



# TRANSFORMATION + GROWTH + SHAREHOLDER VALUE

INVESTOR DAY 2022



**Conn's**  
**HomePlus**



# TODAY'S AGENDA

## VISION + STRATEGY OVERVIEW

Chandra Holt, President & Chief Executive Officer

## CUSTOMER JOURNEY + STORE EXPANSION

Strengthen the Core

Rodney Lastinger, President of Retail

## GROWTH + OPPORTUNITY

Evolve the Credit Business

TJ Fenton, Chief Credit Officer

## eCOMMERCE + DIGITAL EXPERIENCE

Accelerate Growth

Chandra Holt, President & Chief Executive Officer

## FINANCES + KPIs + SHAREHOLDER VALUE

George Bchara, Chief Financial Officer

## CONN'S HOMEPLUS + THE FUTURE

Norm Miller, Executive Chairman

## Q&A



# 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 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: 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 e-commerce 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 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 1A, Risk Factors, in our Annual Report on Form 10-K for the fiscal year ended January 31, 2021 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 EBITDA, EBIT, net debt, net income and adjusted net income per diluted share. 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.

# VISION + STRATEGY OVERVIEW

Chandra Holt, President & Chief Executive Officer



# CONN'S HOMEPLUS IS A TOP CONSUMER RETAILER WITH MORE THAN \$1 BILLION IN REVENUE

**\$1.6B** Fiscal Year  
LTM\* Revenue<sup>1</sup>

**\$4.19** Fiscal Year  
LTM\* GAAP EPS

**\$1.1B** Portfolio<sup>2</sup>

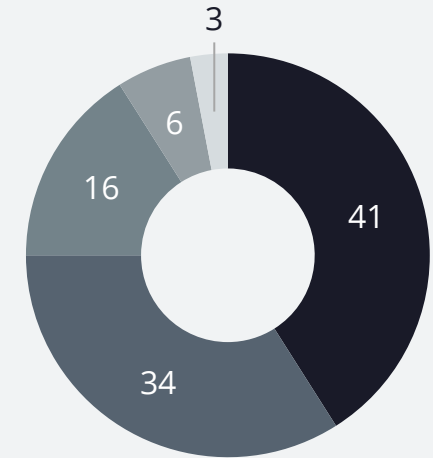
**157** Stores

LTM\* REVENUE SEGMENT MIX<sup>1</sup>  
(\$B)



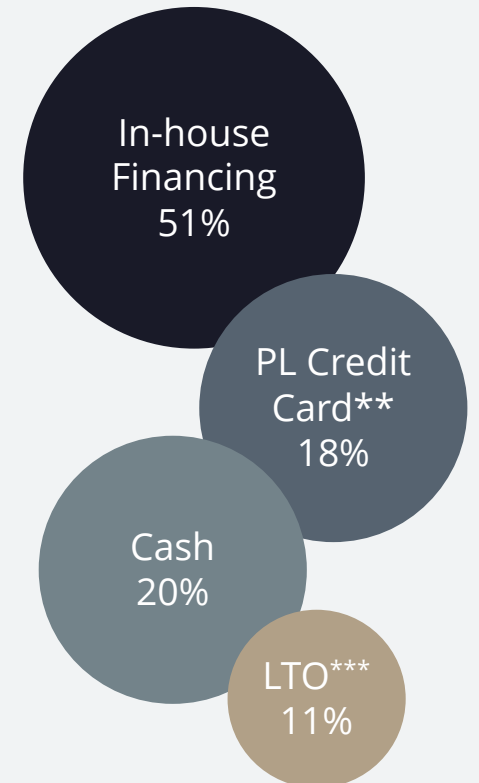
- 82% Retail
- 18% Credit

LTM\* RETAIL CATEGORY MIX  
(%)



- Home Appliance
- Furniture & Mattress
- Consumer Electronics
- Computers
- Other

PAYMENT OPTIONS<sup>1</sup>  
(% of revenue)



# EVOLVING TO SERVE OUR CUSTOMER NEEDS FOR 132+ YEARS

EASTHAM PLUMBING  
& HEATING



1890

PLUMBING &  
HEATING

Conn's began as a small plumbing and heating company in Beaumont, Texas.



1930's

APPLIANCES

Conn's began selling appliances like refrigerators and gas ranges.

CONN'S



1960's

CREDIT & FINANCING  
OFFERED

In 1962 Conn's repair service and maintenance operations was founded.

Conn Credit Corporation was founded two years later.



2008

START OF  
GEO EXPANSION

Continued expansion across the South.

\*Initiated Conn's HomePlus® in 2012—a larger store format showcasing a wider range of products.

CONN'S HOMEPLUS\*



2016

BUSINESS MODEL  
PROFESSIONALIZATION

Built out infrastructure and business systems to support transition from a local retailer to larger regional player



2022 &  
beyond

Because change and innovation is woven into our DNA, Conn's HomePlus is positioned for incredible growth over the next ten years.

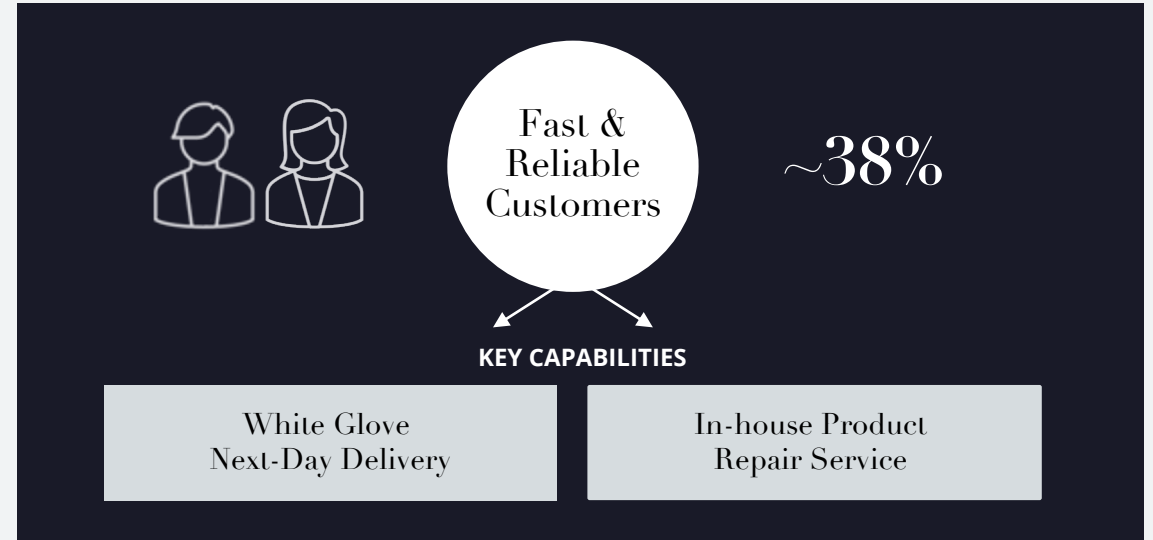
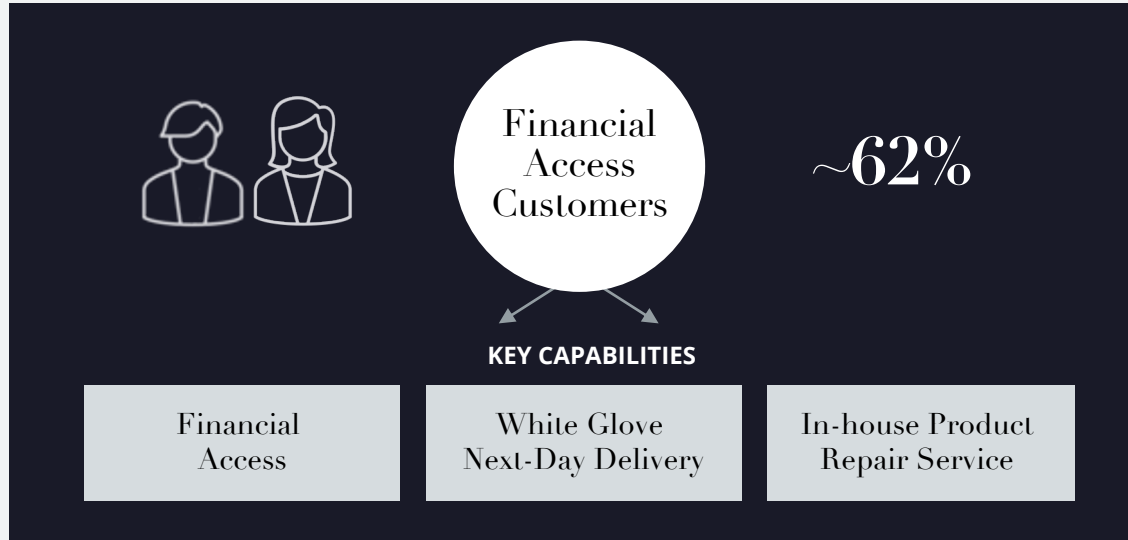


# OUR CURRENT BUSINESS AND OPERATIONAL CAPABILITIES REFLECT CORE CUSTOMER NEEDS



# WE CAN LEVERAGE THESE CAPABILITIES TO RETAIN CORE CUSTOMERS AND ATTRACT NEW CUSTOMER SEGMENTS

CONTINUE



IMPROVE



RE-IMAGINE



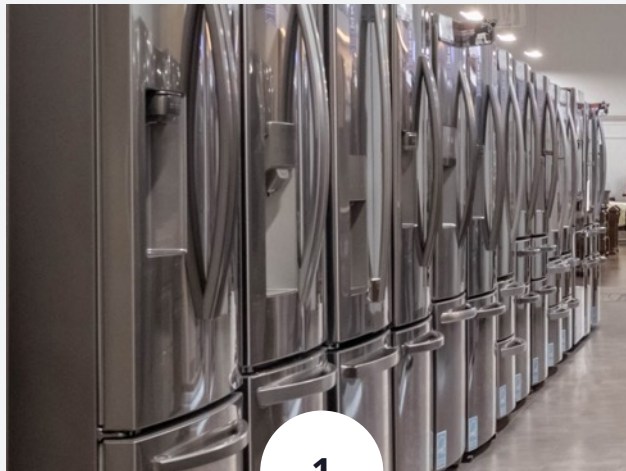


Our vision is *everyone* deserves  
a home they *love*.

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

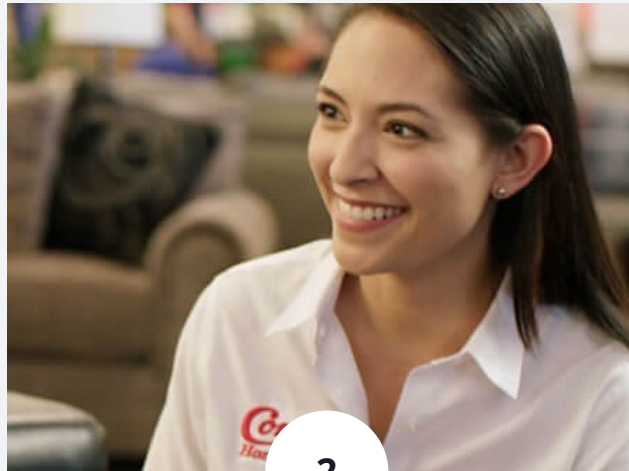


# WE WILL GROW INTO OUR NEW MISSION THROUGH THREE STRATEGIC PRIORITIES



1

Strengthen  
the Core



2

Enhance the  
Credit Business



3

Accelerate  
eCommerce Growth



# OUR 3 YEAR PRIORITIES

By delivering on our strategic priorities, we believe that we can substantially grow our business.

~\$2.0-2.2B

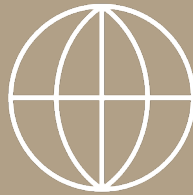
REVENUE GOAL

High Single  
Digit

EBIT MARGIN GOAL



EVOLVING OUR VALUE PROPOSITION  
TO ATTRACT MORE CUSTOMERS



WEAVING ESG  
INTO WHO WE ARE



# CUSTOMER JOURNEY+ STORE EXPANSION

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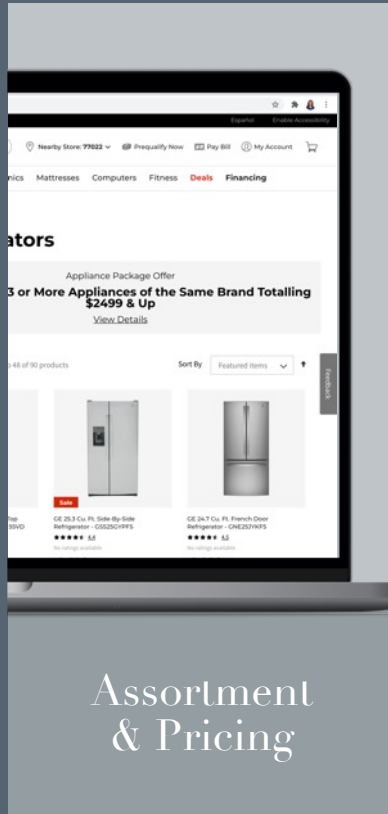
STRENGTHEN THE CORE

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Rodney Lastinger, President of Retail



# THE CUSTOMER JOURNEY



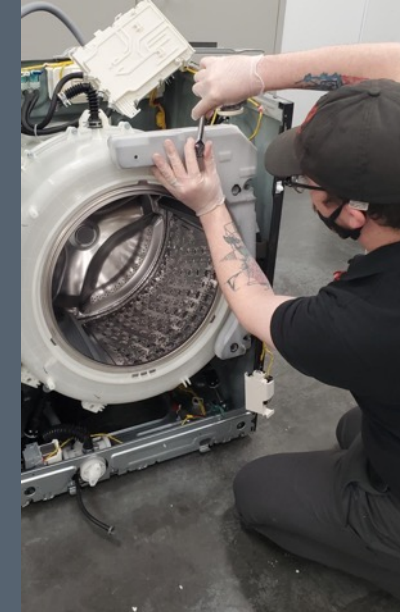
Assortment  
& Pricing



Product  
Selection  
& Purchase



Delivery



Service &  
Repair

# ASSORTMENT & PRICING

## TODAY, WE HAVE AN ASSORTMENT OF LARGELY BETTER-BEST

### PRODUCT SELECTION & PURCHASE



HOME APPLIANCES



BETTER

BEST

PREMIUM /  
SPECIAL ORDER

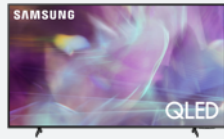
### DELIVERY



FURNITURE & MATTRESS



### SERVICE & REPAIR



CONSUMER ELECTRONICS



### CUSTOMER JOURNEY



NEW CATEGORIES  
Home Improvement, Fitness,  
Micro-mobility





ASSORTMENT  
& PRICING

# TOMORROW, CONN'S HOMEPLUS WILL OFFER AN EXPANDED ASSORTMENT AND PRICING SPECTRUM

PRODUCT  
SELECTION  
& PURCHASE

GOOD

BETTER

BEST

PREMIUM /  
SPECIAL ORDER



<\$1,000

\$1,000–\$3,000

\$3,000–\$5,000

\$5,000+

DELIVERY

SERVICE &  
REPAIR

CUSTOMER  
JOURNEY

ASSORTMENT  
& PRICING

PRODUCT  
SELECTION  
& PURCHASE

DELIVERY

SERVICE &  
REPAIR

CUSTOMER  
JOURNEY

# SUCCESSFULLY LAUNCHED CONN'S HOMEPLUS' FIRST PRIVATE LABEL BRAND IN 2021



#1

SELLING MATTRESS  
BRAND

Good to Better

PRICE RANGE  
(QUEEN MATTRESS)

12

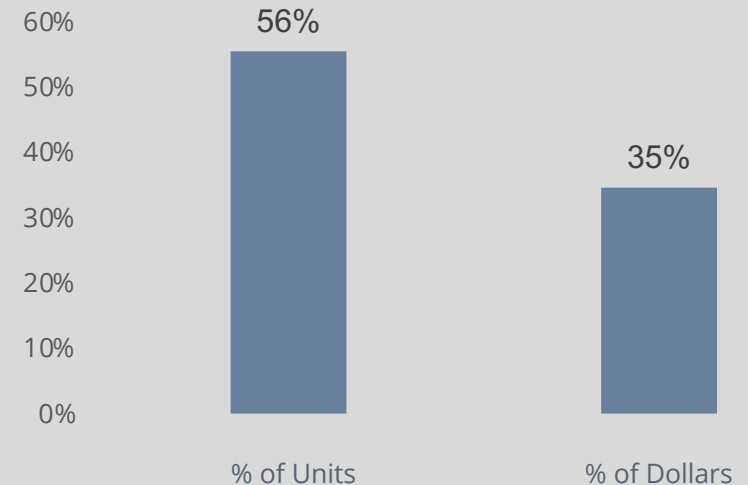
ITEM ASSORTMENT

~\$25M

PROJECTED YEAR 1 SALES



DREAMSPOT FY22 Q3 BALANCE ON SALE\*



\*Mattress and box spring sales excluding clearance

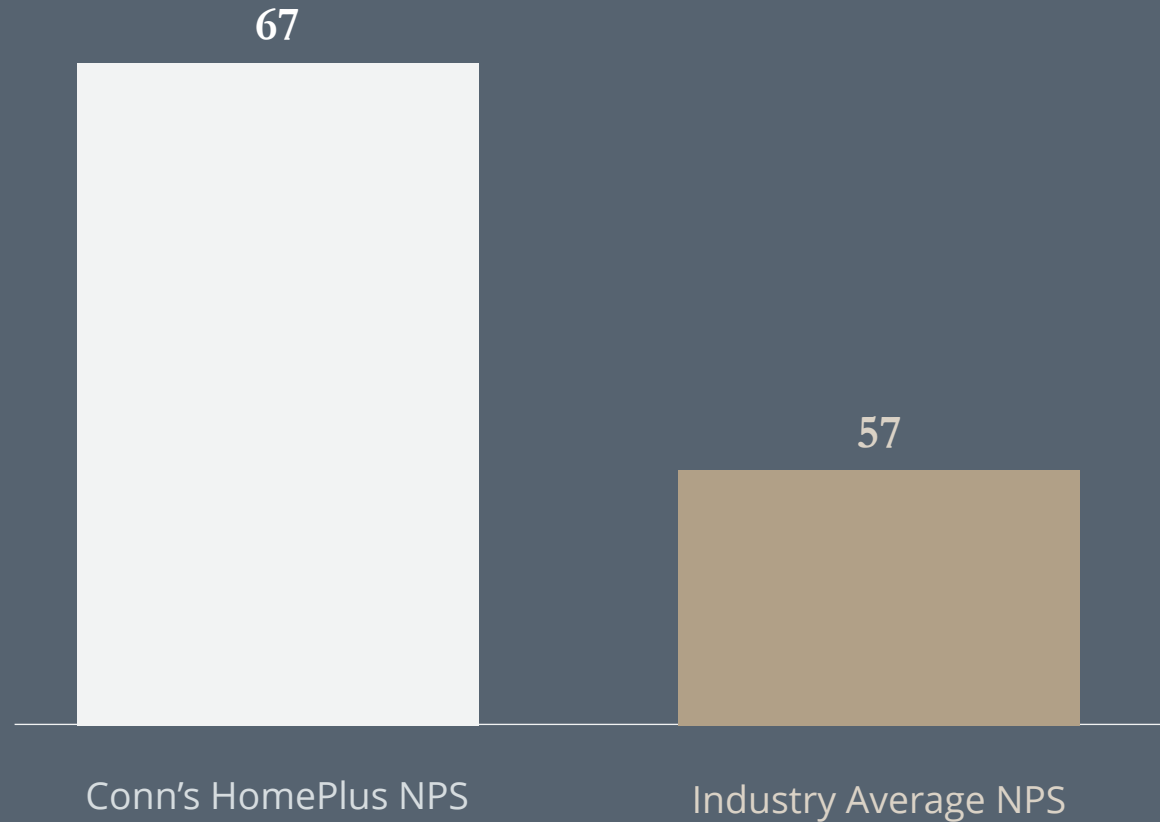


ASSORTMENT  
& PRICING

# OUR EMPLOYEES ARE WELL-INCENTIVIZED TO ACHIEVE EXCELLENCE IN CUSTOMER SERVICE AND PRODUCT KNOWLEDGE

▶ PRODUCT  
SELECTION  
& PURCHASE

## MEDALLIA RETAIL INDUSTRY BENCHMARKS



DELIVERY

SERVICE &  
REPAIR

CUSTOMER  
JOURNEY

Front Line  
Expertise

Integration  
with  
eCommerce

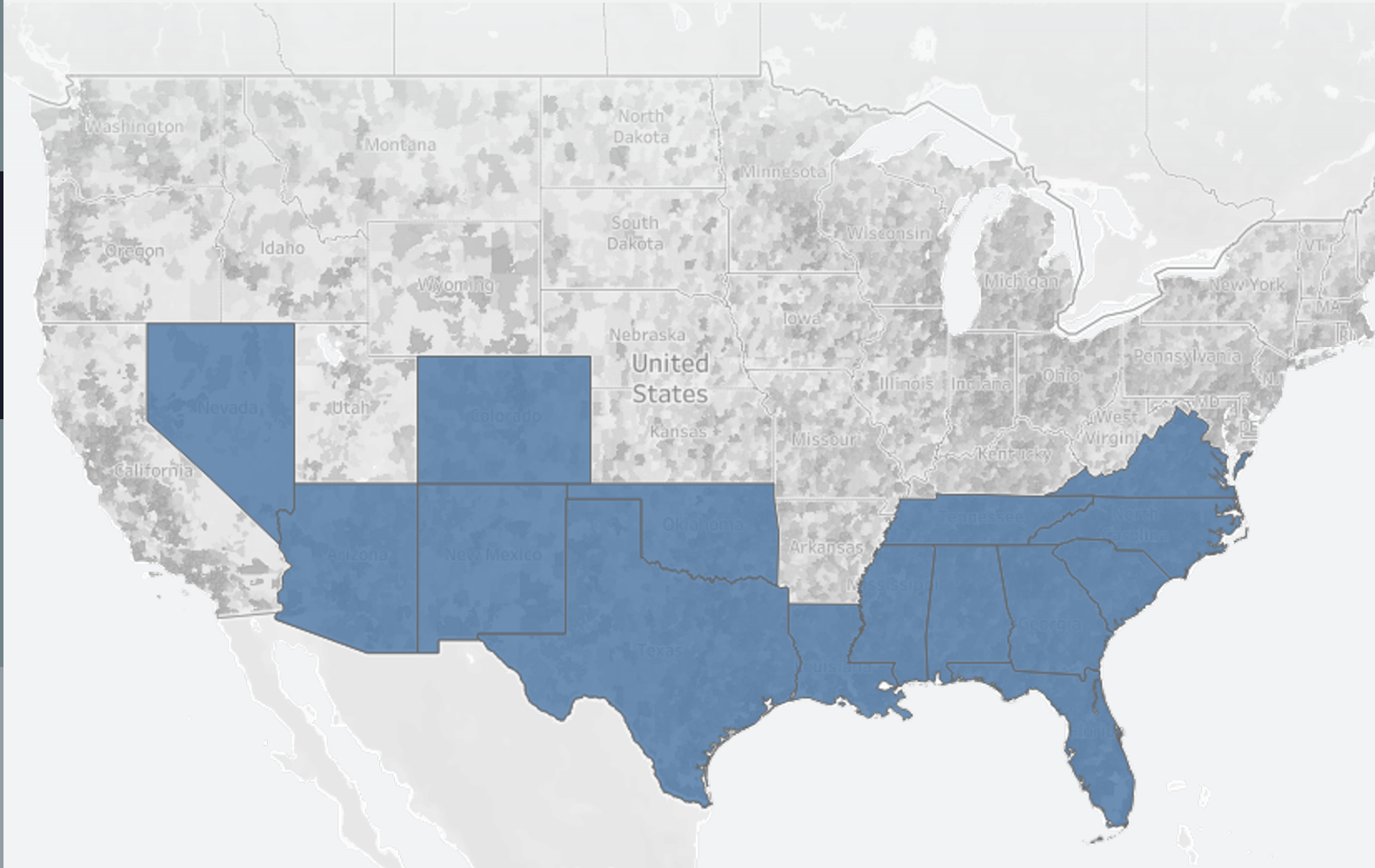
In-house  
Financing  
Options

## PRODUCT SELECTION & PURCHASE

## DELIVERY

## SERVICE & REPAIR

# CUSTOMER JOURNEY



# 15

## STATES

>70%

OF POPULATION  
IN THOSE STATES



ASSORTMENT  
& PRICING

PRODUCT  
SELECTION  
& PURCHASE

DELIVERY

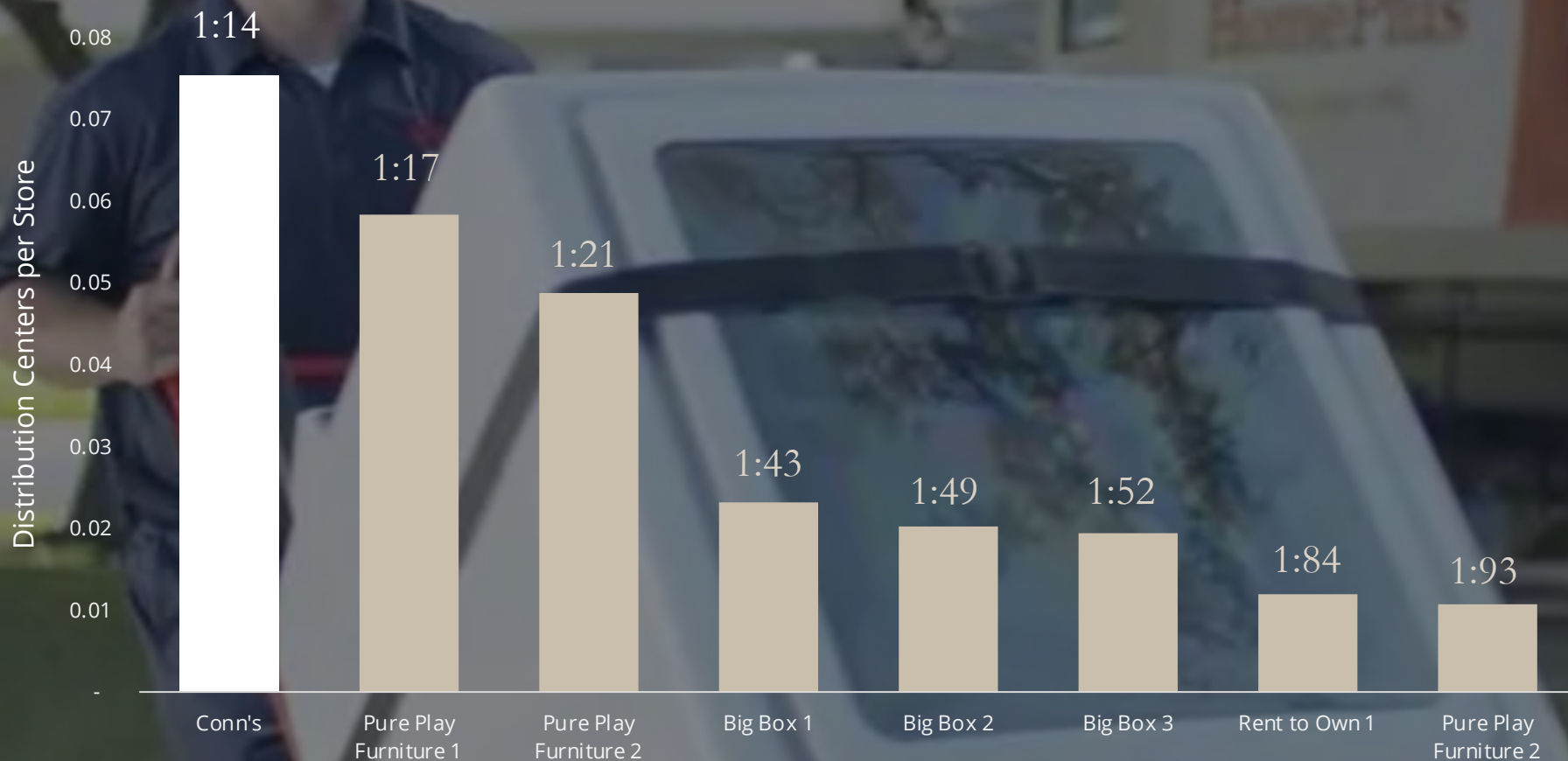
SERVICE &  
REPAIR

CUSTOMER  
JOURNEY

# OUR DISTRIBUTION CAPABILITIES ARE INDUSTRY-LEADING & DRIVE BEST-IN-CLASS DELIVERY SPEED



DISTRIBUTION CENTER : STORE RATIO



ASSORTMENT  
& PRICING

PRODUCT  
SELECTION  
& PURCHASE

DELIVERY

SERVICE &  
REPAIR

CUSTOMER  
JOURNEY

# OUR RELIABLE, SPEEDY INSTALLATION & SERVICE HAS CREATED CUSTOMER LOYALTY AND BOOSTED OUR ONLINE REPUTATION



## REPAIR NPS

~70

Conn's HomePlus  
In-house Service Team  
YTD

## REPAIR TIME

7 days

Conn's HomePlus  
In-house Service Team  
YTD

14 days

Industry  
AVG

95% of Appliance and TV Repairs are  
performed by Conn's HomePlus employees





ASSORTMENT  
& PRICING

PRODUCT  
SELECTION  
& PURCHASE

DELIVERY

SERVICE &  
REPAIR

CUSTOMER  
JOURNEY

## UNIFIED SERVICE APPROACH THAT BUILDS CUSTOMER CONNECTIVITY AND LOYALTY

Empowered  
to resolve  
customer  
pain points

Knowledgeable  
to assist with  
all shopping  
needs

Accountable  
to drive  
high-level  
NPS results

Engaged  
to take care  
of customer  
needs

---

Our dedicated sales associates are empowered to delight our customers beyond their expectations throughout their entire shopping journey.

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# VIDEO PLACEHOLDER



# ANIMATED MAP

# STORE GROWTH HAS BEEN HISTORICALLY STRONG



# A SUCCESSFUL NEW STORE OPENING REQUIRES THREE KEY COMPONENTS



Optimized Real Estate  
Selection and Renewals



Effective Go-to-Market  
Plan and Support



Strong Customer  
Value Proposition



# MARKET ECONOMICS OF OPENING A NEW STORE

## NEW STORE METRICS

**\$5-7M**

Average annual sales  
for new stores<sup>2</sup>

**3-4 yrs.**

Expected time until  
new store maturity

**1-3 yrs.**

Payback period

## NEW STORE COSTS TO BUILD

**~\$4M**

New store operating  
breakeven

**~\$0.3M**

Pre-opening SG&A expense<sup>1</sup>

**~\$1M**

Net capital investment<sup>3</sup>

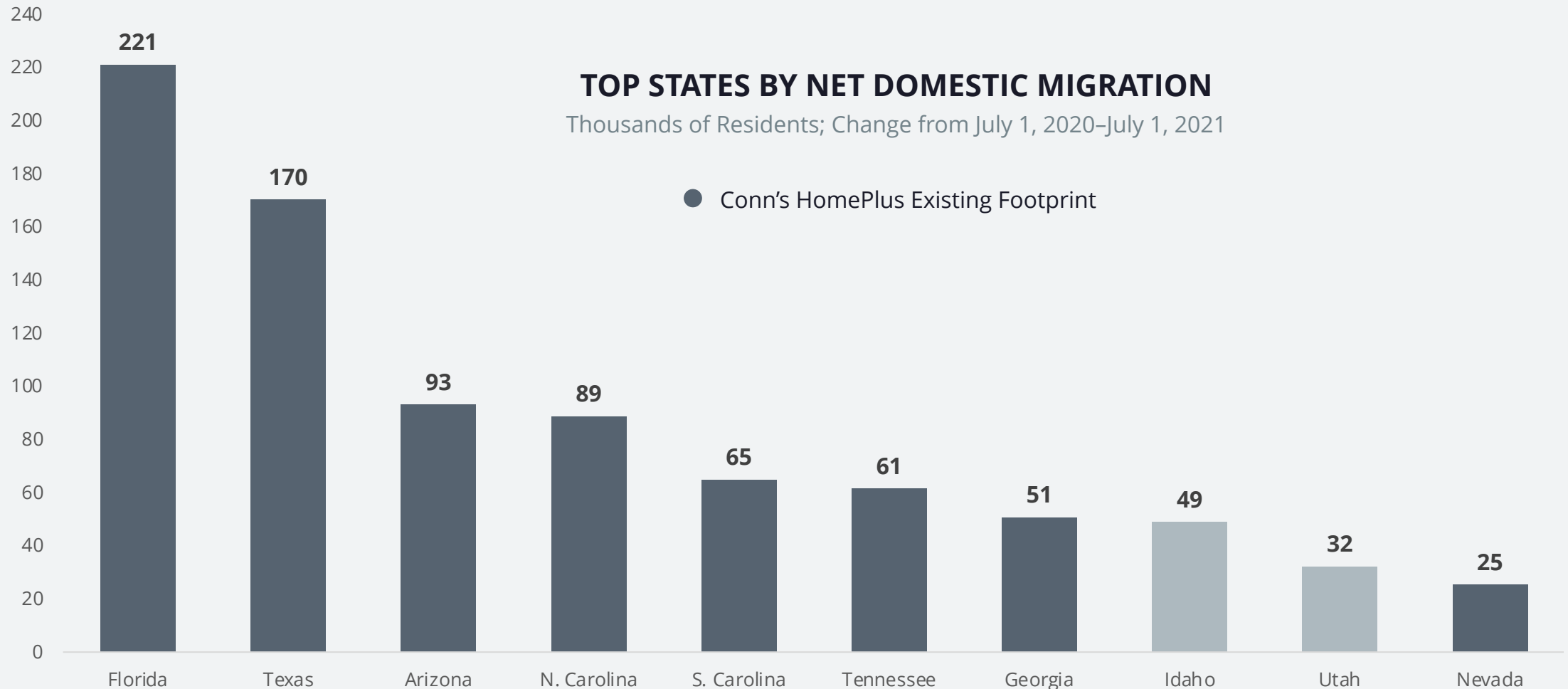
1. Starts ~6 months prior to opening

2. Represents standard box size/layout

3. New store Gross Capital Expenditure is \$1.7-2.5M



# OUR CURRENT FOOTPRINT WILL BENEFIT FROM STRONG DEMOGRAPHIC TAILWINDS



A photograph of a Conn's HomePlus retail store at dusk. The building is light-colored with large glass windows and doors. A sign above one entrance reads 'FURNITURE'. The main 'Conn's HomePlus' logo is prominently displayed on the right side of the building. In the foreground, a black car and a silver car are parked. Several large, semi-transparent white plus signs are overlaid on the bottom right of the image.

Our strong core model is *scalable*  
across new markets.



# GROWTH + OPPORTUNITY

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EVOLVE THE CREDIT BUSINESS

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TJ Fenton, Chief Credit Officer

# CREDIT BUSINESS HAS A SOLID FOUNDATION WITH ROOM TO GROW



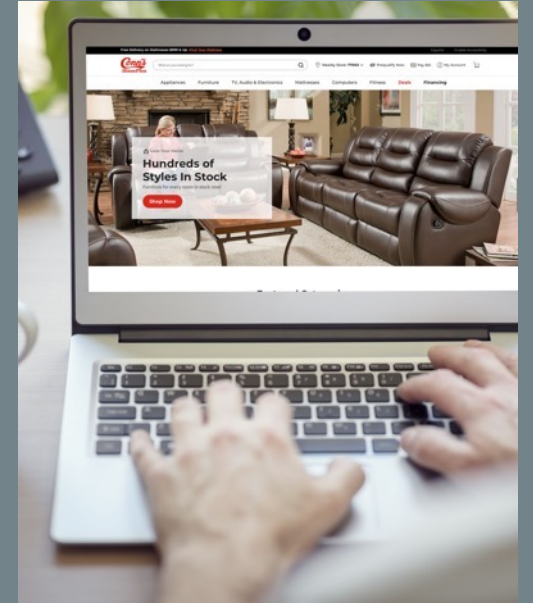
Payment Options  
Overview



Strong In-house  
Financing  
Performance



Opportunities  
Ahead



Digital  
Experience

# CONN'S OFFERS A MARKET LEADING PAYMENT OPTION SET



## PAYMENT OPTIONS OVERVIEW

	20%	18%	51%	11%
	Cash	PL Credit Card	In-House Financing	Lease to Own
<b>Product Type</b>	Cash or Personal Credit Card	Private Label Revolving Credit card	Installment loan	Lease with buyout option
<b>Product Summary</b>	Cash at sale	Highest credit quality \$2k–6.5k credit limit 0% for 12–60 months 19.99% APR on Revolving balance	Most used financing option \$1.5k–7.5k installment loan 0% for 12 months option 19%–36% APR 36-month term	Most accessible financing option Average \$1.5k credit limit Typically 12–18 month lease No interest if paid in full within 90 days
<b>Financially Responsible Party</b>	N/A	Synchrony	Conn's	American First Financial & Acima

\* Based upon Q3 FY22 LTM



## PAYMENT OPTIONS OVERVIEW

# CONN'S HOMEPLUS UNDERWRITES & CARRIES A PORTFOLIO OF DEBT, ENABLING IN-HOUSE FINANCING

## STRONG IN-HOUSE FINANCING PERFORMANCE

## OPPORTUNITIES AHEAD

## DIGITAL EXPERIENCE

**\$1.1B**  
PORTFOLIO BALANCE<sup>1</sup>

**~40-50%**  
of business from  
existing customers<sup>2</sup>

**~\$670M/yr.**  
Originations<sup>2</sup>

**36 mos.**  
Typical Term

**22.6%**  
NET YIELD<sup>2</sup>

**19-36%**<sup>2</sup> APR  
Varies by state<sup>2</sup>

**9.6%**  
Losses-6 mos.  
Significant improvements to credit  
quality of originations

**TARGET ~1,000bps**  
SPREAD

Currently performing  
above target

Operating margin  
opportunity as portfolio  
grows

Improve financials  
associated with in-house  
financing

**COMPLIANCE  
LAYERS OF  
DEFENSE**

Board level Compliance  
Committee alignment with  
key areas of the business

Compliance involvement  
in the design of new  
processes

Perform monthly  
monitoring of 50+ areas  
covering origination,  
servicing and collections

1. As of Oct 31, 2021  
2. Based upon LTM

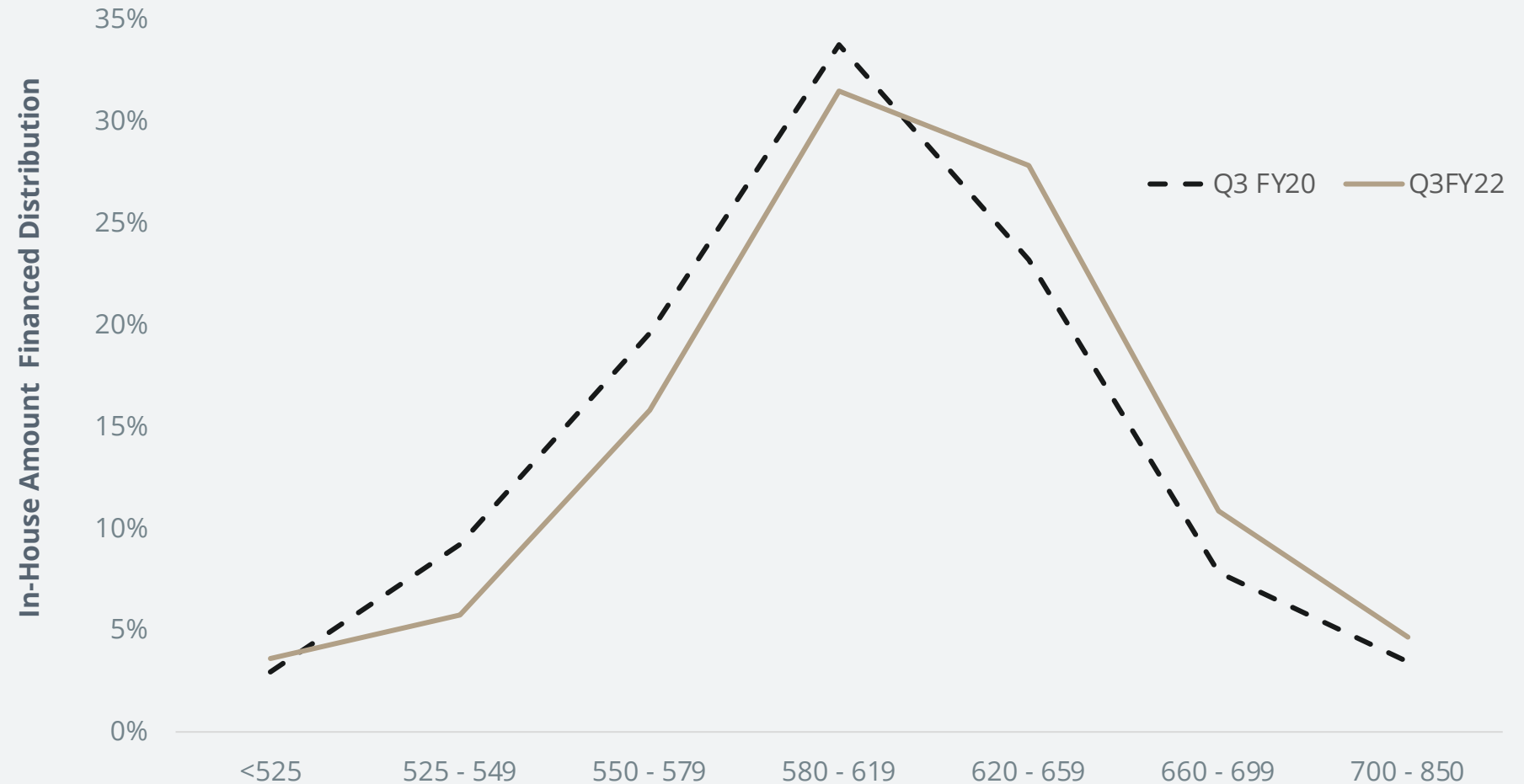
PAYMENT  
OPTIONS  
OVERVIEW

# IN-HOUSE FINANCING ORIGINATIONS SHIFTING UP CREDIT SPECTRUM

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE



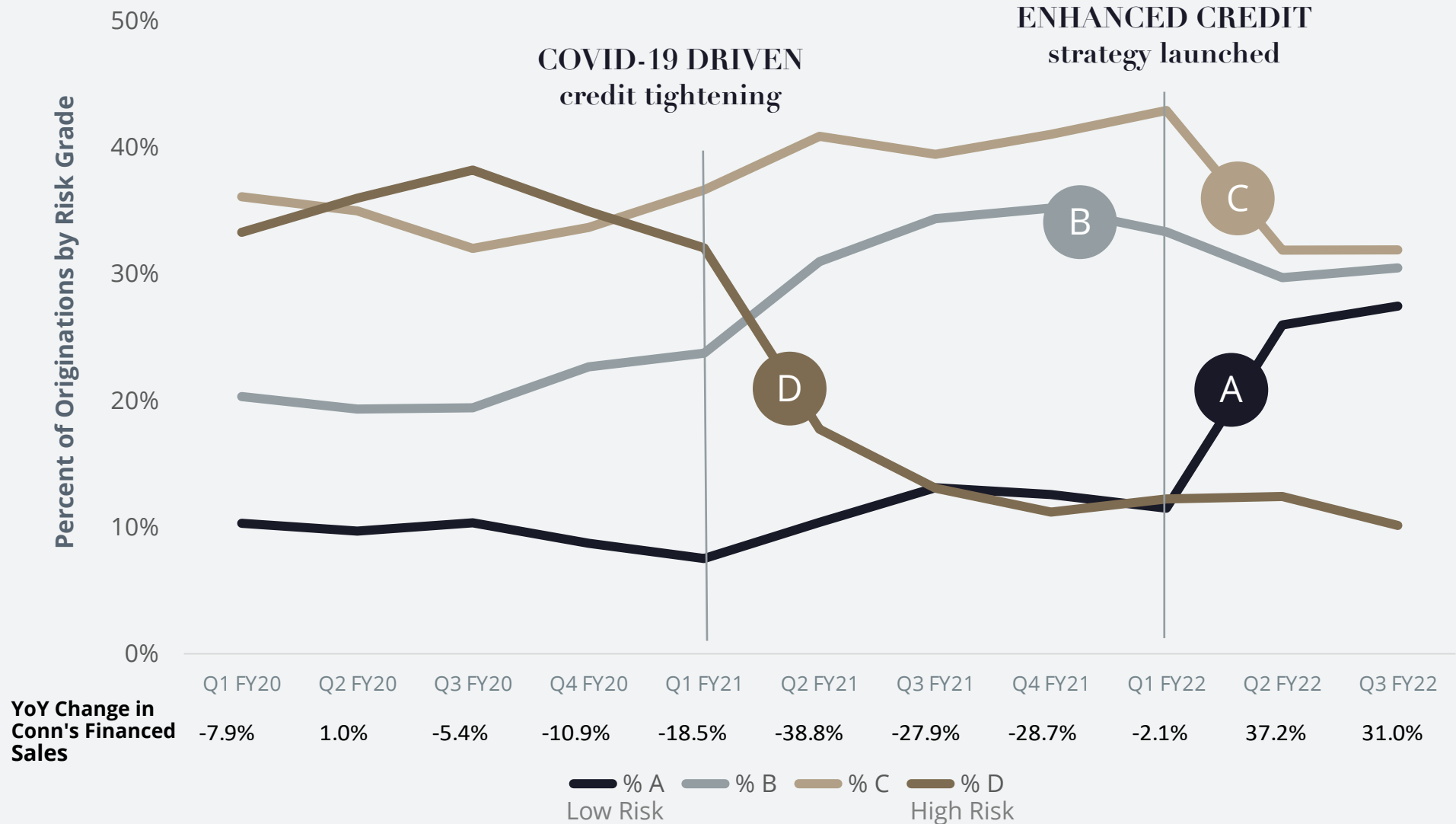
# SIGNIFICANT UNDERWRITING IMPROVEMENTS BOOSTED ORIGINATION QUALITY

PAYMENT  
OPTIONS  
OVERVIEW

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE





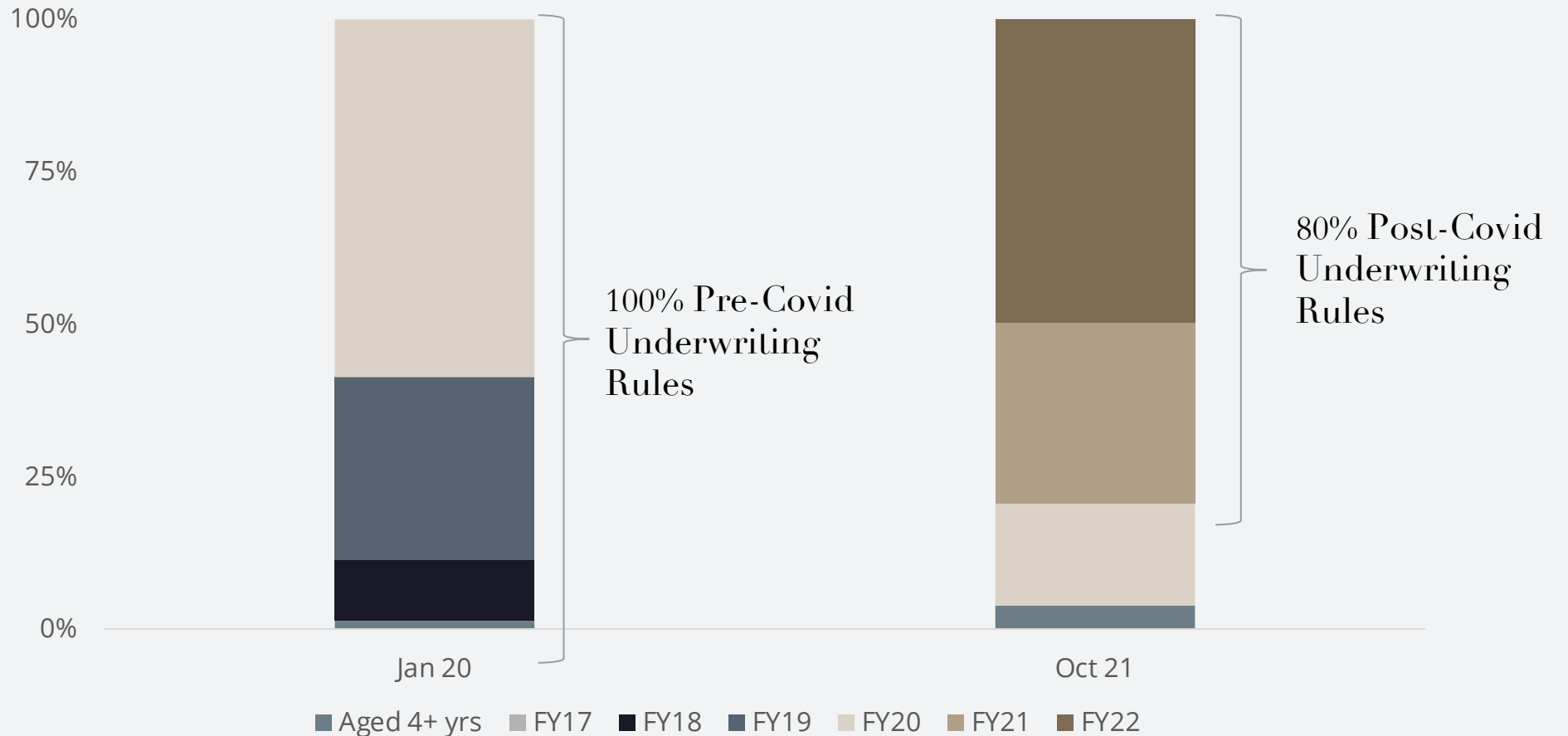
PAYMENT  
OPTIONS  
OVERVIEW

# 80% OF CURRENT IN-HOUSE PORTFOLIO BOOKED UTILIZING POST-COVID UNDERWRITING STRATEGIES

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE



\*Aged accounts were booked 4+ years prior to each period

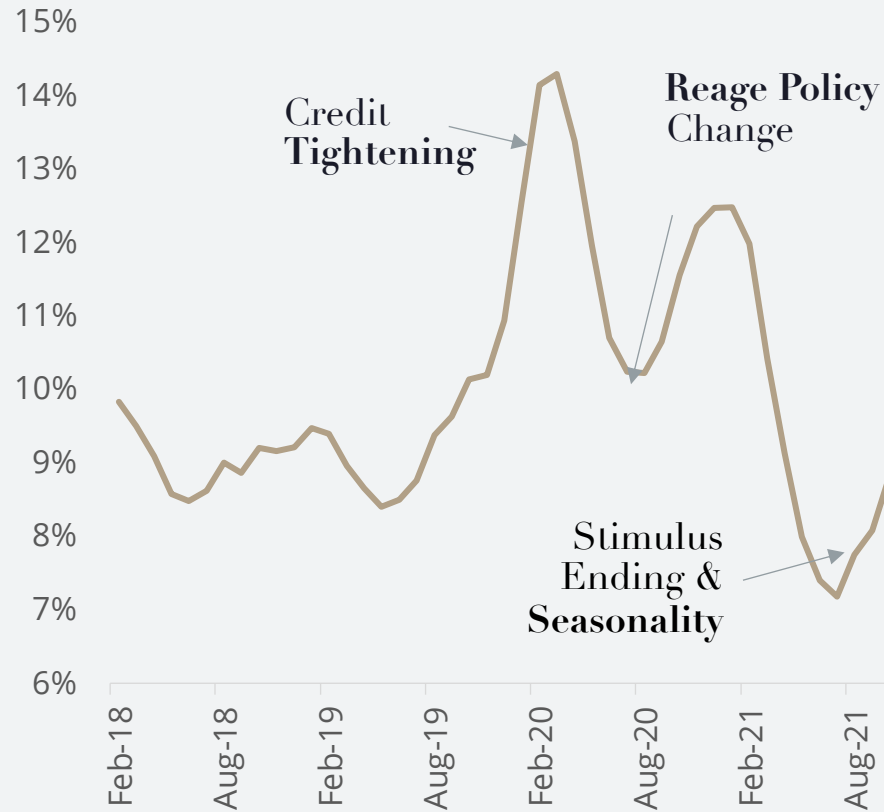
# KEY PORTFOLIO RISK INDICATORS HAVE SHOWN SIGNIFICANT IMPROVEMENT

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

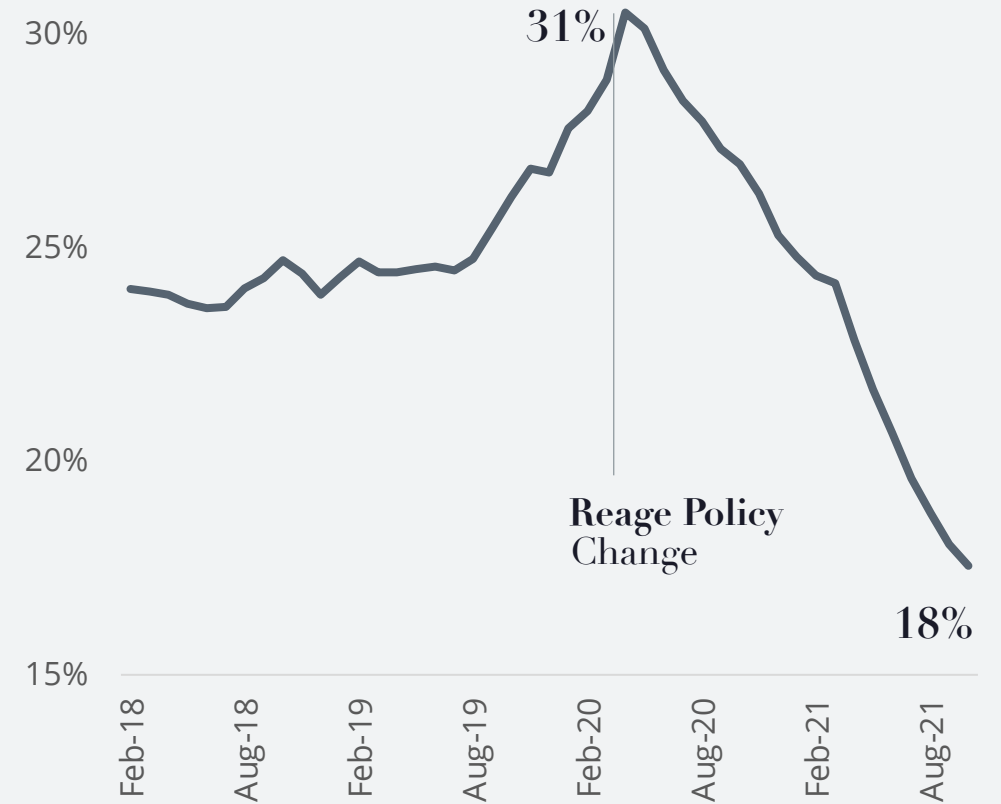
OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE

**PORTFOLIO 60+ % DELINQUENCY**



**TOTAL REAGE NET BALANCE %**



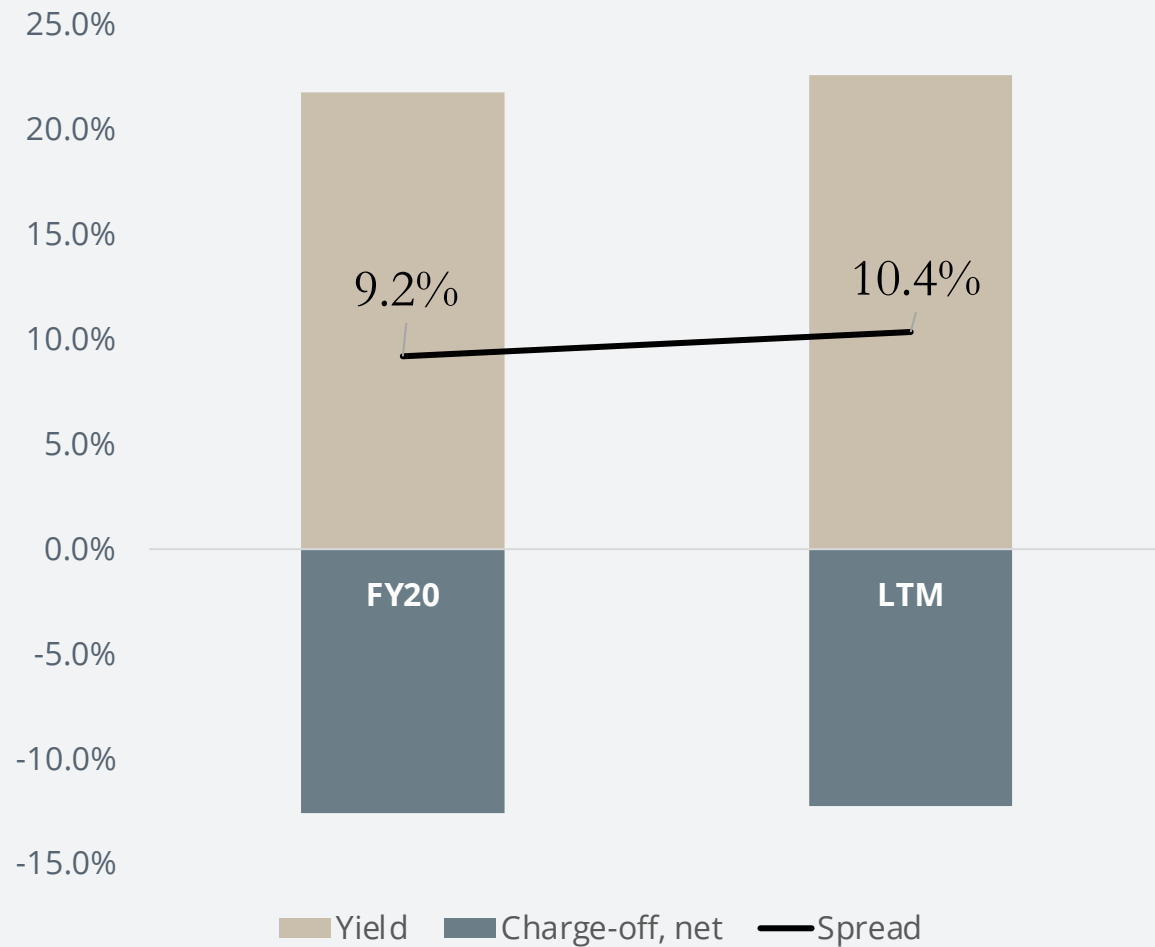
PAYMENT  
OPTIONS  
OVERVIEW

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE

# THESE EFFORTS HAVE ENABLED CONN'S HOMEPLUS TO ACHIEVE OUR TARGET SPREAD





PAYMENT  
OPTIONS  
OVERVIEW

# SEVERAL GROWTH OPPORTUNITIES EMERGE ACROSS OUR CREDIT OFFERINGS

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

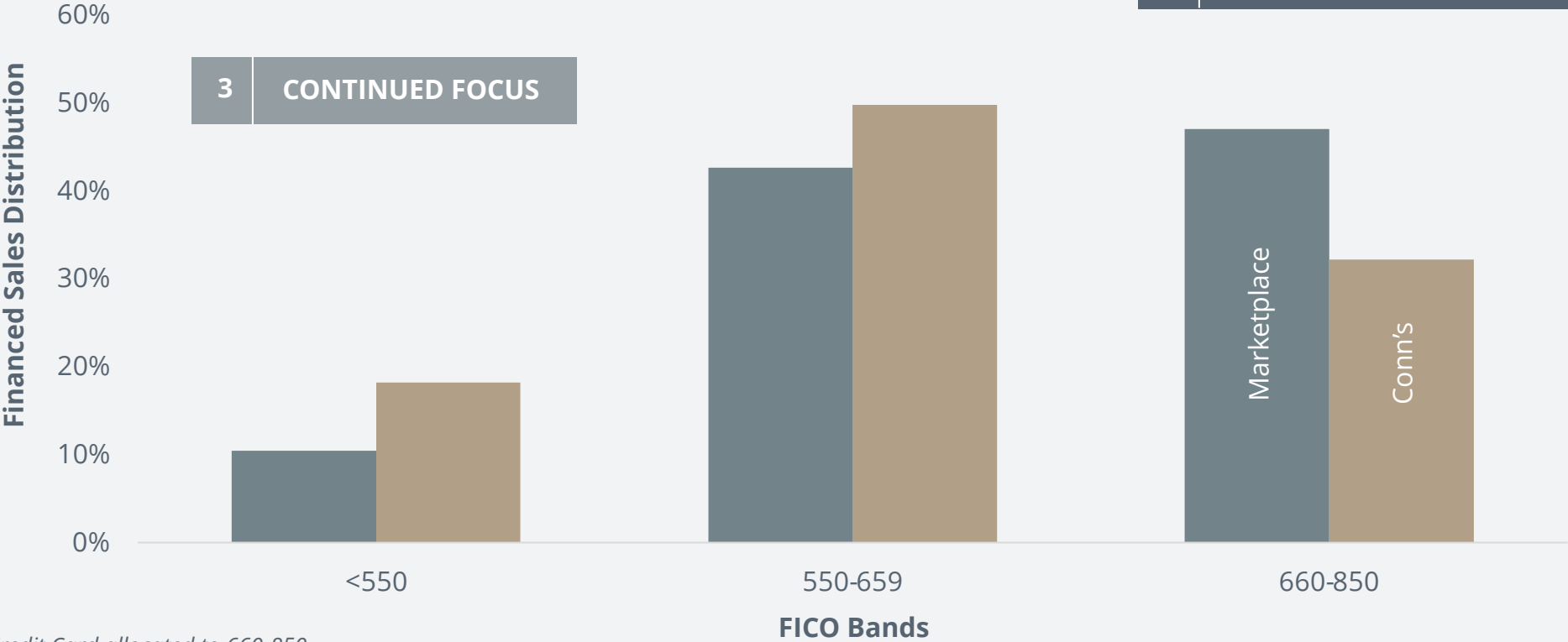
▶ OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE

1 | OPTIMIZING CORE BUSINESS

2 | PURSUING OPPORTUNITIES

3 | CONTINUED FOCUS



1. PL Credit Card allocated to 660-850  
 2. LTO allocated to <550  
 3. Marketplace comparison based upon unsecured installment lending

PAYMENT  
OPTIONS  
OVERVIEW

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

▶ OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE

# SEVERAL OPPORTUNITIES TO CONTINUE OPTIMIZATION OF CONN'S HOMEPLUS LOAN

Credit Offer  
Engine

Additional  
Data  
Sources  
Attributes

Improved  
Fraud  
Tools

Continually  
Enhanced  
Underwriting  
Strategies

1

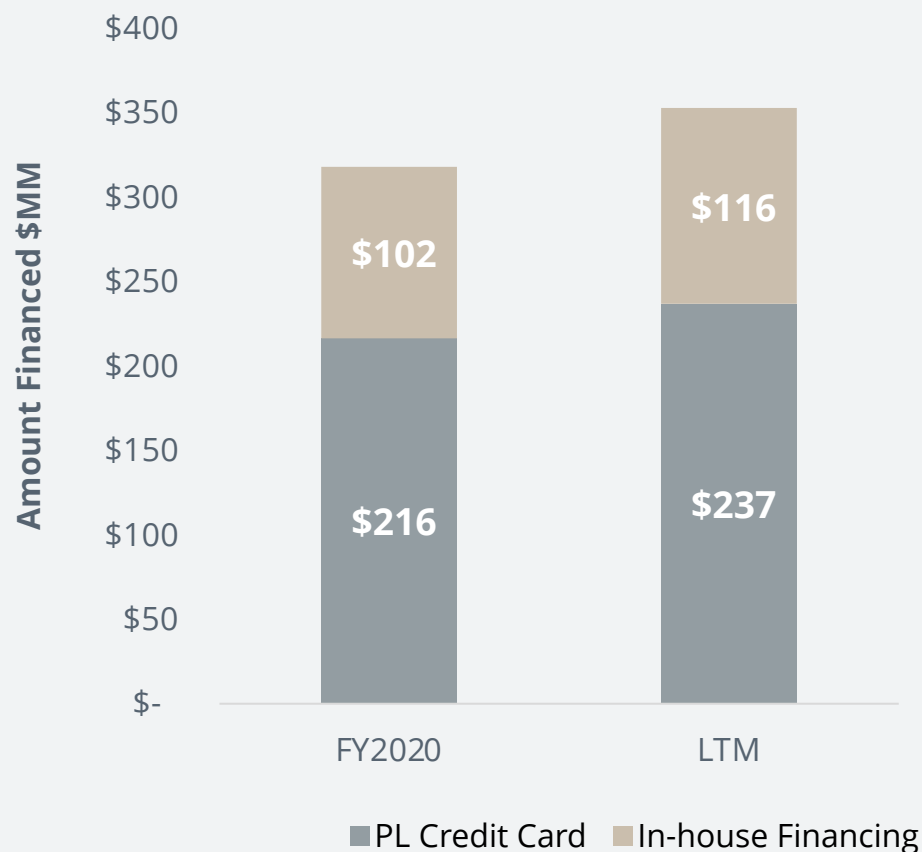
OPTIMIZING CORE BUSINESS



PAYMENT  
OPTIONS  
OVERVIEW

## WORKING TO BETTER SERVE 660+ CUSTOMER SEGMENT

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE



6%  
Total  
CAGR

Improved offer strategy  
including: promotional rates,  
APR, term and credit limit

8%  
In-house  
Financing  
CAGR

Explore opportunities to  
better integrate with PL Credit  
Card partners and optimize  
customer experience

5%  
PL Credit  
Card CAGR

DIGITAL  
EXPERIENCE

PAYMENT  
OPTIONS  
OVERVIEW

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

▶ OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE

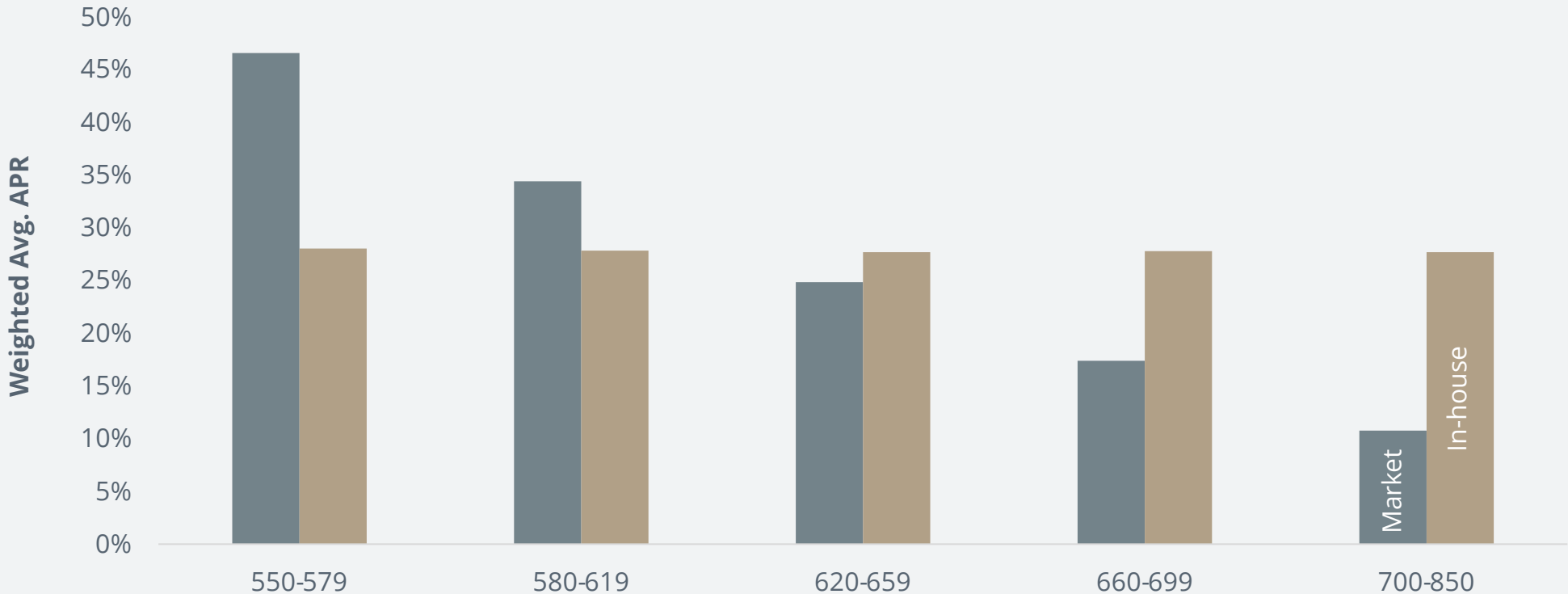
# CURRENT IN-HOUSE APR STRATEGY IS SUBOPTIMIZED FOR >660 CUSTOMERS

1

OPTIMIZING CORE BUSINESS

2

PURSUING OPPORTUNITIES



1

OPTIMIZING CORE BUSINESS

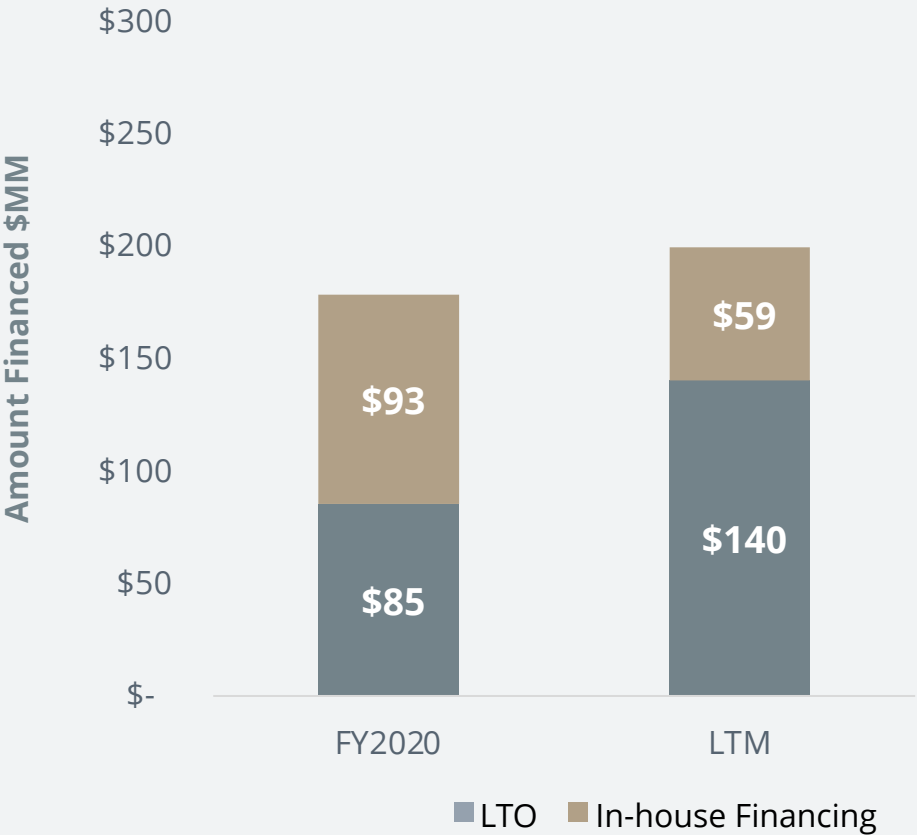
2

PURSUING OPPORTUNITIES

Market data based on installment loans booked within Conn's footprint between July and Sept CY 2021



# CONTINUED FOCUS ON OUR <550 CUSTOMER SEGMENT



7%

Total  
CAGR

New partnerships drove significant improvement in LTO captured sales

-23%

In-house  
Financing  
CAGR

Continued opportunity to integrate customer experience and optimize portfolio of offerings

33%

LTO\* CAGR

\*LTO = Lease to Own

CAGR based upon 1.75 yrs

# EXCITING DIGITAL OPPORTUNITIES & INTERLOCKS WITH eCOMMERCE INVESTMENT

PAYMENT  
OPTIONS  
OVERVIEW

STRONG IN-HOUSE  
FINANCING  
PERFORMANCE

OPPORTUNITIES  
AHEAD

DIGITAL  
EXPERIENCE

		Prior State	Current Future State
Digital ID	DIGITAL ID VERIFICATION	Manually Verified	Digitally Verified
	DIGITAL APPLICATION	Longer credit application, multiple fields and screens Fields not pre-populated	Streamlined application, including pre-populated fields
Enhanced Application	LTO APPLICATION	Not included in Credit Card or In-House Financing application	Singular Application for all payment options, including LTO
	PREQUALIFICATION	Available for In-house financing	Available for all payment options
Offers	PAYMENT OPTIONS	Only shows 1 payment option Best fit determined by customers credit eligibility	All available payment options are displayed Customer identifies which best meets their needs
	OFFER	Promotional financing focused on 0%	Enhanced promotional financing to include fixed rates and term variability

# ECOMMERCE + DIGITAL EXPERIENCE

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ACCELERATE GROWTH

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Chandra Holt, President & Chief Executive Officer

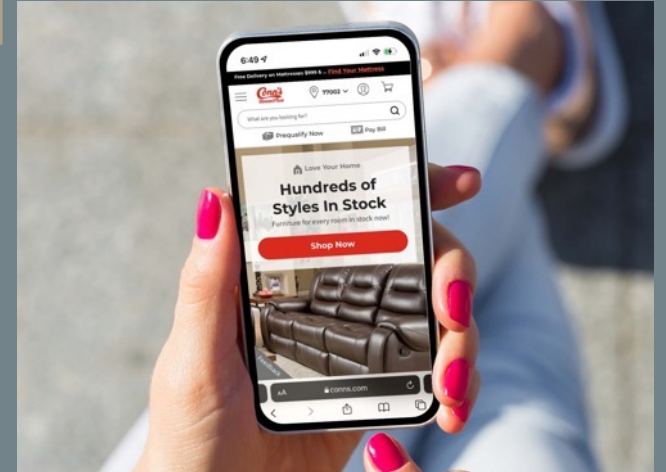
# OUR DIGITAL LANDSCAPE



Current  
State



Full  
Potential



Digital  
Experience



# HISTORICAL eCOMMERCE PERFORMANCE: SUCCESSFUL RECENT GROWTH

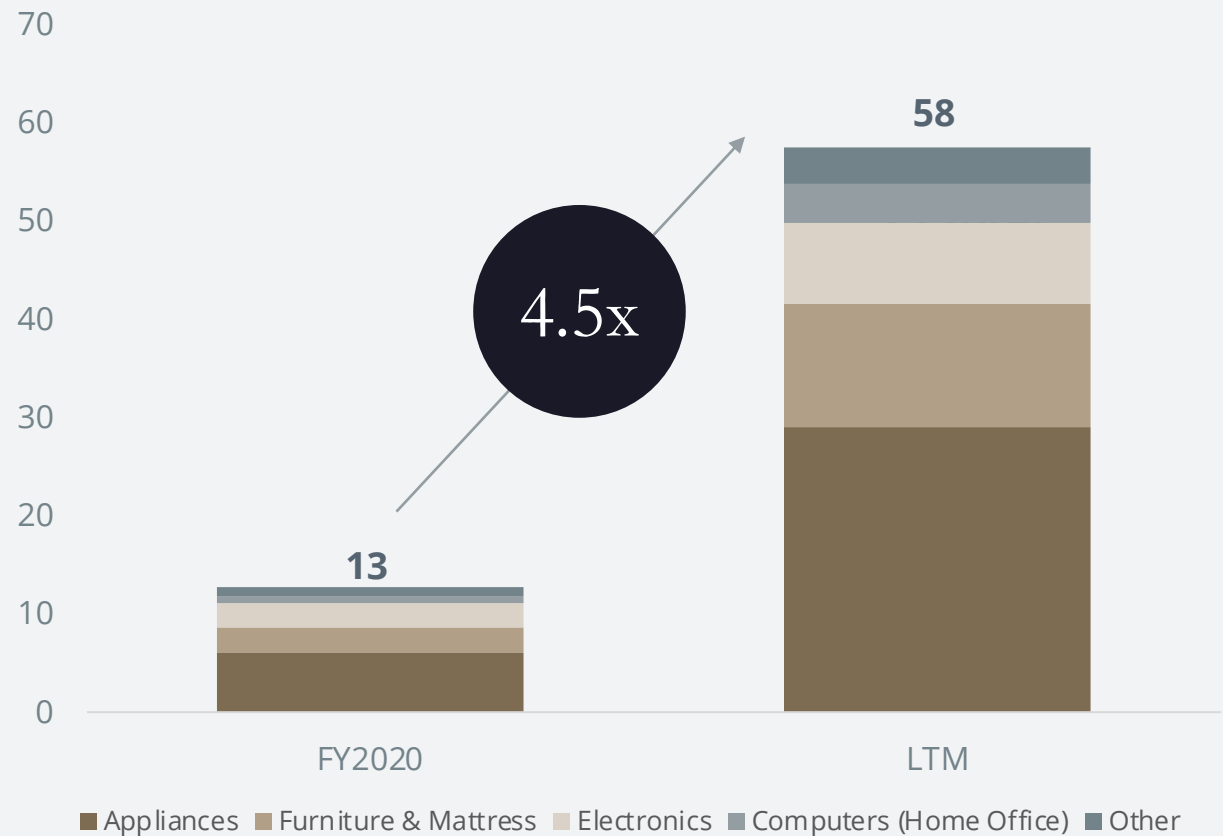
CURRENT  
STATE

FULL  
POTENTIAL

DIGITAL  
EXPERIENCE



**GROWTH ACROSS ALL PRODUCT CATEGORIES (\$M)**



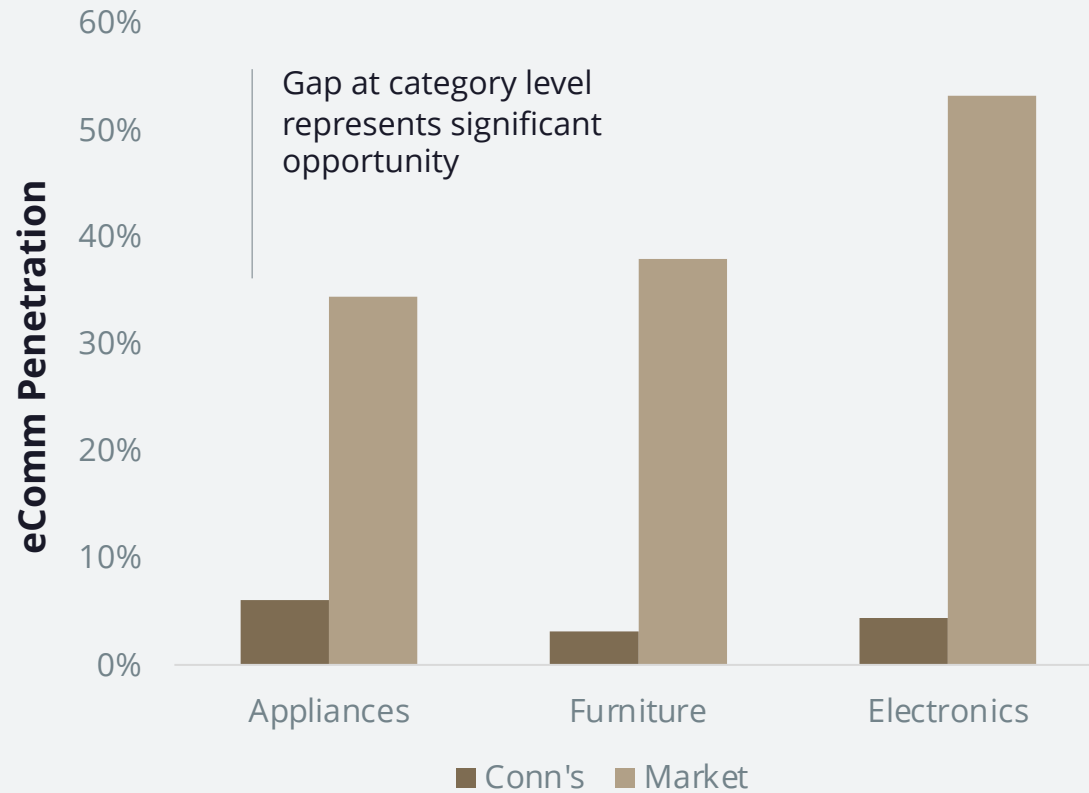
# GAP TO FAIR SHARE / HEAD ROOM

CURRENT  
STATE

FULL  
POTENTIAL

DIGITAL  
EXPERIENCE

## CATEGORY LEVEL OPPORTUNITY



Market Parity  
Opportunity  
**>\$500M**

3-Year Goal  
**>\$300M**

# HOW WILL WE GROW THE BUSINESS?

CURRENT STATE

FULL POTENTIAL

DIGITAL EXPERIENCE

$$\text{Traffic} \times \text{Conversion} \times \text{AOV} = \text{REVENUE}$$

			LTM
25M+	22bps	\$930	\$58M



Improving conversion will drive an increase in revenue

~150bps

3-YEAR GOAL

>\$300M

CURRENT  
STATE

# OUR ECOMMERCE BUSINESS IS COMPRISED OF THREE COMPONENTS



Product Value  
Proposition

Assortment

Pricing

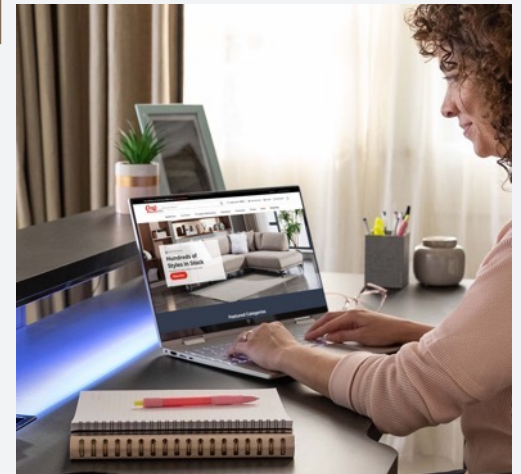


Distribution  
Capabilities

Fast  
Delivery

Delivery  
Cost

In Stock



Digital  
Experience

Digital  
Capabilities

Unified  
Commerce

FULL  
POTENTIAL

DIGITAL  
EXPERIENCE

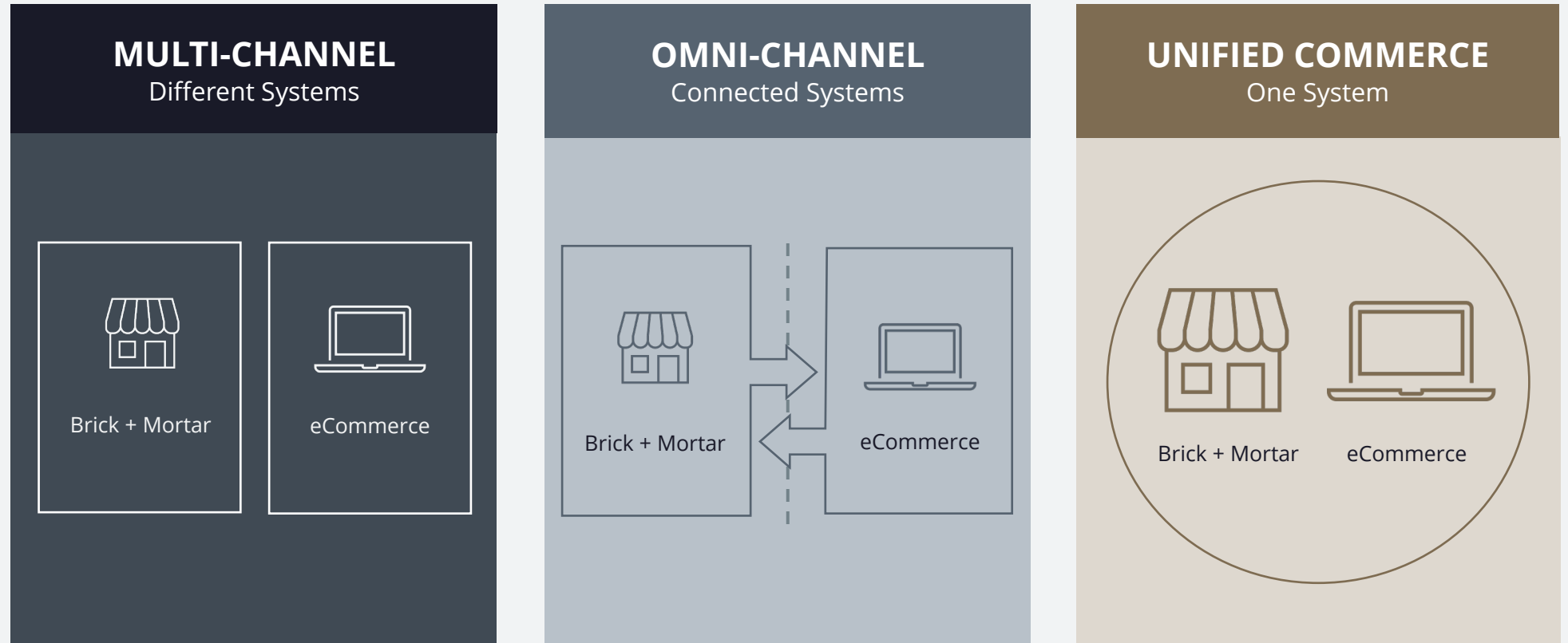


# UNIFIED COMMERCE STREAMLINES CUSTOMER INTERACTIONS AND BUSINESS PROCESSES INTO ONE SYSTEM

CURRENT  
STATE

FULL  
POTENTIAL

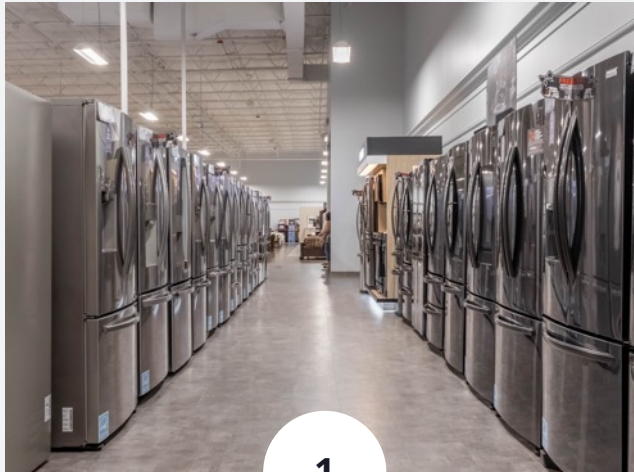
DIGITAL  
EXPERIENCE



A person is sitting at a desk, holding a tablet and looking at a presentation. In the background, a computer monitor displays an email conversation. The scene is dimly lit, with the primary light source coming from the screen of the tablet and the monitor.

Our digital strategy is the  
*foundation* of our sales goals.

# OUR STRATEGIC PRIORITIES WILL ENHANCE VALUE FOR OUR SHAREHOLDERS



1

Strengthen  
the Core



2

Enhance the  
Credit Business



3

Accelerate  
eCommerce Growth

# WE ARE REBRANDING CONN'S HOMEPLUS

---

Our rebrand is our strategic accelerator that will modernize our brand and better support our value proposition.



# OUR 3 YEAR PRIORITIES

By delivering on our strategic priorities, we believe that we can substantially grow our business.

~\$2.0-2.2B

REVENUE GOAL

High Single  
Digit

EBIT MARGIN GOAL



EVOLVING OUR VALUE PROPOSITION  
TO ATTRACT MORE CUSTOMERS



WEAVING ESG  
INTO WHO WE ARE



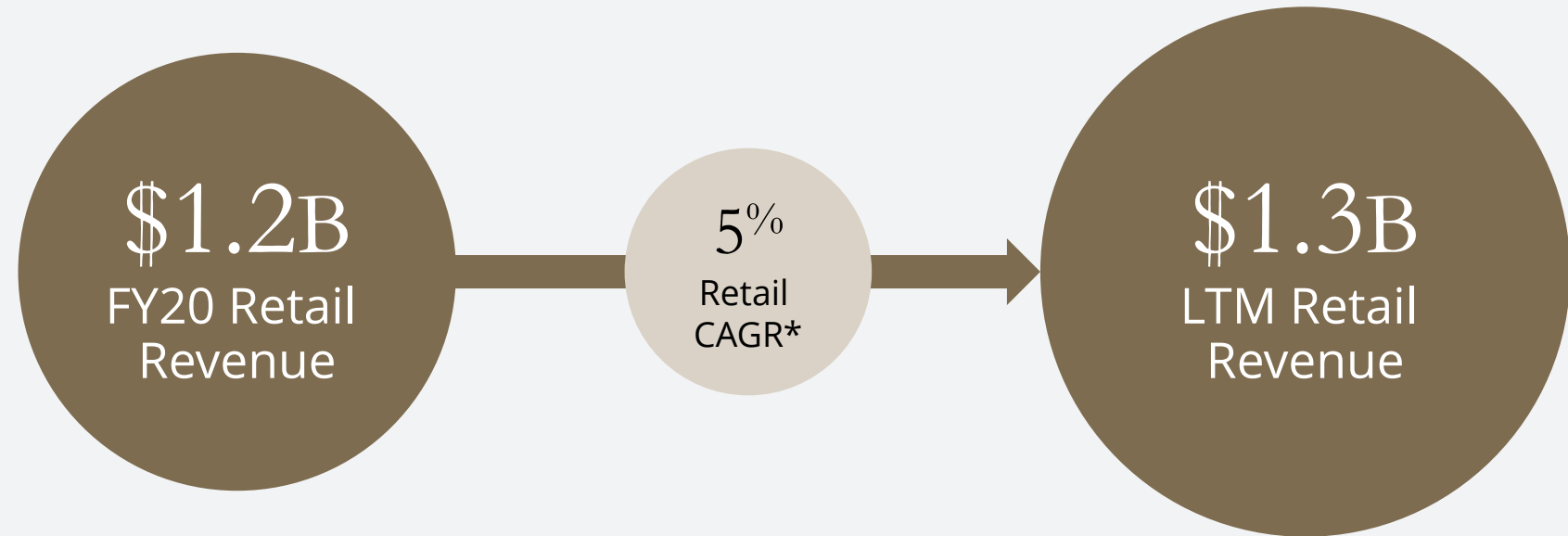
# FINANCES + KPIs + SHAREHOLDER VALUE

George Bchara, Chief Financial Officer

RECENT  
PERFORMANCE

# OUR CORE RETAIL BUSINESS HAS DELIVERED STRONG REVENUE GROWTH OVER THE PAST 2 YEARS

3 YEAR  
AMBITION



\*CAGR is 1.75 years

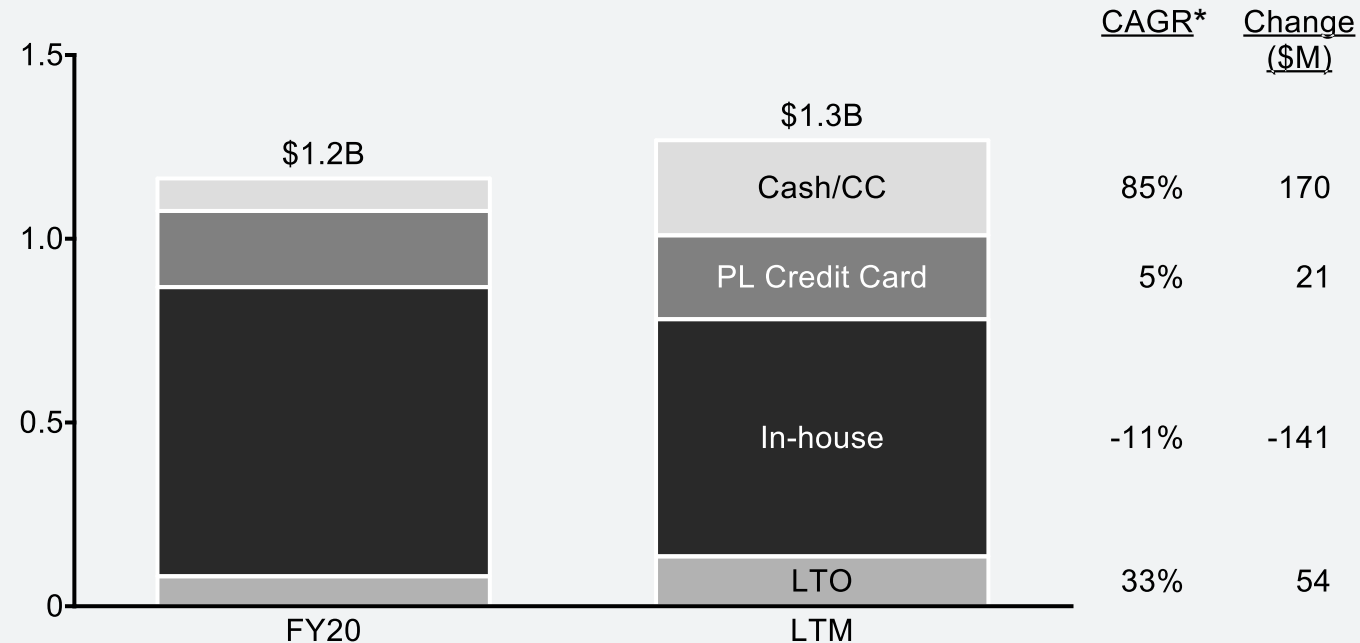
# WE HAVE GROWN REVENUES WHILE CAPTURING ADDITIONAL CUSTOMER SEGMENTS

RECENT  
PERFORMANCE

3 YEAR  
AMBITION

CAPITAL  
CONSIDERATIONS

Retail Segment Revenue  
(\$B)



**\$191M**  
Upmarket  
Revenue  
Growth

**\$141M**  
High Risk  
Financing  
Reduction

\*CAGR is 1.75 years



# RETAIL GROSS MARGINS DECLINED AS SALES MIX SHIFTED TOWARDS CASH / THIRD-PARTY FINANCING

RECENT  
PERFORMANCE

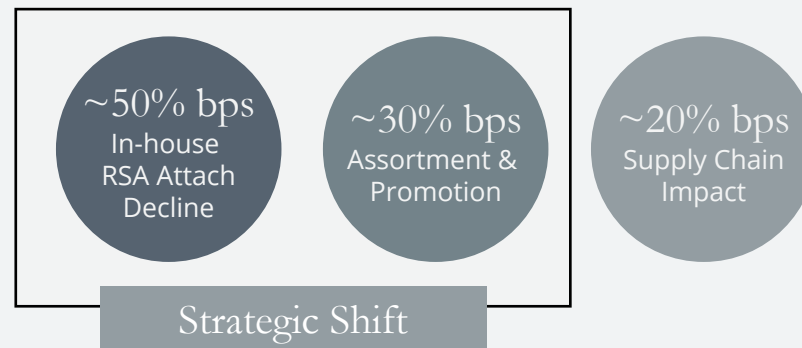
3 YEAR  
AMBITION

Retail Gross Margin  
(% Revenue)



290 bps

Decline in retail  
gross margin



CAPITAL  
CONSIDERATIONS

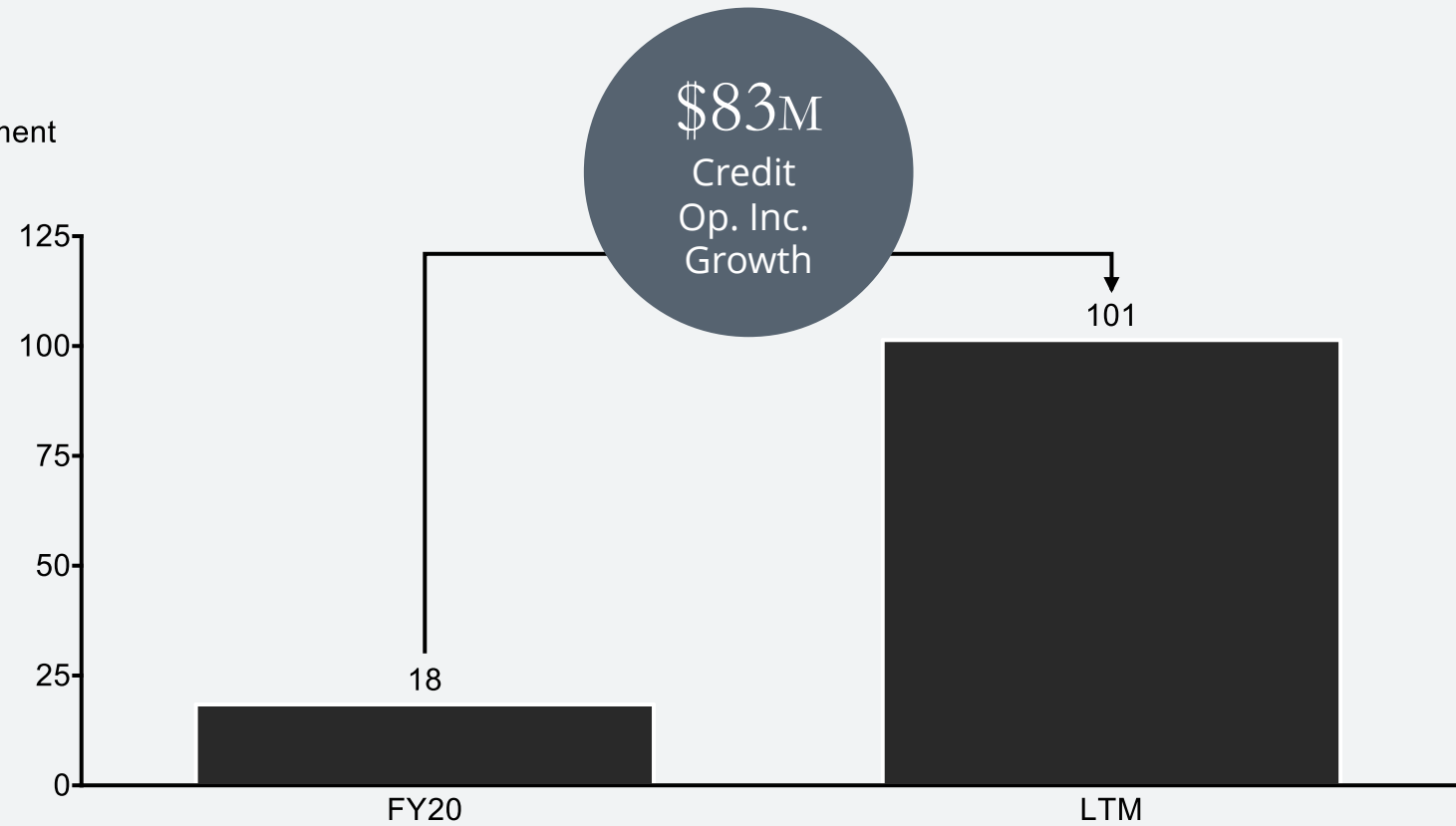
# OUR IN-HOUSE FINANCING UPMARKET SHIFT HAS DRIVEN HIGHER CREDIT OPERATING INCOME

RECENT  
PERFORMANCE

3 YEAR  
AMBITION

CAPITAL  
CONSIDERATIONS

Credit Segment  
(\$M)



\$45M  
LTM Provision

\$143M  
LTM Charge-offs

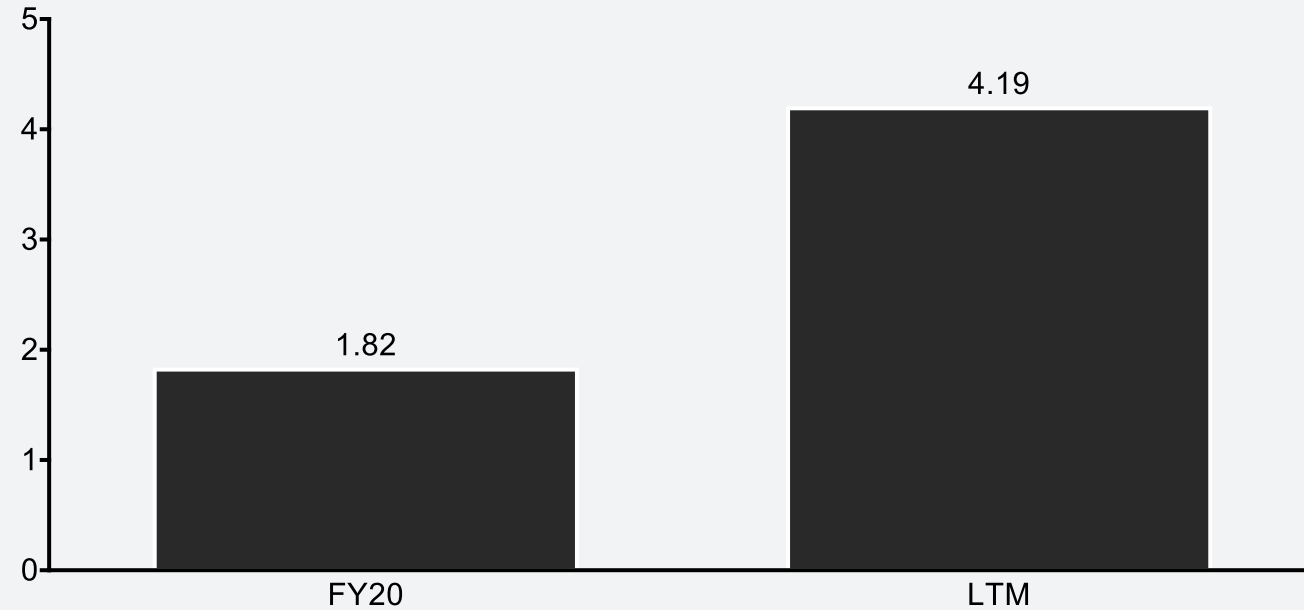
(\$98M)  
LTM Change in Allowance

RECENT  
PERFORMANCE

# OVERALL, WE HAVE DRIVEN STRONG BOTTOM-LINE PERFORMANCE

3 YEAR  
AMBITION

GAAP EPS (\$)



\$2.37  
GAAP EPS  
Growth

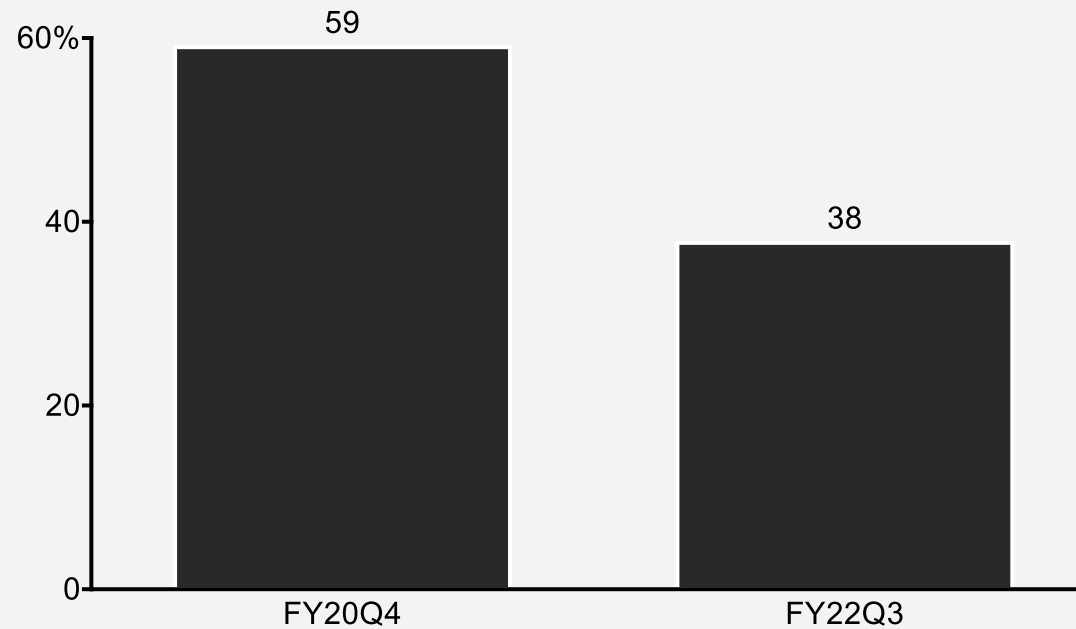
CAPITAL  
CONSIDERATIONS

RECENT  
PERFORMANCE

# WE HAVE ALSO SIGNIFICANTLY IMPROVED OUR BALANCE SHEET

3 YEAR  
AMBITION

Net Debt as % of Portfolio Balance



36%  
Reduction of  
Relative  
Net Debt

5.5%  
Cost of Funds  
LTM

CAPITAL  
CONSIDERATIONS

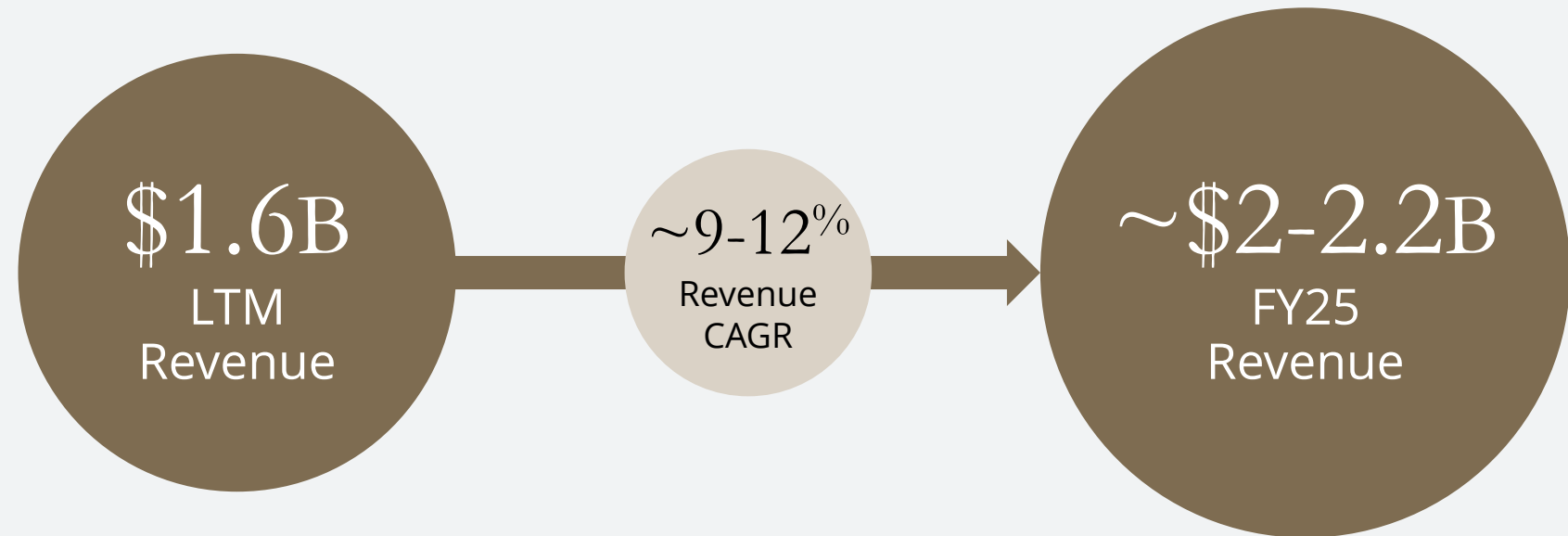


RECENT  
PERFORMANCE

3 YEAR  
AMBITION

CAPITAL  
CONSIDERATIONS

## OUR 3-YEAR GOAL



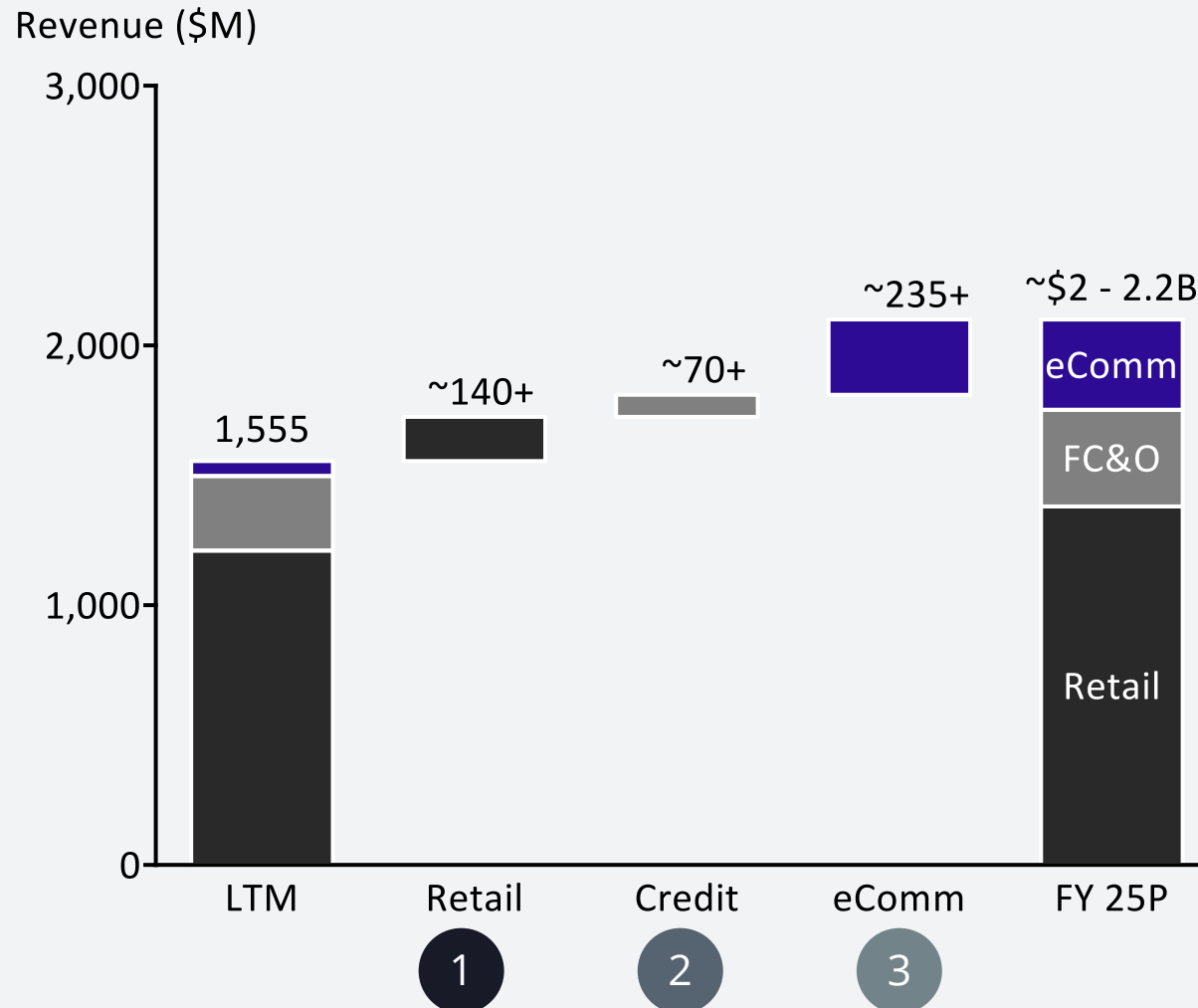
~30-40%  
TOTAL GROWTH REVENUE

# DELIVER GROWTH ACROSS THREE KEY REVENUE OPPORTUNITIES

RECENT  
PERFORMANCE

3 YEAR  
AMBITION

CAPITAL  
CONSIDERATIONS



- 1 Strengthen the core and expand geographically
- 2 FC&O growth with retail sales lift and from optimized credit offerings
- 3 20% eCommerce penetration assumption of total retail revenue

# PROFIT TARGET AND PATH

RECENT  
PERFORMANCE

3 YEAR  
AMBITION



Change in  
assortment  
& price range

Increased  
eComm  
penetration  
& increased  
sales volume

Higher  
operating  
leverage

Continued  
credit business  
optimization

EBIT margin  
contribution

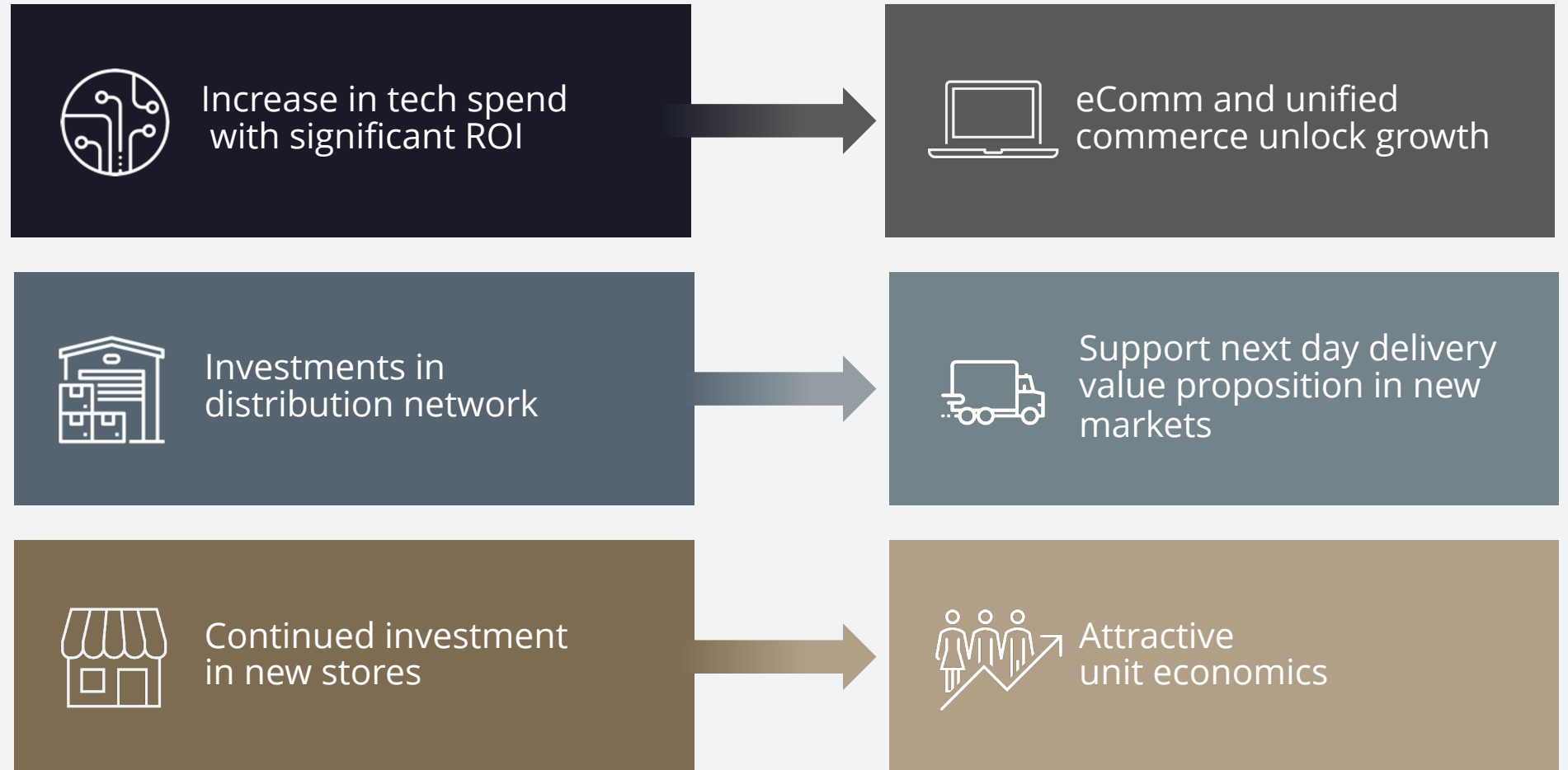
CAPITAL  
CONSIDERATIONS

## CAPEX

RECENT  
PERFORMANCE

3 YEAR  
AMBITION

CAPITAL  
CONSIDERATIONS





# CAPITAL ALLOCATION FRAMEWORK

RECENT  
PERFORMANCE

3 YEAR  
AMBITION

► CAPITAL  
CONSIDERATIONS



Investment in  
Organic Growth



Capability-driven  
Acquisitions



Return Capital to  
Shareholders

# CONN'S HOMEPLUS IS WELL-POSITIONED TO SCALE UP

## 3-YEAR GOAL

~\$2B+  
REVENUE

~9-12%  
CAGR

High Single Digit  
EBIT MARGIN

## RETAIL

SHARE OF GROWTH TO GOAL

~30%

## CREDIT

SHARE OF GROWTH TO GOAL

~15%

## eCOMM

SHARE OF GROWTH TO GOAL

~55%

Minimize Risk, Maximize Shareholder Value



# ALIGNMENT + CONFIDENCE + CULTURE

The background is a dark blue-grey color. It is decorated with numerous plus signs (+) of varying sizes and shades of grey, scattered across the right side and bottom of the slide.

# CONN'S HOMEPLUS INVESTOR DAY 2022 Q&A SESSION



The background of the slide is dark gray and features a pattern of plus signs (+) in a lighter gray color. The plus signs are of varying sizes and are scattered across the right side and bottom of the slide, creating a decorative, starry effect.

# CONN'S HOMEPLUS INVESTOR DAY 2022

## APPENDIX

# NET INCOME AND NET INCOME PER DILUTED SHARE

Net Income and Net Income per Diluted Share		
(dollars in thousands)		
	Year Ended January 31, 2020	Last Twelve Months*
<b>Net Income</b>	<b>\$ 56,004</b>	<b>\$ 125,767</b>
Weighted average common shares outstanding - Diluted	30,814,775	30,007,463
Earnings per share	\$ 1.82	\$ 4.19

\*Last Twelve Months as of October 31, 2021

# EARNINGS BEFORE INTEREST AND TAXES (EBIT)

Earnings before Interest and Taxes (EBIT)		
(dollars in thousands)		
	Year Ended January 31, 2020	Last Twelve Months*
<b>Net income (loss)</b>	\$ 56,004	\$ 125,767
Provision (benefit) for income taxes	18,314	23,311
Interest expense	59,107	31,101
(Gain) loss on extinguishment of debt	1,094	778
<b>Earnings before Interest and Taxes (EBIT)</b>	<b>\$ 134,519</b>	<b>\$ 180,957</b>
Revenue	\$ 1,543,686	\$ 1,555,334
EBIT Income as % of revenue	8.7%	11.6%

\*Last Twelve Months as of October 31, 2021

# NET DEBT

Net Debt		
(dollars in thousands)		
	Year Ended January 31, 2020	Last Twelve Months*
<b>Debt, as reported</b>		
Current finance lease obligations	\$ 605	\$ 942
Long-term debt and finance lease obligations	1,025,535	459,319
<b>Total debt</b>	<b>\$ 1,026,140</b>	<b>\$ 460,261</b>
<b>Cash, as reported</b>		
Cash and cash equivalents	5,485	10,597
Restricted Cash	75,370	25,528
<b>Total cash</b>	<b>\$ 80,855</b>	<b>\$ 36,125</b>
<b>Net debt</b>	<b>\$ 945,285</b>	<b>\$ 424,136</b>
Ending portfolio balance, as reported	\$ 1,602,037	\$ 1,124,872
<b>Net debt as a percentage of the portfolio balance</b>	<b>59.0%</b>	<b>37.7%</b>

\*Balance as of October 31, 2021