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 the effects of the novel coronavirus (COVID-19) and corresponding vaccines on market volatility, the world economy, government regulation, and our supply chain, including supply and demand for the products and services we offer, the ability of our third-party partners and carriers to provide products and services without interruption and at a reasonable cost, and customer comfort levels with purchasing from brick and mortar stores. 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 previously-announced arrangements with Pelion Venture Partners will be consummated, whether our partnership with Pelion will be able to achieve its objectives and the timing for doing such, the inherent risks associated with the businesses that Medici Ventures and tZERO are pursuing, including the effect of COVID-19 on capital markets, trading volatility, investor confidence, and willingness to invest in blockchain technologies, whether tZERO's initiatives with Box Digital Markets, LLC and tZERO Markets, LLC will be able to achieve their objectives and the timing for doing such, and the regulatory, technical, operational, and other obstacles tZERO faces in each of its initiatives. More information about factors that could potentially affect our financial results are included in our Form 10-K for the year ended December 31, 2019, which was filed with the SEC on March 13, 2020, in our Form 10-Q for the quarter ended March 31, 2020, which was filed with SEC on May 7, 2020, in our Form 10-Q for the quarter ended June 30, 2020, which was filed with the SEC on August 6, 2020, in our Form 10-Q for the quarter ended September 30, 2020, which was filed with SEC on November 5, 2020, and in our subsequent filings with the SEC. The Form 10-K, Form 10-Q's, 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

- Partnership with Pelion Venture Partners
  - Limited Partnership Agreement announced in January

- Cash dividend declared on Series A-1 and Series B preferred shares
  - $0.16 per share paid in December, fourth annual preferred dividend

- Regulatory update
  - New subpoena received in January

- Continue to operate well during COVID-19 pandemic
  - Working remote-first, monitoring vaccines, stimulus, and supply chain conditions
Appointment of New CMO

- Formerly Head of Marketing for Amazon’s Global Private Brands portfolio
- Extensive marketing leadership experience growing Fortune 100 companies
- Proven track record in growing, building, and repositioning brands through multi-channel and integrated marketing strategies
- Previously with Samsung, Walmart, Cadbury, and Nestle
- Joins team in late March

Elizabeth Solomon
Chief Marketing Officer
Financial Results
## Q4 2020 Financial Results: Overstock.com, Inc.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Change</th>
<th>vs. Q4’19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$684.0 Million</td>
<td>+84%</td>
<td>Q4’19</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$153.0 Million</td>
<td>+100%</td>
<td>Q4’19</td>
</tr>
<tr>
<td>G&amp;A % of Revenue</td>
<td>4.9%</td>
<td>-410bps</td>
<td>Q4’19</td>
</tr>
<tr>
<td>Adjusted EBITDA(^1)</td>
<td>$22.9 Million</td>
<td>+$41.9M / +221%</td>
<td>Q4’19</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$0.26</td>
<td>+$0.99</td>
<td>Q4’19</td>
</tr>
<tr>
<td>Ending Cash</td>
<td>$516.5 Million</td>
<td>+$404.2M</td>
<td>Q4’19</td>
</tr>
</tbody>
</table>

\(^1\) Adjusted EBITDA is a non-GAAP financial measure. 
See Reconciliation in Appendix
# FY 2020 Financial Results: Overstock.com, Inc.

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Merchandise Sales</strong></td>
<td><strong>$3.2 Billion</strong></td>
<td></td>
<td>+74% vs. FY’19</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>$2.5 Billion</strong></td>
<td></td>
<td>+75% vs. FY’19</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td><strong>$579.5 Million</strong></td>
<td></td>
<td>+98% vs. FY’19</td>
</tr>
<tr>
<td><strong>G&amp;A % of Revenue</strong></td>
<td>5.0%</td>
<td></td>
<td>-447bps vs. FY’19</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA¹</strong></td>
<td><strong>$88.3 Million</strong></td>
<td></td>
<td>+$162M / +220% vs. FY’19</td>
</tr>
<tr>
<td><strong>Diluted EPS</strong></td>
<td>$1.24</td>
<td></td>
<td>+$4.70 vs. FY’19</td>
</tr>
</tbody>
</table>

¹ Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix
Q4 2020 Financial Results: Overstock Retail

Revenue
$669.7 Million
+84% vs. Q4’19

Gross Margin
22.5%
+182bps vs. Q4’19

OpEx as % of Revenue
18.5%
-563bps vs. Q4’19

Adjusted EBITDA¹
$34.2 Million
+$36.4M vs. Q4’19

Dynamics
- Business model scaled
  - +94% new customer growth YoY
- Gross margin expanded
  - Structural improvements coupled with unique items
- Operating leverage generated
  - Revenue grew by 84% while operating expense grew by 41%
- Profitability delivered
  - Margin profile remains consistent with long-term targets

¹ Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix.
FY 2020 Financial Results: Overstock Retail

Gross Merchandise Sales
$3.2 Billion
+74% vs. FY’19

Gross Margin
22.9%
+280bps vs. FY’19

OpEx as % of Revenue
18.3%
-483bps vs. FY’19

Adjusted EBITDA\(^1\)
$135.6 Million
+$139.3M vs. FY’19

\(^1\) Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix
Retail Revenue

Q4 Dynamics
- Revenue of $670M
  - +$306M YoY
  - +84% YoY
- New customer growth +94% YoY
  - New customer repeat rate +6% YoY
  - ~2/3 of new customers in target segments

2020 Dynamics
- Revenue of $2.5B
  - +$1.1B YoY
  - +74% YoY
Retail Gross Margin

Q4 Dynamics
- Gross margin of 22.5%
  - +182bps YoY
- Gross margin impacted by operational efficiencies

2020 Dynamics
- Gross profit of $571M
  - +$283M YoY
- Gross margin of 22.9%
  - +280bps YoY
In Q2 2020 we recorded $7.3M in special items that benefitted Retail operating expense. Reported Retail operating expense in Q2 2020 was $125M, or 16.3% of revenue.

Q4 Dynamics
- OpEx +41% YoY vs. net revenue growth of 84%
- OpEx % of revenue of 18.5%
  - -563bps YoY

2020 Dynamics
- OpEx of $457M
- OpEx % of revenue of 18.3%
  - -483bps YoY

1 In Q2 2020 we recorded $7.3M in special items that benefitted Retail operating expense. Reported Retail operating expense in Q2 2020 was $125M, or 16.3% of revenue.
Retail Adjusted EBITDA is a non-GAAP financial measure.

See Reconciliation in Appendix
Business Updates
Retail
Top 5 Brand in a Growing Market

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

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

---

Overstock growth was **2.3x** the U.S. Home Furnishings eCommerce market in Q4

<table>
<thead>
<tr>
<th>Home eCommerce²</th>
<th>Overstock</th>
</tr>
</thead>
<tbody>
<tr>
<td>+32% YoY</td>
<td>+75% YoY</td>
</tr>
</tbody>
</table>

---

Furniture & Home Furnishings U.S. Online Penetration³

---

¹ Source: Public and third-party analyses and transactional data based on commonly accepted 'home furnishings and décor' category definitions.
² Source: Estimate based on MasterCard SpendingPulse and Rakuten Intelligence, Q4 2020.
³ Source: Combined data from eMarketer, NRF, NPD, and Earnest transactional data.
Why Overstock Is Outperforming

Top Improved Brand Drivers:
- “Makes me feel like a smart shopper”
- “Best quality for the price”
- “Free shipping”

Purchase intent among U.S. home furnishings shoppers +7.5% YoY
Purchase intent among “Savvy Shoppers” +20% YoY

Source: Overstock Annual Brand Research, 2020. Note: purchase intent refers to customers who include Overstock in their purchase consideration set.
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

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

$120B Market

1 Source: eMarketer—Total U.S. Retail Sales estimates, 2019.
2 Source: Overstock customer segmentation research, 2019.
Note: $300B total market size x 40% customer segments market size = $120B market.
Focused Strategy

**vision**

**dream homes for all**

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

**financial goal**

sustainable, profitable market share growth

**target customers**

**primary segment**

savvy shopper

dream homes for all: 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

dream homes for all: values Overstock for helping them easily & confidently find just what they want

**brand pillars**

**product findability**

get 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 shifting to mobile
- In Q4, mobile:
  - Purchases ~50% of total sales
  - Unique visits +84% YoY
  - Sales +100% YoY
  - Conversion +8% YoY

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 sales remained above 90% in Q4
- Highest home furnishings Q4 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.
Free shipping is a top purchase driver and key component of Smart Value

Launched free shipping on all items in 2020

- Initially in response to COVID
- Permanently in late 2020
- Significant win for our customers

Source: Bizrate point of sale survey. Favorability relative to home and garden 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

Note: Overstock prices used to compare to competitor prices include site sale discounts before coupons are applied. Comparisons account for 30-35% of all product page views. Price comparisons taken during last week of respective month reported.
- ‘Shipageddon’ was less impactful due to rigorous carrier planning in Q4
- Delivery speed and on-time accuracy key drivers of customer satisfaction

Note: % orders delivered on-time or early refers to small parcels only.
easy delivery + support

- Contact volume as a percentage of orders decreased 23% YoY
- Automation and self-service enhancements improve customer satisfaction and reduce costs
- Continued focus on automated delivery communications

Note: Following the national stay-at-home order (Q2 '20), not all customers were able to reach customer service agents due to unexpected volume of sales.
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
  - Driven by technology, customer focus, and drop-ship model
- Maintain normalized gross profit margins
- 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
Overstock & Pelion Venture Partners Transaction
# Summary of Deal Terms

<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>Anticipated Closing</td>
<td>3-6 months, pending regulatory approvals</td>
</tr>
<tr>
<td>Deal Rationale</td>
<td>Maximize shareholder value through partnering with a highly experienced venture firm</td>
</tr>
</tbody>
</table>
# Overview of Pelion Venture Partners

<table>
<thead>
<tr>
<th>Experienced Investors</th>
<th>Trusted Advisors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 90 years of combined investment experience, currently on Fund VII</td>
<td>Reputation of being trusted and active board members</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proven Tech Investing Strategy</th>
<th>Fundraising Track Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expertise in and focus on early-stage tech investing: Seed and Series A+</td>
<td>Utah and SoCal local advantage with strong network in the Bay and coast-to-coast reach</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Skilled Operators</th>
<th>Culture of Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experienced operators with deep knowledge and networks that enable growth</td>
<td>Investing in new technologies that disrupt industries</td>
</tr>
</tbody>
</table>

Please note that this information does not constitute a solicitation for investment.
Summary and Q&A
2020 Year in Review

- Notable changes to the executive team (Chief Financial/Product/Tech Officers)
- Appointments to the board (3 independent directors)
- Execution of focused, strategic Retail initiatives
- GSA proof-of-concept pilot award
- Opportunistic equity capital raise (~$200M)
- Strategic partnership with Pelion Venture Partners
- Record sales and profitability
Questions?

To ask questions:

- Dial-in: (877) 673-5346
  Conference ID: 9437865
- Email: ir@overstock.com
Appendix
## Adjusted EBITDA Reconciliation

### Three months ended

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net loss</strong></td>
<td>$ (29,660)</td>
<td>$ (19,565)</td>
<td>$ 34,381</td>
<td>$ 21,226</td>
<td>$ 10,129</td>
</tr>
<tr>
<td><strong>Depreciation and amortization</strong></td>
<td>7,998</td>
<td>7,569</td>
<td>7,548</td>
<td>7,592</td>
<td>8,107</td>
</tr>
<tr>
<td><strong>Stock-based compensation</strong></td>
<td>4,606</td>
<td>3,268</td>
<td>2,465</td>
<td>2,623</td>
<td>4,574</td>
</tr>
<tr>
<td><strong>Interest income, net</strong></td>
<td>(262)</td>
<td>(72)</td>
<td>(26)</td>
<td>177</td>
<td>159</td>
</tr>
<tr>
<td><strong>Other (income) expense, net</strong></td>
<td>(1,547)</td>
<td>(6,683)</td>
<td>4,171</td>
<td>7,526</td>
<td>(186)</td>
</tr>
<tr>
<td><strong>Provision (benefit) for income taxes</strong></td>
<td>(94)</td>
<td>176</td>
<td>517</td>
<td>620</td>
<td>(324)</td>
</tr>
<tr>
<td><strong>Special items (see table below)</strong></td>
<td>-</td>
<td>(1,103)</td>
<td>(7,272)</td>
<td>288</td>
<td>433</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$ (18,959)</td>
<td>$ (16,410)</td>
<td>$ 41,784</td>
<td>$ 40,052</td>
<td>$ 22,892</td>
</tr>
</tbody>
</table>

### Segment Adjusted EBITDA

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Retail</strong></td>
<td>$ (2,194)</td>
<td>$ (1,865)</td>
<td>$ 53,011</td>
<td>$ 50,249</td>
<td>$ 34,247</td>
</tr>
<tr>
<td><strong>tZERO</strong></td>
<td>(10,628)</td>
<td>(8,250)</td>
<td>(7,052)</td>
<td>(5,675)</td>
<td>(5,800)</td>
</tr>
<tr>
<td><strong>MVI</strong></td>
<td>(2,695)</td>
<td>(2,498)</td>
<td>(2,085)</td>
<td>(2,470)</td>
<td>(2,653)</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>(3,442)</td>
<td>(3,797)</td>
<td>(2,090)</td>
<td>(2,052)</td>
<td>(2,902)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$ (18,959)</td>
<td>$ (16,410)</td>
<td>$ 41,784</td>
<td>$ 40,052</td>
<td>$ 22,892</td>
</tr>
</tbody>
</table>

### Special items:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Special legal charges¹</td>
<td>$ -</td>
<td>$ (2,501)</td>
<td>$ (7,272)</td>
<td>$ -</td>
<td>$ 433</td>
</tr>
<tr>
<td>Severance</td>
<td>-</td>
<td>1,398</td>
<td>-</td>
<td>288</td>
<td>$ -</td>
</tr>
<tr>
<td>Impairments on intangible assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Special Items</strong></td>
<td>$ -</td>
<td>$ (1,103)</td>
<td>$ (7,272)</td>
<td>$ 288</td>
<td>$ 433</td>
</tr>
</tbody>
</table>

¹ Special legal charges include amounts associated with the resolution for and adjustments to various legal contingencies and legal fees associated with pursuing our strategic alternatives.

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.