Time, on Friday, October 21, 2022**, unless the Exchange Offer is extended.

You should direct questions about the Exchange Offer or requests for assistance (including requests for additional or paper copies of the Exchange Offer, Election Form, Notice of Withdrawal or any other documents relating to the Exchange Offer) by email to **2022-tender-offer@grove.co**.

Capitalized terms used but not otherwise defined in this email shall have the meanings set forth in the Offer to Exchange Eligible Options for New RSUs, dated September 26, 2022.

FORM OF EMAIL

CONFIRMING RECEIPT OF NOTICE OF WITHDRAWAL OF ELECTION FORM

**From:** GROVE COLLABORATIVE HOLDINGS, INC.

**Re:** Confirmation of Receipt of Notice of Withdrawal of Election Form

This message confirms that GROVE COLLABORATIVE HOLDINGS, INC. ("*Grove*") has received your Notice of Withdrawal of Election Form ("*Notice of Withdrawal*"). This confirmation should not, however, be construed to imply that the Notice of Withdrawal or any other documents that you have submitted have been properly completed.

If your Notice of Withdrawal is properly completed and signed and timely received by us, you will have revoked your prior election to exchange your Eligible Options as set forth in your previously submitted Election Form. With respect to the Eligible Options listed on your Notice of Withdrawal, we will neither cancel nor exchange such awards for New RSUs, and you will retain your Eligible Options subject to their original terms, exercise price and vesting schedule. Unless you deliver a new, properly completed and signed Election Form before **6:00 p.m., Pacific Time, on Friday, October 21, 2022**, or a later date if the Exchange Offer is extended, the Eligible Options listed on your Notice of Withdrawal will remain outstanding following the expiration of the Exchange Offer.

You should direct questions about the Exchange Offer or requests for assistance (including requests for additional or paper copies of the Exchange Offer, Election Form or any other documents relating to the Exchange Offer) by email to [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

Capitalized terms used but not otherwise defined in this email shall have the meaning set forth in the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022.

**FORM OF REMINDER EMAIL TO ELIGIBLE HOLDERS  
REGARDING THE EXPIRATION OF THE EXCHANGE OFFER**

**From: GROVE COLLABORATIVE HOLDINGS, INC.**

**Re: REMINDER - Offer to Exchange Eligible Options for New Restricted Stock Units**

This email serves as a reminder that we are nearing the expiration of the Exchange Offer described in the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022 (the "**Offer Documents**"). The Exchange Offer and your withdrawal rights will expire at **6:00 p.m., Pacific Time, on Friday, October 21, 2022**, unless extended. You must submit your Election Forms via Google Forms [URL to form] and Notice of Withdrawals via email to 2022-tender-offer@grove.co by the Expiration Time. We cannot accept late submissions.

As a reminder, the terms of the Exchange Offer are described in detail in the Offer Documents, which can be accessed using the following link:

[URL to Offer Documents]

You should direct questions about the Exchange Offer or requests for assistance (including requests for additional or paper copies of the Offer Documents, Election Form, Notice of Withdrawal or any other documents relating to the Exchange Offer) by email to 2022-tender-offer@grove.co.

**This notice does not constitute an offer. The full terms of the Exchange Offer are described in the Schedule TO-I and accompanying documents, which you may access on our website at [investors.grove.co/sec-filings/all-sec-filings](https://investors.grove.co/sec-filings/all-sec-filings) or through the SEC website at [www.sec.gov](http://www.sec.gov). Capitalized terms used but not otherwise defined in this email shall have the meanings set forth in the Offer Documents.**



**FORM OF EMAIL TO ELIGIBLE HOLDERS**  
**CONFIRMING ACCEPTANCE OF ELIGIBLE OPTIONS**

**From: GROVE COLLABORATIVE HOLDINGS, INC.**

**Re: Confirmation of Acceptance of Eligible Options**

Thank you for your submission of the Election Form pursuant to the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022 (the *Offer Documents*). With this letter, we confirm that GROVE COLLABORATIVE HOLDINGS, INC. ("*Grove*") has accepted the Eligible Options listed on your Election Form for exchange in the Exchange Offer. Subject to the terms and conditions of the Exchange Offer, as described in the Offer Documents, your Eligible Options will be cancelled and New RSUs will be granted to you. Your New RSUs will appear shortly in your Fidelity account, and your award agreement(s) will be available for electronic acceptance. If you have included in your Election Form an election to tender any options for exchange that do not qualify as Eligible Options, such options will not be accepted by Grove and will remain outstanding subject to their original terms following the expiration of the Exchange Offer. If you have any questions, please contact [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Offer Documents.

**FORM OF EMAIL NOTICE**

**REGARDING REJECTION OF OPTIONS FOR EXCHANGE**

**From: GROVE COLLABORATIVE HOLDINGS, INC.**

**Re: Notice of Rejection of Options for Exchange**

Thank you for your submission of the Election Form pursuant to the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022 (the "*Exchange Offer*"). With this letter, we are notifying you that GROVE COLLABORATIVE HOLDINGS, INC. ("*Grove*") has rejected for exchange the options listed on your Election Form. Accordingly, your options will remain outstanding and subject to their original terms. For additional information regarding the rejection of your options for exchange, please contact [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Exchange Offer.

**FORM OF EXPIRATION NOTICE EMAIL**

**From:** GROVE COLLABORATIVE HOLDINGS, INC.

**Re:** Expiration of the Exchange Offer

The Exchange Offer described in the Offer to Exchange Eligible Options for New Restricted Stock Units, dated September 26, 2022 (the "*Offer Documents*"), has expired, and no additional Election Forms or Notices of Withdrawal may be submitted. If you are an Eligible Holder and delivered a properly completed and signed Election Form to tender your Eligible Options before the Expiration Time, and did not subsequently deliver a Notice of Withdrawal, you will receive a separate email confirming our acceptance of your tendered Eligible Options. Any Eligible Options you did not tender for exchange will remain outstanding and subject to their original terms. If you have any questions regarding the stock options you hold, please contact [2022-tender-offer@grove.co](mailto:2022-tender-offer@grove.co).

Capitalized terms used but not otherwise defined in this email shall have the meanings set forth in the Offer Documents.

GROVE COLLABORATIVE HOLDINGS, INC.  
2022 EQUITY AND INCENTIVE PLAN

Restricted Stock Unit Award Notice

[Name of Grantee]

You have been awarded a restricted stock unit award (the "Award") with respect to shares of Class A Common Stock of Grove Collaborative Holdings, Inc., a Delaware corporation (the "Company"), pursuant to the terms and conditions of the Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan (the "Plan") and the Restricted Stock Unit Award Agreement (together with this Award Notice, the "Agreement"). This Award is granted to you in exchange for the vested stock option award previously granted to you pursuant to the Grove Collaborative, Inc. 2016 Equity Incentive Plan and the Option Agreement, by and between you and Grove Collaborative, Inc. and with a grant date of [\_\_\_\_]. Copies of the Plan and the Restricted Stock Unit Award Agreement are attached hereto. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Restricted Stock Units: You have been awarded a restricted stock unit award with respect to [\_\_\_\_] Shares, par value \$0.0001 per share, subject to adjustment as provided in the Plan.

Grant Date: [\_\_\_\_]

Vesting Schedule: Except as otherwise provided in the Plan, the Agreement or any other agreement between the Company or any of its Subsidiaries and Holder in effect as of the Grant Date, the Award shall vest 50% on the Grant Date and the remaining 50% shall vest in two equal installments on each of February 15, 2023 and May 15, 2023, in each case, if, and only if, you are, and have been, continuously (except for any absence for vacation, leave, etc. in accordance with the Company's or its Subsidiaries' policies): (i) employed by the Company or any of its Subsidiaries; (ii) serving as a Non-Employee Director; or (iii) providing services to the Company or any of its Subsidiaries as an advisor or consultant, in each case, from the date of this Agreement through and including the applicable vesting date.

GROVE COLLABORATIVE HOLDINGS, INC.

By: \_\_\_\_\_  
Name:  
Title:

---

Acknowledgment, Acceptance and Agreement:

By signing below and returning this Award Notice to Grove Collaborative Holdings, Inc., I hereby accept the Award granted to me and acknowledge and agree to be bound by the terms and conditions of this Award Notice, the Agreement and the Plan.

\_\_\_\_\_  
Employee

Date: [\_\_\_\_\_]

\_\_\_\_\_

**GROVE COLLABORATIVE HOLDINGS, INC.  
2022 EQUITY AND INCENTIVE PLAN**

**RESTRICTED STOCK UNIT AWARD AGREEMENT**

Grove Collaborative, Holdings Inc., a Delaware corporation (the “Company”), hereby grants to the individual (the “Holder”) named in the award notice attached hereto (the “Award Notice”) as of the date set forth in the Award Notice (the “Grant Date”), pursuant to the provisions of the Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan (the “Plan”), a restricted stock unit award (the “Award”) with respect to the number of shares of the Company’s Class A Common Stock, par value \$0.0001 per share (“Stock”), set forth in the Award Notice, upon and subject to the restrictions, terms and conditions set forth in the Plan and this agreement (the “Agreement”). Capitalized terms not defined herein shall have the meanings specified in the Plan.

1. Award Subject to Acceptance of Agreement. The Award shall be null and void unless the Holder accepts this Agreement by executing the Award Notice in the space provided therefor and returning an original execution copy of the Award Notice to the Company or electronically accepting this Agreement within the Holder’s stock plan account with the Company’s stock plan administrator according to the procedures then in effect.

2. Rights as a Stockholder. The Holder shall not be entitled to any privileges of ownership with respect to the shares of Stock subject to the Award unless and until, and only to the extent, such shares become vested pursuant to Section 3 hereof and the Holder becomes a stockholder of record with respect to such shares. The Award includes a right to dividend equivalents equal to the value of any dividends paid on the Stock for which the dividend record date occurs between the Grant Date and the date the Award is settled or forfeited. Subject to vesting, each dividend equivalent entitles the Holder to receive the equivalent cash value of any such dividends paid on the number of shares of Stock underlying the Award that are outstanding during such period. Dividend equivalents will be accrued (without interest) and will be subject to the same conditions as the shares of Stock to which they are attributable, including, without limitation, the vesting conditions, the provisions governing the time and form of settlement of the Award.

3. Restriction Period and Vesting.

3.1 Service-Based Vesting Condition. Except as otherwise provided in this Section 3, the Award shall vest in accordance with the vesting schedule set forth in the Award Notice. The period of time prior to the full vesting of the Award shall be referred to herein as the “Restriction Period.”

3.2 Termination of Employment.

(a) Termination of Employment Due to Death or Disability, Without Cause or Resignation for Good Reason. If the Holder’s employment with the Company terminates prior to the end of the Restriction Period by reason of the Holder’s death, termination by the Company due to Disability or without Cause, or resignation by the Holder for Good Reason, and, in the case of a termination without Cause or resignation for Good Reason, the Holder executes and does not revoke a waiver and release of claims in the form prescribed by the Company within 60 days after the date of such termination, then in any such case, the Award shall be 100% vested upon such termination of employment.

---

(b) Termination of Employment Other Than Due to Death or Disability, Without Cause or Resignation for Good Reason. If the Holder's employment with the Company terminates prior to the end of the Restriction Period for any reason other than death, termination by the Company due to Disability or without Cause, or resignation by the Holder for Good Reason, then the Award shall be immediately and automatically forfeited by the Holder and cancelled by the Company.

3.3 Change in Control. In the event of a Change in Control prior to the end of the Restriction Period pursuant to which the Award is not effectively assumed or continued by the surviving or acquiring corporation in such Change in Control (as determined by the Board or Committee, with appropriate adjustments to the number and kind of shares, in each case, that preserve the value of the shares subject to the Award and other material terms and conditions of the outstanding Award as in effect immediately prior to the Change in Control), the Award shall vest in its entirety as of the date of the Change in Control.

3.4 Definitions.

(a) Cause. For purposes of this Award, (i) "Cause" shall have the meaning assigned to such term in any written employment or similar agreement between the Company or any of its Subsidiaries and the Holder in effect on the Grant Date or (ii) if Holder is not party to an employment or similar agreement in effect on the Grant Date which defines "Cause," then "Cause" shall mean: (A) the Holder's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (B) the Holder's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (C) the Holder's intentional, material violation of any contract or agreement between the Holder and the Company or of any statutory duty owed to the Company; (D) the Holder's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (E) the Holder's gross, or material deliberate, misconduct. The determination that a termination of the Holder's employment is either for Cause or without Cause will be made by the Company (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Committee), in its sole discretion. Any determination by the Company (or, if applicable, the Committee) that the Holder's employment was terminated with or without Cause for the purposes of this Award shall have no effect upon any determination of the rights or obligations of the Company or the Holder for any other purpose.

(b) Disability. For purposes of this Award, "Disability" shall mean the inability of the Holder to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Company (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Committee) on the basis of such medical evidence as the Company (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Committee) deems warranted under the circumstances.

(c) Good Reason. For purposes of this Award, (i) "Good Reason" shall have the meaning assigned to such term in any written employment or similar agreement between the Company or any of its Subsidiaries and the Holder in effect on the Grant Date or (ii) if Holder is not party to an employment or similar agreement in effect on the Grant Date which defines "Good Reason," then "Good Reason" shall mean Holder's voluntary termination following: (A) a material reduction in the Holder's base salary; (B) a material reduction in the Holder's authority, duties or responsibilities, provided, however, that a change in job position (including a change in title) shall not be deemed a "material reduction" unless the Holder's new authority, duties or responsibilities are substantially reduced from the prior authority, duties or

---

responsibilities; or (C) a relocation of the Holder's principal place of employment that results in an increase in the Holder's one-way driving distance by more than ten (10) miles from the Holder's then current principal residence. In order to resign for Good Reason, the Holder must provide written notice of the event giving rise to Good Reason to the Company's Chief Executive Officer (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Board) within thirty (30) days after the condition arises, allow the Company thirty (30) days to cure such condition, and if the Company fails to cure the condition within such period, the Holder's resignation from all positions the Holder then held with the Company must be effective not later than thirty (30) days after the end of the Company's cure period.

4. Issuance or Delivery of Shares. Subject to Section 6.13 and except as otherwise provided for herein, within 30 days after the vesting of the Award, the Company shall issue or deliver, subject to the conditions of this Agreement, the vested shares of Stock to the Holder (the date such shares of Stock are issued to the Holder, the "Issuance Date"). Such issuance or delivery shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance or delivery, except as otherwise provided in Section 6. Prior to the issuance to the Holder of the shares of Stock subject to the Award, the Holder shall have no direct or secured claim in any specific assets of the Company or in such shares of Stock, and will have the status of a general unsecured creditor of the Company.

5. Transfer Restrictions and Investment Representation.

5.1 Non-Transferability of Award. The Award may not be transferred by the Holder other than by will or the laws of descent and distribution or pursuant to beneficiary designation procedures approved by the Company. Except to the extent permitted by the foregoing sentence, the Award may not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of the Award, the Award and all rights hereunder shall immediately become null and void.

5.2 Investment Representation. The Holder hereby covenants that (a) any sale of any share of Stock acquired upon the vesting of the Award shall be made either pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws and (b) the Holder shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance of the shares and, in connection therewith, shall execute any documents which the Committee shall in its sole discretion deem necessary or advisable.

6. Additional Terms and Conditions of Award.

6.1 Withholding Taxes.

(a) Responsibility for Tax-Related Items. The Holder acknowledges that, regardless of any action the Company takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Holder's responsibility and may exceed the amount actually withheld by the Company. The Holder further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Award, including the grant of the Award, the vesting and settlement of the Restricted Stock Units, the delivery or sale of any shares of Stock and the issuance of any dividends, and (ii) does not

---



commit to and is under no obligation to structure the terms of the grant or any aspect of this Award to reduce or eliminate the Holder's liability for Tax-Related Items or achieve any particular tax result. The Holder acknowledges and agrees that the Holder will not make any claim against the Company, or any of its officers, directors, employees or affiliates for Tax-Related Items arising from this Award or the Holder's other compensation. Further, if the Holder is subject to Tax-Related Items in more than one jurisdiction, the Holder acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Method of Tax Withholding. Under the terms of this Agreement, the Holder's obligations to pay the Tax-Related Items shall be satisfied by the Company withholding whole shares of Stock which would otherwise be issued or transferred to the Holder having an aggregate Fair Market Value, determined as of the date on which such withholding obligation arises, equal to the Tax-Related Items. Shares to be withheld may not have a Fair Market Value in excess of the minimum amount of the Tax-Related Items (or such greater withholding amount to the extent permitted by applicable withholding rules and accounting rules without resulting in variable accounting treatment). Any fraction of a share which would be required to satisfy any such obligation shall be disregarded and the remaining amount due shall be paid in cash by the Holder.

6.2 Compliance with Applicable Law. The Award is subject to the condition that if the listing, registration or qualification of the shares of Stock subject to the Award upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the delivery of shares hereunder, the shares of Stock subject to the Award shall not be delivered, in whole or in part, unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent, approval or other action.

6.3 Award Confers No Rights to Continued Employment. In no event shall the granting of the Award or its acceptance by the Holder, or any provision of the Agreement or the Plan, give or be deemed to give the Holder any right to continued employment by the Company, any Subsidiary or any affiliate of the Company or affect in any manner the right of the Company, any Subsidiary or any affiliate of the Company to terminate the employment of any person at any time.

6.4 Decisions of Board or Committee. The Board or the Committee shall have the right to resolve all questions which may arise in connection with the Award. Any interpretation, determination or other action made or taken by the Board or the Committee regarding the Plan or this Agreement shall be final, binding and conclusive.

6.5 Successors. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of the Holder, acquire any rights hereunder in accordance with this Agreement or the Plan.

6.6 Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to Grove Collaborative Holdings, Inc., Attn: Chief Legal Officer, 1301 Sansome Street, San Francisco, California 94111, and if to the Holder, to the last known mailing address of the Holder contained in the records of the Company. All notices, requests or other communications provided for in this Agreement shall be made in writing either (a) by personal delivery, (b) by facsimile or electronic mail with confirmation of receipt, (c) by mailing in the United States mails or (d) by express courier service. The notice,

---

request or other communication shall be deemed to be received upon personal delivery, upon confirmation of receipt of facsimile or electronic mail transmission or upon receipt by the party entitled thereto if by United States mail or express courier service; provided, however, that if a notice, request or other communication sent to the Company is not received during regular business hours, it shall be deemed to be received on the next succeeding business day of the Company.

6.7 Governing Law. This Agreement, the Award and all determinations made and actions taken pursuant hereto and thereto, to the extent not governed by the laws of the United States, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflicts of laws.

6.8 Agreement Subject to the Plan. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. In the event that the provisions of this Agreement and the Plan conflict, the Plan shall control. The Holder hereby acknowledges receipt of a copy of the Plan.

6.9 Entire Agreement. This Agreement and the Plan constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Holder with respect to the subject matter hereof, and may not be modified adversely to the Holder's interest except by means of a writing signed by the Company and the Holder.

6.10 Partial Invalidity. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

6.11 Amendment and Waiver. The Company may amend the provisions of this Agreement at any time; provided that an amendment that would adversely affect the Holder's rights under this Agreement shall be subject to the written consent of the Holder. No course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

6.12 Counterparts. The Award Notice may be executed in two counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

6.13 Compliance With Section 409A of the Code. This Award is intended to be exempt from or comply with Section 409A of the Code, and shall be interpreted and construed accordingly, and each payment hereunder shall be considered a separate payment for purposes of Section 409A of the Code. To the extent this Agreement provides for the Award to become vested and be settled upon the Holder's termination of employment, the applicable shares of Stock shall be transferred to the Holder or his or her beneficiary upon the Holder's "separation from service," within the meaning of Section 409A of the Code; provided that if the Holder is a "specified employee," within the meaning of Section 409A of the Code, then to the extent the Award constitutes nonqualified deferred compensation, within the meaning of Section 409A of the Code, such shares of Stock shall be transferred to the Holder or his or her beneficiary upon the earlier to occur of (i) the six-month anniversary of such separation from service and (ii) the date of the Holder's death.

6.14 Protected Rights. Nothing in this Agreement or otherwise is intended to, or does, prohibit the Holder from (i) filing a charge or complaint with, providing truthful information to, or cooperating with an investigation being conducted by a governmental agency (such as the U.S. Equal Employment Opportunity Commission, another other fair employment

---

practices agency, the U.S. National Labor Relations Board, the U.S. Department of Labor, or the U.S. Securities and Exchange Commission (the "SEC"); (ii) engaging in other legally-protected activities; (iii) giving truthful testimony or making statements under oath in response to a subpoena or other valid legal process or in any legal proceeding; (iv) otherwise making truthful statements as required by law or valid legal process; or (v) disclosing a trade secret in confidence to a governmental official, directly or indirectly, or to an attorney, if the disclosure is made solely for the purpose of reporting or investigating a suspected violation of law. Accordingly, the Holder shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In the event the Holder files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Holder may disclose the trade secret(s) of the Company to the Holder's attorney and use the trade secret information in the court proceeding, if the Holder (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order. In accordance with applicable law, and notwithstanding any other provision of the Plan or this Agreement, nothing in the Plan, this Agreement or any of any policies or agreements of the Company or any affiliate applicable to the Holder (i) impedes the Holder's right to communicate with the SEC or any other governmental agency about possible violations of federal securities or other laws or regulations or (ii) requires the Holder to provide any prior notice to the Company or its affiliates or obtain their prior approval before engaging in any such communications.

GROVE COLLABORATIVE HOLDINGS, INC.  
2022 EQUITY AND INCENTIVE PLAN

Restricted Stock Unit Award Notice

[Name of Grantee]

You have been awarded a restricted stock unit award (the "Award") with respect to shares of Class A Common Stock of Grove Collaborative Holdings, Inc., a Delaware corporation (the "Company"), pursuant to the terms and conditions of the Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan (the "Plan") and the Restricted Stock Unit Award Agreement (together with this Award Notice, the "Agreement"). This Award is granted to you in exchange for the unvested stock option award previously granted to you pursuant to the Grove Collaborative, Inc. 2016 Equity Incentive Plan and the Option Agreement, by and between you and Grove Collaborative, Inc. and with a grant date of [ ] (the "Prior Award"). Copies of the Plan and the Restricted Stock Unit Award Agreement are attached hereto. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Restricted Stock Units: You have been awarded a restricted stock unit award with respect to [ ] Shares, par value \$0.0001 per share, subject to adjustment as provided in the Plan.

Grant Date: [ ]

Vesting Schedule: Except as otherwise provided in the Plan, the Agreement or any other agreement between the Company or any of its Subsidiaries and Holder in effect as of the Grant Date, the Award shall vest in equal installments on each February 15, May 15, August 15 and November 15 until becoming fully vested in the calendar quarter in which the Prior Award would have fully vested had it not been exchanged for the Award, if, and only if, you are, and have been, continuously (except for any absence for vacation, leave, etc. in accordance with the Company's or its Subsidiaries' policies): (i) employed by the Company or any of its Subsidiaries; (ii) serving as a Non-Employee Director; or (iii) providing services to the Company or any of its Subsidiaries as an advisor or consultant, in each case, from the date of this Agreement through and including the applicable vesting date.

GROVE COLLABORATIVE HOLDINGS, INC.

By: \_\_\_\_\_  
Name:  
Title:

---

Acknowledgment, Acceptance and Agreement:

By signing below and returning this Award Notice to Grove Collaborative Holdings, Inc., I hereby accept the Award granted to me and acknowledge and agree to be bound by the terms and conditions of this Award Notice, the Agreement and the Plan.

\_\_\_\_\_  
Employee

Date: [\_\_\_\_\_]

\_\_\_\_\_

**GROVE COLLABORATIVE HOLDINGS, INC.  
2022 EQUITY AND INCENTIVE PLAN**

**RESTRICTED STOCK UNIT AWARD AGREEMENT**

Grove Collaborative, Holdings Inc., a Delaware corporation (the “Company”), hereby grants to the individual (the “Holder”) named in the award notice attached hereto (the “Award Notice”) as of the date set forth in the Award Notice (the “Grant Date”), pursuant to the provisions of the Grove Collaborative Holdings, Inc. 2022 Equity and Incentive Plan (the “Plan”), a restricted stock unit award (the “Award”) with respect to the number of shares of the Company’s Class A Common Stock, par value \$0.0001 per share (“Stock”), set forth in the Award Notice, upon and subject to the restrictions, terms and conditions set forth in the Plan and this agreement (the “Agreement”). Capitalized terms not defined herein shall have the meanings specified in the Plan.

1. Award Subject to Acceptance of Agreement. The Award shall be null and void unless the Holder accepts this Agreement by executing the Award Notice in the space provided therefor and returning an original execution copy of the Award Notice to the Company or electronically accepting this Agreement within the Holder’s stock plan account with the Company’s stock plan administrator according to the procedures then in effect.

2. Rights as a Stockholder. The Holder shall not be entitled to any privileges of ownership with respect to the shares of Stock subject to the Award unless and until, and only to the extent, such shares become vested pursuant to Section 3 hereof and the Holder becomes a stockholder of record with respect to such shares. The Award includes a right to dividend equivalents equal to the value of any dividends paid on the Stock for which the dividend record date occurs between the Grant Date and the date the Award is settled or forfeited. Subject to vesting, each dividend equivalent entitles the Holder to receive the equivalent cash value of any such dividends paid on the number of shares of Stock underlying the Award that are outstanding during such period. Dividend equivalents will be accrued (without interest) and will be subject to the same conditions as the shares of Stock to which they are attributable, including, without limitation, the vesting conditions, the provisions governing the time and form of settlement of the Award.

3. Restriction Period and Vesting.

3.1 Service-Based Vesting Condition. Except as otherwise provided in this Section 3, the Award shall vest in accordance with the vesting schedule set forth in the Award Notice. The period of time prior to the full vesting of the Award shall be referred to herein as the “Restriction Period.”

3.2 Termination of Employment. If the Holder’s employment with the Company terminates prior to the end of the Restriction Period and prior to a Change in Control for any reason, then the Award shall be immediately and automatically forfeited by the Holder and cancelled by the Company.

3.3 Change in Control.

(a) Vesting of Award Not Assumed. In the event of a Change in Control prior to the end of the Restriction Period pursuant to which the Award is not effectively assumed or continued by the surviving or acquiring corporation in such Change in Control (as determined by the Board or Committee, with appropriate adjustments to the number and kind of

---

shares, in each case, that preserve the value of the shares subject to the Award and other material terms and conditions of the outstanding Award as in effect immediately prior to the Change in Control), the Award shall vest in its entirety as of the date of the Change in Control.

(b) Vesting of Award Assumed. In the event of a Change in Control prior to the end of the Restriction Period pursuant to which the Award is effectively assumed or continued by the surviving or acquiring corporation in such Change in Control (as determined by the Board or Committee, with appropriate adjustments to the number and kind of shares, in each case, that preserve the value of the shares subject to the Award and other material terms and conditions of the outstanding Award as in effect immediately prior to the Change in Control) and (i) the Holder remains continuously employed through the end of the Restriction Period or (ii) the Holder dies, the Company terminates the Holder's employment due to the Holder's Disability or without Cause or the Holder resigns for Good Reason, in each case, within 24 months following such Change in Control, and, in the case of a termination without Cause or resignation for Good Reason, the Holder executes and does not revoke a waiver and release of claims in the form prescribed by the Company within 60 days after the date of such termination, the Award shall become fully vested as of the end of the Restriction Period or, if earlier, the Holder's termination of employment. If, following a Change in Control, the Holder experiences a termination of employment other than as set forth in this Section 3.3(b), the Award shall be immediately and automatically forfeited by the Holder and cancelled by the Company.

### 3.4 Definitions.

(a) Cause. For purposes of this Award, (i) "Cause" shall have the meaning assigned to such term in any written employment or similar agreement between the Company or any of its Subsidiaries and the Holder in effect on the Grant Date or (ii) if Holder is not party to an employment or similar agreement in effect on the Grant Date which defines "Cause," then "Cause" shall mean: (A) the Holder's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (B) the Holder's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (C) the Holder's intentional, material violation of any contract or agreement between the Holder and the Company or of any statutory duty owed to the Company; (D) the Holder's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (E) the Holder's gross, or material deliberate, misconduct. The determination that a termination of the Holder's employment is either for Cause or without Cause will be made by the Company (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Committee), in its sole discretion. Any determination by the Company (or, if applicable, the Committee) that the Holder's employment was terminated with or without Cause for the purposes of this Award shall have no effect upon any determination of the rights or obligations of the Company or the Holder for any other purpose.

(b) Disability. For purposes of this Award, "Disability" shall mean the inability of the Holder to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Company (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Committee) on the basis of such medical evidence as the Company (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Committee) deems warranted under the circumstances.

(c) Good Reason. For purposes of this Award, (i) "Good Reason" shall have the meaning assigned to such term in any written employment or similar agreement between the Company or any of its Subsidiaries and the Holder in effect on the Grant Date or (ii)

---

if Holder is not party to an employment or similar agreement in effect on the Grant Date which defines “Good Reason,” then “Good Reason” shall mean Holder’s voluntary termination following: (A) a material reduction in the Holder’s base salary; (B) a material reduction in the Holder’s authority, duties or responsibilities, provided, however, that a change in job position (including a change in title) shall not be deemed a “material reduction” unless the Holder’s new authority, duties or responsibilities are substantially reduced from the prior authority, duties or responsibilities; or (C) a relocation of the Holder’s principal place of employment that results in an increase in the Holder’s one-way driving distance by more than ten (10) miles from the Holder’s then current principal residence. In order to resign for Good Reason, the Holder must provide written notice of the event giving rise to Good Reason to the Company’s Chief Executive Officer (or, in the event the Holder is subject to Section 16 of the Exchange Act, the Board) within thirty (30) days after the condition arises, allow the Company thirty (30) days to cure such condition, and if the Company fails to cure the condition within such period, the Holder’s resignation from all positions the Holder then held with the Company must be effective not later than thirty (30) days after the end of the Company’s cure period.

4. Issuance or Delivery of Shares. Subject to Section 6.13 and except as otherwise provided for herein, within 30 days after the vesting of the Award, the Company shall issue or deliver, subject to the conditions of this Agreement, the vested shares of Stock to the Holder (the date such shares of Stock are issued to the Holder, the “Issuance Date”). Such issuance or delivery shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance or delivery, except as otherwise provided in Section 6. Prior to the issuance to the Holder of the shares of Stock subject to the Award, the Holder shall have no direct or secured claim in any specific assets of the Company or in such shares of Stock, and will have the status of a general unsecured creditor of the Company.

5. Transfer Restrictions and Investment Representation.

5.1 Non-Transferability of Award. The Award may not be transferred by the Holder other than by will or the laws of descent and distribution or pursuant to beneficiary designation procedures approved by the Company. Except to the extent permitted by the foregoing sentence, the Award may not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of the Award, the Award and all rights hereunder shall immediately become null and void.

5.2 Investment Representation. The Holder hereby covenants that (a) any sale of any share of Stock acquired upon the vesting of the Award shall be made either pursuant to an effective registration statement under the Securities Act of 1933, as amended (the “Securities Act”), and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws and (b) the Holder shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance of the shares and, in connection therewith, shall execute any documents which the Committee shall in its sole discretion deem necessary or advisable.

6. Additional Terms and Conditions of Award.

6.1 Withholding Taxes.

(a) Responsibility for Tax-Related Items. The Holder acknowledges that, regardless of any action the Company takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related withholding

---



("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains the Holder's responsibility and may exceed the amount actually withheld by the Company. The Holder further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Award, including the grant of the Award, the vesting and settlement of the Restricted Stock Units, the delivery or sale of any shares of Stock and the issuance of any dividends, and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of this Award to reduce or eliminate the Holder's liability for Tax-Related Items or achieve any particular tax result. The Holder acknowledges and agrees that the Holder will not make any claim against the Company, or any of its officers, directors, employees or affiliates for Tax-Related Items arising from this Award or the Holder's other compensation. Further, if the Holder is subject to Tax-Related Items in more than one jurisdiction, the Holder acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Method of Tax Withholding. Under the terms of this Agreement, the Holder's obligations to pay the Tax-Related Items shall be satisfied by the Company withholding whole shares of Stock which would otherwise be issued or transferred to the Holder having an aggregate Fair Market Value, determined as of the date on which such withholding obligation arises, equal to the Tax-Related Items. Shares to be withheld may not have a Fair Market Value in excess of the minimum amount of the Tax-Related Items (or such greater withholding amount to the extent permitted by applicable withholding rules and accounting rules without resulting in variable accounting treatment). Any fraction of a share which would be required to satisfy any such obligation shall be disregarded and the remaining amount due shall be paid in cash by the Holder.

6.2 Compliance with Applicable Law. The Award is subject to the condition that if the listing, registration or qualification of the shares of Stock subject to the Award upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the delivery of shares hereunder, the shares of Stock subject to the Award shall not be delivered, in whole or in part, unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent, approval or other action.

6.3 Award Confers No Rights to Continued Employment. In no event shall the granting of the Award or its acceptance by the Holder, or any provision of the Agreement or the Plan, give or be deemed to give the Holder any right to continued employment by the Company, any Subsidiary or any affiliate of the Company or affect in any manner the right of the Company, any Subsidiary or any affiliate of the Company to terminate the employment of any person at any time.

6.4 Decisions of Board or Committee. The Board or the Committee shall have the right to resolve all questions which may arise in connection with the Award. Any interpretation, determination or other action made or taken by the Board or the Committee regarding the Plan or this Agreement shall be final, binding and conclusive.

6.5 Successors. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of the Holder, acquire any rights hereunder in accordance with this Agreement or the Plan.

---

6.6 Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to Grove Collaborative Holdings, Inc., Attn: Chief Legal Officer, 1301 Sansome Street, San Francisco, California 94111, and if to the Holder, to the last known mailing address of the Holder contained in the records of the Company. All notices, requests or other communications provided for in this Agreement shall be made in writing either (a) by personal delivery, (b) by facsimile or electronic mail with confirmation of receipt, (c) by mailing in the United States mails or (d) by express courier service. The notice, request or other communication shall be deemed to be received upon personal delivery, upon confirmation of receipt of facsimile or electronic mail transmission or upon receipt by the party entitled thereto if by United States mail or express courier service; provided, however, that if a notice, request or other communication sent to the Company is not received during regular business hours, it shall be deemed to be received on the next succeeding business day of the Company.

6.7 Governing Law. This Agreement, the Award and all determinations made and actions taken pursuant hereto and thereto, to the extent not governed by the laws of the United States, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflicts of laws.

6.8 Agreement Subject to the Plan. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. In the event that the provisions of this Agreement and the Plan conflict, the Plan shall control. The Holder hereby acknowledges receipt of a copy of the Plan.

6.9 Entire Agreement. This Agreement and the Plan constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Holder with respect to the subject matter hereof, and may not be modified adversely to the Holder's interest except by means of a writing signed by the Company and the Holder.

6.10 Partial Invalidity. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

6.11 Amendment and Waiver. The Company may amend the provisions of this Agreement at any time; provided that an amendment that would adversely affect the Holder's rights under this Agreement shall be subject to the written consent of the Holder. No course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

6.12 Counterparts. The Award Notice may be executed in two counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

6.13 Compliance With Section 409A of the Code. This Award is intended to be exempt from or comply with Section 409A of the Code, and shall be interpreted and construed accordingly, and each payment hereunder shall be considered a separate payment for purposes of Section 409A of the Code. To the extent this Agreement provides for the Award to become vested and be settled upon the Holder's termination of employment, the applicable shares of Stock shall be transferred to the Holder or his or her beneficiary upon the Holder's "separation from service," within the meaning of Section 409A of the Code; provided that if the Holder is a "specified employee," within the meaning of Section 409A of the Code, then to the extent the Award constitutes nonqualified deferred compensation, within the meaning of Section 409A of the Code, such shares of Stock shall be transferred to the Holder or his or her

---

beneficiary upon the earlier to occur of (i) the six-month anniversary of such separation from service and (ii) the date of the Holder's death.

6.14 Protected Rights. Nothing in this Agreement or otherwise is intended to, or does, prohibit the Holder from (i) filing a charge or complaint with, providing truthful information to, or cooperating with an investigation being conducted by a governmental agency (such as the U.S. Equal Employment Opportunity Commission, another other fair employment practices agency, the U.S. National Labor Relations Board, the U.S. Department of Labor, or the U.S. Securities and Exchange Commission (the "SEC")); (ii) engaging in other legally-protected activities; (iii) giving truthful testimony or making statements under oath in response to a subpoena or other valid legal process or in any legal proceeding; (iv) otherwise making truthful statements as required by law or valid legal process; or (v) disclosing a trade secret in confidence to a governmental official, directly or indirectly, or to an attorney, if the disclosure is made solely for the purpose of reporting or investigating a suspected violation of law. Accordingly, the Holder shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In the event the Holder files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Holder may disclose the trade secret(s) of the Company to the Holder's attorney and use the trade secret information in the court proceeding, if the Holder (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order. In accordance with applicable law, and notwithstanding any other provision of the Plan or this Agreement, nothing in the Plan, this Agreement or any of any policies or agreements of the Company or any affiliate applicable to the Holder (i) impedes the Holder's right to communicate with the SEC or any other governmental agency about possible violations of federal securities or other laws or regulations or (ii) requires the Holder to provide any prior notice to the Company or its affiliates or obtain their prior approval before engaging in any such communications.