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, the amount and timing of our capital expenditures, results of our ongoing review of strategic initiatives including any decision regarding whether to sell our e-commerce business, 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. 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, the regulatory, technical, operational and other obstacles tZERO faces in each of its initiatives, the effects of key business personnel moving from our retail business to our Medici Ventures and tZERO businesses or otherwise leaving, our continually evolving business model, difficulties we may have with our infrastructure, our fulfillment partners or our payment processors, including cyber-attacks or data breaches affecting us or any of them, and difficulties we may have with our search engine optimization results. More information about factors that could potentially affect our financial results is included in our Form 10-K for the year ended December 31, 2018, which was filed with the Securities and Exchange Commission on March 18, 2019, in our Form 10-Q for the quarter ended March 31, 2019, which was filed with the Securities and Exchange Commission on May 9, 2019, and in our subsequent filings with the Securities and Exchange Commission. 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. Medici Ventures
   A. tZERO
   B. Other Medici Keiretsu Companies
2. Retail
3. Q&A
Supply Chain

Land Titling

Banking & Currency

Capital Markets

Voting
The Next Generation of Capital Markets
Key Milestones Achieved in 2019

1/1: Awarded patent for order system that can integrate with legacy Wall Street systems

1/10: Broker-dealer partner, Dinosaur Financial (powered by tZERO tech) begins onboarding investors

1/24: PRO Securities ATS (operated by tZERO subsidiary) enables resales of TZROP by accredited investors with Dinosaur Financial acting as introducing broker-dealer

4/15: Launched tokenization technology as a service, supporting tokenization of existing cap tables/securities

5/3: Announced LOI to tokenize commercial real-estate with Emaar, a $10B real-estate development firm

5/27: Finalized agreement with 3rd party token issuance platform, Securitize

5/30: Boston Security Token Exchange (BSTX) JV filed rulebook with SEC for first regulated security token exchange

6/14: Filed new member application for proprietary retail broker-dealer subsidiary

6/15: Launched tokenization technology as a service, supporting tokenization of existing cap tables/securities

6/26: Formalized agreement with Electronic Transaction Clearing as the second digital subscriber to the PRO Securities ATS

6/27: Launched Crypto App on iOS

7/25: Launched Crypto App on Android

7/30: Overstock Declares Dividend of One Digital Share for Every Ten Shares Held

7/9: Announced LOI to tokenize major motion picture, Atari, produced by Leonardo DiCaprio’s production company

8/6: Awarded patent for technology enabling traditional trading systems to be anchored into public blockchains

8/12: Expected to permit tZERO tokens to trade among non-accredited investors
Security Token Ecosystem

Issuers → Tokenization Technology → Token Trading Technology → Retail Brokerage → Investors

- PRO Securities ATS
- 3rd Party Brokerage (DINOSAUR)
- 3rd Party Brokerage (ETC)
- Other 3rd Party Brokerages

IN PROGRESS
Company Priorities

1. Onboard Quality Tokens
2. Enhance Liquidity
3. DLRs 2.0: Security Lending Solution
1. Onboard Quality Tokens

a. OSTKO as Second Security Token Trading on Platform – 6/27 ✓

b. Announced Plans to Tokenize Major Motion Picture (Atari) – 7/9 ✓

c. Ongoing Discussions with Potential New Issuers – In Progress
2. Enhance Liquidity

a. Filed for tZERO Retail Broker-Dealer – 6/14 ✓
b. Launched tZERO Crypto App – 6/27 ✓
c. Announced OSTKO Dividend – 7/30 ✓
d. TZROP Freely Tradable by Non-Accredited Investors – 8/12
e. Integrating Additional Broker-Dealers – Ongoing
3 & 4. Other Initiatives

3. DLRs 2.0: Security Lending Solution
   a. Launch Market Data Feed – 8/2 ✓
   b. Integrate Order Management System – October

New Additions to Leadership

Brooke Navarro
Head of Issuance
- 10+ years of experience
- MBA, Columbia Business School
- BS, The George Washington University

Mike Mougias
Head of Investor Relations
- 10+ years of experience
- BA, Sacred Heart University

Alex Sotiropoulos
Head of Communications
- 5+ years of experience
- BA, Kenyon College
Strategic Investments

• Makara
• GSR
Overstock.com’s blockchain subsidiary signs MOU with Lusaka city to develop land governance platform

Overstock Subsidiary to Aid Liberia with Blockchain Development

In a press release issued on June 18, 2019, Overstock.com announced that its blockchain subsidiary, Medici Land Governance (MLG) had signed a Memorandum of Understanding (MOU) with Liberia’s Ministry of Finance and Development Planning.

Overstock Reports First Blockchain-Registered Land in the US in Wyoming

Wyoming’s Teton County is the first in the US to register land titles on a blockchain-based platform, according to an announcement from Overstock.com. The e-commerce retailer says its blockchain subsidiary Medici Land Governance (MLG) has recorded land records that include warranty deeds, mortgages, release of liens, and other similar documents on its blockchain-based platform.
Blockchain Fintech Firm Bitt Digital Finally Gets Approval from Barbados Central Bank

By: Lillian Peter  July 16, 2019  Cybergovernance News  Legal & Regulation

After an 8-month long review, Bitt Digital Inc. has finally exited the rigorous Regulatory Sandbox of the Central Bank of Barbados and the Financial Services Commission. The process was successfully completed on July 5, 2019, making the company the first to achieve this almost insurmountable feat.

Bitt Digital, Part of Overstock’s Medici Ventures, Becomes First Company to Exit Central Bank of Barbados Sandbox

July 16, 2019 @ 10:42 am By JD Alois

Bitt Digital Inc., a portfolio company of Overstock’s (NASDAQ:OSTK) Medici Ventures, has become the first company to successfully complete the regulatory sandbox by the Central Bank of Barbados and the Financial Services Commission.

Medici Ventures invested $4 million in Bitt in early 2016. The investment came shortly after Bitt’s launch of a digitized Barbadian Dollar.
Utah County to pilot blockchain-based mobile voting

A large Utah county is testing mobile absentee voting for military members and dependents living overseas, but some experts say online voting endangers the very democracy the U.S. military is supposed to protect.

By Lucas Mearan
Senior Reporter,Computerworld | 23 July 2019 10:48 PT

Utah County to Offer Blockchain Voting App in Municipal Elections

Utah County is to pilot the mobile voting app from Voatz in its municipal primary election in August.

According to a press release on Tuesday, the county will offer the blockchain-based voting service to active-duty military, their eligible dependents and overseas voters. The pilot is a collaboration between the Utah County Elections Division, Voatz, Tusk Philanthropies and the National Cybersecurity Center.
Supply Chain
Land Titling
Banking & Currency
Capital Markets
Identity
Voting

- MINDS
- NETKI
- FinClusive
- bitt
- tZERO
- tZERO
- Vincent
- Voatz
- Voat
- Spera
- Ripio
- Bankorus
- Medici Land Governance
- PeerNova
- Symbiont
- Chainstone Labs
- Factom
- SettleMint
- Overstock
Quarterly Retail Adjusted EBITDA

Retail Adjusted EBITDA is a non-GAAP financial measure. See Reconciliation in Appendix.
Home Furnishings: A $301B Fragmented Market

U.S. Market Share of Home Furnishings Retail

- Walmart: 11%
- Target: 7%
- TJ Maxx/HomeGoods/Marshalls: 6%
- Bed Bath & Beyond: 6%
- Amazon: 4%
- Others: 65%

Home Furnishings: A $301B Fragmented Market

Online Penetration

$57B Online Home Furnishings Market

19%

Furniture & home furnishings

Source: eMarketer, Inc., 2018
Home Furnishings: A $301B Fragmented Market

Online Penetration

- Books music & video: 45%
- Computer & consumer electronics: 38%
- Toys & hobby: 28%
- Office equipment & supplies: 27%
- Other categories: 24%
- Apparel & accessories: 23%
- Furniture & home furnishings: 19%
- Health personal care & beauty: 9%
- Auto & parts: 4%
- Food & beverage: 2%

$57B Online Home Furnishings Market

Source: eMarketer, Inc., 2018
Home Furnishings: A $301B Fragmented Market

U.S. Market Share of $301B Home Furnishings Retail¹

- Walmart: 65%
- Target: 45%
- TJ Maxx/HomeGoods/Marshalls: 35%
- Bed Bath & Beyond: 28%
- Amazon: 27%
- Other: 24%
- Apparel & accessories: 23%
- Other categories: 24%
- Office equipment & supplies: 27%
- Toys & hobby: 33%
- Books, music & video: 45%

Online Penetration²

- Books, music & video: 65%
- Computer & consumer electronics: 45%
- Toys & hobby: 33%
- Office equipment & supplies: 28%
- Apparel & accessories: 24%
- Other categories: 24%
- Furniture & home furnishings: 19%
- Health, personal care & beauty: 9%
- Auto & parts: 4%
- Food & beverage: 2%

$57B Online Home Furnishings Market

Sources:
2) eMarketer, Inc., 2018
Playing to Our Strengths

Home Retail Market Segmentation
- Produced Six Major Customer Segments
- Segmented on:
  - Shopping Behaviors
  - Decorating and Shopping Attitudes
  - Demographics
  - Spending

Focusing Where Overstock Has the Right to Win
- Combined Market Spend of 40%
- Deal Driven & Low Hassle
- Over-Indexed Shopping at Overstock
Playing to Our Strengths

Shared Characteristics of Savvy Shoppers / Reluctant Refreshers

- Want a Great Deal on Quality Items
- Seek Balance in Function, Style, Ease, and Price
- Want a Beautiful, Comfortable Home
- Delight in Achieving their Decorating Vision
Expanding Our Advantage

Dream Homes for All

Build a Personal Relationship with Each Customer
- World-Class Data Platform and CRM
- Industry-Leading Content
- Dynamic Templating
- Machine Learning

Create ‘Smart’ Value for our Customers
- Quality Assortment and On-Site Experience
- Build Confidence in Value
- Streamlining Promotions

Deliver an Easy, Seamless Shopping Journey
- Hassle-Free Shipping
- Easy Returns
- Simplified Product Discovery
Build a Personal Relationship with Each Customer

28 Day Repeat Customer % Average

Q2 2018

Q2 2019

YoY +2.7%

Private Label GMS % of Total

Jan-19
Feb-19
Mar-19
Apr-19
May-19
Jun-19
Create ‘Smart’ Value for Our Customers

SEO Top 3 Keywords (All Categories)

Projected Quarterly Outbound Cost Savings

Net Returns Cost %

Customer Perceived Price Advantage vs. Other Retailers

Source: Bizrate

Source: SEMrush

YoY +0.7%
Deliver an Easy, Seamless Shopping Journey

% of Products Viewed with ≤ 2 Days Delivery Messaging

NPS (Point of Sale) %

Source: Internal Page Performance Tool

Source: Bizrate
Q2 2019 Initiatives ✓ COMPLETE

1. Expanded Site Monetization via New AdTech ✓
2. Rebalanced Freight Contracts ✓
3. Machine Learning Integrations Expanded ✓ [≈ 40%]
4. Focus on our Target Audience ✓
Q3 2019 Initiatives

Build a Personal Relationship with Each Customer
- Increase Volume of 3D Content
- Expand Private Label Program
- Integrate CRM Pipeline

Create ‘Smart’ Value for our Customers
- Reduce Return Friction
- Complete Freight Lane Implementation

Deliver an Easy, Seamless Shopping Journey
- Expand 2-Day Shipping Rate
- Accelerate Growth in our Mobile Apps
## Q2 2019 Financial Results: Retail

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Gross Profit</th>
<th>Gross Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>$367.5 Million</td>
<td>$72.5 Million</td>
<td>19.7%</td>
</tr>
<tr>
<td>23% decrease vs. Q2 2018</td>
<td>20% decrease vs. Q2 2018</td>
<td>vs. 18.9% in Q2 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contribution1</th>
<th>Contribution Margin1</th>
<th>Adjusted EBITDA1</th>
</tr>
</thead>
<tbody>
<tr>
<td>$38.5 Million</td>
<td>10.5%</td>
<td>$1.6 Million</td>
</tr>
<tr>
<td>vs. ($3.3) million in Q2 2018</td>
<td>vs. (0.7%) in Q2 2018</td>
<td>Includes 70% allocation of Shared Service costs</td>
</tr>
</tbody>
</table>

1 Retail Contribution, Contribution Margin, and Adjusted EBITDA are non-GAAP financial measures. See Reconciliations in Appendix
We Continue Through the Transition

* Retail Tech and G&A Expenses excluding depreciation, amortization, stock compensation, and 30% (Medici/other allocation) of Inc. costs.
Overstock

The Competition

* Retail Tech and G&A Expenses excluding depreciation, amortization, stock compensation, and 30% (Medici/other allocation) of Inc. costs.

Source: Wayfair 10-Ks and 10-Qs
Retail Contribution is a non-GAAP financial measure. See Reconciliation in Appendix.
Annual Retail Contribution

Adjusted EBITDA includes $42M allocation of Shared Service costs (Finance, Legal, HR, Administration, etc.).

Retail Contribution is a non-GAAP financial measure. See Reconciliations in Appendix.
Summary and Q&A – Technological Disruption

**tZERO**
- Executing against strategic roadmap
- OSTKO dividend driving adoption for tZERO platform

**Medici**
- *Keiretsu* companies focused on getting product in production
- Medici Ventures focused on GaaS product

**Retail**
- First positive adjusted EBITDA since Q2 2017
- Adjusted EBITDA to accelerate in 2H 2019

Submit questions to ir@overstock.com
Appendix
## Q2 2019 Financial Results: OSTK Total

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Change vs. Q2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$373.7 Million</td>
<td>23% decrease</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$73.9 Million</td>
<td>19% decrease</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>($13.1) Million</td>
<td>vs. ($62.8) million in Q2 2018</td>
</tr>
<tr>
<td>Sales &amp; Marketing Expense</td>
<td>$34.6 Million</td>
<td>63% decrease</td>
</tr>
<tr>
<td>Contribution</td>
<td>$39.3 Million</td>
<td>vs. ($2.7) million in Q2 2018</td>
</tr>
<tr>
<td>Ending Cash</td>
<td>$121.3 Million</td>
<td>vs. $119.6 million at March 31, 2019</td>
</tr>
</tbody>
</table>

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

Adjusted EBITDA

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>$1,581</td>
<td>$2,460</td>
<td>$16,856</td>
<td>$20,160</td>
<td>$50,149</td>
<td>$24,372</td>
</tr>
<tr>
<td>tZERO</td>
<td>(8,729)</td>
<td>(13,207)</td>
<td>(7,256)</td>
<td>(4,056)</td>
<td>(9,577)</td>
<td>(4,382)</td>
</tr>
<tr>
<td>Other</td>
<td>(5,995)</td>
<td>(7,995)</td>
<td>(3,401)</td>
<td>(2,588)</td>
<td>(3,118)</td>
<td>(1,836)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(13,143)</td>
<td>(23,662)</td>
<td>(27,513)</td>
<td>(26,804)</td>
<td>(62,844)</td>
<td>(30,590)</td>
</tr>
<tr>
<td>Less: Special items (see table below)</td>
<td>-</td>
<td>1,757</td>
<td>9,565</td>
<td>10,783</td>
<td>(6,816)</td>
<td>9,870</td>
</tr>
<tr>
<td>Less: Depreciation and amortization</td>
<td>7,464</td>
<td>6,614</td>
<td>8,664</td>
<td>7,999</td>
<td>7,535</td>
<td>7,499</td>
</tr>
<tr>
<td>Less: Stock-based compensation</td>
<td>5,171</td>
<td>3,985</td>
<td>2,702</td>
<td>2,246</td>
<td>2,973</td>
<td>6,435</td>
</tr>
<tr>
<td>Less: Interest (income) expense, net</td>
<td>(525)</td>
<td>(276)</td>
<td>(563)</td>
<td>(282)</td>
<td>(225)</td>
<td>330</td>
</tr>
<tr>
<td>Less: Other (income) expense, net</td>
<td>2,995</td>
<td>6,272</td>
<td>1,999</td>
<td>1,848</td>
<td>(368)</td>
<td>9</td>
</tr>
<tr>
<td>Less: Provision (benefit) for income taxes</td>
<td>(622)</td>
<td>878</td>
<td>(1,939)</td>
<td>(141)</td>
<td>(27)</td>
<td>(277)</td>
</tr>
<tr>
<td><strong>Net loss</strong></td>
<td>$27,626</td>
<td>$42,892</td>
<td>$47,941</td>
<td>$49,257</td>
<td>$65,916</td>
<td>$54,456</td>
</tr>
</tbody>
</table>

Special items:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairments on intangible assets</td>
<td>-</td>
<td>-</td>
<td>6,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss on disposal of business</td>
<td>-</td>
<td>-</td>
<td>3,565</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cryptocurrency impairments and gains on sale, net</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(6,816)</td>
<td>7,259</td>
<td></td>
</tr>
<tr>
<td>Severance</td>
<td>-</td>
<td>1,757</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,600</td>
</tr>
<tr>
<td>Special legal expenses*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,783</td>
<td>-</td>
<td>1,011</td>
</tr>
<tr>
<td><strong>Total Special Items</strong></td>
<td>$-</td>
<td>$1,757</td>
<td>$9,565</td>
<td>$10,783</td>
<td>$(6,816)</td>
<td>$9,870</td>
</tr>
</tbody>
</table>

*Special legal expenses include charges 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.
Annual Contribution Reconciliation

**Year ended, December 31**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th></th>
<th>2017</th>
<th></th>
<th>2016</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail</td>
<td>tZERO &amp; Other</td>
<td>Total</td>
<td>Retail</td>
<td>tZERO &amp; Other</td>
<td>Total</td>
</tr>
<tr>
<td>Total net revenue</td>
<td>$1,800,187</td>
<td>$21,405</td>
<td>$1,821,592</td>
<td>$1,728,104</td>
<td>$16,652</td>
<td>$1,744,756</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>1,452,195</td>
<td>15,489</td>
<td>1,467,684</td>
<td>1,392,558</td>
<td>11,647</td>
<td>1,404,205</td>
</tr>
<tr>
<td>Gross profit</td>
<td>347,992</td>
<td>5,916</td>
<td>353,908</td>
<td>335,546</td>
<td>5,005</td>
<td>340,551</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>269,987</td>
<td>4,492</td>
<td>274,479</td>
<td>179,549</td>
<td>1,040</td>
<td>180,589</td>
</tr>
<tr>
<td>Plus: Club O Rewards and gift card breakage (included in Other expense, net)*</td>
<td>-</td>
<td>-</td>
<td>2,742</td>
<td>16,808</td>
<td>-</td>
<td>16,808</td>
</tr>
<tr>
<td>Contribution</td>
<td>$78,005</td>
<td>$1,424</td>
<td>$79,429</td>
<td>$158,739</td>
<td>$3,965</td>
<td>$162,704</td>
</tr>
<tr>
<td>Contribution margin</td>
<td>4.3%</td>
<td>6.7%</td>
<td>4.4%</td>
<td>9.2%</td>
<td>23.8%</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

**Year ended, December 31**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th></th>
<th>2014</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail</td>
<td>tZERO &amp; Other</td>
<td>Total</td>
<td>Retail</td>
</tr>
<tr>
<td>Total net revenue</td>
<td>$1,655,908</td>
<td>$1,930</td>
<td>$1,657,838</td>
<td>$1,497,103</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>1,353,184</td>
<td>-</td>
<td>1,353,184</td>
<td>1,218,044</td>
</tr>
<tr>
<td>Gross profit</td>
<td>302,724</td>
<td>1,930</td>
<td>304,654</td>
<td>279,059</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>124,218</td>
<td>250</td>
<td>124,468</td>
<td>109,461</td>
</tr>
<tr>
<td>Plus: Club O Rewards and gift card breakage (included in Other expense, net)</td>
<td>5,911</td>
<td>-</td>
<td>5,911</td>
<td>2,439</td>
</tr>
<tr>
<td>Contribution</td>
<td>$184,417</td>
<td>$1,680</td>
<td>$186,097</td>
<td>$172,037</td>
</tr>
<tr>
<td>Contribution margin</td>
<td>11.1%</td>
<td>87.0%</td>
<td>11.2%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

*Effective January 1, 2018, we made a change in accounting principle to present Club O Rewards and gift card breakage in Partner and other revenue instead of Other expense, net on our consolidated statements of operations. This change impacts the presentation of Total net revenue, Gross profit and Other expense, net, but does not impact the calculation of contribution.

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.
### Quarterly Contribution Reconciliation

#### Three months ended

<table>
<thead>
<tr>
<th></th>
<th>Jun-19 Retail</th>
<th>tZERO &amp; Other</th>
<th>Total</th>
<th>Mar-19 Retail</th>
<th>tZERO &amp; Other</th>
<th>Total</th>
<th>Dec-18 Retail</th>
<th>tZERO &amp; Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$367,475</td>
<td>$6,234</td>
<td>$373,709</td>
<td>$362,625</td>
<td>$5,104</td>
<td>$367,729</td>
<td>$446,733</td>
<td>$5,815</td>
<td>$452,548</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>294,984</td>
<td>4,826</td>
<td>299,810</td>
<td>290,640</td>
<td>3,965</td>
<td>294,605</td>
<td>366,712</td>
<td>4,256</td>
<td>370,968</td>
</tr>
<tr>
<td>Gross profit</td>
<td>72,491</td>
<td>1,408</td>
<td>73,899</td>
<td>71,985</td>
<td>1,139</td>
<td>73,124</td>
<td>80,021</td>
<td>1,559</td>
<td>81,580</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>33,947</td>
<td>613</td>
<td>34,560</td>
<td>32,933</td>
<td>544</td>
<td>33,477</td>
<td>47,142</td>
<td>395</td>
<td>47,537</td>
</tr>
<tr>
<td>Contribution</td>
<td>$38,544</td>
<td>$795</td>
<td>$39,339</td>
<td>$39,052</td>
<td>$595</td>
<td>$39,647</td>
<td>$32,879</td>
<td>$1,164</td>
<td>$34,043</td>
</tr>
<tr>
<td>Contribution margin</td>
<td>10.5%</td>
<td>12.8%</td>
<td>10.5%</td>
<td>10.8%</td>
<td>11.7%</td>
<td>10.8%</td>
<td>7.4%</td>
<td>20.0%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

#### Three months ended

<table>
<thead>
<tr>
<th></th>
<th>Sep-18 Retail</th>
<th>tZERO &amp; Other</th>
<th>Total</th>
<th>Jun-18 Retail</th>
<th>tZERO &amp; Other</th>
<th>Total</th>
<th>Mar-18 Retail</th>
<th>tZERO &amp; Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net revenue</td>
<td>$435,775</td>
<td>$4,805</td>
<td>$440,580</td>
<td>$477,683</td>
<td>$5,450</td>
<td>$483,133</td>
<td>$439,996</td>
<td>$5,335</td>
<td>$445,331</td>
</tr>
<tr>
<td>Gross profit</td>
<td>85,124</td>
<td>1,592</td>
<td>86,716</td>
<td>90,431</td>
<td>1,312</td>
<td>91,743</td>
<td>92,416</td>
<td>1,453</td>
<td>93,869</td>
</tr>
<tr>
<td>Less: Sales and marketing expense</td>
<td>55,182</td>
<td>130</td>
<td>55,312</td>
<td>93,747</td>
<td>669</td>
<td>94,416</td>
<td>73,917</td>
<td>3,297</td>
<td>77,214</td>
</tr>
<tr>
<td>Contribution</td>
<td>$29,942</td>
<td>$1,462</td>
<td>$31,404</td>
<td>$(3,316)</td>
<td>$643</td>
<td>$(2,673)</td>
<td>$18,499</td>
<td>$(1,844)</td>
<td>$16,655</td>
</tr>
<tr>
<td>Contribution margin</td>
<td>6.9%</td>
<td>30.4%</td>
<td>7.1%</td>
<td>(0.7%)</td>
<td>11.8%</td>
<td>(0.6%)</td>
<td>4.2%</td>
<td>(34.6%)</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

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.