Forward-Looking Statements

The information presented herein may contain forward-looking statements within the meaning of the federal securities laws. Such forward-looking statements include all statements other than statements of historical fact, including forecasts of trends, market conditions, and other factors that will impact our results of operations. You should not place undue reliance on any forward-looking statements, which speak only as of the date they were made. We undertake no obligation to update any forward-looking statements as a result of any new information, future developments, or otherwise. Forward-looking statements are inherently difficult to predict. Accordingly, actual results could differ materially for a variety of reasons, including but not limited to market volatility, the world economy, government regulation, and our supply chain, including supply and demand for the products and services we offer, and the ability of our third-party partners and carriers to provide products and services without interruption and at a reasonable cost. Actual results could also differ materially for a number of reasons, including, but not limited to initiatives to improve or maintain the performance of our business, adverse tax, regulatory or legal developments, competition, and any inability to maintain profitability, continue to generate positive cash flow from operations, raise capital, or borrow funds on acceptable terms, difficulties we may have with our infrastructure, our fulfillment partners or our payment processors, including cyber-attacks or data breaches affecting us or any of them, any inability to protect our intellectual property, and difficulties we may experience with increasing or maintaining our search engine optimization results, converting web traffic to sales, or ensuring we maintain our new customer base. Other risks and uncertainties include, among others, whether our partnership with Pelion Venture Partners will be able to achieve its objectives and the timing for doing such. More information about factors that could potentially affect our financial results are included in our Form 10-K for the year ended December 31, 2020, which was filed with the SEC on February 26, 2021, and in our subsequent filings with the SEC. The Form 10-K and our subsequent filings with the SEC identify important factors that could cause our actual results to differ materially from those contained in or contemplated by our projections, estimates, and other forward-looking statements.
Agenda

1. CEO Remarks
2. Financial Results
3. Business Updates
4. Summary and Q&A
Corporate Update

- Closed blockchain fund transaction with Pelion Venture Partners on April 23
  - Announced strategic partnership on January 25 (original goal to close by mid-July)
  - Medici Ventures converted into a limited partnership (the “Fund”) overseen by Pelion
  - Medici Ventures deconsolidated in financial results

- Regulatory front – no updates

- Annual shareholder meeting on May 13

- Continue to operate well working remote-first
Financial Results
## Q1 2021 Financial Results

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$659.9 Million</td>
</tr>
<tr>
<td>-</td>
<td>+94% vs. Q1’20</td>
</tr>
<tr>
<td>-</td>
<td>+82% vs. Q1’19</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>23.3%</td>
</tr>
<tr>
<td>-</td>
<td>+141bps vs. Q1’20</td>
</tr>
<tr>
<td>-</td>
<td>+342bps vs. Q1’19</td>
</tr>
<tr>
<td><strong>G&amp;A and Tech % of Revenue</strong></td>
<td>8.1%</td>
</tr>
<tr>
<td>-</td>
<td>-771bps vs. Q1’20</td>
</tr>
<tr>
<td>-</td>
<td>-783bps vs. Q1’19</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$33.9 Million</td>
</tr>
<tr>
<td>-</td>
<td>+$40.4M / +618% vs. Q1’20</td>
</tr>
<tr>
<td>-</td>
<td>+$41.7M / +530% vs. Q1’19</td>
</tr>
<tr>
<td><strong>Diluted EPS</strong></td>
<td>$0.56</td>
</tr>
<tr>
<td>-</td>
<td>+$0.90 vs. Q1’20</td>
</tr>
<tr>
<td>-</td>
<td>+$1.15 vs. Q1’19</td>
</tr>
<tr>
<td><strong>Ending Cash</strong></td>
<td>$534.8 Million</td>
</tr>
<tr>
<td>-</td>
<td>+$39.4M vs. Q4’20</td>
</tr>
<tr>
<td>-</td>
<td>+$438.3M vs. Q4’19</td>
</tr>
</tbody>
</table>

**Note:** All figures represent results from continuing operations.

1 In Q1’20 we recorded $2.5M in special items that benefited G&A expense. Reported G&A expense in Q1’20 was $51.2M, or 15.1% of revenue.

2 Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix.
Revenue

Q1 Dynamics

- Revenue of $660M
  - +94% / $320M vs. Q1'20
  - +82% / $297M vs. Q1'19

Note: All figures represent results from continuing operations.
Gross Margin

Q1 Dynamics

- Gross margin of 23.3%
  - +141bps vs. Q1’20
  - +342bps vs. Q1’19

- Gross margin benefited by:
  - Continued sales mix into core home furnishings categories
  - Disciplined discounting activities offset by increased acquisition marketing

Note: All figures represent results from continuing operations.
G&A and Tech Expense

Q1 Dynamics

- G&A and tech expense generating operating leverage
  - -1% vs. Q1’20¹
  - -8% vs. Q1’19

- G&A and tech expense % of revenue of 8.1%
  - -771bps vs. Q1’20¹
  - -783bps vs. Q1’19

¹ In Q1’20 we recorded $2.5M in special items that benefited G&A expense. Reported G&A expense in Q1’20 was $51.2M, or 15.1% of revenue.
² In Q2’20 we recorded $7.3M in special items that benefited G&A expense. Reported G&A expense in Q2’20 was $49.9M, or 6.5% of revenue.
Adjusted EBITDA

Note: All figures represent results from continuing operations.
Retail Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix.

Q1 Dynamics

- Adj. EBITDA of $34M
  - +$40M vs. Q1'20
  - +$42M vs. Q1'19

- Adj. EBITDA margin of 5.1%
  - +706bps vs. Q1'20
  - +730bps vs. Q1'19
Active Customers and Order Frequency

Q1 Dynamics

- Active customers reached record of 9.9M
  - +92% / +4.8M vs. Q1’20
  - +60% / +3.7M vs. Q1’19

- Order frequency of 1.66
  - -2% vs. Q1’20
  - -5% vs. Q1’19
  - Impacted by influx of new customers

Note: Active customers represents the number of customers who made at least one purchase during the prior twelve-month period.

Note: Orders per active customer represents the number of orders delivered over a twelve-month period divided by the number of active customers for that same period.
Orders and Average Order Value

Q1 Dynamics

- Orders delivered (LTM) reached record of 16.5M
  - +88% / +7.7M vs. Q1’20
  - +52% / +5.7M vs. Q1’19

- Average order value of $183
  - +17% vs. Q1’20
  - +18% vs. Q1’19
  - Driven by continued sales mix into core home furniture categories

Note: LTM orders delivered represents the total number of orders delivered during the prior twelve-month period.
Note: Average order value represents net revenue divided by orders delivered, measured on a quarterly basis.
Business Updates
Top 4 Brand in a Growing Market

Top U.S. Home Furnishings Online Brands¹
(rank by online revenue)

1. Amazon
2. Wayfair
3. Walmart
4. overstock.
5. Target
6. Pottery Barn
7. IKEA
8. Bed Bath & Beyond
9. West Elm
10. Restoration Hardware

Furniture & Home Furnishings U.S. Online Penetration²

¹ Source: Public, third-party analyses and transactional data based on commonly accepted definition of ‘home furnishings and décor’ category (which includes furniture) and ranked by 2020 direct-to-customer online sales.
² Source: Combined data from eMarketer, NRF, NPD, and Earnest transactional data.
Establishing Unique Market Positioning

Dream Homes for All: The space of ‘Smart Value’ where quality & style costs less

Source: Based on Overstock Annual Brand Research, 2020. Shown are the top ten U.S. home furnishings online home retailers, as ranked by online revenue.
Playing to Our Strengths

$130B Market\textsuperscript{1,2}

- Higher propensity to shop at Overstock
- Deal-driven and low-hassle
- Combined market spend is 40% of total market\textsuperscript{2}

\textsuperscript{1} Source: eMarketer—Total U.S. Retail Sales estimates, 2020.
\textsuperscript{2} Source: Overstock customer segmentation research, 2019.

Note: $325B total market size x 40% customer segments market size = $130B market.
Focused Strategy

vision

dream homes for all

financial goal

sustainable, profitable market share growth

making beautiful & comfortable homes accessible by helping customers easily & confidently find just what they want for less

target customers

primary segment

savvy shopper

values Overstock for helping them feel smart about finding a great deal from a compelling selection of stylish & quality home products

secondary segment

reluctant refresher

values Overstock for helping them easily & confidently find just what they want

brand pillars

product findability

going inspired anywhere, but easily find it at Overstock

smart value

quality & style for less

easy delivery + support

fast, free, & predictable delivery, plus low-hassle returns & support

enablers

OKR-driven focus

world-class SEO

data-driven customer relationship and loyalty building

machine learning and algorithms innovation

rapid iteration mindset

2021 initiatives

improve product findability

grow government market share

grow Canada market share

improve enterprise platform
Customers shifted to mobile
In Q1, mobile:
  - Purchases >50% of total sales
  - Unique visits +62% YoY
  - Sales +105% YoY
  - Conversion +10% YoY
Focus on app adoption in 2021

Note: Sales reflects GMS (gross merchandise sales), calculated as the amount paid by customers for products (and shipping), measured at the time of order, before coupons and discounts, without reductions for estimated returns.
Demand for home furnishings continues to increase
- Home furnishings were 93% of sales in Q1
- Highest home furnishings mix in history

Opportunity to increase brand association with “Home”
- 2X higher purchase intent if shopper comes to OSTK for “Home”
- Emphasizing Dream Homes for All

Note: Sales Mix is shown as a percentage of gross merchandise volume, calculated as the amount paid by customers for products (and shipping), measured at the time of order, after coupons and discounts, without reductions for estimated returns.
Assortment and SKU productivity continue to increase
- Number of SKUs sold +24% YoY
- Units sold per SKU +36% YoY

Note: Chart reflects home furnishings SKUs only.
- Free shipping is a top purchase driver and key component of Smart Value
  - Launched free shipping on all items in 2020
  - Customer rating of shipping charges expected to remain at current levels

---

Source: Bizrate point of sale survey, Q1 2021.

---

Customer Rating of Shipping Charges

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 '20</td>
<td></td>
</tr>
<tr>
<td>Q2 '20</td>
<td></td>
</tr>
<tr>
<td>Q3 '20</td>
<td></td>
</tr>
<tr>
<td>Q4 '20</td>
<td></td>
</tr>
<tr>
<td>Q1 '21</td>
<td></td>
</tr>
</tbody>
</table>

12% favorable to competitors
Savvy Shoppers expect value
- Want to feel like they are getting “best quality for the price”

Progress evident in continued refinement of pricing model

Pricing is another key component of Smart Value
- Delivery speed and on-time accuracy key drivers of customer conversion and retention
  - For customers, maintained focus on communicating delivery expectations during times of operational disruption
  - For carriers, managed disruptions through rigorous planning, estimation accuracy, and communications

Note: % orders delivered on-time or early and click to delivery refer to small parcels only.
- Contact volume as a percentage of orders decreased 29% vs. Q1’19
- Automation and self-service capabilities improve customer retention and reduce costs
  - Continue to enhance and augment self-service functionality
2021 Strategic Initiatives

1. Improve onsite search and taxonomy
2. Expand into Canada
3. Establish government business
4. Improve the enterprise platform
Well Positioned for Market Share Growth – in 2021 and Beyond

- Revenue growth outpacing industry
- Gross profit margin in the 22% range
- Operating expenses growing slower than revenue, driving operating leverage
- Adjusted EBITDA margins in the mid-single digits
- Free cash flow positive

Driving sustainable, profitable market share growth
Medici Ventures Fund
# Summary of Medici Ventures Fund Transaction

<table>
<thead>
<tr>
<th>Deal Type</th>
<th>Partnership between Overstock and Pelion Venture Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Partner</td>
<td>A Pelion Venture Partners entity</td>
</tr>
<tr>
<td>Limited Partner</td>
<td>Overstock</td>
</tr>
<tr>
<td>Partnership Term</td>
<td>8 years</td>
</tr>
<tr>
<td>Capital Commitment</td>
<td>$45 million (with Overstock option to increase by $30 million)</td>
</tr>
<tr>
<td>Fee Structure</td>
<td>Annual fees of $2.5 million, combined with success fees paid according to performance</td>
</tr>
<tr>
<td>Timing</td>
<td>Announced on January 25; closed on April 23</td>
</tr>
<tr>
<td>Deal Rationale</td>
<td>Maximize shareholder value through partnering with a highly experienced venture firm</td>
</tr>
</tbody>
</table>
Medici Ventures Fund Update

- Bitt launched DCash, the world’s first central bank digital currency, on March 31
- tZERO:
  - Launched strategic capital raise
  - Hosting Q1 update call in May
- GrainChain selected by SAP for its global startup accelerator program on April 14
- Voatz closed first tranche of $10M capital raise on April 20
- PeerNova closed first tranche of $25M capital raise on April 22
Summary and Q&A
Q1 Review and Looking Ahead

- Closed Pelion transaction and deconsolidated Medici Ventures’ businesses
- Execute against our 2021 initiatives
- Increase Overstock brand association with “Home”
- Cement competitive positioning
- Improve mobile app adoption
- Continue to deliver profitable market share growth
Questions?

To ask questions:

- Dial-in: (877) 673-5346
  Conference ID: 5898642

- Email: ir@overstock.com
Appendix
Adjusted EBITDA Reconciliation

Note: All figures represent results from continuing operations.

Adjusted EBITDA is a non-GAAP financial measure used in addition to and in conjunction with results presented in accordance with GAAP and should not be relied upon to the exclusion of GAAP financial measures. Review our financial statements and publicly-filed reports in their entirety and do not rely on any single financial measure.

### Adjusted EBITDA Reconciliation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (loss) from continuing operations</td>
<td>$ (19,490)</td>
<td>$ (13,230)</td>
<td>$ (13,448)</td>
<td>$ (16,740)</td>
<td>$ (13,766)</td>
<td>$ 48,174</td>
<td>$ 38,050</td>
<td>$ 23,092</td>
<td>$ 26,018</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>5,266</td>
<td>6,127</td>
<td>6,212</td>
<td>6,474</td>
<td>5,569</td>
<td>5,410</td>
<td>5,310</td>
<td>5,487</td>
<td>5,146</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>3,868</td>
<td>4,560</td>
<td>3,821</td>
<td>3,911</td>
<td>2,681</td>
<td>1,952</td>
<td>1,568</td>
<td>1,640</td>
<td>2,305</td>
</tr>
<tr>
<td>Interest (income) expense, net</td>
<td>(240)</td>
<td>(458)</td>
<td>(321)</td>
<td>(182)</td>
<td>11</td>
<td>364</td>
<td>264</td>
<td>199</td>
<td>155</td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>105</td>
<td>419</td>
<td>183</td>
<td>(65)</td>
<td>287</td>
<td>(246)</td>
<td>(59)</td>
<td>(595)</td>
<td>226</td>
</tr>
<tr>
<td>Provision (benefit) for income taxes</td>
<td>864</td>
<td>136</td>
<td>160</td>
<td>(100)</td>
<td>163</td>
<td>505</td>
<td>607</td>
<td>(335)</td>
<td>193</td>
</tr>
<tr>
<td>Special items (see table below)</td>
<td>1,757</td>
<td>-</td>
<td>(1,221)</td>
<td>-</td>
<td>(1,486)</td>
<td>(7,272)</td>
<td>288</td>
<td>432</td>
<td>(187)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ (7,870)</td>
<td>$ (2,446)</td>
<td>$ (4,614)</td>
<td>$ (6,702)</td>
<td>$ (6,541)</td>
<td>$ 48,887</td>
<td>$ 46,028</td>
<td>$ 29,920</td>
<td>$ 33,856</td>
</tr>
</tbody>
</table>

**Special items:**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Special legal charges</td>
<td>$ -</td>
<td>-</td>
<td>$ (1,221)</td>
<td>-</td>
<td>$ (2,501)</td>
<td>$ (7,272)</td>
<td>-</td>
<td>$ 432</td>
<td>(187)</td>
</tr>
<tr>
<td>Severance</td>
<td>1,757</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,015</td>
<td>-</td>
<td>288</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Total Special items | $ 1,757 | $ - | $ (1,221) | $ - | $ (1,486) | $ (7,272) | $ 288 | $ 432 | (187) |