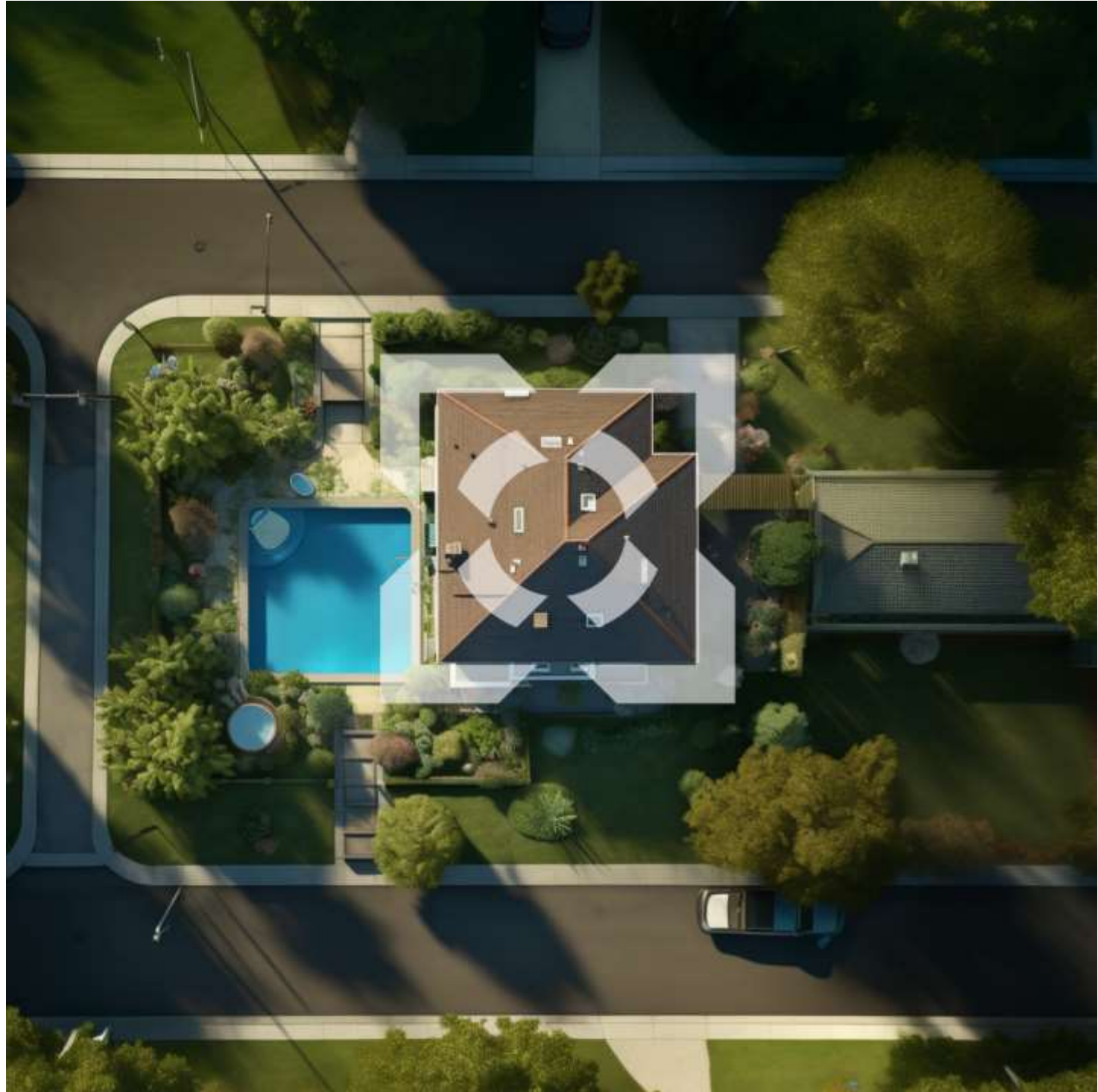




# Q1 2025 Earnings Call

April 29, 2025



# 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 without limitation all statements other than statements of historical fact, including forecasts of our growth, path to profitability, plan to reduced fixed expenses, refinement of systems, technology, and data analytics, financial results or performance for the year or any other time period, macroeconomic and market conditions, potential value of our brands and monetization of their intellectual property and systems, our intention to generate capital returns through strategic and financially accretive partnerships and joint ventures, the timing of any of the foregoing, 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, difficulties we may have with our fulfillment partners, supply chain, access to products, shipping costs, insurance, competition, consumer needs and spending, marketing, macroeconomic factors, tariffs or product bans, our evolving business model and use of our brands, changes to our leadership team or compensation approach, attraction/retention of employees, and search engine optimization results. Other risks and uncertainties include, among others, our ability to become profitable or generate positive cash flows, any problems with our infrastructure, transaction processing systems, cyber-attacks or data breaches affecting us, adverse tax, compliance, regulatory or legal developments, any restrictions on tracking technologies, losses relating to equity method investments, any ability to optimize our operations including customer service; any failure to effectively utilize technological advancements or protect our intellectual property, negative consequences of global conflict and politics, problems resulting from our determination to partially self-insure, impacts from our evolving business practices and expanded product and service offerings, any negative impacts from allowing third-parties to license our trademarks, any inability to realize the benefits of our investments in new businesses, strategies, partnerships, ventures, acquisitions, or other transactions, and whether our partnership with Pelion Venture Partners will achieve its objectives. More information about factors that could potentially affect our financial results are included in our Form 10-K for the year ended December 31, 2024, filed with the SEC on February 25, 2025, and in our subsequent filings with the SEC. The Forms 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.

# Financial Update

# 1Q 2025 Financial Results

## Revenue

**\$231.7 Million**

-39.4% vs. Q1'24

## Gross Margin

**25.1%**

+560 bps vs. Q1'24

## G&A and Tech Expense

**\$41.0 Million**

-9.0M / -18.0% vs. Q1'24

## Adjusted EBITDA<sup>1</sup>

**-\$13.2 Million**

+\$34.6M vs. Q1'24

## Diluted EPS

**-\$0.74**

## Adjusted Diluted EPS<sup>2</sup>

**-\$0.42**

+\$0.80 vs. Q1'24

## Ending Cash & Inventory

**\$166.5 Million**

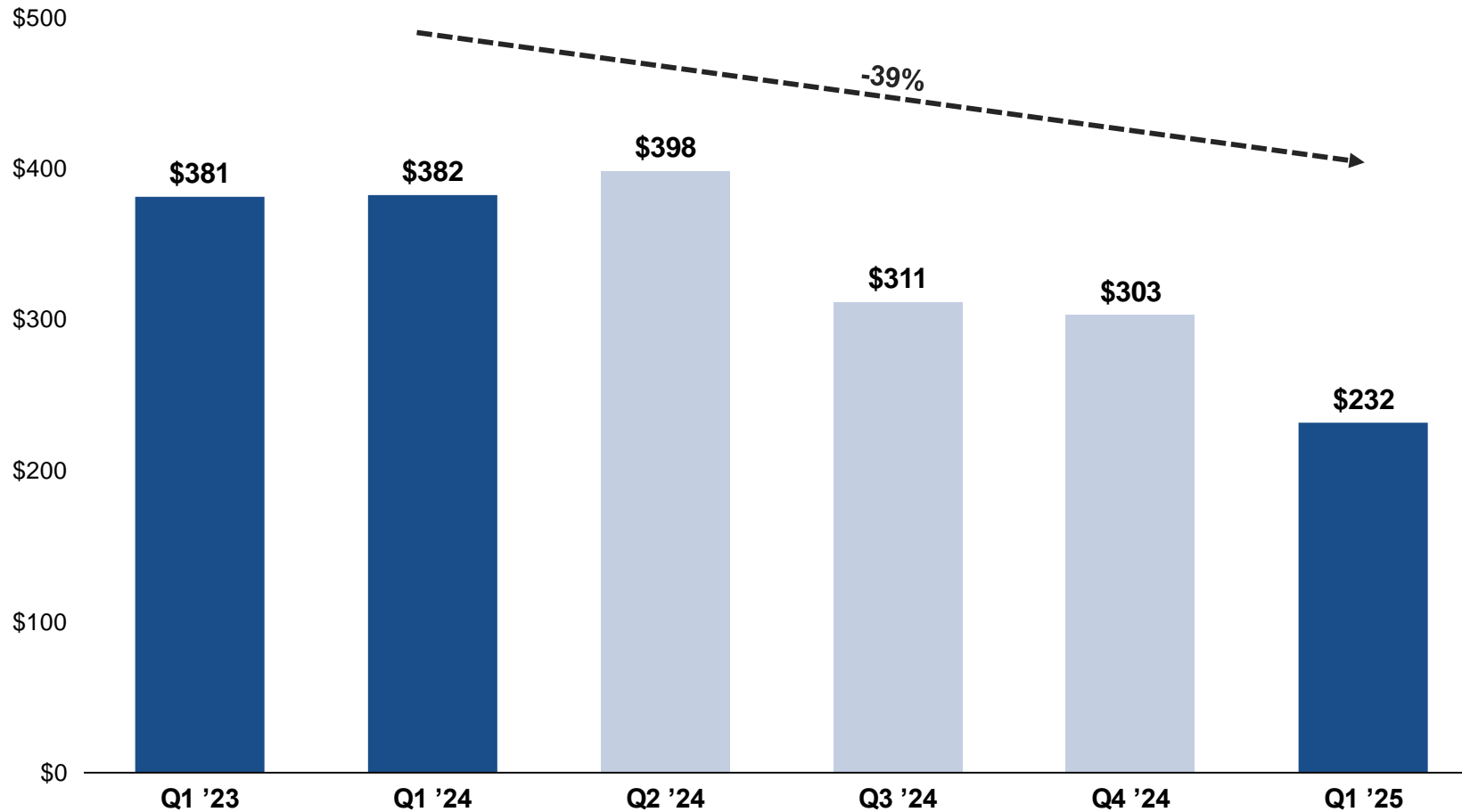
-\$31.2M / -15.8% vs. Q4'24

<sup>1</sup> Adjusted EBITDA is a non-GAAP financial measure. See reconciliation in appendix.

<sup>2</sup> Adjusted Diluted EPS is a non-GAAP financial measure. See reconciliation in appendix.

# Revenue

Revenue  
(\$M)

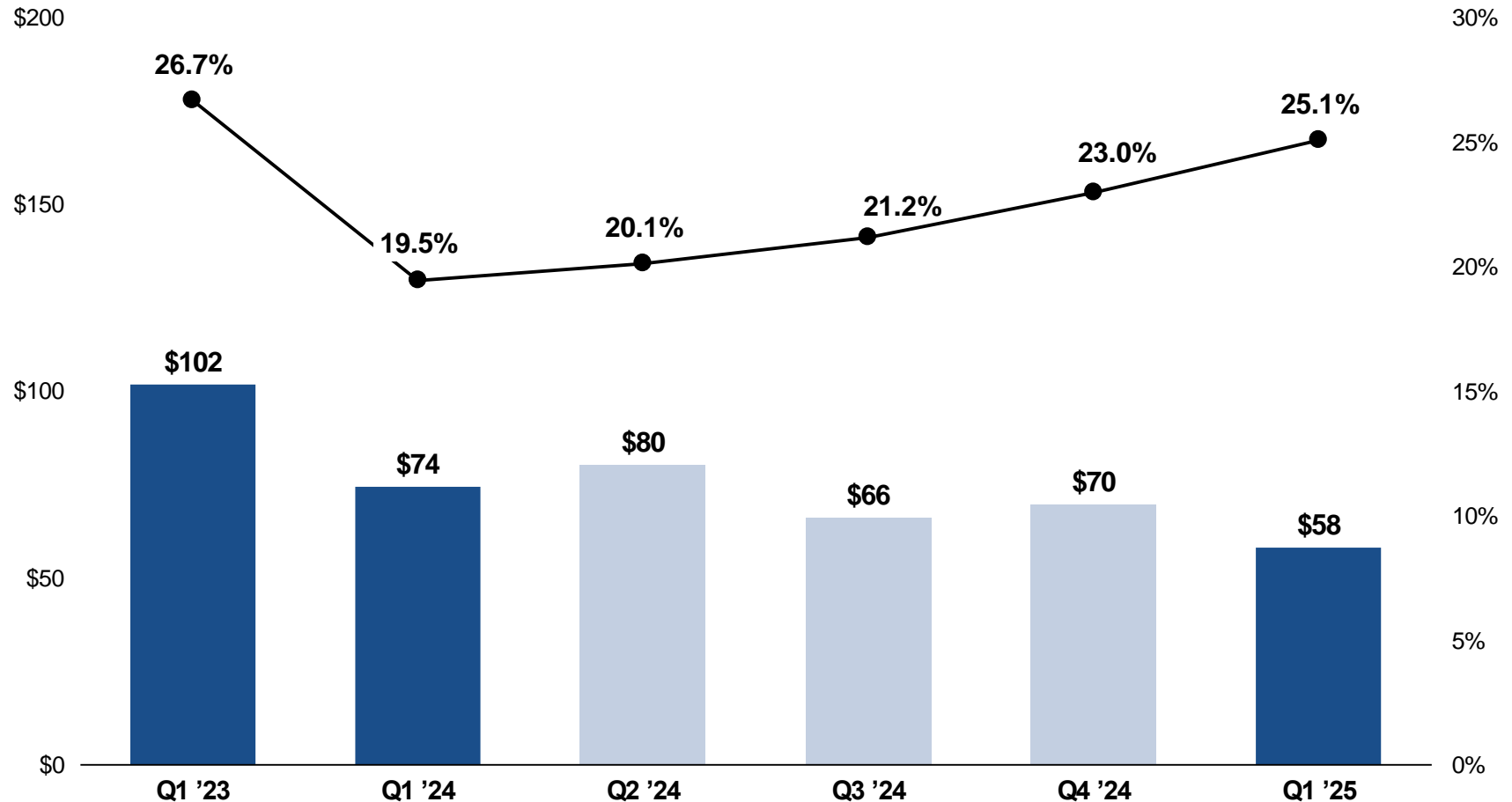


## Q1'25 Dynamics

- Revenue of \$232M
  - -\$151M / -39% vs. Q1'24
- Revenue influenced by:
  - Rationalized channel management and customer acquisition investments
  - Eliminated non-contributory SKUs/Vendors

# Gross Margin

Gross Margin  
(\$M)



Gross Margin  
(%)

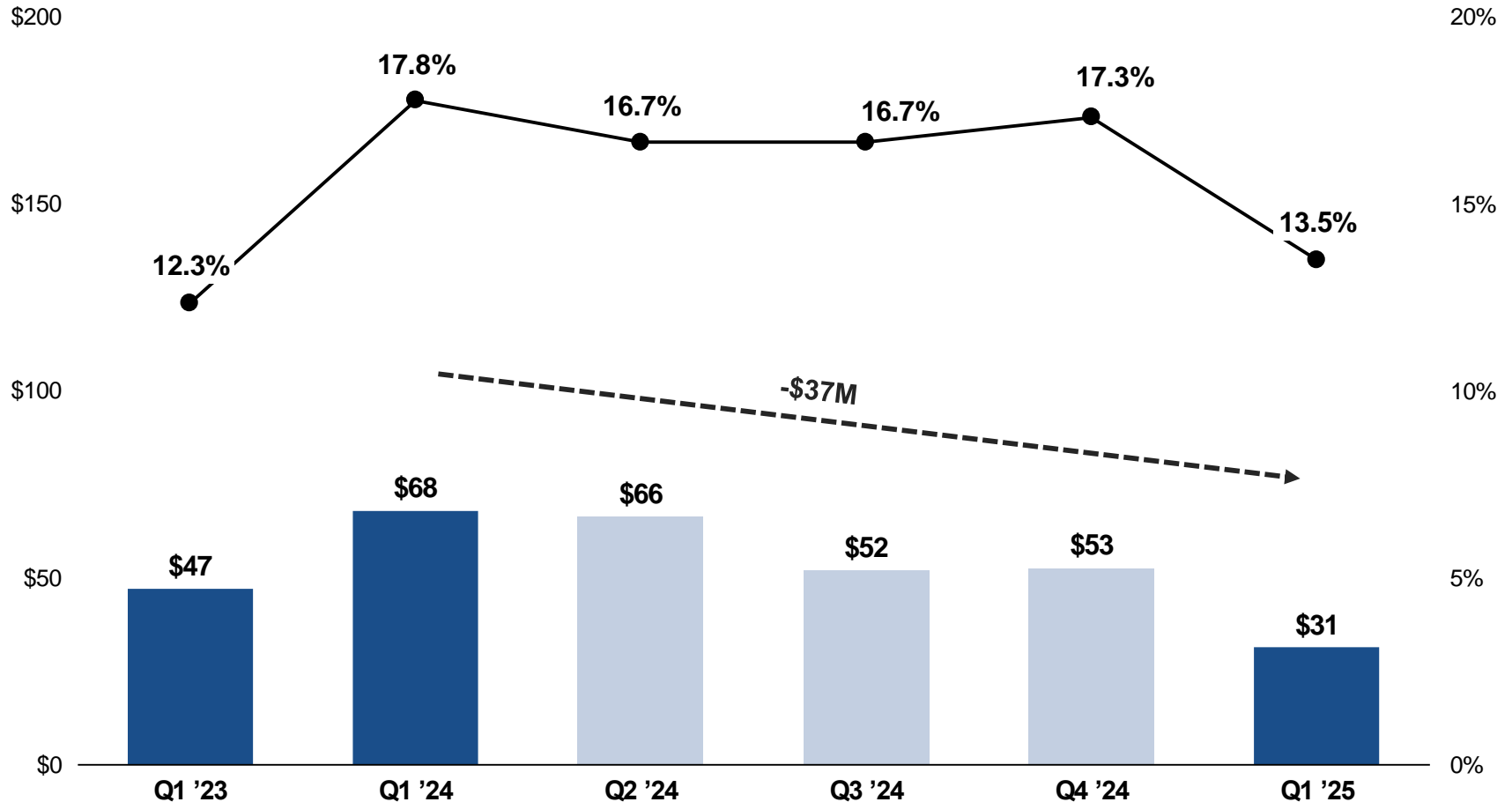
## Q1'25 Dynamics

- Gross margin of 25.1%
  - +560 bps vs. Q1'24
- Gross margin influenced by:
  - Disciplined pricing and merchandising actions
  - Improved freight economics

Note: All figures reflect the change in presentation in the income statement for merchant fees and customer service costs in a separate line in operating expenses labeled "Customer service and merchant fees," whereas previously these expenses were included in cost of goods sold, which impacted gross margin.

# Sales & Marketing Expense

Sales & Marketing Expense  
(\$M)



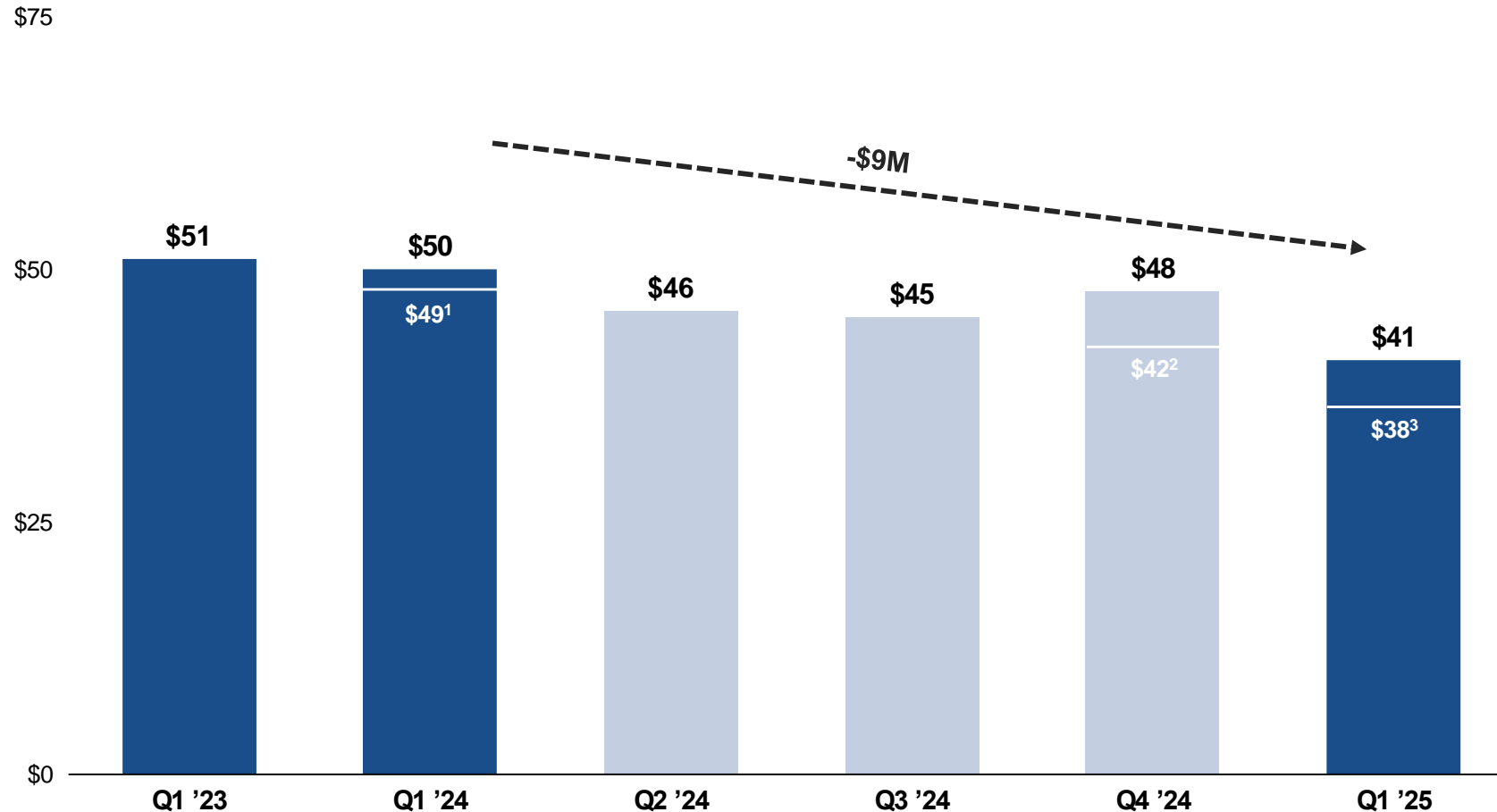
Sales & Marketing Expense  
(%)

## Q1'25 Dynamics

- Sales & Marketing Expense of \$31M or 13.5%
  - -\$37M / -430 bps vs. Q1'24
- Sales & Marketing Expense influenced by:
  - Rationalized channel management and customer acquisition investments
  - Renewed focus on ROAS guardrails

# G&A and Tech Expense

## G&A and Tech Expense (\$M)



## Q1'25 Dynamics

- G&A and Tech Expense of \$41M
  - -\$9M / -18% vs. Q1'24
  - Adjusted G&A and Tech Expense of \$38M, -\$11M or -22% vs. adjusted Q1'24<sup>3</sup>

<sup>1</sup> In 1Q24 we recorded \$0.9M in one-time costs that increased G&A and Tech expense. Adjusted G&A and Tech expense in 1Q24 was \$49.1M. Adjusted G&A and Tech expense is a non-GAAP financial measure. See reconciliation in appendix.

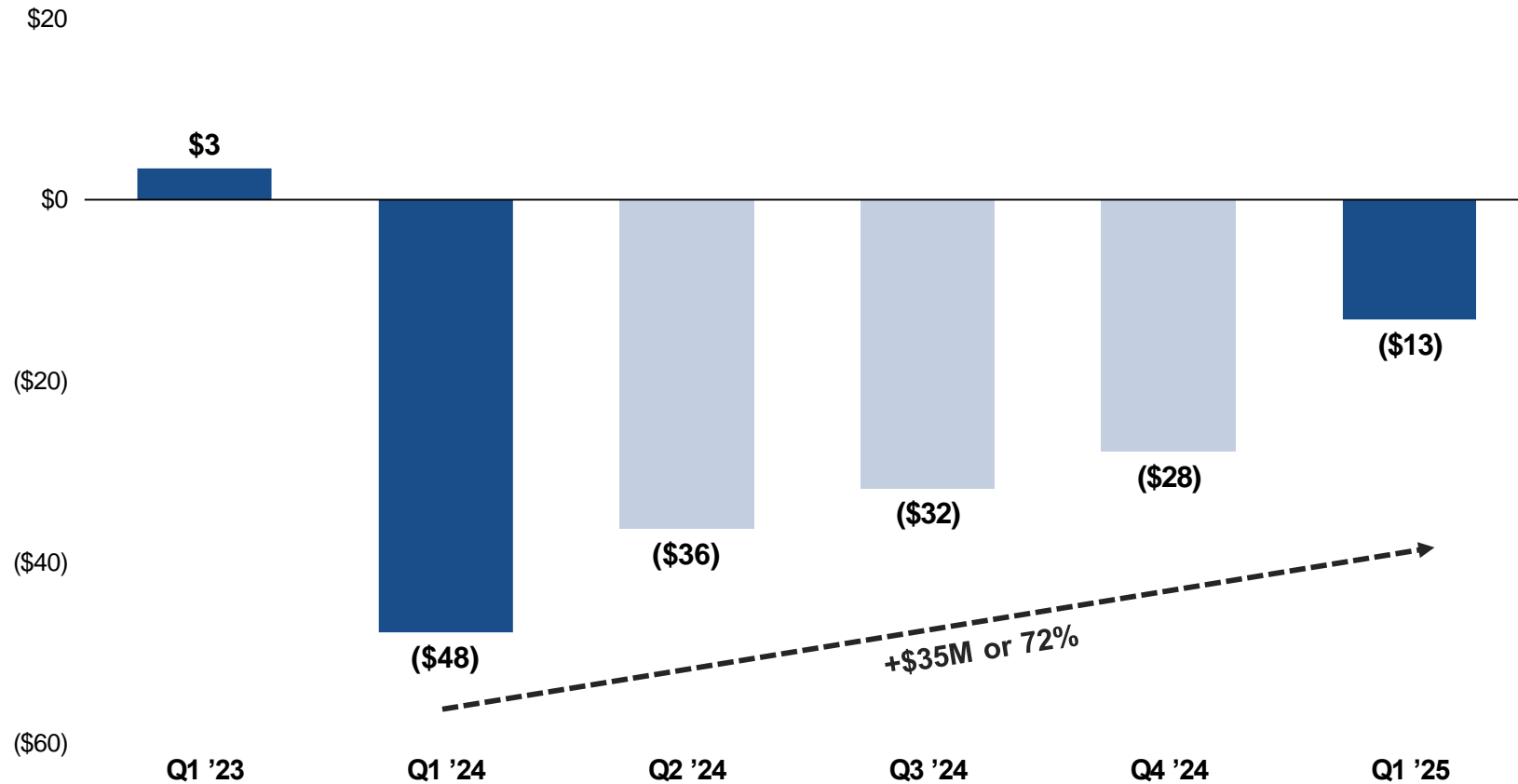
<sup>2</sup> In 4Q24 we recorded \$5.8M in one-time costs that increased G&A and Tech expense. Adjusted G&A and Tech expense in 4Q24 was \$42.0M. Adjusted G&A and Tech expense is a non-GAAP financial measure. See reconciliation in appendix.

<sup>3</sup> In 1Q25 we recorded \$2.8M in one-time costs that increased G&A and Tech expense. Adjusted G&A and Tech expense in 1Q25 was \$38.2M. Adjusted G&A and Tech expense is a non-GAAP financial measure. See reconciliation in appendix.



# Adjusted EBITDA

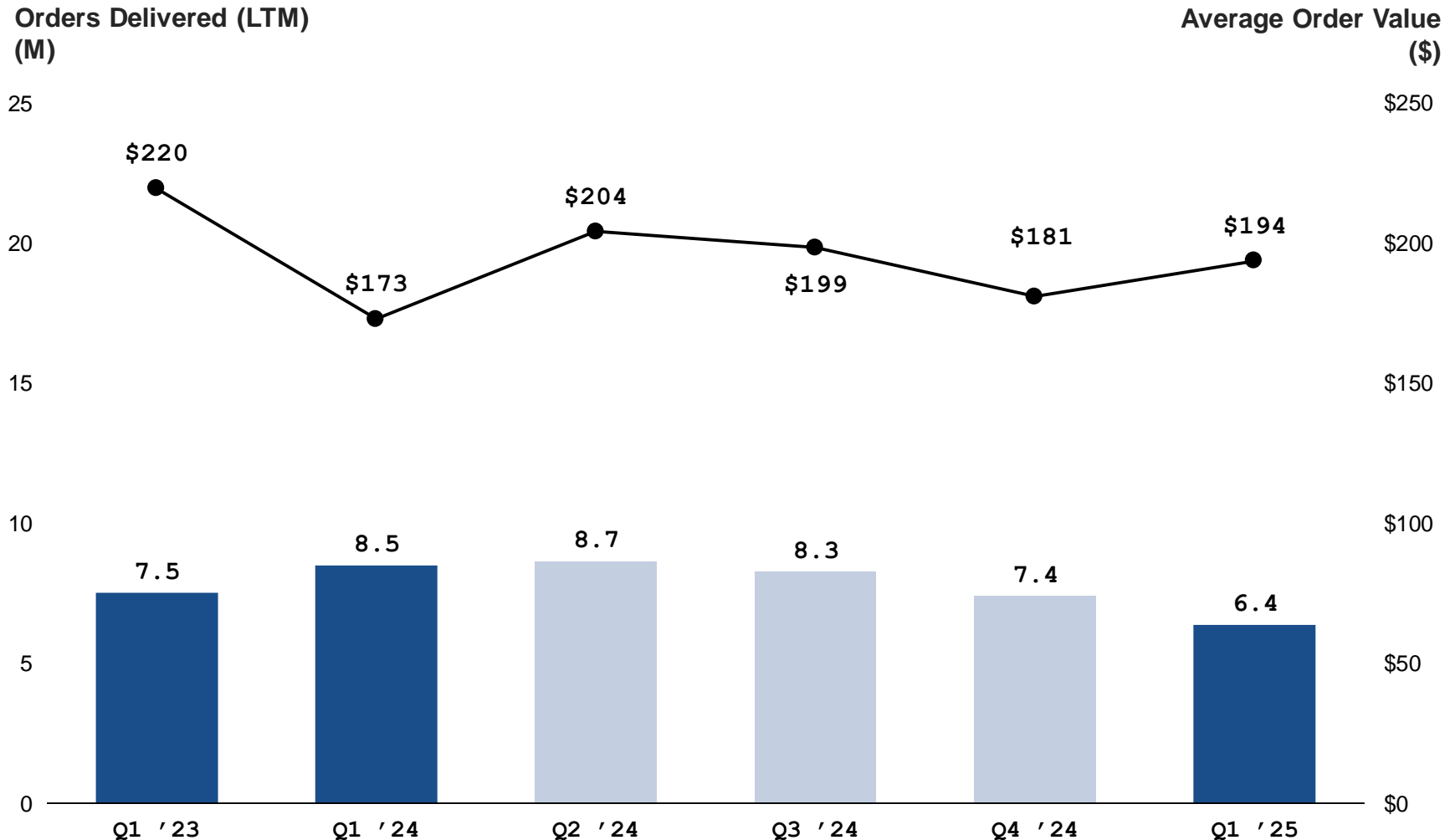
## Adjusted EBITDA (\$M)



## Q1'25 Dynamics

- Adj. EBITDA of -\$13M
  - +\$35M vs. Q1'24
- Adj. EBITDA margin of -5.7%
  - +680 bps vs. Q1'24

# LTM Orders and Average Order Value



## Q1'25 Dynamics

- Orders delivered (LTM) of 6.4M
  - -24.9% / -2.1M vs. Q1'24
- Average order value of \$194
  - +12.0% vs. Q1'24

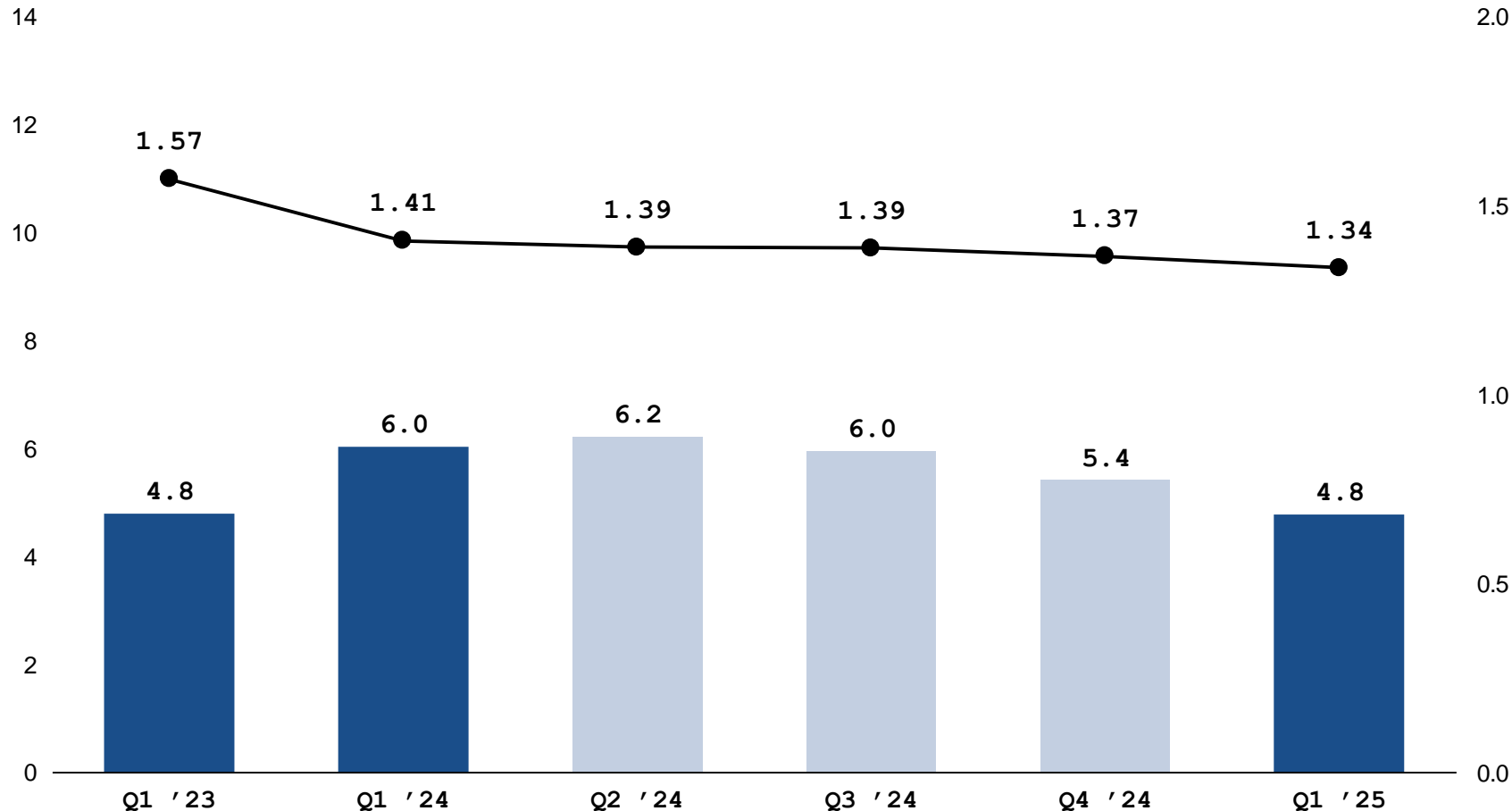
Note: LTM orders delivered represents the total number of orders delivered during the prior twelve-month period.

Note: Average order value represents net revenue divided by orders delivered, measured on a quarterly basis.

# Active Customers and Order Frequency

Active Customers (LTM)  
(M)

Order per Active Customer  
(LTM)



## Q1'25 Dynamics

- Active customers (LTM) of 4.8M
  - 20.9% / -1.3M vs. Q1'24
- Order frequency of 1.34
  - 5.1% vs. Q1'24

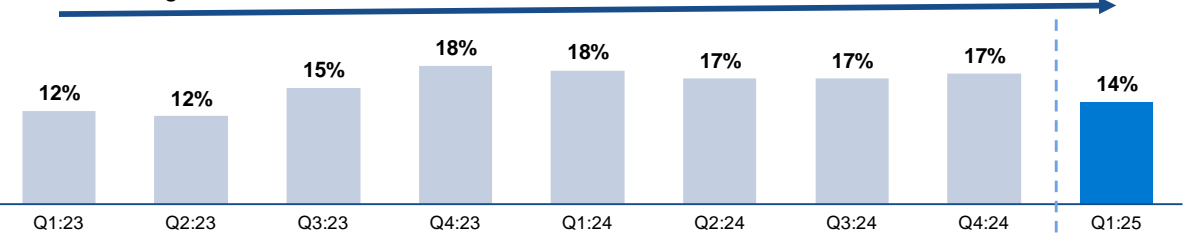
Note: Orders per active customer represents the number of orders delivered over a twelve-month period divided by the number of active customers for that same period.

# Operations Update

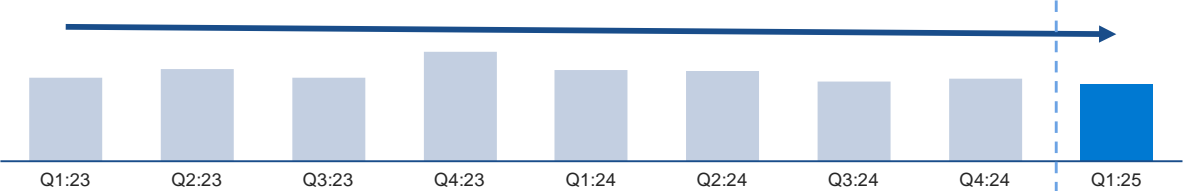
# Restoring the Core

*Beyond Consolidated*

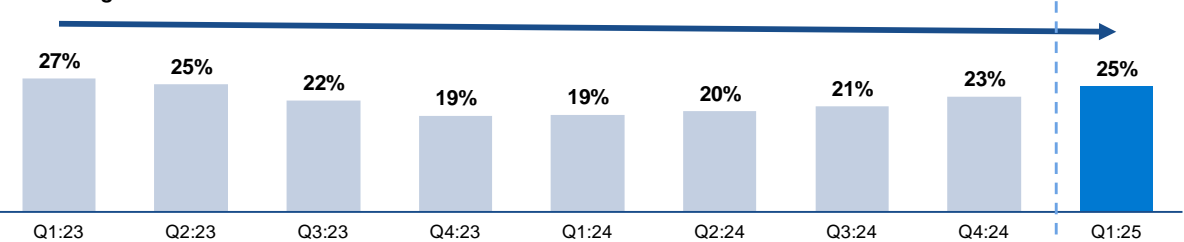
Sales & Marketing as % of Revenue



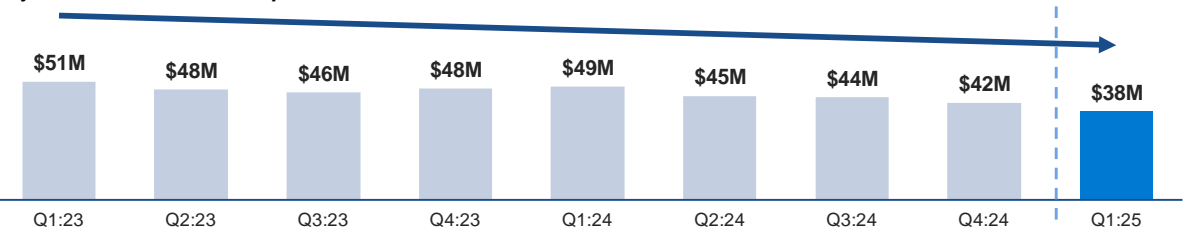
Conversion Rate<sup>1</sup>



Gross Margin as % of Revenue



Adjusted G&A and Tech Expense<sup>2</sup>



## Investor Event Focus

### Areas:

1. Marketing Efficiency  
*Committed Target: 12%*



### Increase ROAS

Focused ad spend using enriched customer data

2. Sales Growth



### Maximize Traffic and Improve Conversion

Create frictionless site experience and product authority

3. Margin  
*Committed Target: 25%*



### Enhance Margin

Lower product costs and effective promotional campaign

4. Expense Management  
*Updated Target: ~\$38M*



### \$150M Annual G&A and Tech Run-Rate

Updated from \$165M commitment

<sup>1</sup> Orders delivered / Site Visits

<sup>2</sup> G&A and Tech expenses have been adjusted to excluded non-EBITDA impacting one-time costs. Adjusted G&A and Tech expense is a non-GAAP financial measure. See reconciliation in appendix.

# Appendix

# Adjusted EBITDA Reconciliation

<i>in thousands, except per share data</i>	Three months ended					
	3/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025
<b>Net Revenue</b>	\$ 381,140	\$ 382,281	\$ 398,104	\$ 311,428	\$ 303,151	\$ 231,748
<b>Net loss</b>	\$ (10,307)	\$ (73,928)	\$ (42,578)	\$ (61,030)	\$ (81,259)	\$ (39,912)
Depreciation and amortization	5,985	3,960	4,395	4,384	6,323	4,844
Stock-based compensation	5,795	4,776	5,259	6,349	2,871	1,094
Interest income, net	(2,559)	(2,717)	(2,309)	(1,554)	(185)	(762)
Other (income) expense, net	7,389	18,791	(2,231)	18,842	38,505	16,933
Provision (benefit) for income taxes	(2,887)	329	117	189	49	194
Special items (see table below)	—	946	971	907	5,844	4,376
<b>Adjusted EBITDA</b>	<b>\$ 3,416</b>	<b>\$ (47,843)</b>	<b>\$ (36,376)</b>	<b>\$ (31,913)</b>	<b>\$ (27,852)</b>	<b>\$ (13,233)</b>
<b>Adjusted EBITDA Margin</b>	<b>0.9%</b>	<b>(12.5%)</b>	<b>(9.1%)</b>	<b>(10.2%)</b>	<b>(9.2%)</b>	<b>(5.7%)</b>
<b>Special items:</b>						
Brand integration and related costs	\$ —	\$ 11	\$ 192	\$ 171	\$ 284	\$ —
Restructuring costs	—	935	779	736	4,997	4,376
Special legal charges and other	—	—	—	—	563	—
<b>Total Special items</b>	<b>\$ —</b>	<b>\$ 946</b>	<b>\$ 971</b>	<b>\$ 907</b>	<b>\$ 5,844</b>	<b>\$ 4,376</b>

Note: All figures represent results from continuing operations. Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures used 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 G&A and Technology Expense Reconciliation

<i>in thousands, except per share data</i>	Three months ended					
	3/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025
<b>G&amp;A and Technology Expense</b>	\$ 51,029	\$ 50,035	\$ 45,873	\$ 45,244	\$ 47,830	\$ 41,032
Brand integration and related costs	—	11	192	171	284	—
Restructuring costs	—	935	779	736	4,997	2,787
Special legal charges and other	—	—	—	—	563	—
<b>Adjusted G&amp;A and Technology Expense</b>	\$ 51,029	\$ 49,089	\$ 44,902	\$ 44,337	\$ 41,986	\$ 38,245

Note: All figures represent results from continuing operations. Adjusted G&A and Technology expense is a non-GAAP financial measure used 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 Diluted EPS Reconciliation

<i>in thousands, except per share data</i>	Three months ended 3/31/2025		
	Diluted EPS	Less: equity method loss	Adjusted Diluted EPS
<b>Numerator:</b>			
Net loss attributable to common stockholders	\$ (39,912)	\$ (17,073)	\$ (22,839)
<b>Denominator:</b>			
Weighted average shares of common stock outstanding-diluted	53,661	53,661	53,661
<b>Net loss per share of common stock:</b>			
Diluted	(0.74)	(0.32)	(0.42)