

## REMARK HOLDINGS, INC. AND SUBSIDIARIES

### Consolidated Statements of Operations by Quarter

(dollars in thousands)

	Quarter Ended December 31,		Quarter Ended September 30,		Quarter Ended June 30,		Quarter Ended March 31,	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenue	\$ 22,322	\$ 18,597	\$ 19,351	\$ 19,449	\$ 20,713	\$ 17,256	\$ 16,724	\$ 15,299
<b>Cost and expense</b>								
Cost of revenue (excluding depreciation and amortization)	10,071	4,639	4,393	5,641	6,132	3,965	4,032	2,664
Sales and marketing <sup>1</sup>	9,823	7,964	9,788	8,717	9,429	8,182	9,351	8,389
Technology and development <sup>1</sup>	3,142	3,725	3,644	2,943	3,497	2,457	3,049	2,517
General and administrative <sup>1</sup>	4,230	5,737	4,873	5,359	5,677	4,233	18,564	4,062
Depreciation and amortization	2,655	2,833	2,756	2,482	2,746	2,894	2,718	2,861
Impairments	2,209	14,618	—	28	—	—	—	—
Other operating expense <sup>1</sup>	280	473	311	209	277	202	216	186
Total cost and expense	32,410	39,989	25,765	25,379	27,758	21,933	37,930	20,679
Operating loss	(10,088)	(21,392)	(6,414)	(5,930)	(7,045)	(4,677)	(21,206)	(5,380)
<b>Other income (expense)</b>								
Interest expense	(2,523)	(1,366)	(1,307)	(1,080)	(1,255)	(1,181)	(1,406)	(1,018)
Other income, net	226	3	1	—	44	1	11	19
Change in fair value of warrant liability	5,689	(66,490)	3,525	(5,978)	10,055	1,760	8,610	6,569
Other gain (loss)	347	(232)	(12)	(33)	554	(21)	(31)	(31)
Total other income (expense), net	3,739	(68,085)	2,207	(7,091)	9,398	559	7,184	5,539
Income (loss) before income taxes	(6,349)	(89,477)	(4,207)	(13,021)	2,353	(4,118)	(14,022)	159
Provision for (benefit from) income taxes	(770)	325	442	(229)	1,026	(190)	(31)	(184)
Net income (loss)	\$ (7,119)	\$ (89,152)	\$ (3,765)	\$ (13,250)	\$ 3,379	\$ (4,308)	\$ (14,053)	\$ (25)
Foreign currency translation adjustments	(16)	111	(82)	48	(183)	(4)	198	(24)
Comprehensive income (loss)	\$ (7,135)	\$ (89,041)	\$ (3,847)	\$ (13,202)	\$ 3,196	\$ (4,312)	\$ (13,855)	\$ (49)
Weighted-average shares outstanding, basic and diluted	37,325	25,676	35,463	22,811	32,933	22,637	32,395	22,468
Net loss per share, basic and diluted	\$ (0.19)	\$ (3.47)	\$ (0.11)	\$ (0.58)	\$ 0.10	\$ (0.19)	\$ (0.43)	\$ —

<sup>1</sup> Includes share-based compensation as follows:

Sales and marketing	\$ 32	\$ —	\$ 32	\$ —	\$ 32	\$ —	\$ 33	\$ —
Technology and development	(341)	626	137	90	155	—	(231)	—
General and administrative	344	1,369	722	1,539	229	321	11,803	275
Other operating expense	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ —	\$ —