Forward-Looking Statements

The information presented herein may contain forward-looking statements. Such forward-looking statements include all statements other than statements of historical fact, including forecasts of trends. 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, initiatives to improve the performance of our retail business, adverse tax, regulatory or legal developments, competition, and any inability to achieve and/or maintain profitability, generate positive cash flow from operations, raise capital, or borrow funds on acceptable terms, the effects of key business personnel leaving and new personnel filling key business roles, difficulties we may have with our infrastructure, the effects of COVID-19 (also known as coronavirus) or other illness, results of our ongoing review of strategic initiatives, our fulfillment partners or our payment processors, including cyber-attacks or data breaches affecting us or any of them, difficulties we may experience with our search engine optimization results or converting web traffic to sales, and difficulties we may experience in completing our dividend payable in shares of our Series A-1 Preferred Stock. Other risks and uncertainties include, among others, the inherent risks associated with the businesses that Medici Ventures and tZERO are pursuing, including whether tZERO’s joint venture with Box Digital Markets, LLC will be able to achieve its 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 is included in our Form 10-K for the year ended December 31, 2019, which was filed with the Securities and Exchange Commission on March 13, 2020, and in our subsequent filings with the SEC. The Form 10-K, and our subsequent filings with the Securities and Exchange Commission 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. Business Updates
   a. Overstock Retail
   b. tZERO
   c. Medici Ventures
3. Summary and Q&A
Righting the Ship

- Q3: Stability and focus
- Q4: Setting objectives and initiatives
- Now: Execution
Digital Dividend – OSTKO

Status:

- Shareholder approval on February 13
- Ensuring a smooth shareholder experience
- Publishing a definitive timeline soon: still expect distribution by end of April
Financing Update

- ATM Offering
  - Raised net proceeds of $34mm in Q4
  - Will continue to evaluate opportunities that allow us to take advantage of market conditions in the future

- Building Loan
  - Secured $47.5mm loan on Peace Coliseum, executed March 6
  - 4.45% interest rate
  - $13mm tranche payable over 4 years
  - $34.5mm tranche payable at end of 10 years

- Keiretsu Companies
  - Raising third-party capital
Additions to Leadership

Rob Shapiro
Board of Directors, Member

Joel Weight
Chief Technology Officer

Mark Baker
Chief Product Officer

Alexis Callahan
Director of Investor Relations

Anthony Strong
Acting Chief Financial Officer

TBA early next week
Chief Financial Officer
Regulatory Update

- Cooperating fully
- Continue to be in regular dialogue with regulators
COVID-19 Remarks

- Continue to monitor the situation
- Diversified sourcing, drop-ship and partner model mitigates risk
- Lack of physical footprint (online-only) advantageous
- Capable of operating remotely
Overstock is a Tech Company at its Core

- Founded in 1999 as an innovator in the ecommerce space
- We continue to utilize technology to optimize commerce
  - Retail: machine learning and artificial intelligence
  - Medici Ventures and tZERO: blockchain technology
Business Updates
Retail
Retail Adjusted EBITDA

* Refers to the allocation of Shared Service costs (Finance, Legal, HR, Administration, etc.). 2019 Retail results reflect a 70% allocation of these costs, while prior periods reflect 100%.

Retail Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix.
Retail Contribution is a non-GAAP financial measure, calculated as gross profit less sales & marketing expense. See Reconciliation in Appendix.
### Q4 2019 Financial Results: Retail

**Revenue**

$364.1 Million

(19%) vs. Q4’18

---

**Gross Profit**

$75.2 Million

(6%) vs. Q4’18

---

**Gross Margin**

20.7%

+275 bps vs. Q4’18

---

**Contribution**

$35.3 Million

+7% vs. Q4’18

---

**Contribution Margin**

9.7%

+233 bps vs. Q4’18

---

**Adjusted EBITDA**

($2.2) Million

Includes 70% allocation of Shared Service costs*  
100% allocation: +$10mm, +60% vs. Q4’18

---

* Refers to the allocation of Shared Service costs (Finance, Legal, HR, Administration, etc.). 2019 Retail results reflect a 70% allocation of these costs, while prior periods reflect 100%.  
1) Retail Contribution, Contribution Margin, and Adjusted EBITDA are non-GAAP financial measures.  

See Reconciliations in Appendix
FY 2019 Financial Results: Retail

<table>
<thead>
<tr>
<th>Revenue</th>
<th>$1.4 Billion</th>
<th>(20%) vs. FY’18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Profit</td>
<td>$287.9 Million</td>
<td>(17%) vs. FY’18</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>20.1%</td>
<td>+74 bps vs. FY’18</td>
</tr>
<tr>
<td>Contribution</td>
<td>$147.6 Million</td>
<td>+89% vs. FY’18</td>
</tr>
<tr>
<td>Contribution Margin</td>
<td>10.3%</td>
<td>+595 bps vs. FY’18</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>($3.6) Million</td>
<td>Includes 70% allocation of Shared Service costs* 100% allocation: +$90mm, +81% vs. Q4’18</td>
</tr>
</tbody>
</table>

* Refers to the allocation of Shared Service costs (Finance, Legal, HR, Administration, etc.). 2019 Retail results reflect a 70% allocation of these costs, while prior periods reflect 100%.

1) Retail Contribution, Contribution Margin, and Adjusted EBITDA are non-GAAP financial measures. See Reconciliations in Appendix.
Home Furnishings: $300B Market
Overstock is a Top Online Retailer

Online Penetration

$67B (+16% YoY)
Online Home Furnishings Market

Top US Home Furnishings Online Brands
(Ranked by Online Revenue)

1. Amazon
2. Wayfair
3. Walmart
4. Target
5. overstock.

1) Source: eMarketer-Total US Retail and eCommerce Sales Share estimates, 2019
2) Source: Statista 2019 publication of Jumpshot 2018 online furniture sales
3) Source: Overstock market sizing of public and third-party data with category definition including mattresses, outdoor furniture & décor, small appliances & electronics, furniture storage & organization products, kitchen & bath products, decorative lighting & lamps, and home accessories & décor items.
Playing to Our Strengths

- Over-index for shopping at Overstock
- Deal driven & low hassle
- Combined market spend is 40% of total market

$120B Market

1) Source: eMarketer—Total US Retail Sales estimates, 2019
2) Source: Overstock customer segmentation research, 2019
Note: $300B Total Market Size x 40% Customer Segments Market Size = $120B Market.
Overstock 2020 Retail Strategy

**aspiration & positioning**
- dream homes for all
  - making beautiful & comfortable homes accessible by helping customers easily & confidently find just what they want for less

**financial goals**
- sustainable, profitable growth
  - as an indicator that our innovation is meeting target customers' needs

**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
  - 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

**constitutional principles**
- world-class SEO
- engaging email program
- rewarding Club O Loyalty program

**enablers**
- OKR-driven focus & collaboration
- world-class ML & algorithm innovation

**initiatives**
- intuitive mobile experience
- partner-sponsored marketing
- discounting & pricing experience
- increase real-time data
Product Findability

- Helping customers find products they want quickly
Product Findability

- Helping customers find the products they want easily
  - Site search improvements displaying more relevant products
  - Improvements translating to purchase conversion

Note: Search Attributed Conversion refers to orders of products that were clicked on from search and navigation divided by page visits.
“Over the holiday season, Overstock was the fifth most-mentioned retailer for having shoppers' favorite online shopping experience.”

–Digital Commerce 360

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2) Source: Bizrate Point-of-Sale Survey of Overstock purchasers, 2017-2019
Reducing returns costs allows us to deliver a better price to the customer.

Note: Net Returns Cost % = Net Returns Cost / GMS. Net Returns Cost is calculated as gross returns and frictional costs less recovery amounts received from customers, carriers and suppliers. GMS (gross merchandise sales) is 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.
Smart Value

- Building value through a curated, private label assortment

- Private label benefits:
  - High quality assortment
  - Value pricing
  - Easy-to-shop curated styles
  - Better content experience

Note: Total sales refers to gross merchandise sales, or GMS.
Easy Delivery + Support

- Improving customer experience beyond the purchase to drive loyalty
Easy Delivery + Support

- Improving delivery speed and on-time accuracy
  - >60% same day ship

Note: Same Day Ship refers to orders shipped same day if received prior to warehouse cutoff time, subject to limited exceptions.
Q4 Business Projects

Product Findability
- Enhance mobile experience
- Establish new machine learning (ML) ranking logic within internal search ✓
- Expand award winning dynamic experiences to additional site locations ✓
- Enhance style-based personalization and recommendations powered by ML ✓

Smart Value
- Reduce returns cost ✓
- Expand private label ✓
- Pre-position doorbusters for lower cost and 2-day delivery ✓
- Continue testing new value proposition with better balanced pricing and discounting philosophies ✓

Easy Delivery + Support
- Expand free returns for Club O members ✓
- Leverage ML for accurate delivery ✓
- Test 1-day shipping experience ✓
2020 Focus

Product Findability
- Enhance mobile web experience
- Refine ML model for better site search relevancy
- Improve new product content

Smart Value
- Clarify promotional price messaging
- Transform promotional model
- Further reduce logistics costs

Easy Delivery + Support
- Optimize ML delivery models
- Position inventory for fastest delivery
- Improve customer support self-service experience
Summary: Our Focus

Home Furnishings: $300B Market
Overstock is a Top Online Retailer

Overstock 2020 Retail Strategy

Playing to Our Strengths

- Over-index for shopping at Overstock
- Deal driven & low hassle
- Combined market spend is 40% of total market

$120B Market

Over stock

- durable furniture & comparable items for every room
- sustainable, profitable growth:
  - as an indicator that our innovation is meeting long-term needs
- target customers:
  - savvy shopper
  - reluctant refresher
- key focus areas:
  - product & pricing
  - smart value
  - easy delivery & support
- key initiatives:
  - store & mobile sales
  - career development
  - data science
  - customer experience

1. Source: Datamonitor Global Consumer Home Furnishings Online Market, 23/03/14
2. Source: Datamonitor Global Consumer Home Furnishings Online Market, 3/04/14
tZERO is the Next Generation Capital Markets Platform

Through our proprietary technology and SEC-registered ATS\textsuperscript{1}, tZERO connects issuers looking to raise capital and access liquidity, with investors interested in trading unique assets.

\textbf{Supply}

\begin{itemize}
  \item Issuers
\end{itemize}

\textbf{tZERO}

\textbf{Demand}

\begin{itemize}
  \item Investors
\end{itemize}

\textsuperscript{1) tZERO ATS, a subsidiary of tZERO Group, is a FINRA member broker-dealer, which operates a SEC-registered ATS that facilitates trading of digital securities and U.S. equities alike.
2019 Digital Security Statistics

- **2M+** Shares of Digital Securities Traded
- **$5M+** Total Value of Digital Securities Traded\(^1\)
- **$23K+** Average Daily Value of Digital Securities Traded\(^1\)

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1) Calculated by multiplying total volume by closing price.
Crypto App Investor Accounts

New Accounts

<table>
<thead>
<tr>
<th>Month</th>
<th>Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun 19</td>
<td>595</td>
</tr>
<tr>
<td>Jul 19</td>
<td>1,211</td>
</tr>
<tr>
<td>Aug 19</td>
<td>1,903</td>
</tr>
<tr>
<td>Sep 19</td>
<td>2,617</td>
</tr>
<tr>
<td>Oct 19</td>
<td>3,435</td>
</tr>
<tr>
<td>Nov 19</td>
<td>4,024</td>
</tr>
<tr>
<td>Dec 19</td>
<td>4,567</td>
</tr>
<tr>
<td>Jan 20</td>
<td>5,326</td>
</tr>
<tr>
<td>Feb 20</td>
<td>5,984</td>
</tr>
</tbody>
</table>

[Graph showing the increase in new accounts from June 2019 to February 2020]
2020 Company Priorities

1: Assets
Trade more high-quality digital securities on the tZERO ATS

2: Liquidity
Enhance liquidity for digital securities on our platform

3: Experience
Create a world class experience for digital securities
Priority 1: Assets

New Issuances / STO’s

- Signed agreement with Alliance Investments in Q4 2019 to tokenize $25M of River Plaza
- Signed three new commission sharing agreements since the last earnings call bringing the total to 11 agreements

Tokenize Existing Securities

- Real Estate continues to be the leading asset class, followed by funds and other private companies
- Additional priority is tokenizing and trading private companies with deep capital tables

Trade Existing Security Tokens

- Working on integrating a number of leading 3rd party protocol providers
- Advanced onboarding discussions with several existing security tokens seeking secondary liquidity

200+ issuers globally in the pipeline at different stages of onboarding or due diligence

1) Including agreements with tZERO subsidiaries.
Priority 2: Liquidity

OSTKO

- Shareholders recently approved digital dividend
- Already experiencing an increase in interest from broker-dealers representing OSTK shareholders
- We encourage interested broker-dealers to contact ir@tzero.com

Additional Broker-Dealers

- Choicetrade technology integration complete. Go-live contingent on regulatory approval
- Four additional broker-dealers have subscribed to the ATS
- Awaiting regulatory approval for tZERO Markets – targeting launch in Q2 2020 (contingent on regulatory approval)
- In discussions with over 100 prospective broker-dealers

BSTX Joint Venture

- BSTX recently amended the rulebook and regulators extended the comment period. Expecting a decision from regulators in Q2 2020
- The goal of BSTX is to become the first nationally regulated exchange for digital securities
Priority 3: Experience

Completed Product Enhancements

• Increased daily investor onboarding capacity from 5 to ~1,000
• Improved charting functionality for broker-dealers (Dinosaur Financial)
• Added order book functionality
• Made ATS market data publicly available
• Significantly decreased the load time of the Crypto app on iOS (Android to follow shortly)

Product Roadmap

• OSTKO dividend
• Integration of Tezos Blockchain
• BSTX
• Launch of tZERO Markets
• Support for multiple clearing firms
• Introduce capability to trade security tokens on app
Our Mission

Change the world by advancing blockchain technology

Democratize Capital
to allow everyone to participate in local, national, and global markets

Eliminate Middlemen
which add unnecessary time, difficulty, and cost to transactions

Re-Humanize Commerce
as people connect directly with each other
**Accelerator Model**

- **Accelerator for early stage companies building on blockchain technology**
- **Keiretsu model enables efficient uses of capital and development resources**
- **50+ enterprise-grade blockchain developers and designers**
Newest Addition to the *Keiretsu*

- Uses blockchain technology to digitize vital records (birth and death certificates)
- Owners are proven entrepreneurs in the blockchain space
- Agreement in place with MetroHealth in Cleveland
Getting Real Product into Production

- Launched Compliance-as-a-Service (CaaS) in May 2019
- Launched Banking-as-a-Service (BaaS) in November 2019
- Launched Compliance and Payments Task Force (CPTF)
- 2020: Heavily focused on sales
Third-Party Funding

*Keiretsu* companies raised:

$85mm total capital / $63mm from third-party investors
Summary and Q&A – Focused Execution

**Overstock Retail**
- Sustainable, profitable growth
- Relentless focus on initiatives

**tZERO**
- Onboarding tokens & investors
- Digital dividend driving adoption

**Medici Ventures**
- Accelerating existing *Keiretsu*
- Products in production

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Submit questions to
ir@overstock.com
Appendix
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Change</th>
<th>% Change vs. Q4'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$370.9 Million</td>
<td>(18%)</td>
<td></td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$76.5 Million</td>
<td>(6%)</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>($19.0) Million</td>
<td>+$8.6mm / +31%</td>
<td></td>
</tr>
<tr>
<td>Sales &amp; Marketing Expense</td>
<td>$40.9 Million</td>
<td>(14%)</td>
<td></td>
</tr>
<tr>
<td>Contribution</td>
<td>$35.7 Million</td>
<td>+5%</td>
<td></td>
</tr>
<tr>
<td>Ending Cash</td>
<td>$112.3 Million</td>
<td>+$28.7mm</td>
<td>vs. Q3'19</td>
</tr>
</tbody>
</table>

1) Adjusted EBITDA and Contribution are non-GAAP financial measures. See Reconciliations in Appendix.
### Adjusted EBITDA Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>Three months ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>(2,194)</td>
<td>(575)</td>
</tr>
<tr>
<td>tZERO</td>
<td>(10,628)</td>
<td>(11,233)</td>
</tr>
<tr>
<td>MVI</td>
<td>(2,695)</td>
<td>(2,691)</td>
</tr>
<tr>
<td>Other</td>
<td>(3,442)</td>
<td>(3,461)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(18,959)</td>
<td>(17,960)</td>
</tr>
<tr>
<td>Less: Special items (see table below)</td>
<td>-</td>
<td>185</td>
</tr>
<tr>
<td>Less: Depreciation and amortization</td>
<td>7,998</td>
<td>7,518</td>
</tr>
<tr>
<td>Less: Stock-based compensation</td>
<td>4,606</td>
<td>4,467</td>
</tr>
<tr>
<td>Less: Interest (income) expense, net</td>
<td>(262)</td>
<td>(392)</td>
</tr>
<tr>
<td>Less: Other (income) expense, net</td>
<td>(1,547)</td>
<td>4,781</td>
</tr>
<tr>
<td>Less: Provision (benefit) for income taxes</td>
<td>(94)</td>
<td>23</td>
</tr>
<tr>
<td><strong>Net loss</strong></td>
<td>(29,660)</td>
<td>(34,542)</td>
</tr>
<tr>
<td>Special items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairments on intangible assets</td>
<td>-</td>
<td>$1,406</td>
</tr>
<tr>
<td>Loss on disposal of business</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cryptocurrency impairments and gains on sale, net</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Severance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Special legal expenses*</td>
<td>- (1,221)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Special Items</strong></td>
<td>- $185</td>
<td>-</td>
</tr>
</tbody>
</table>

*Special legal expenses include charges and credits associated with our Delaware gift card escheatment matter 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. You should review our financial statements and publicly-filed reports in their entirety and not rely on any single financial measure.
Contribution Reconciliation

Contribution and contribution margin are non-GAAP financial measures 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. You should review our financial statements and publicly-filed reports in their entirety and not rely on any single financial measure.

<table>
<thead>
<tr>
<th></th>
<th>Dec-19</th>
<th>Dec-18</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$364,076</td>
<td>$446,733</td>
<td>$1,434,974</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>288,856</td>
<td>366,712</td>
<td>1,404,704</td>
</tr>
<tr>
<td>Gross profit</td>
<td>75,220</td>
<td>80,021</td>
<td>290,270</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>39,946</td>
<td>47,142</td>
<td>152,098</td>
</tr>
<tr>
<td>Contribution</td>
<td>$35,274</td>
<td>$32,879</td>
<td>$147,572</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Sep-19</th>
<th>Sep-18</th>
<th>Dec-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$340,796</td>
<td>$435,775</td>
<td>$1,494,974</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>272,545</td>
<td>350,651</td>
<td>1,459,418</td>
</tr>
<tr>
<td>Gross profit</td>
<td>68,253</td>
<td>85,124</td>
<td>1,166,325</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>34,051</td>
<td>55,513</td>
<td>370,968</td>
</tr>
<tr>
<td>Contribution</td>
<td>$34,702</td>
<td>$29,941</td>
<td>$145,074</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Jun-19</th>
<th>Jun-18</th>
<th>Dec-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$374,099</td>
<td>$440,580</td>
<td>$1,549,418</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>277,551</td>
<td>353,864</td>
<td>1,569,325</td>
</tr>
<tr>
<td>Gross profit</td>
<td>69,548</td>
<td>86,716</td>
<td>1,096,325</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>34,215</td>
<td>55,312</td>
<td>375,968</td>
</tr>
<tr>
<td>Contribution</td>
<td>$35,333</td>
<td>$29,941</td>
<td>$149,973</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Mar-19</th>
<th>Mar-18</th>
<th>Dec-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$367,709</td>
<td>$483,133</td>
<td>$1,494,974</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>299,810</td>
<td>391,390</td>
<td>1,459,418</td>
</tr>
<tr>
<td>Gross profit</td>
<td>73,899</td>
<td>91,743</td>
<td>1,096,325</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>34,560</td>
<td>94,416</td>
<td>375,968</td>
</tr>
<tr>
<td>Contribution</td>
<td>$39,339</td>
<td>$18,499</td>
<td>$79,429</td>
</tr>
</tbody>
</table>

*Other includes our tZERO, MVI, and Other reportable segments.