Conn's HomePlus + Badcock Home Furniture &more

INVESTOR PRESENTATION Q4 FY24

April 11, 2024

NASDAQ: CONN

FORWARD LOOKING STATEMENTS & OTHER DISCLOSURE MATTERS

Forward-Looking Statements - This presentation contains forward-looking statements within the meaning of the federal securities laws, including but not limited to, the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such forward-looking statements include statements regarding benefits of the merger, integration plans and expected synergies, information concerning the Company's future financial performance, business strategy, plans, goals and objectives. Statements containing the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," "predict," "will", "potential" or the negative of such terms or other similar expressions are generally forward-looking in nature and not historical facts. Such forward-looking statements are based on our current expectations. We can give no assurance that such statements will prove to be correct, and actual results may differ materially. A wide variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results either expressed or implied by our forward-looking statements including, but not limited to: our ability to integrate the W.S. Badcock business, the possibility that our shareholders may not approve the issuance of non-voting common stock required for conversion of the preferred stock issued in connection with the merger, the risk that any announcement relating to the merger could have adverse effects on the market price of Conn's common stock, the risk that the merger and its announcement could have an adverse effect on our ability to retain customers and retain and hire key personnel and maintain relationships with suppliers and customers, our ability to achieve cost-cutting synergies, our inability to operate the combined company as effectively and efficiently as expected, the condition of the W.S. Badcock business being materially worse than the condition we expected it to be in and/or including unanticipated liabilities, our inability to achieve the intended benefits of the merger for any other reason, general economic conditions impacting our customers or potential customers; our ability to execute periodic securitizations of future originated customer loans on favorable terms; our ability to continue existing customer financing programs or to offer new customer financing programs; changes in the delinquency status of our credit portfolio; unfavorable developments in ongoing litigation; increased regulatory oversight; higher than anticipated net charge- offs in the credit portfolio; the success of our planned opening of new stores; expansion of our eCommerce business; technological and market developments and sales trends for our major product offerings; our ability to manage effectively the selection of our major product offerings; our ability to protect against cyber-attacks or data security breaches and to protect the integrity and security of individually identifiable data of our customers and employees; our ability to fund our operations, capital expenditures, debt repayment and expansion from cash flows from operations, borrowings from our revolving credit facility and our Delayed Draw Term Loan, and proceeds from accessing debt or equity markets; the effects of epidemics or pandemics, including the COVID-19 pandemic; and other risks detailed in Part I, Item IA, Risk Factors, in our Annual Report on Form 10-K for the fiscal year ended January 31, 2024 and other reports filed with the SEC. If one or more of these or other risks or uncertainties materialize (or the consequences of such a development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. We disclaim any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise, or to provide periodic updates or guidance. All forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

Non-GAAP Measures - To supplement the consolidated financial statements, which are prepared and presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"), the Company also provides the following non-GAAP financial measures from time to time: retail segment adjusted operating income, retail segment adjusted operating margin, credit segment adjusted operating income (loss), credit segment adjusted operating margin, adjusted net income, adjusted net income (loss) per diluted share and net debt. These non-GAAP financial measures are not meant to be considered as a substitute for, or superior to, comparable GAAP measures and should be considered in addition to results presented in accordance with GAAP. They are intended to provide additional insight into our operations and the factors and trends affecting the business. Management believes these non-GAAP financial measures are useful to financial statement readers because (1) they allow for greater transparency with respect to key metrics we use in our financial and operational decision making and (2) they are used by some of our institutional investors and the analyst community to help them analyze our operating results. Our reconciliations of non-GAAP financial measures to GAAP financial measures are located in the appendix to this presentation.

FORWARD LOOKING STATEMENTS & OTHER DISCLOSURE MATTERS

Additional Information and Where to Find It

This communication may be deemed to be solicitation material in respect of obtaining approval of the stockholders of Conn's, Inc. (the "Company") of the proposed transactions (the "Stockholder Approval"). In connection with obtaining the Stockholder Approval, the Company will file with the Securities and Exchange Commission (the "SEC") and furnish to the Company's stockholders a proxy statement and other relevant documents. This communication does not constitute a solicitation of any vote or approval. BEFORE MAKING ANY VOTING DECISION, THE COMPANY'S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER DOCUMENTS TO BE FILED THE SEC IN CONNECTION WITH THE STOCKHOLDER APPROVAL OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION.

Stockholders will be able to obtain free copies of the proxy statement and other documents containing important information about the Company once such documents are filed with the SEC, through the website maintained by the SEC at http://www.sec.gov.

Participants in the Solicitation

The Company and its executive officers, directors, other members of management and employees may be deemed, under SEC rules, to be participants in the solicitation of proxies from the Company's shareholders with respect to the proposed transaction. Information regarding the executive officers and directors of the Company is set forth in its definitive proxy statement for its 2023 annual meeting filed with the SEC on April 13, 2023, as amended. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities holdings or otherwise, will be set forth in the Company's proxy statement and other materials to be filed with the SEC in connection with the proposed transaction.

WHO ARE WE?

Our vision is *everyone* deserves a home they *love.*

Our mission is to elevate your home *life* to home *love*.

Conn's HomePlus, combined with Badcock Home Furniture, is a specialty retailer with a unique retail + credit business model, providing unmatched value by helping customers create a home they love.

Conn's + Badcock Offers

- Premium shopping experience with a large assortment of competitively priced, brand name products
- Key categories include appliances, furniture, mattress and consumer electronics
- Unmatched payment options across the entire credit spectrum
- Last-mile delivery and experienced in-house repair service
- Frictionless and emerging Unified Commerce shopping experience

CONN'S ANNOUNCES TRANSFORMATIVE TRANSACTION WITH W.S. BADCOCK

+

On December 18, 2023, Conn's announced the transaction with Badcock Home Furniture & more, creating a leading home goods retailer in the Southern U.S. that supports greater opportunities for our combined communities, customers and employees, and drives long-term value for shareholders by accelerating growth and strengthening Conn's financial profile.

The transaction with Badcock represents one of the most significant events in the Company's over 120-year history. The combination immediately positions Conn's as a leading home goods retailer across the southern U.S. It also supports our existing strategic growth priorities by providing our unmatched payment options, leading eCommerce capabilities, and premium shopping experience to more customers. The Badcock transaction significantly enhances Conn's scale allowing us to leverage a powerful infrastructure and deliver strong financial returns for many years to come.

Bob Martin, *Conn's lead independent director*

BADCOCK HOME FURNISHINGS & MORE

Badcock is one of the largest home-furnishings retailers in the Southeastern U.S.

Badcock HOME FURNITURE &more®

Key Facts:

- Founded in 1904 and headquartered in Mulberry, Florida
- Approximately 1,000 employees
- 378 stores comprised of 311 dealers owned locations and 67 corporate owned stores
- Dealer owned stores are typically smaller at around 17,000 square feet and are in more rural markets, compared to Conn's average store size and footprint

Broad assortment of furniture, appliances, bedding, and floor covering, to home entertainment items

Multiple payment & financing solutions through third-parties and consumer financing services

Strong unaided brand awareness

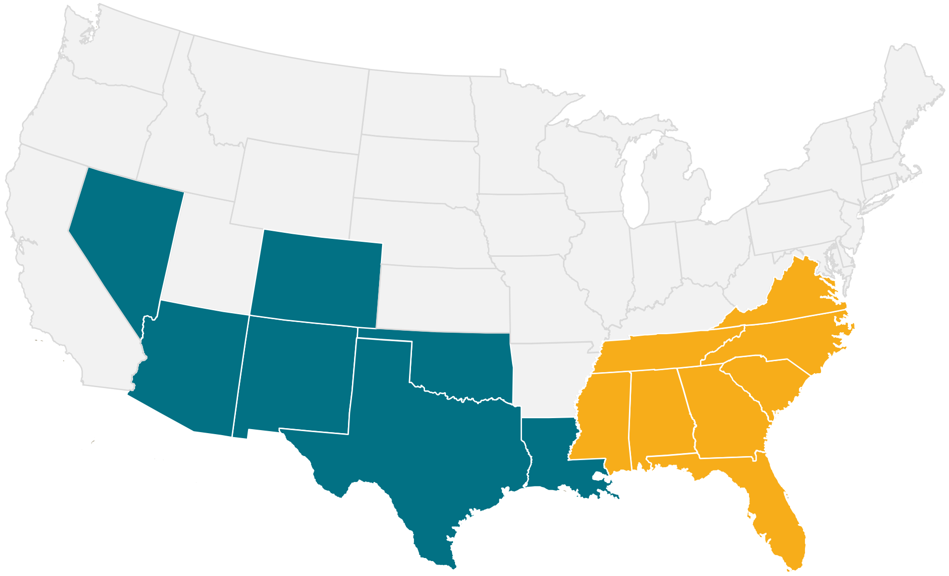
Compelling dealer network business model

Three distribution centers – total of 1.1 million sq. ft.

Note: As of July 2023.

Conn's HomePlus + Badcock Home Furniture &more

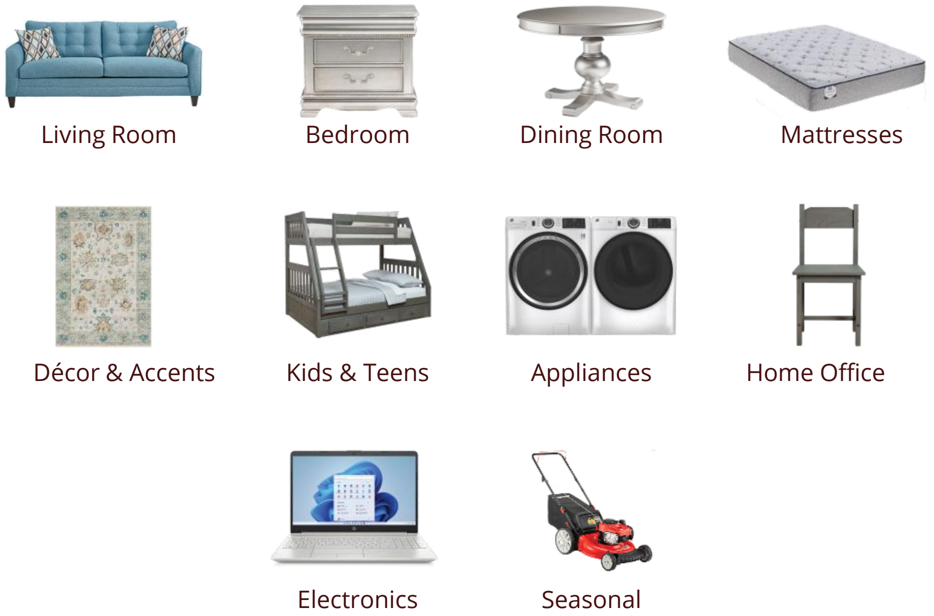
Strong Geographic Footprint



■ Conn's Markets ■ Conn's & Badcock Markets

550+	11+ Million	15
Conn's & Badcock Stores	Total Retail Square Feet	States

Compelling Product Assortment



60%+
of retail sales are financed

THE COMBINATION OF CONN'S AND BADCOCK UNLOCKS SIGNIFICANT GROWTH POTENTIAL:

1. Brings together two highly complementary companies with significant reach across 15 states and powered by best-in-class payment offerings, compelling eCommerce capabilities, and a premium shopping experience.
2. Accelerates growth opportunities through significant retail, credit, and operational synergies
3. Drives revenue and cost synergies, as well as portfolio management efficiencies by combining Conn's in-house credit platform and expertise with Badcock's existing financing capabilities
4. Creates one of the largest home goods retailers in North America with 550+ stores across 15 states, and ~50% of combined retail sales coming from high-margin Furniture and Mattress categories
5. Strengthens financial profile through material cost savings, enhanced gross margins, and improved operating leverage

NEAR-TERM STRATEGIC PRIORITIES

Conn's HomePlus + Badcock Home Furniture &more

1 Credit Program Transition

Deploy Conn's Best-in-Class Credit Platform

- Significant work already underway
  - Launched Conn's credit in select Badcock locations in April, and expect full deployment by end of May 2024
- Leverage Conn's direct mail and credit-based marketing expertise
- Roll out innovative digital application process
- Transitioning Badcock to Conn's installment loan product, will enhance yield by ~$20 million(1)

2 Optimize Merchandising

Capitalize on Complementary Sales Mix

- Meaningful actions already taken to optimize merchandising strategy
- Drive appliance, consumer electronics and home office sales at Badcock
- Supporting greater furniture and mattress sales at Conn's
- Capitalize on retail margin opportunity
- Consolidate vendors and benefit from larger scale

3 Enhance Supply Chain

Integrate Best of Both Across Combined Company

- Ongoing efforts to integrate supply chain
- Transition Badcock to Conn's best-in-class last-mile delivery & service platform
- Leverage Badcock's international freight capabilities
- Integrate distribution centers across overlapping states

4 Leverage Conn's eComm

Customer-Focused Omnichannel Strategy

- Deploy Conn's proven eComm strategy to drive Badcock's online penetration
- Expand digital marketing across both companies to emphasize optimized product assortment
- Growth in eComm also driven by merchandising and supply chain initiatives

5 Realize Cost Synergies

Eliminate Redundancies and Drive Synergies

- Reduced ~$50 million of combined expenses during Q4'FY24
- Continue optimizing vendor agreements and eliminating operating costs
- Remove additional ~$50 million of combined costs over the next 18 months

(1) Excluding expected increase in Badcock retail sales.

ENHANCED PLATFORM SUPPORTS GROWTH OF COMBINED COMPANY

18-Month Goals

- Accelerate growth opportunities
- Combined two complementary businesses with similar product categories and customer profiles
- Leverage Conn's best-in-class credit platform
- Conn's credit expertise, infrastructure and team supporting credit driven revenue and cost synergies
- Powering sophisticated loan underwriting, servicing, collections and recovery capabilities
- Benefits from larger scale and expanded market presence
- Created one of the largest home goods retailers with 550+ stores across 15 states
- Strengthen financial profile
- Remove $100 million of costs
- Drive $50 million of revenue synergies, including $20 million of increased yield

FY'26 Financial Goals

$2+ Billion — Annual revenue expected to be between $2.0 and $2.2 billion

$50+ Million — $50 million of combined costs already reduced, with another $50 million expected over the next 18 months

$180+ Million — Annual Adjusted EBITDA expected to be between $180 to $220 million

Current State of Integration

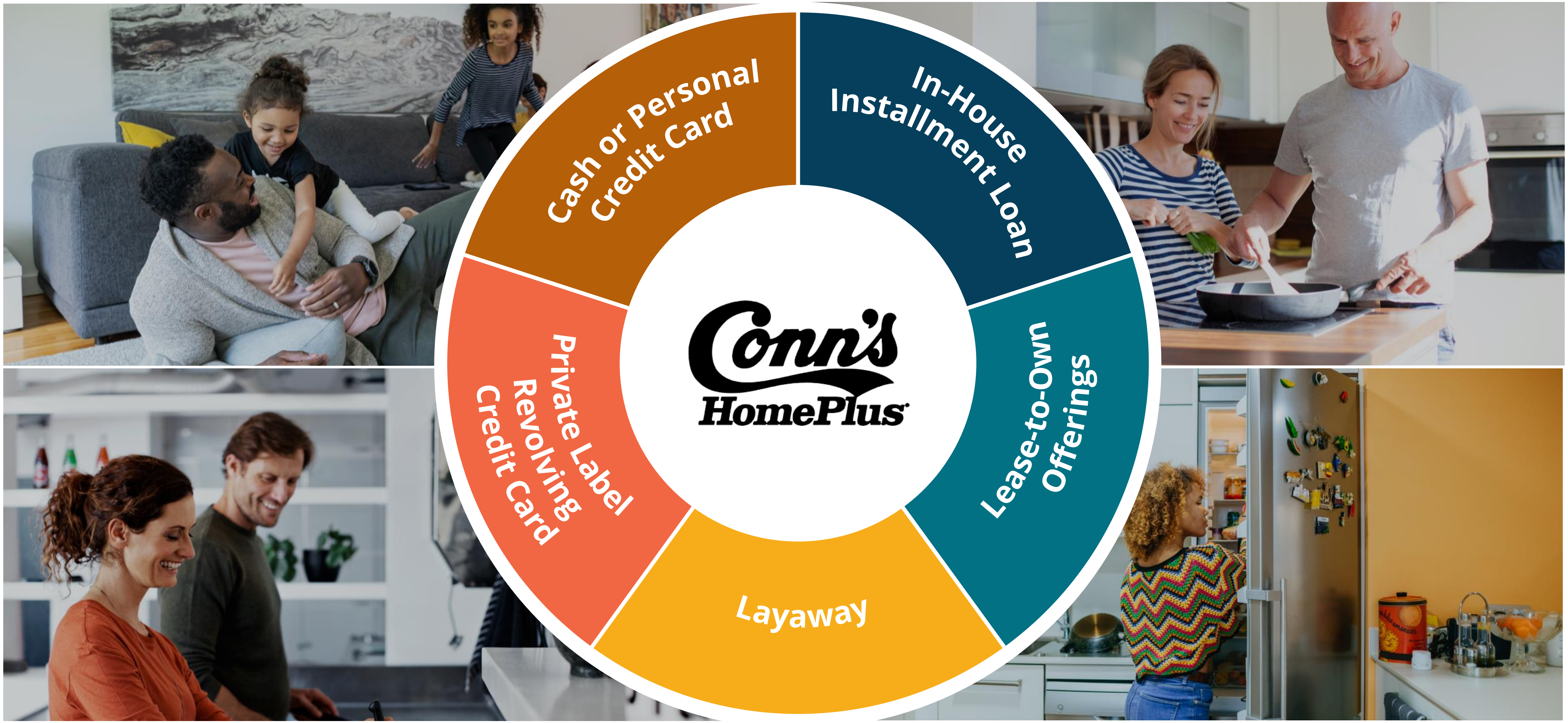
- ✓ Initiative Scoping
- ✓ Execution Planning
- ✓ Quick Wins
- ▶ Executing on Near-Term Strategic Priorities
- Synergy Capture & Tracking

Conn's

1

Transition to Conn’s Credit Platform

CONN'S BEST-IN-CLASS CREDIT INFRASTRUCTURE IS EXPECTED TO DRIVE SALES AT BADCOCK



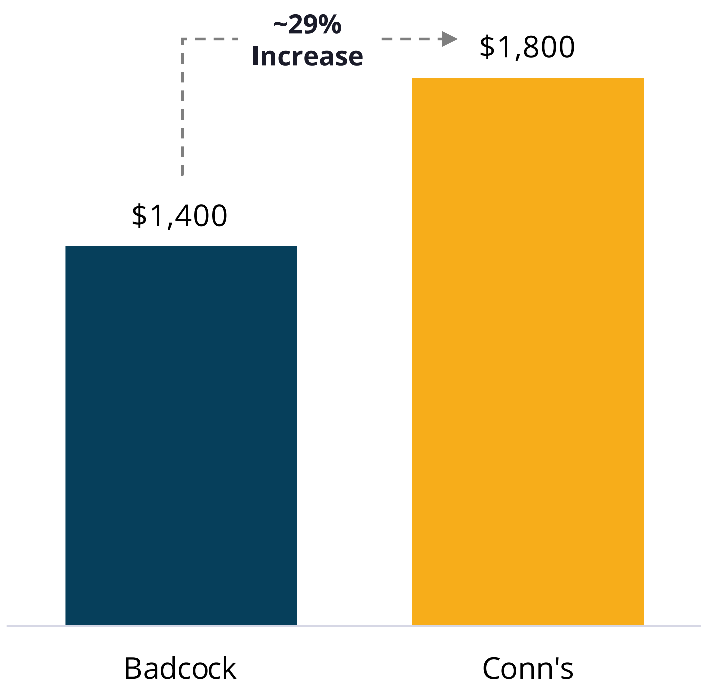
CONN'S MARKET-LEADING PAYMENT OPTIONS ARE EXPECTED TO ACCELERATE GROWTH ACROSS BADCOCK STORES

	In-House Financing	Lease-to-Own	PL Credit Card	Cash
PRODUCT TYPE	Installment Loan	Lease with Buyout Option	Private Label Revolving Credit Card	Cash or Personal Credit Card
TYPICAL PRODUCT ATTRIBUTES	▪ Most used option ▪ Generally, \$1,500 – \$7,500 installment loan ▪ 0% for 12 months option ▪ 19%–36% APR ▪ 36-month term	▪ Mix of in-house and Third Party LTO ▪ Most accessible option ▪ Approximately \$1,500 lease ▪ Typically, 12-24 month lease	▪ Highest credit quality ▪ Typically, \$2,000 –\$6,500 credit limit ▪ Special financing with 12–60-month terms, including 0% offers ▪ 29.99% APR on revolving balance	▪ Cash at sale
OPPORTUNITY	▪ Increased allocation of marketing dollars towards driving credit applications ▪ Increased conversion to credit application with new soft credit inquiry application process	▪ In-house LTO offer provides significant opportunity to drive sales and improve profitability ▪ Successfully launched in Q1 FY24	▪ Focus on higher credit quality customer ▪ Best-in-class offering ▪ Longer-term, no interest financing	▪ Last-mile delivery and in-house service attracts customers across credit spectrum ▪ Further growth opportunities through eCommerce

LEVERAGE CONN'S BEST-IN-CLASS CREDIT INFRASTRUCTURE TO DRIVE SALES WHILE MANAGING CREDIT RISK

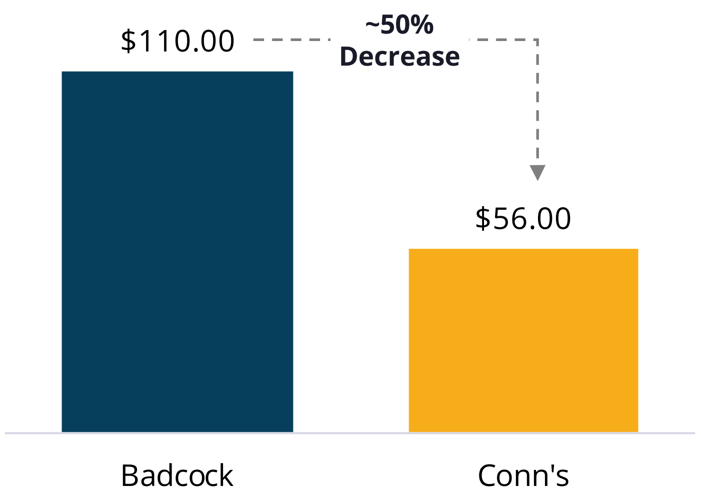
Accelerate Sales while Increasing Customers' Purchase Power

Avg. Ticket Size



Illustrative Monthly Installment

Hypothetical comparison of Badcock's revolving product and Conn's installment loan product for a **$1,400 purchase** in the state of Florida.

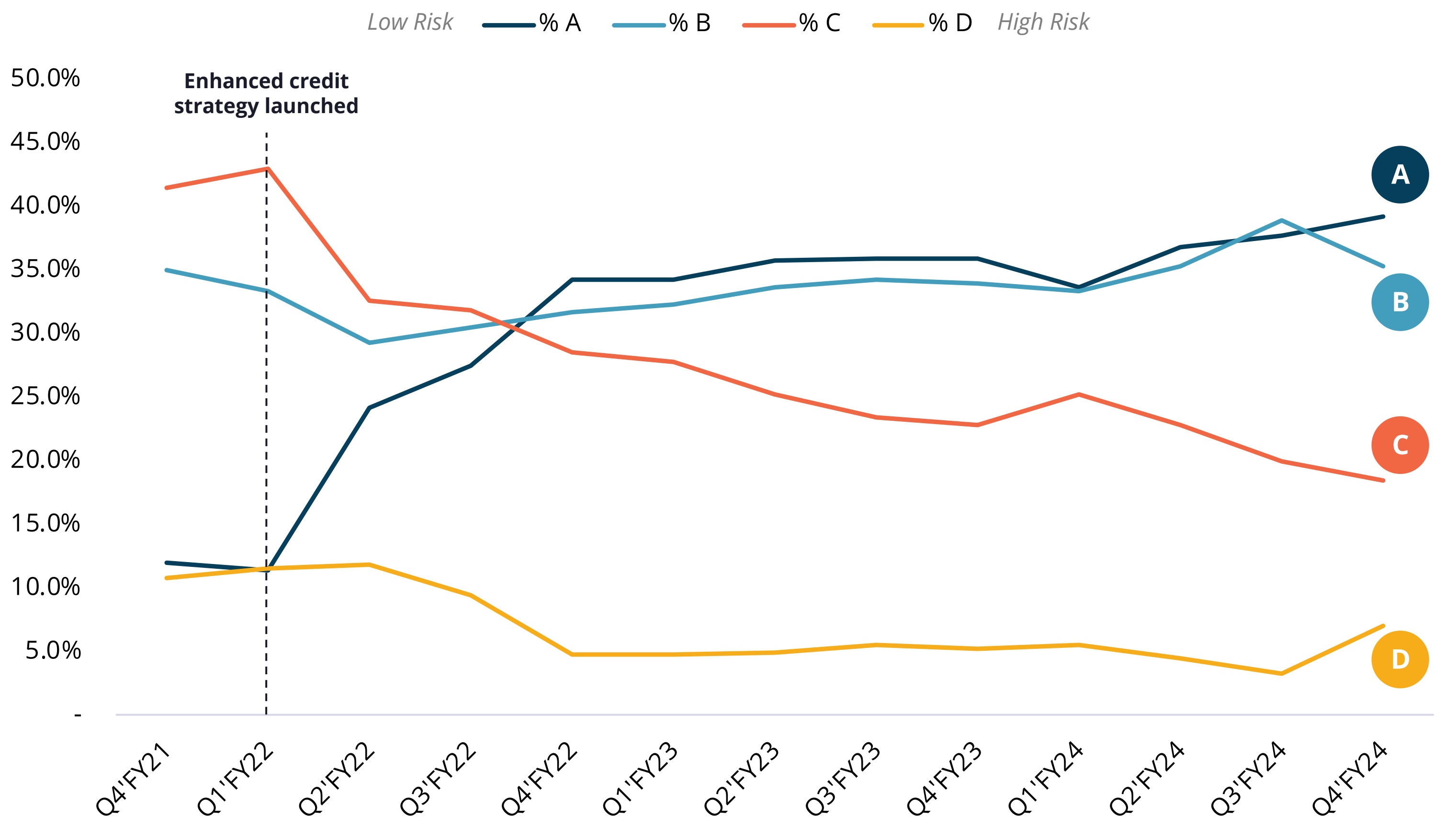


- Transitioning Badcock's existing revolving in-house credit program to Conn's in-house term loan product will increase yield by $20 million(1) once fully seasoned
- Leverage Conn's direct mail and credit-based marketing expertise to drive sales at Badcock
- Expand LTO and private label credit card programs at Badcock
- Minimize risk of Conn's in-house credit offering by maintaining prudent underwriting
- Unlocks revenue and cost synergies, as well as efficiencies by combining Conn's in-house credit platform and expertise with Badcock's existing financing capabilities

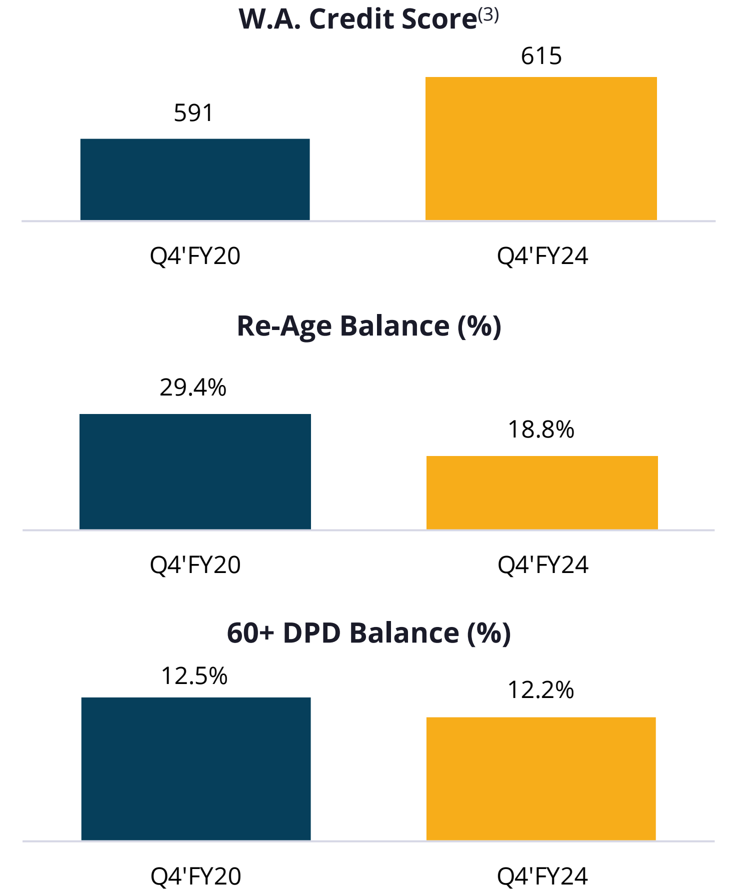
(1) Excluding expected increase in Badcock retail sales.

MAINTAIN PRUDENT UNDERWRITING STRATEGY TO DRIVE STABLE PORTFOLIO PERFORMANCE

Conn's Percent of Originations by Risk Grade[1]



Credit Portfolio Metrics[2]



(1) Reflects Conn's HomePlus credit originations only.
(2) Metrics for managed portfolio outstanding balances.
(3) Excludes non-scored accounts.

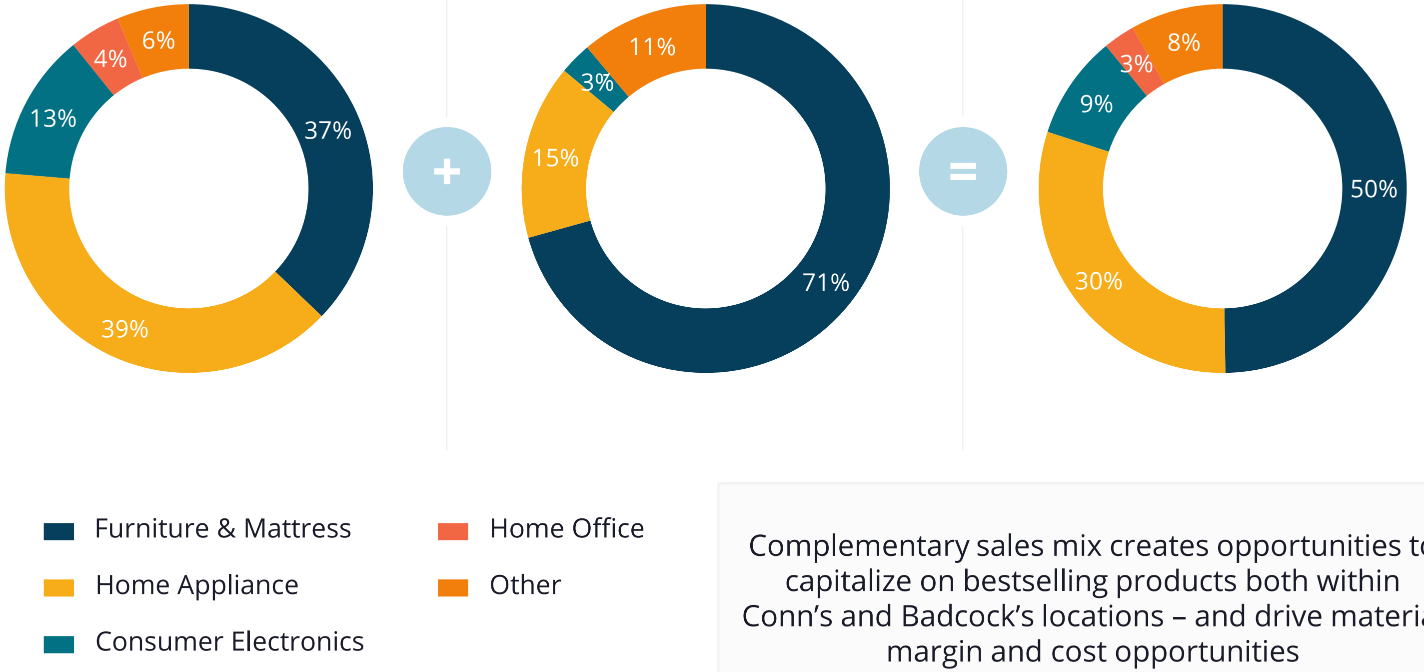
2

Optimize Merchandising

DRIVE SALES AND MARGIN OF COMPLEMENTARY PRODUCT CATEGORIES

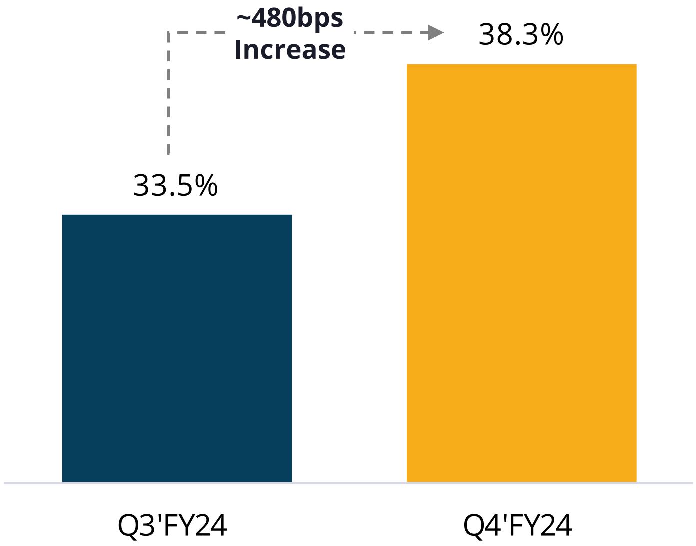
TTM Retail Sales Mix

Conn's | **Badcock** | **Pro Forma**



Complementary sales mix creates opportunities to capitalize on bestselling products both within Conn's and Badcock's locations – and drive material margin and cost opportunities

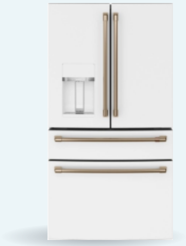
Retail Gross Margin



With only six weeks of Badcock's retail sales, consolidated retail gross margin increased to 38.3% for Q4'FY24, compared to 33.5% for the quarter prior to the transaction

EXPANDED ASSORTMENT AND PRICING COMBINED WITH PRIVATE BRAND ADDITIONS OFFER GROWTH OPPORTUNITY

ASSORTMENT & PRICING BY CATEGORY

GOOD	BETTER	BEST	PREMIUM
			
<$1,000	$1,000–$3,000	$3,000–$5,000	>$5,000

80%
of current assortment falls into these two categories

Assortment Depth

Conn's product assortment will add depth to Badcock's product lines with new color and size options at a range of price points

Assortment Breadth

Leverage an extended online assortment to add new, adjacent categories such as outdoor living, lighting and smart home

Private Brand

Leveraging Badcock's 120+ years of furniture expertise, Conn's will build on the success of Dreamspot, Villa Hill, and other private label brands which were launched in FY'23

Sourcing Strategy

~95% of Conn's and Badcock's product categories overlap, but only share ~45% of vendors. Consolidating vendors will create material margin opportunities

3

Enhance Supply Chain

INTEGRATING THE BEST OF BOTH ACROSS THE COMBINED COMPANY

Transition Badcock to Conn's last-mile-delivery and service capabilities

- ✓ Conn's best-in-class delivery and service offerings support strong customer loyalty
  - ~95% of appliance and TV repairs are performed by Conn's employees and our repair time is ~50% faster than industry average
- ✓ Transition expected to improve Badcock's customer experience

Consolidate regional distribution centers in overlapping geographies

- ✓ Leverage existing infrastructure
- ✓ Consolidating distribution centers in in Florida, Georgia and North Carolina

Leverage Badcock's international freight capabilities and partner relationships

- ✓ Expected to improve cost per container and generate other procurement synergies

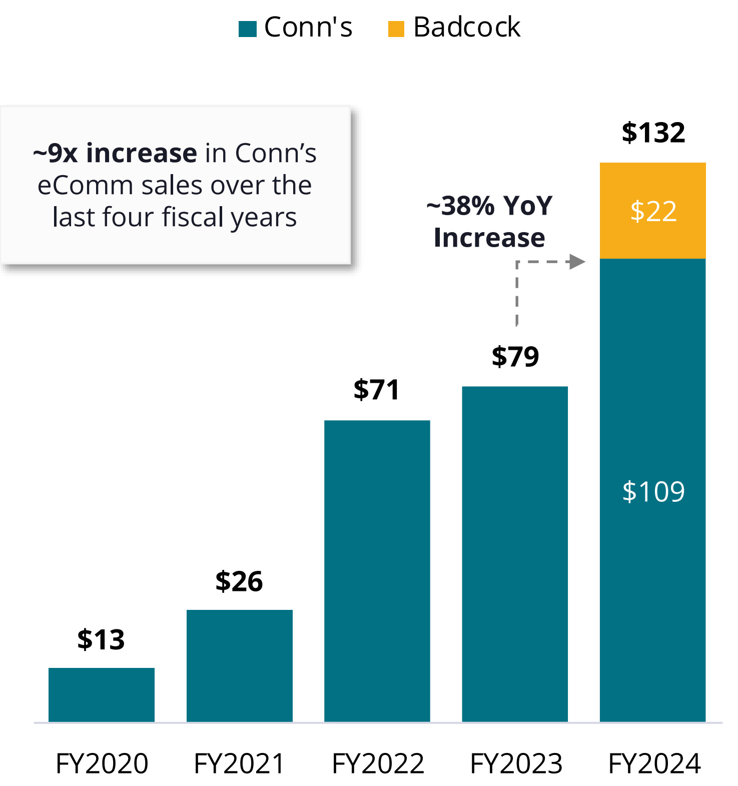
We have continually achieved an A+ rating by the Better Business Bureau

4

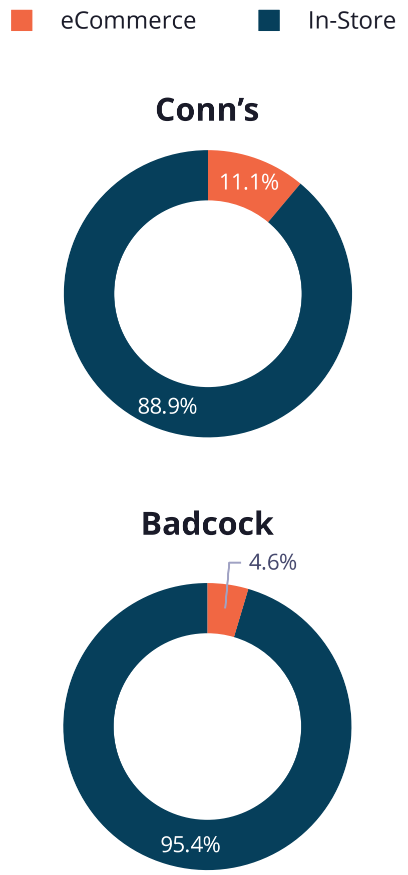
Leverage Conn's eCommerce Platform

ACCELERATING ECOMMERCE SALES

eCommerce Sales



Online Penetration



Leverage Conn's eCommerce Infrastructure

- Conn's has experienced very strong eCommerce growth and robust customer adoption since accelerating investments in its online product value proposition, digital experience, and distribution capabilities
- Customers can complete one application for the multiple payment plans we offer with little to no impact to their credit scores and find the option that best fits their individual needs
- Accelerate eCommerce revenue with expanded assortment and product categories including both Conn's and Badcock's highly successful private label offerings

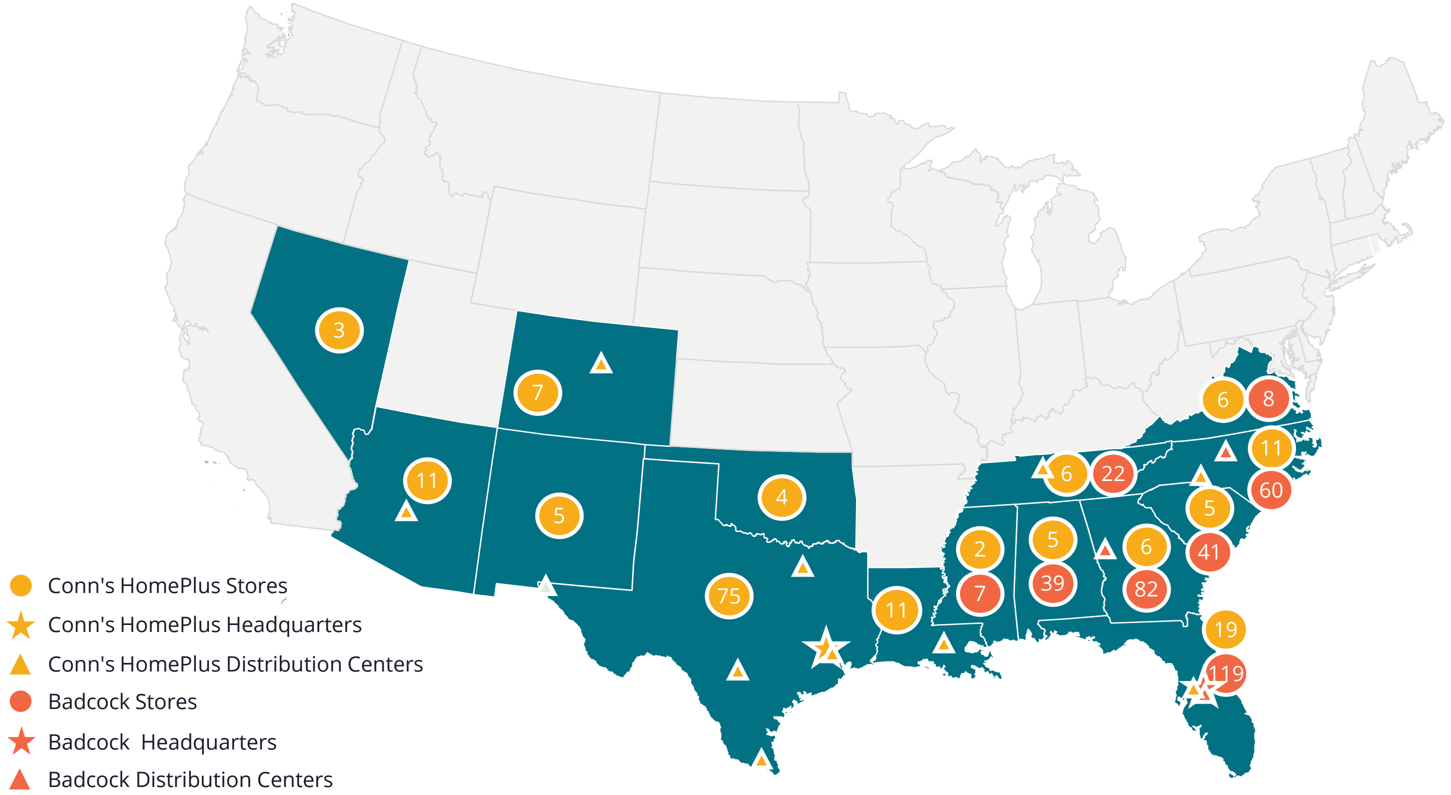
Note: $ in millions.

5

Benefit from Expanded Scale and Market Presence

COMBINATION WITH BADCOCK CREATES A LARGER, MORE DIVERSIFIED ENTITY

- ✓ **Multiyear opportunity to drive retail growth within our existing footprint**
- ✓ Extends Conn's presence to markets across FL, GA, NC, SC, AL, TN, VA, and MS
- ✓ Reaches more customers by providing last-mile delivery to over 85% of the population that resides in the 15 states in which Conn's operates
- ✓ Creates a top-20 furniture and mattress retailer in the U.S.
- ✓ Provides Badcock dealer network with growth opportunities in smaller rural markets within Conn's existing footprint



Significant exposure across Texas, Florida, and Georgia
55% of store base and ~60% of combined sales will be across these three states

STRONG INDEPENDENT DEALERSHIP BUSINESS MODEL

Low Start-up Costs
Consign all merchandise to the dealers and do not require a franchise fee
Allows for a quicker start-up than the traditional franchise system

Sales Based Model
Stores pay a monthly commission based on completed sales, aligning incentives for dealers.

Centralized functions
Individual stores not responsible for extending credit, collections, pricing, advertising, or inventory

Community focus
Affords opportunity for dealers to thrive in their communities

We believe there are meaningful opportunities to greatly expand the product assortment, customer service, and retail and credit capabilities of Badcock's dealer owned network

6 Finances & KPIs

FOURTH QUARTER FISCAL 2024 SUMMARY

	Quarter Ended January 31,		
	2024	2023	Variance
Revenues			
Net sales	$293.7	$270.5	$23.2
Finance charges and other	72.4	64.4	8.0
Total revenues	**$366.1**	**$334.9**	**$31.2**
Costs and Expenses			
Cost of Goods	$181.4	$179.3	$2.1
Selling, general and administrative	166.4	137.0	29.3
Provision for bad debts	52.7	44.1	8.6
Total costs and expenses	**$400.5**	**$360.5**	**$40.1**
Operating loss before charges and credits	($34.5)	($25.6)	($8.9)
Charges and credits	16.3	7.8	8.5
Operating loss	**($50.8)**	**($33.4)**	**($17.3)**
Interest expense	$26.1	$13.1	$13.0
Loss on extinguishment of debt	14.2	-	14.2
Bargain purchase gain, net of deferred taxes	(104.9)	-	(104.9)
Income (loss) before income taxes	**$13.8**	**($46.5)**	**$60.3**
Benefit for income taxes	($29.5)	($3.7)	($25.8)
Net (loss) income	**$43.3**	**($42.8)**	**$86.1**
Diluted (loss) earnings per share (GAAP)	$1.77	($1.79)	$3.56
Diluted (loss) earnings per share (NON-GAAP)	($1.25)	($1.53)	$0.28
Retail gross margin	38.3%	33.7%	4.6%
Retail S&GA as % of Revenue	45.9%	38.1%	7.8%
Net Yield	25.8%	22.4%	3.4%
Charge-off % (annualized)	15.9%	17.1%	(1.2%)
Credit spread	9.9%	5.3%	4.6%

Financial Summary

- Fourth quarter GAAP diluted earnings per share of $1.77 and non-GAAP diluted loss per share of $1.25
- SG&A expense increased by $29.3 million compared to Q4 FY23
  - The SG&A increase in the retail segment was primarily due to an increase in occupancy from the addition of Badcock stores which was offset by a decline in variable costs as well as a decrease in labor costs resulting from cost savings initiatives
  - The SG&A increase in the credit segment was primarily due to an increase in general operating costs
- Charges and credits increased $8.5 million compared to Q4 FY23 due to one-time transaction expenses related to Badcock

Retail

- Total net sales increased 8.6% compared to Q4 FY23, primarily due to Badcock revenue of $77.5 million offset by a decrease in Conn's same store sales of 14.4%
  - The decrease in same store sales was primarily driven by lower discretionary spending for home-related products following several periods of excess consumer liquidity resulting in the acceleration of sales which was partially offset by new store growth
  - Opened 1 new stores during the quarter and added 376 stores through the Badcock transaction
- Retail gross margin of 38.3%, 460 bps points higher than Q4 FY23, primarily driven by a more profitable product mix and normalizing freight costs partially offset by the deleveraging of fixed distribution costs

Credit

- Credit spread of approximately 990 basis points
- Finance charges and other revenue increased 12.4%, primarily due to the addition of Badcock offset by a 4.3% decrease in the average outstanding balance of the customer accounts receivable portfolio
- Provision for bad debts increased by $8.6 million compared to Q4 FY24 driven by an increase in the allowance charge on Conn's loans
- Interest increased 99% compared to Q4 FY23 due to trending increase in interest rates and the outstanding debt balance as well as interest related to secured borrowings acquired with the Badcock transaction

Note: $ in millions, except per share amounts.

6 Appendix

ADJUSTED NET INCOME PER DILUTED SHARE

	Quarter Ended January 31,	
	2024	2023
Net income (loss), as reported	**$43.3**	**($42.8)**
Adjustments:		
Store lease termination and closure costs[(1)]	-	0.6
Professional fees[(2)]	16.3	-
Loss on asset disposal[(3)]	-	7.3
Loss on extinguishment of debt [(4)]	14.2	-
Bargain purchase gain, net of deferred taxes[(5)]	(104.9)	-
Tax impact of adjustments[(6)]	-	(1.8)
Net loss, as adjusted	**($31.0)**	**($36.7)**
Weighted average common shares outstanding - Diluted	24,760,561	23,953,620
Diluted earnings (loss) per share:		
As reported	$1.75	($1.79)
As adjusted	($1.25)	($1.53)

(1) Represents store closure costs for the three months ended January 31, 2023, which is offset by a gain on a lease modification for the same location for the year ended January 31, 2023

(2) Represents professional fees related to corporate transactions primarily associated with the acquisition of Badcock and debt modifications

(3) Represents asset disposal costs related to a change in the eCommerce platform

(4) Represents fees and penalties paid for the early retirement of our Pathlight term debt

(5) Represents the fair value of net assets acquired over the consideration transferred, net of tax, for the acquisition of Badcock

(6) Represents the tax effect of the adjusted items based on the applicable statutory tax rate

Note: $ in millions, except per share amounts; Due to rounding, numbers presented above may not add up precisely to the totals provided and percentages may not precisely reflect absolute figures.