



## CarLotz, Inc. Reports Equity Inducement Grants Under Nasdaq Listing Rule 5635 (C)(4)

May 18, 2022

RICHMOND, Va., May 18, 2022 (GLOBE NEWSWIRE) -- CarLotz, Inc. (the "Company" or "CarLotz"; NASDAQ: LOTZ), the nation's largest consignment-to-retail used vehicle marketplace, announced today that the Company's Compensation Committee has granted equity inducement awards of Class A common stock to three new executive employees and three new non-executive employees in connection with their joining the Company. The Company granted 3,500,000 restricted stock units and 3,500,000 performance restricted stock units to Lev Peker, our new Chief Executive Officer, 1,100,000 restricted stock units and 1,100,000 performance-based restricted stock units to Ozan Kaya, our new President, and 600,000 restricted stock units and 500,000 performance restricted stock units to Eugene Kovshilovsky, our new Chief Technology Officer. The Company also granted 419,822 restricted stock units and non-qualified stock options to purchase 569,676 shares of the Company's common stock, in the aggregate, to the three non-executive employees. The grants of restricted stock units, performance stock units and stock options were promised to each of the aforementioned employees in their employment agreements or offer letters with the Company as a material inducement to employment in accordance with Nasdaq Listing Rule 5635(c)(4).

The restricted stock units granted to Messrs. Kaya and Kovshilovsky, and the non-executive employees, as well as 680,000 of the restricted stock units granted to Mr. Peker, will vest in four substantially equal installments on the anniversary of the executives' employment start dates with the Company, subject to continued employment through the applicable vesting dates. The remaining 2,820,000 restricted stock units granted to Mr. Peker in replacement of certain time vesting awards forfeited from his former employer will vest in various installments through January 2025 that are intended to approximate the vesting schedule of his forfeited equity awards from his former employer, subject to Mr. Peker's continued employment through each vesting date.

The performance-based restricted stock units granted to Messrs. Peker, Kaya and Kovshilovsky will vest in three substantially equal installments upon the achievement of the Company's Class A common stock of the following volume weighted-average share prices prior to the tenth anniversary of the date of grant, and subject to the executives' continued employment through the applicable vesting date: (i) when the shares of Company's Class A common stock reaches a 20 day volume weighted average of \$4.00 per share (threshold); (ii) when the shares of Company's Class A common stock reaches a 20 day volume weighted average of \$8.00 per share (target); and (iii) when the shares of Company's Class A common stock reaches a volume weighted average price of \$12.00 per share (maximum).

The stock options were granted to the non-executive employees at an exercise price of \$0.61, which is equal to the closing price of the Company's common stock on May 16, 2022, the date of the grant. The stock options will vest and become exercisable in four substantially equal installments on the anniversary of each of the employee's start dates with the Company, subject to the employee's continued employment through each vesting date.

The vesting of the equity awards will accelerate upon certain types of termination of employment.

For more information on CarLotz, please visit [www.carlotz.com](http://www.carlotz.com)

### About Carlotz

CarLotz operates a consignment-to-retail used vehicle marketplace that provides our corporate vehicle sourcing partners and retail sellers of used vehicles with the ability to easily access the retail sales channel. Our mission is to create the world's greatest vehicle buying and selling experience. We operate a technology-enabled buying, sourcing, and selling model that offers an omni-channel experience and diverse selection of vehicles. Our proprietary technology provides our corporate vehicle sourcing partners with real-time performance metrics and data analytics, along with custom business intelligence reporting that enables vehicle triage optimization between the wholesale and retail channels.

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