

BED BATH & BEYOND

3Q 2025 Earnings Call

October 27, 2025



Forward-Looking Statements

The information presented herein and any accompanying presentation 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 without limitation 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 due to a variety of risks, uncertainties, and other important factors, including but not limited to: our dependence on third parties, including our fulfillment partners; our competition; consumer needs, expectations, or trends; our reliance on effective marketing; economic factors including recessions, downturns, inflation, exposure to the housing market, and consumer spending; trade policies or restrictions, including tariffs, and related macroeconomic effects; our changing business model and use of brands such as the Overstock brand, Bed Bath & Beyond brand, buybuy BABY brand, and Kirkland's and Kirkland's Home brand; the changing job market and changes in our leadership team or compensation approach; our reliance on paid and natural search engines; our ability to become profitable or generate positive cash flows; our ability to raise additional capital, obtain financing or monetize significant assets; our dependence on the Internet, our infrastructure and transaction-processing systems; compliance with ever-evolving federal, state, and foreign laws; cyberattacks or data security incidents; legal proceedings to which we are subject; damage to our reputation or brand image; shipping and customer service operations; technological advancements, including artificial intelligence; global conflicts; product safety and quality concerns; product safety, content, and quality; our evolving business model; risks related to our Warrants; our investments in new business strategies, acquisitions, dispositions, partnerships, or other transactions; and regulatory changes or actions related to cryptocurrencies and blockchain technology. More information about risks, uncertainties, and other important 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, in our Form 10-Q for the quarter ended June 30, 2025, filed with the SEC on July 29, 2025, and in our subsequent filings with the SEC.

Financial Update

3Q 2025 Financial Results

Revenue
\$257.2 Million

-17.4% vs. 3Q 24

Excl. Canada: -13.2% vs. 3Q 24

Gross Margin
25.3%

+420 bps vs. 3Q 24

G&A and Tech Expense
\$32.6 Million

-\$12.7M / -28.1% vs. 3Q 24

Adjusted EBITDA¹
-\$4.9 Million

+\$27.0M vs. 3Q 24

Diluted EPS
-\$0.07

Adjusted Diluted EPS²
-\$0.19

+\$0.77 vs. 3Q 24

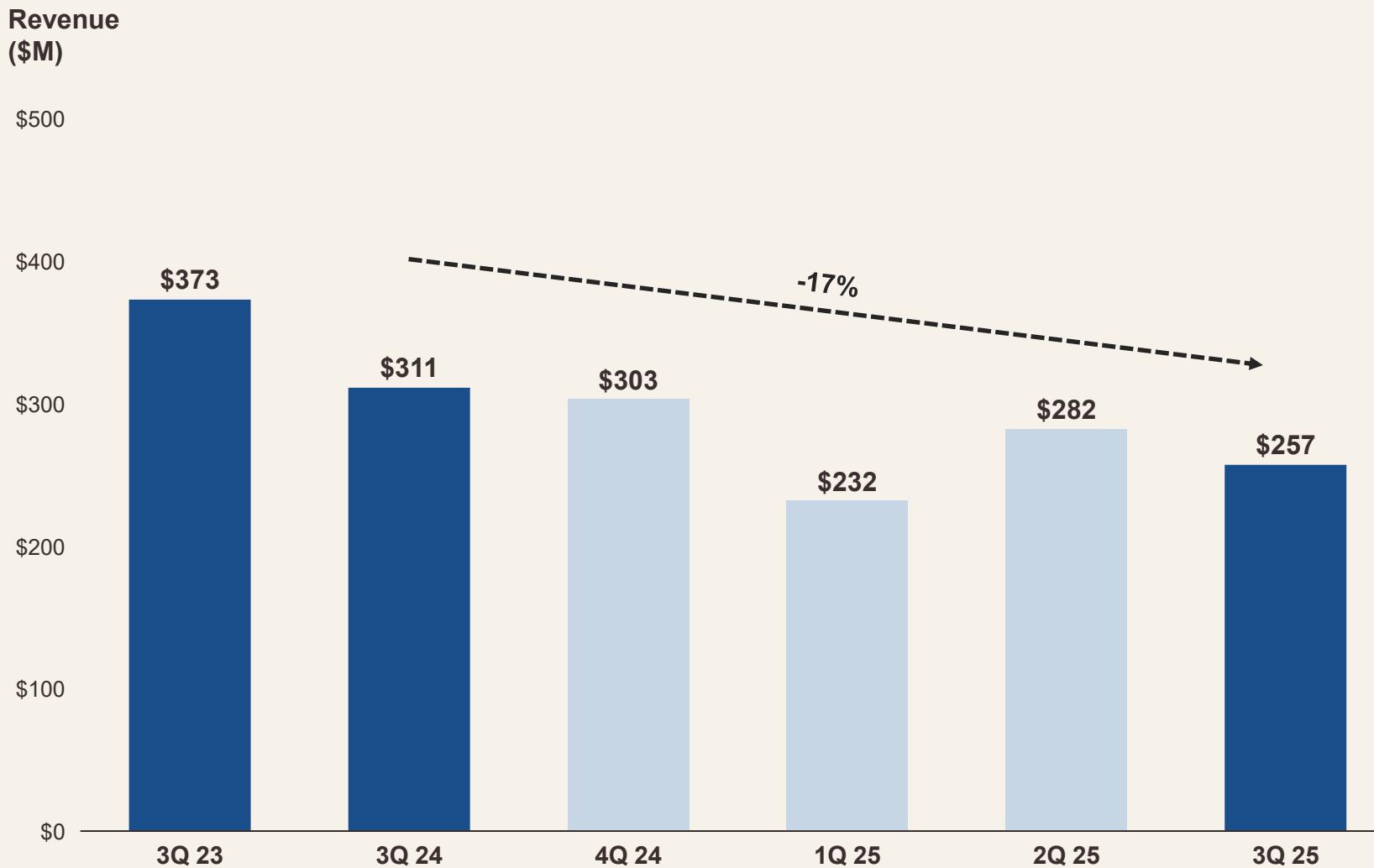
Ending Cash & Inventory
\$201.6 Million

+\$45.7M / +29.3% vs. 2Q 25

¹ Adjusted EBITDA is a non-GAAP financial measure. See reconciliation in appendix.

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

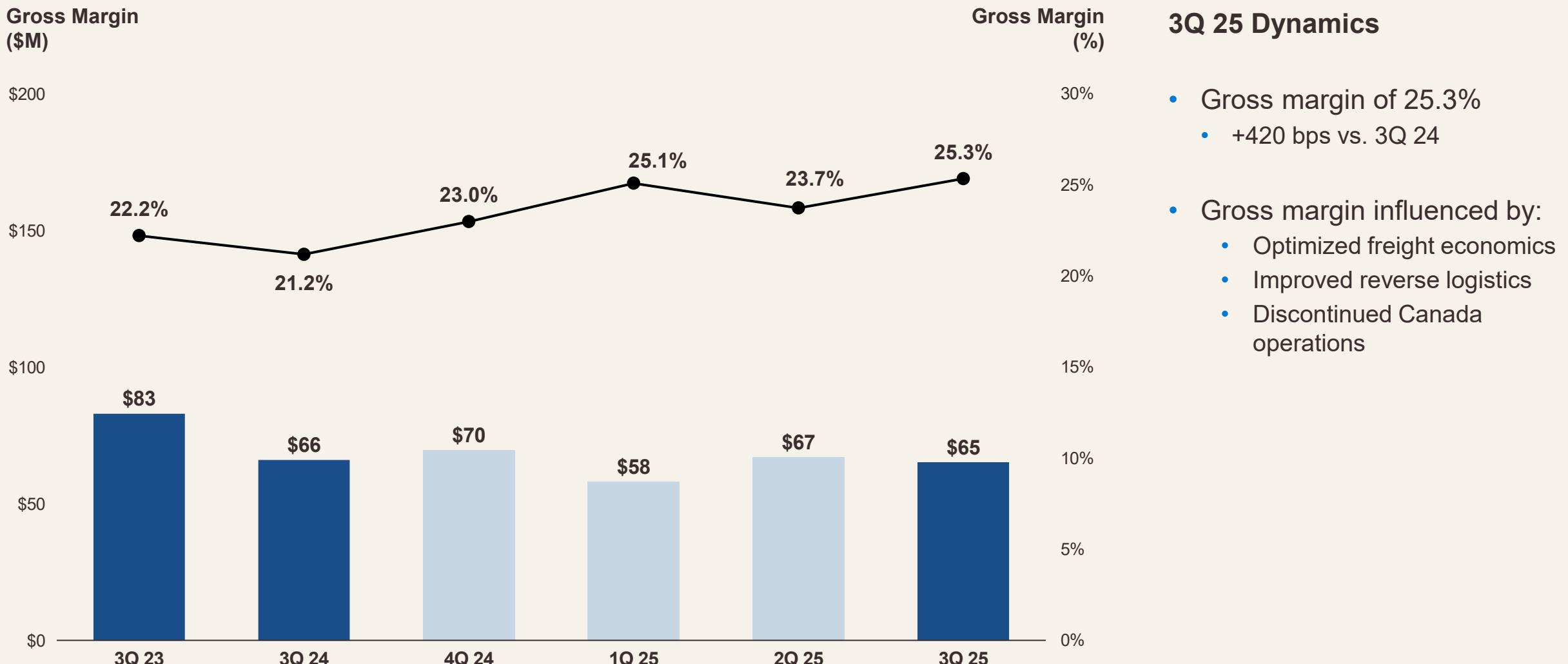
Revenue



3Q 25 Dynamics

- Revenue of \$257M
 - -\$54M / -17% vs. 3Q 24
- YoY influenced by:
 - Rationalized channel management and customer acquisition investments
 - Discontinued Canada operations
- QoQ influenced by:
 - Mixed out of higher AOV Outdoor category

Gross Margin



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)

\$200

15.4%

16.7%

17.3%

Sales & Marketing Expense
(% of Revenue)

20%

14.0%

13.5%

13.5%

\$150

\$100

\$50

\$0

13.5%

3Q 25 Dynamics

- Sales & Marketing Expense of \$36M or 14.0%
 - -\$16M / -260 bps vs. 3Q 24
- Sales & Marketing Expense influenced by:
 - Rationalized channel management and customer acquisition investments
 - Continued focus on ROAS guardrails

\$58

\$52

\$53

\$31

\$38

\$36

3Q 23

3Q 24

4Q 24

1Q 25

2Q 25

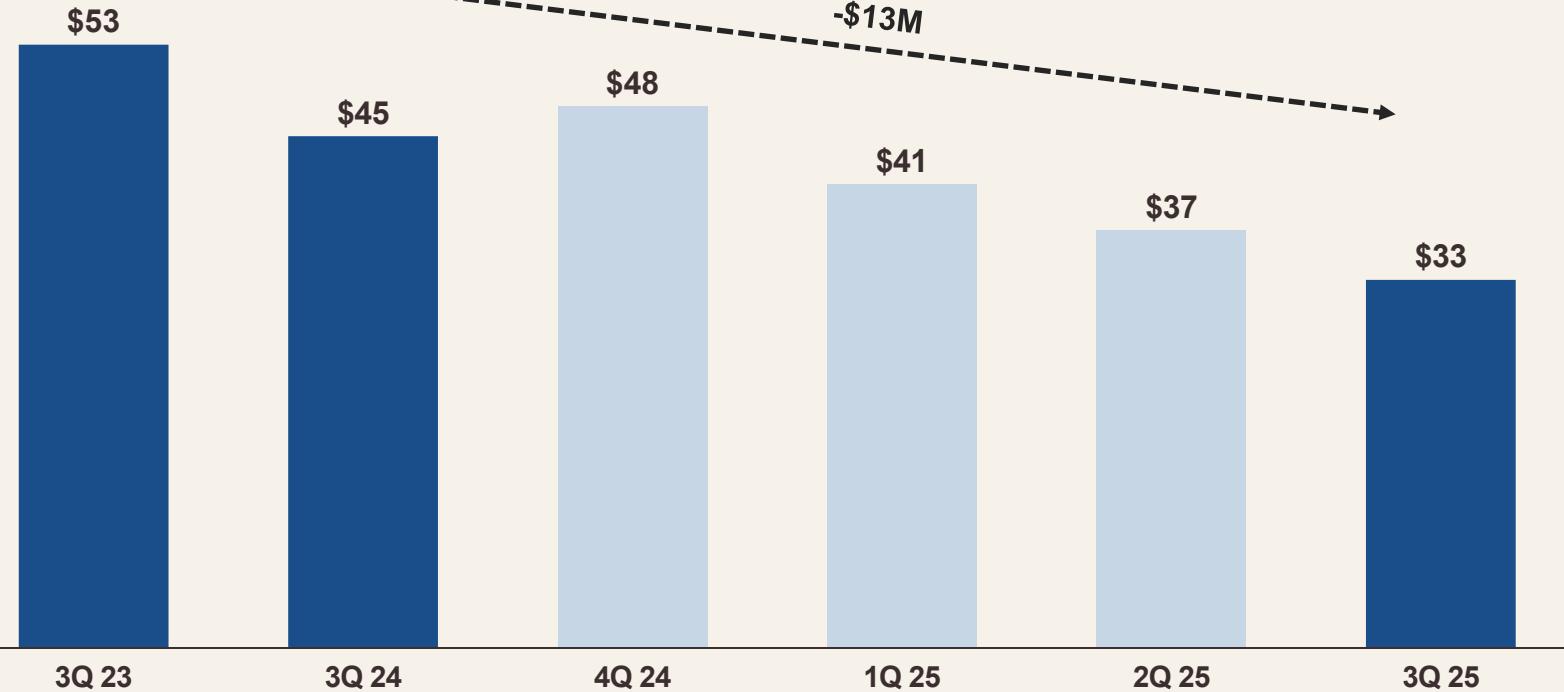
3Q 25

-\$16M

G&A and Tech Expense

G&A and Tech Expense
(\$M)

\$75

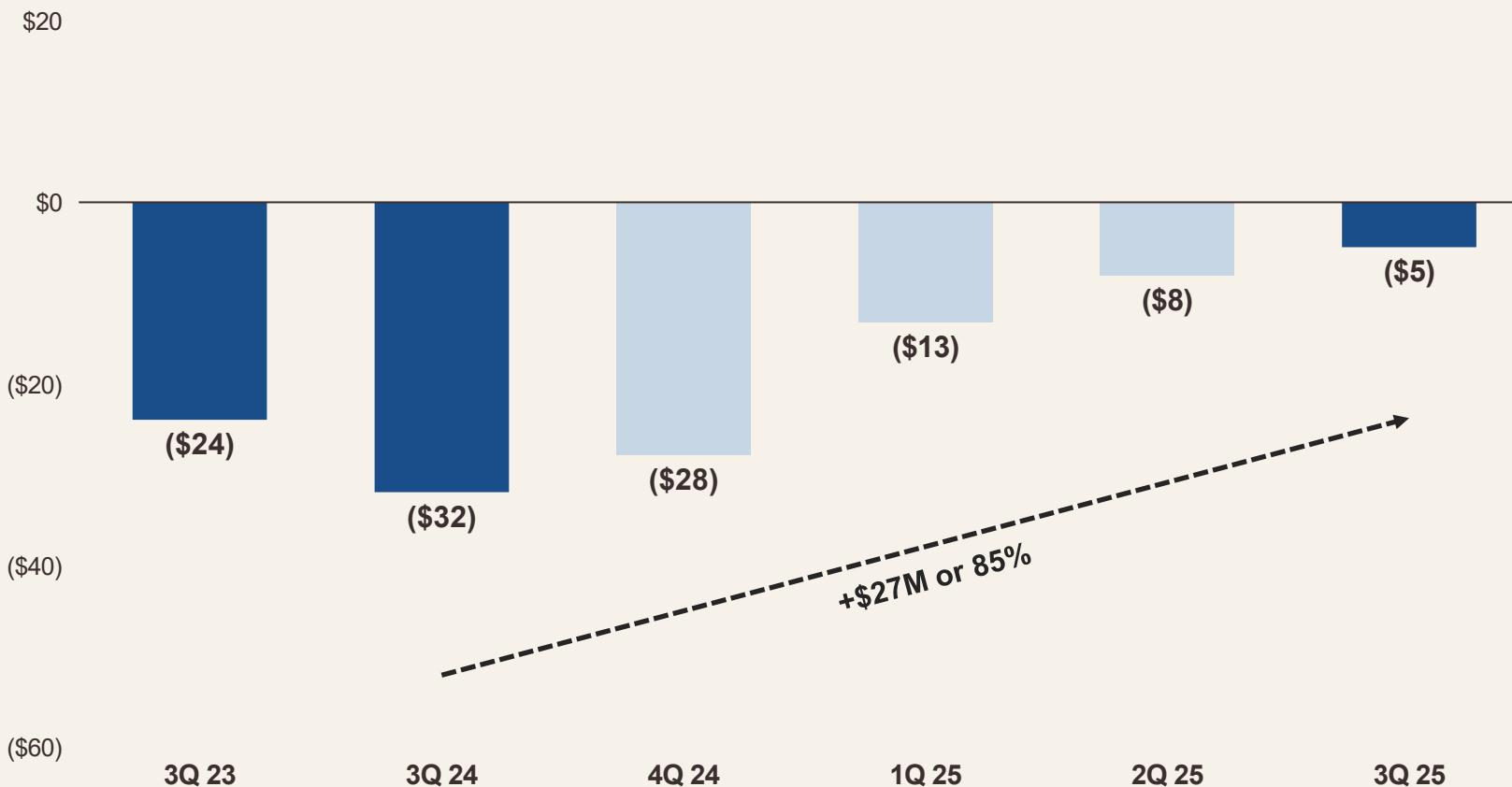


3Q 25 Dynamics

- G&A and Tech Expense of \$33M
 - -\$13M / -28% vs. 3Q 24
 - -\$4M / -12% vs. 2Q 25
- Achieved commitment of \$150M annual G&A and Tech Expense run rate

Adjusted EBITDA

Adjusted EBITDA
(\$M)



3Q 25 Dynamics

- Adj. EBITDA of -\$5M
 - +\$27M vs. 3Q 24
- 7th consecutive quarter of narrowing adjusted EBITDA loss

LTM Orders and Average Order Value

Orders Delivered (LTM)
(M)

25

\$192

20

\$199

15

\$181

10

\$219

5

Average Order Value
(\$)

\$250

\$205

\$200

\$150

\$100

\$50

\$0

3Q 25 Dynamics

- Average order value of \$205
 - +3% vs. 3Q 24
- Orders delivered (LTM) of 5.4M
 - -35% / -2.9M vs. 3Q 24

7.3

8.3

7.4

6.4

5.7

5.4

3Q 23

3Q 24

4Q 24

1Q 25

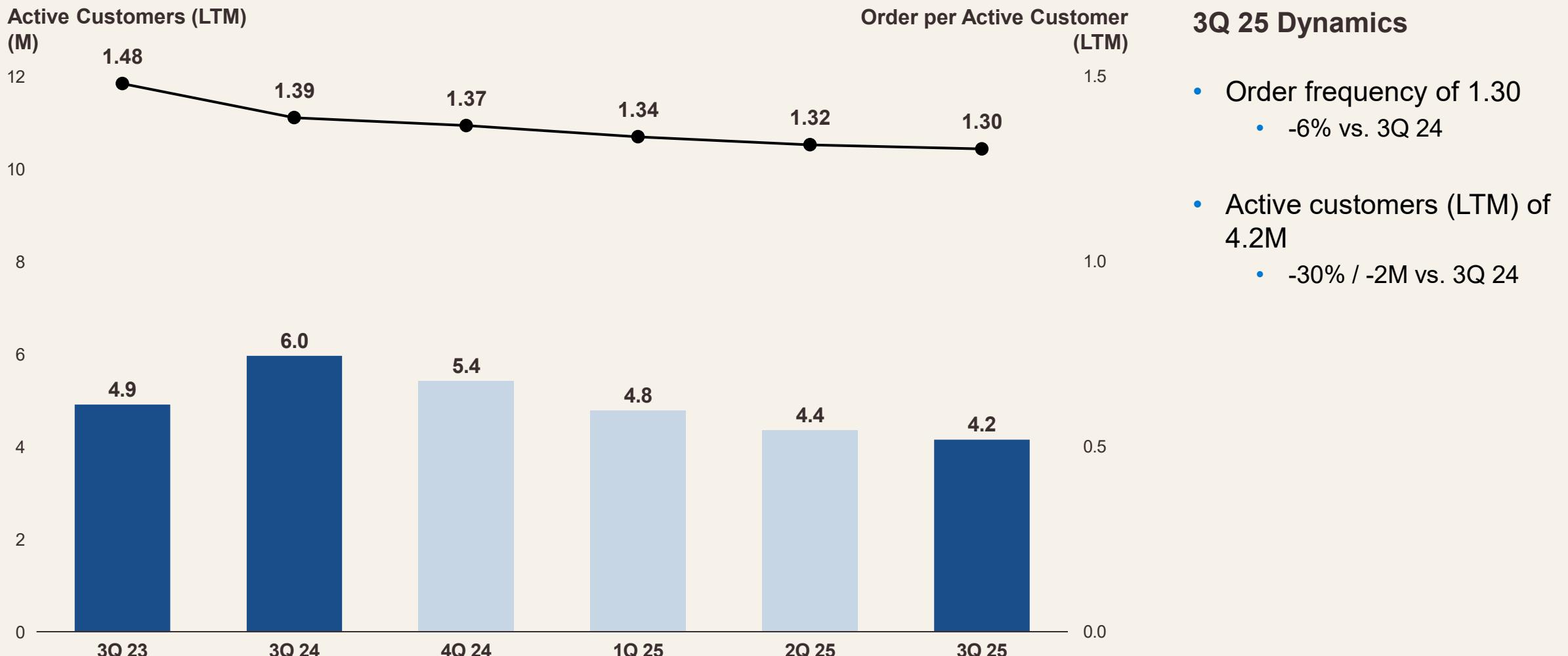
2Q 25

3Q 25

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



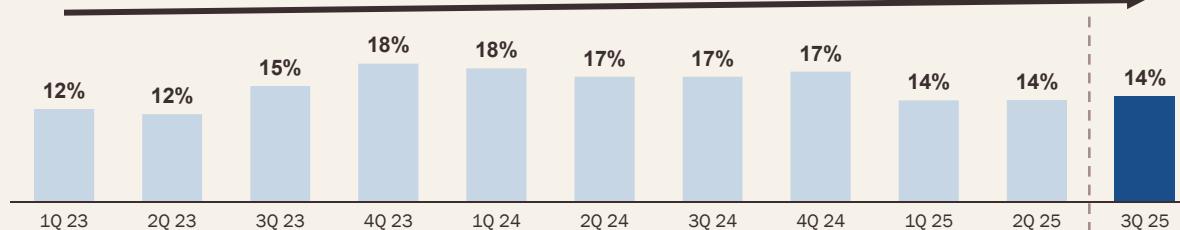
Note: Orders per active customer represents the number of orders delivered over a twelve-month period divided by the number of active customers for that same period.

Operations Update

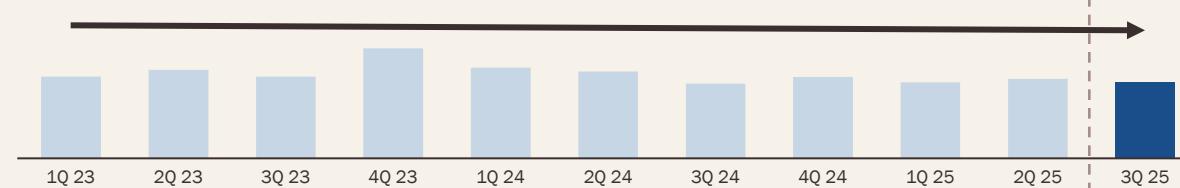
Restoring the Core

BBBY Consolidated

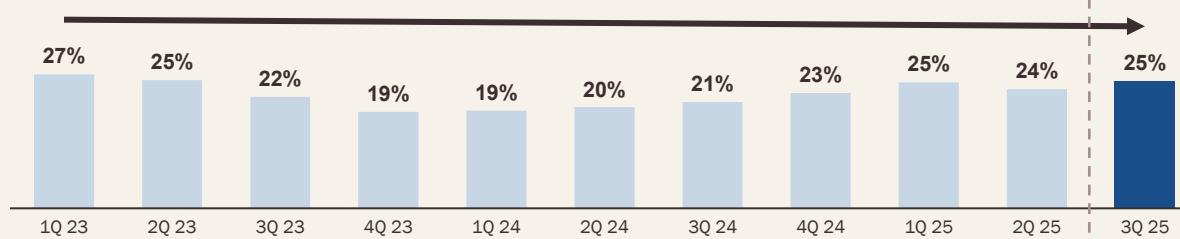
Sales & Marketing as % of Revenue



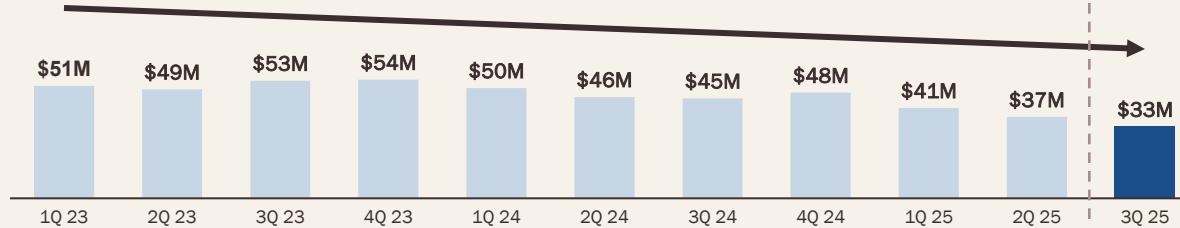
Conversion Rate¹



Gross Margin as % of Revenue



G&A and Tech Expense



¹ Orders delivered / Site Visits

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 campaigns

4. Expense Management

Updated Target: ~\$38M



\$150M Annual G&A and Tech Run-Rate
Updated from \$165M commitment
Optimized structure for the future

Appendix

Adjusted EBITDA Reconciliation

in thousands, except per share data	Three months ended					
	9/30/2023	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025
Net loss	\$ (63,049)	\$ (61,030)	\$ (81,259)	\$ (39,912)	\$ (19,313)	\$ (4,521)
Depreciation and amortization	4,320	4,384	6,323	4,844	4,080	3,879
Stock-based compensation	5,798	6,349	2,871	1,094	3,386	3,522
Interest income, net	(3,201)	(1,554)	(185)	(762)	(889)	(1,186)
Other (income) expense, net	38,731	17,194	36,768	17,269	7,489	(6,978)
Provision (benefit) for income taxes	(13,411)	189	49	194	287	233
Special items (see table below)	6,881	2,555	7,581	4,040	(3,113)	115
Adjusted EBITDA	\$ (23,931)	\$ (31,913)	\$ (27,852)	\$ (13,233)	\$ (8,073)	\$ (4,936)
Adjusted EBITDA Margin	(6.4%)	(10.2%)	(9.2%)	(5.7%)	(2.9%)	(1.9%)
Special items:						
Brand integration and related costs	5,248	171	284	—	—	—
(Gains) losses on discrete asset disposals	—	1,648	1,737	(336)	(5,454)	—
Special legal charges and other	—	—	563	—	—	—
Restructuring costs	1,633	736	4,997	4,376	2,341	115
Total Special items	\$ 6,881	\$ 2,555	\$ 7,581	\$ 4,040	\$ (3,113)	115

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 Diluted EPS Reconciliation

	Three months ended September 30, 2025			Adjusted Diluted EPS
	Diluted EPS	Less: equity method gain (loss)		
<i>in thousands, except per share data</i>				
Numerator:				
Net loss attributable to stockholders of Bed Bath & Beyond, Inc.	\$ (4,521)	\$ 7,005	\$ (11,526)	
Denominator:				
Weighted average shares of common stock outstanding-diluted	60,333	60,333	60,333	
Net loss per share of common stock:				
Diluted	(0.07)	0.12	(0.19)	