The Leading Consumer Product Company

OCTOBER 2024

**\$ATE R** NASDAQ





hOmelabs



Mueller Living<sup>™</sup>





### Disclaimer

#### Caution Concerning Forward-Looking Statements

This presentation includes "forward-looking statements" with the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended.

All forward-looking statements are subject to a number of risks, uncertainties and assumptions, and you should not rely upon forward-looking statements as predictions of future events. You can identify forward-looking statements by words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict;" "project," "should," "will," "would," or the negative of those terms, and similar expressions that convey uncertainty of future events or outcomes.

All forward-looking statements are based upon current estimates and expectations about future events and financial and other trends. There is no guarantee that future results, performance, or events reflected in the forward-looking statements will be achieved or occur. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. No person assumes responsibility for the accuracy and completeness of the forward-looking statements, and, except as required by law, no person undertakes any obligation to update any forward-looking statements for any reason after the date of this company presentation.

#### Industry & Market Data

Certain data in this presentation was obtained from various external sources. Neither Aterian, Inc. (the "Company") nor its affiliates, advisers or representatives have verified such data with independent sources. Accordingly, neither the Company nor any of its affiliates, advisers or representatives make any representations as to the accuracy or completeness of that data or to update such data after the date of this presentation.

Such data involves risks and uncertainties and is subject to change based on various factors.

#### Non-GAAP Financial Measures

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In addition to financial results prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation contains certain non-GAAP financial measures in this presentation may differ from similarly named non-GAAP financial measures used by other companies. Management believes that in addition to using GAAP results, non-GAAP financial measures can provide meaningful insight in evaluating the Company's operating performance.

You are encouraged to review the reconciliation of non-GAAP financial measures with their most direct comparable GAAP financial results set forth in the Appendix to this presentation.

For a full discussion of the Company's risks, you should review the Company's most recent SEC filings including the Company's most recent 10-K and 10-Q available on SEC.gov

# Who Is Aterian?

We are a leading e-commerce consumer products company and we predominantly sell on Amazon.com and Walmart.com in the United States.

mercado libre

## **Aterian Timeline**

(Formerly M Developed a	Aterian, Inc. Iohawk Group) Ind sold consumer line leveraging Al e learning.	Pandemic Growth The Company benefited growth of E-commerce expanded its portfolio o Acquired: Mueller and F brands.	l from the O and di of products. rig Pursteam b	<b>Eventory and expense ratio</b> ver inventoried due to supp isruptions, the Company fo ght sizing the Inventory and ase to optimize operationa fficiency.	oly chain cused on d expense	<b>Focus on Growth</b> Omni-Channel expansion and new product launches aiming to drive sales growth and enhance profitability.
2014	2019	2020	2021	2022-2023	2024	2025 +
2017	<b>Initial Public Offering</b> Listed on Nasdaq	2020	Supply Chain Disruptions The Company continued to its portfolio of brands but y faced with operational cha due to global supply chain disruptions. Acquired: Squatty Potty, H Solutions and Photo Paper brands.	ealing	Stabilization Reduced its product portfolio focus exclusively on profitab products and continued exportationalization. Achieved Q2 adjusted EBITDA profitabilit the first time in 10 quarters.	o to ole ense <b>y for</b>

# **Primary Goals**

- High performing products
  Great value for the price
- Strong margins for Aterian

## Ultimately leading to Adj. EBITDA Profitability in the Future





# 3 Main Themes

# Focus Simplification Stabilization

The results of focus, simplifying and stabilizing:

- Rationalized SKU portfolio -
  - Simplified account structure -
- Best in class third party tools -
  - Outside in Thinking -
  - Fixed cost rationalization -



## **Healthy Balance Sheet**

## Strong cash position Small ABL balance No Term Debt Right-sized inventory





# 2025 and Beyond

## **Focus on Growth**

Omni-Channel expansion New product launches Best in class listings

## **EXPANSION OPPORTUNITIES**



## **Management Team**

#### Deep experience in E-Commerce, Consumer Products & Tech



Arturo Rodriguez CHIEF EXECUTIVE OFFICER



Josh Feldman CHIEF FINANCIAL OFFICER



**Roi Zahut** CHIEF TECHNOLOGY OFFICER

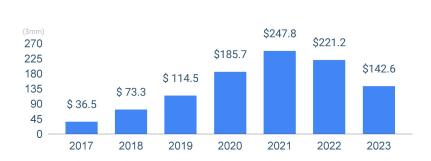


Phil Lepper CHIEF REVENUE OFFICER



Chris Porcelli GENERAL COUNSEL AND HEAD OF PEOPLE

### **Financial Snapshot**



Net Revenue (Annual)

#### Adj. EBITDA<sup>(1)</sup> as % of Net Revenue (Annual)



#### Net Revenue (Quarterly)



#### Adj. EBITDA <sup>(1)</sup> (Quarterly)



1: Non-GAAP financial measure. See reconciliation in Appendix

### A few of Our Brands and Products...



## Pur∭**Steam**™

## Small Home Appliances

High performing steamers for your home and laundry needs











# **EMueller**

## Home & Kitchen Appliances

Happiness is homemade with this finely crafted kitchen gear





## hOmelabs...

Modern, mindful and intuitive essentials for a full and rich home life

# **Home Appliances**







Appendix

### **Balance Sheet**

#### ATERIAN, INC. Condensed Consolidated Balance Sheets (Unaudited) (in thousands, except share and pe share data)

Cash         S         20.03         S         20.328           Accounts receivable, net         4,225         3,763           Inventory         20.300         18,3763           Prepaid and other current assets         49,086         45,160           Total current assets         49,066         48,186           Property and equipment, net         775         730           Intangible assets, net         11,320         10,549           Other non-current assets         113         304           Total assets         5         61,869         5           Current Liabilities:         11,08         5         9,958           Current Liabilities:         1,049         6,677         30           Current Liabilities:         1,049         6,677         30           Current liabilities         1,049         6,677         30           Current Liabilities:         1,049         6,677         30           Current liabilities         25,447         28,688         28,965           Other liabilities         25,838         28,965         301         277           Stockholders' equity:         25,838         28,965         301         2777           Current liab		Decer	nber 31, 2023		une 30, 2024
Cash         S         20.03         S         20.328           Accounts receivable, net         4,225         3,763           Inventory         20.300         18,3763           Prepaid and other current assets         49,086         45,160           Total current assets         49,066         48,186           Property and equipment, net         775         730           Intangible assets, net         11,320         10,549           Other non-current assets         113         304           Total assets         5         61,869         5           Current Liabilities:         11,08         5         9,958           Current Liabilities:         1,049         6,677         30           Current Liabilities:         1,049         6,677         30           Current liabilities         1,049         6,677         30           Current Liabilities:         1,049         6,677         30           Current liabilities         25,447         28,688         28,965           Other liabilities         25,838         28,965         301         277           Stockholders' equity:         25,838         28,965         301         2777           Current liab	ASSETS			<u>.                                    </u>	
Accounts receivable, net         4,225         3,763           Inventory         20,390         18,378           Prepaid and other current assets         49,056         48,189           Total current assets         49,636         48,189           Poperty and equipment, net         11,320         10,549           Other non-current assets         11,320         10,549           Other non-current assets         11,320         10,549           Current Liabilities:         11,320         10,549           Current Liabilities:         5         61,869         \$ 9,590           Current Liabilities:	Current assets:				
Inventory         20,300         18,378           Prepaid and other current assets         4,993         5,720           Total current assets         775         773           Property and equipment, net         775         773           Intangible assets, net         11320         10,534           Other non-current assets         1138         384           Total assets         138         384           Current Liabilities:         11,090         \$ 9,595           Current liabilities         1,049         6,677           Accounds payable         1,049         6,677           Accounds payable         1,049         6,677           Accounds payable         25,447         28,688           Other current liabilities         391         277           Total current liabilities         391         277           Conditionand confingencies (Note 10)         391         277           Stockholders' equity:         393         279           Common stock, \$0,0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,         9         9           Additional pai-in capital         756,675         740,351         740,351         766,675         740,351 <td></td> <td>\$</td> <td>20,023</td> <td>\$</td> <td>20,328</td>		\$	20,023	\$	20,328
Prepaid and other current assets         44,998         5,720           Total current assets         49,636         448,189           Property and quipment, net         11,320         10,549           Intangible assets, net         11,320         10,549           Other non-current assets         138         384           Total assets         5         61,869         5         5882           Carrent Liabilities:           Credit facility         5         11,098         5         9,590           Accounts payable         4,190         8,811         8,811         8,811           Seller notes         1,049         677         6,868         9,110         9,610           Total current liabilities         9,110         9,610         9,610         25,447         228,882           Other inabilities         25,431         228,965         25,838         28,965           Common stock, \$0,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)         9         9         9           Additional paid-in capital         736,675         740,351         740,351         740,351           Accoundlated deficit         (69,815)         (786,605	Accounts receivable, net		4,225		3,763
Total current assets49,63648,189Property and equipment, net775730Intangible assets, net11,32010,549Other non-current assets138384Total assets\$61,869\$LIABILITIES AND STOCKHOLDERS' EQUITYCurrent Liabilities:Current Liabilities:Current Liabilities:Current Liabilities:Current Liabilities:Current LiabilitiesAccounts payable9,590Account payableS11,098\$S9,590Account payable9,1108,811Solution of the current liabilitiesOther liabilitiesOther liabilitiesCommon stock, \$0,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)99Additional paid-in capital736,675740,351Accumulated deficit(699,815)(708,606Accumulated deficit(699,815)(708,606Accumulated deficit36,03130,887	Inventory				18,378
Property and equipment, net         775         730           Intangible assets, net         11,320         10,549           Other non-current assets         \$         61,869         \$         58           Total assets         \$         61,869         \$         59,852           Current Liabilities:	Prepaid and other current assets		4,998		5,720
Intargible assets, net         11,220         10,549           Other non-current assets         138         384           Total assets         \$61,80         \$9,952           LIABILITIES AND STOCKHOLDERS' EQUITY             Current Liabilities:         4,190         \$9,950           Accounts payable         4,190         \$8,811           Seller notes         10,449         6,677           Accounts payable         10,449         6,677           Total current liabilities         9,110         9,610           Total current liabilities         25,447         28,688           Other liabilities         25,838         2277           Total liabilities         25,838         28,905           Comminents and contingencies (Note 10)         25,838         28,905           Stockholders' equity:         9         9           Common stock, \$0,000,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,         9         9           Additional paid-in capital         736,675         740,351         740,351           Accumulated deficit         (699,815)         (708,687         740,351           Accumulated deficit         (688,81)         (887)         30	Total current assets		49,636		48,189
Other non-current assets         138         384           Total assets         S         61,869         S         59,852           Current Liabilities:         S         11,098         S         9,590           Current Liabilities:         4,190         8,811           Counts payable         4,190         8,811           Scler notes         9,010         9,610           Accrued and other current liabilities         9,110         9,610           Total current liabilities         25,447         28,688           Other liabilities         25,838         28,965           Commitments and contingencies (Note 10)         500001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)         9         9           Additional paid-in capital         736,675         740,351           Accumulated deficit         736,675         740,351           Accumulated other comprehensive loss         (883)         (887)           Total alsokcholders' equity         36,031         30,887	Property and equipment, net		775		730
Total assets         \$         61.869         \$         59,852           LLABILITIES AND STOCKHOLDERS' EQUITY         Current Liabilities:         Current Liabilities:         Current Liabilities:         S         11,098         \$         9,590           Credit facility         S         11,098         \$         9,590         8,811           Seller notes         1,049         677         4,190         8,811           Accrued and other current liabilities         9,110         9,610         25,447         28,688           Other liabilities         25,437         28,688         28,965           Commitments and contingencies (Note 10)         Stockholders' equity:         21,049         9         9           Common stock, \$0,000,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)         9         9         9           Additional paid-in capital         736,675         740,351<	Intangible assets, net				10,549
LIABILITIES AND STOCKHOLDERS' EQUITY         Current Liabilities:         Credit facility       \$ 11,098       \$ 9,590         Accounts payable       4,190       8,811         Seller notes       1,049       677         Accounts payable       9,110       9,610         Total current liabilities       25,447       28,688         Other liabilities       25,447       28,688         Other liabilities       25,338       28,965         Commitments and contingencies (Note 10)       500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,       9       9         respectively (*)       9       9       9       9         Accumulated deficit       6(699,815)       (708,606       (708,606       (838)       (867)         Accumulated other comprehensive loss       (838)       (867)       30,0887       30,0887	Other non-current assets				
Current Liabilities:         \$         11,098         \$         9,590           Credit facility         \$         11,098         \$         9,590           Accounts payable         4,190         8,811           Scler notes         1,049         6,777           Accrued and other current liabilities         9,110         9,610           Total current liabilities         25,447         28,688           Other liabilities         391         2777           Total liabilities         25,838         28,965           Commitments and contingencies (Note 10)         25,838         28,965           Stockholders' equity:         9         9           Common sock, \$00,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,         9         9           respectively (*)         9         9         9         9           Additional paid-in capital         736,675         740,351         740,351           Accumulated deficit         (699,815)         (708,606         (683)         (687)           Total stockholders' equity         36,031         30,887         30,887	Total assets	\$	61,869	\$	59,852
Credit facility         \$         11,098         \$         9,590           Accounts payable         4,190         8,811           Seller notes         1,049         677           Accrued and other current liabilities         9,110         9,610           Total current liabilities         25,447         28,688           Other liabilities         25,447         28,688           Other liabilities         25,838         28,965           Commitments and contingencies (Note 10)         5         301         277           Stockholders' equity:         9         9         9           Common stock, \$0,0001 par value, \$00,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)         9         9           Additional paid-in capital         736,675         740,351           Accumulated deficit         (699,815)         (708,606)           Accumulated other comprehensive loss         (683)         (887)           Total stockholders' equity         36,031         30,887	LIABILITIES AND STOCKHOLDERS' EQUITY			-	
Accounts payable         4,190         8,811           Seller notes         1,049         677           Accrued and other current liabilities         9,110         9,610           Total current liabilities         25,447         28,688           Other liabilities         391         277           Total liabilities         25,838         28,965           Comminments and contingencies (Note 10)         25         25           Stockholders' equity:         2         9         9           Common stock, \$0,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)         9         9           Accumulated deficit         736,675         740,351         740,351           Accumulated other comprehensive loss         (638)         (787,605)           Total stockholders' equity         36,031         30,887	Current Liabilities:				
Seller notes         1,049         677           Accrued and other current liabilities         9,110         9,610           Total current liabilities         25,447         28,688           Other liabilities         391         277           Total liabilities         25,838         28,965           Commitments and contingencies (Note 10)         25,838         28,965           Stockholders' equity:         25,838         28,965           Common stock, \$0,000 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,         9         9           respectively (*)         9         9         9           Additional paid-in capital         736,675         740,351           Accumulated deficit         (699,815)         (708,606           Accumulated other comprehensive loss         (838)         (867)           Total stockholders' equity         36,031         30,887	Credit facility	\$	11,098	\$	9,590
Accrued and other current liabilities     9,110     9,610       Total current liabilities     25,447     28,688       Other liabilities     391     277       Total liabilities     25,838     28,965       Commitments and contingencies (Note 10)     500,000 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)     9     9       Common stock, \$0,0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)     9     9       Additional paid-in capital     736,675     740,351       Accumulated deficit     (699,815)     (708,606)       Accumulated other comprehensive loss     (838)     (887)       Total stockholders' equity     36,031     30,887			4,190		8,811
Total current liabilities25,44728,688Other liabilities391277Total liabilities391277Total liabilities25,83828,965Commitments and contigencies (Note 10)500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)99Additional paid-in capital736,675740,351Accumulated deficit(699,815)(708,606Accumulated other comprehensive loss(838)(867)Total stockholders' equity36,03130,887	Seller notes		1,049		677
Other liabilities     391     277       Total liabilities     25,838     28,965       Comminments and contingencies (Note 10)     500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)     9     9       Common stock, \$0,0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)     9     9       Additional paid-in capital     736,675     740,351       Accumulated deficit     (699,815)     (708,606       Accumulated other comprehensive loss     (838)     (867)       Total stockholders' equity     36,031     30,887	Accrued and other current liabilities				9,610
Total liabilities     25,838     28,965       Commitments and contingencies (Note 10)     Stockholders' equity:        Stockholders' equity:         Common stock, \$0,0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024, respectively (*)     9     9       Additional paid-in capital     736,675     740,351       Accumulated deficit     (699,815)     (708,606)       Accumulated other comprehensive loss     (838)     (867)       Total stockholders' equity     36,031     30,887	Total current liabilities		25,447		28,688
Commitments and contingencies (Note 10)         Stockholders' equity:         Common stock, \$0.0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,         respectively (*)         Additional paid-in capital         Accumulated deficit         Accumulated other comprehensive loss         Total stockholders' equity	Other liabilities		391		277
Stockholders' equity:         9         9         9         9         9         Additional paid-in capital         736,675         740,351         740,351         740,850         (708,606         669,815)         (708,606         667         30,887	Total liabilities	10	25,838		28,965
Common stock, \$0.0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,         9         9           respectively (*)         736,675         740,351           Additional paid-in capital         69         9           Accumulated deficit         (699,815)         (708,606           Accumulated other comprehensive loss         (838)         (867)           Total stockholders' equity         36,031         30,887	Commitments and contingencies (Note 10)				
respectively (*)         9         9           Additional paid-in capital         736,675         740,351           Accumulated deficit         (699,815)         (708,606)           Accumulated other comprehensive loss         (638)         (687)           Total stockholders' equity         36,031         30,887	Stockholders' equity:				
Additional paid-in capital         736,675         740,351           Accumulated deficit         (699,815)         (708,606)           Accumulated other comprehensive loss         (838)         (867)           Total stockholders' equity         36,031         30,887	Common stock, \$0.0001 par value, 500,000,000 shares authorized and 7,508,246 and 8,587,159 shares outstanding at December 31, 2023 and June 30, 2024,				
Accumulated deficit         (699,815)         (708,606)           Accumulated other comprehensive loss         (838)         (867)           Total stockholders' equity         36,031         30,887	respectively (*)		9		9
Accumulated other comprehensive loss     (838)     (867)       Total stockholders' equity     36,031     30,887			736,675		740,351
Total stockholders' equity 36,031 30,887					(708,606)
	Accumulated other comprehensive loss			3.9	(867)
S         61,869         \$         59,852           Total liabilities and stockholders' equity         \$         \$         \$9,852	Total stockholders' equity	12	36,031	10	30,887
	Total liabilities and stockholders' equity	S	61,869	\$	59,852

(\*) The number of shares and per share amounts have been retroactively restated to reflect the one for twelve (1 for 12) reverse stock split, which was effective on March 22, 2024.

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

### **Income Statement**

#### ATERIAN, INC. Condensed Consolidated Statements of Operations (Unaudited) (in thousands, except share and per share data)

		Three Months	Ended Ju	ine 30,		Six Months E	e 30,	
		2023		2024		2023		2024
Net revenue	\$	35,264	\$	27,984	\$	70,143	\$	48,199
Cost of goods sold		20,368		11,093		36,151		18,139
Gross profit		14,896		16,891		33,992		30,060
Operating expenses:			1					
Sales and distribution		20,557		15,162		40,783		28,376
Research and development		1,709				2,956		<u> </u>
General and administrative		6,281		4,934		12,240		10,166
Impairment loss on intangibles		22,785				39,445		—
Total operating expenses	18 - C	51,332	1	20,096		95,424	1	38,542
Operating loss		(36,436)	15	(3,205)		(61,432)		(8,482)
Interest expense, net		346		228		717		552
Change in fair value of warrant liability		(2,197)		(52)		(1,843)		(569)
Other expense, net		176		43		229		50
Loss before income taxes	20	(34,761)	10	(3,424)	25	(60,535)	<i>1</i> 2	(8,515)
Provision for income taxes		26		205		52		276
Net loss	\$	(34,787)	\$	(3,629)	\$	(60,587)	\$	(8,791)
Net loss per share, basic and diluted	\$	(5.37)	S	(0.52)	\$	(9.41)	\$	(1.28)
Weighted-average number of shares outstanding, basic and diluted (*)		6,483,931		6,973,218		6,439,658		6,881,648

(\*) The number of shares and per share amounts have been retroactively restated to reflect the one for twelve (1 for 12) reverse stock split, which was effective on March 22, 2024.

		Three Months H	Ended	June 30,		Six Months En	ine 30,	
		2023	_	2024	2023		-	2024
	-	_		(in thousands, exe	cept j	percentages)	_	
Net loss	\$	(34,787)	\$	(3,629)	\$	(60,587)	\$	(8,791)
Add:								
Provision for income taxes		26		205		52		276
Interest expense, net		346		228		717		552
Depreciation and amortization		1,202	_	430	_	2,964	-	858
EBITDA		(33,213)		(2,766)		(56,854)		(7,105)
Other expense, net		176		43		229		50
Impairment loss on intangibles		22,785				39,445		_
Change in fair market value of warrant liability		(2,197)		(52)		(1,843)		(569)
Restructuring expense(1)		1,216		17		1,216		575
Stock-based compensation expense	_	3,223		2,921	_	5,539		4,588
Adjusted EBITDA	\$	(8,010)	\$	163	\$	(12,268)	\$	(2,461)
Net loss as a percentage of net revenue		(98.6)%		(13.0)%	,	(86.4)%		(18.2)%
Adjusted EBITDA as a percentage of net revenue		(22.7)%		0.6%		(17.5)%		(5.1)%

(1) Restructuring expenses include non-recurring employee severance costs relating to the Company reorganization executed during the three and six months ending June 30, 2023 and 2024.

				(in Tho	usands)			
				Three Mor	ths Ended			
	M	larch 31,	J	une 30,	Sept	ember 30,	Dece	ember 31,
		2023		2023		2023		2023
Net loss	\$	(25,800)	\$	(34,787)	\$	(6,270)	\$	(7,707)
Add (deduct)								
Provision for income taxes		26		26		90		(1,009)
Interest expense, net		371		338		359		345
Depreciation and amortization		1,762		1,202		452		469
EBITDA		(23,641)		(33,213)		(5,369)		(7,902)
Other expense (income), net		54		176		(128)		158
Impairment loss on intangibles		16,660		22,785				283
Change in fair value of contingent earn-out liabilities		(2,775)						
Change in fair market value of warrant liability		354		-2,197		(567)		(30)
Reserve on barter credits								323
Restructuring expense				1,216		417		
Stock-based compensation		2,317		3,223		1,232		1,564
Adjusted EBITDA	\$	(4,256)	\$	(8,010)	\$	(4,415)	\$	(5,604)
Adjusted EBITDA as a percentage of net revenue		(12.2)%		(22.7)%		(11.1)%		(17.1)%

				(in Thou	sands)			
				Three Mont	ths Ended			
	M	arch 31,	1	une 30,	Sep	tember 30,	Dec	ember 31,
	672	2022		2022		2022	2022	
Net loss	S	(42,776)	S	(16,309)	s	(116,902)	5	(20,304)
Add (deduct)								
Provision for income taxes				(168)		(75)		(133)
Interest expense, net		802		338		904		560
Depreciation and amortization		1,846		2,048		1,869		1,758
EBITDA		(40,128)	0.8	(14,091)		(105,877)	202	(18,119)
Other expense (income), net	· · ·	(25)				(174)	~	(83)
Impairment loss on goodwill		29,020				90,921		468
Impairment loss on intangibles						3,118		
Loss on extinguishment of debt								
Change in fair value of contingent earn-out liabilities		(2,775)		-1,691		(774)		
Gain on extinguishment of seller note		(2,012)						
Loss on initial issuance of equity		5,835				12,834		
Amortization of inventory step-up from acquisitions (included in cost of go	oods sold)							
Change in fair market value of warrant liability		1,879		6,014		(5,528)		(2,835)
Professional fees related to acquisitions								
Litigation reserve		500				1,800		
Reserve on barter credits								1,643
Stock-based compensation		2,865		6,048		2,943		2,740
Adjusted EBITDA	s	(4,541)	5	(3,720)	s	(9,064)	s	(16,186)
Adjusted EBITDA as a percentage of net revenue		(10.9)96		(6.4)%		(13.7)96	0.000	(29.5)%

(in	The	ousa	nds	5)	
		1000	-	220	1

	32			Three Mont	ths Ender	1		
	N	arch 31, 2021	1	une 30, 2021	September 30, 2021			ember 31, 2021
Net loss	S	(82,553)	s	(36,306)	S	(110,556)	s	(6,609)
Add:	-	())		()	-	()	-	(-,,
Provision for income taxes				41		21		470
Interest expense, net		4,420		4,675		2,786		774
Depreciation and amortization		1,204		1,681		1,872		2,569
EBITDA	10	(76,929)	133 V-2	(29,909)		(105,877)	2 <b>1</b>	(1,496)
Other expense (income), net		(33)	10	(5)		5	3 <u>0</u>	2
Change in fair value of contingent earn-out liabilities		15,645		(23,349)		(4,245)		(18,580)
Settlement of a contingent earnout liability								4,164
Amortization of inventory step-up from acquisitions (included in cost of good	ds sc	1,808		2,233		875		542
Change in fair market value of warrant liability		30,202		4,387		(8,134)		
Change in fair value of derivative liability				1,894		1,360		
Loss on extinguishment of debt				29,772		106,991		2,096
Loss on initial issuance of warrant		20,147						
Professional fees related to acquisitions		449		948		53		
Transition costs from acquisitions		552		632		130		762
Professional fees related to Photo Paper Direct acquisitions				696				890
								1,300
Reserve on dispute with PPE supplier				4,100				
Reserve on barter credits								1,000
Stock-based compensation expense		6,899		4,862		9,570		7,657
Adjusted EBITDA	s	(1,260)	s	(3,739)	s	728	s	(2,963)
Adjusted EBITDA as a percentage of net revenue		(2.6)%		(5.5)96		1.196		(4.7)%

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				(in Tho	usands)			
				Three Mor	ths Ende	ed		
	M	larch 31,	Ju	ine 30,	Septe	ember 30,	Dec	ember 31,
		2020		2020		2020		2020
Net loss	\$	(15,030)	Ş	(2,937)	Ş	(806)	\$	(44,354)
Add (deduct)								
Provision for income taxes				45				2
Interest expense, net		1,109		1,077		934		1,841
Depreciation and amortization	0X	41	12	38		100	83	373
EBITDA		(13,880)		(1,777)		228		(42,138)
Other expense (income), net	002	25	257	(6)		(21)	83	(23)
Loss on extinguishment of debt								2,055
Change in fair value of contingent earn-out liabilities								12,731
Amortization of inventory step-up from acquisitions (	included i	n cost of goods	sold)					583
Change in fair market value of warrant liability								21,338
Professional fees related to acquisitions								663
Stock-based compensation		7,439		5,171		4,861		5,244
Adjusted EBITDA	\$	(6,416)	Ş	3,388	Ş	5,068	\$	453
Adjusted EBITDA as a percentage of net revenue	102	(25.0)%	227	5.7%		8.6%	83	1.1

	(in Thousands)											
				Three Mor	nths End	ded						
	м	arch 31,	12	lune 30,	Sep	tember 30,	Dec	ember 31,				
		2019		2019		2019		2019				
Net loss	\$	(8,389)	\$	(16,879)	\$	\$ (14,975)		(18,546)				
Add (deduct)												
Provision for income taxes				15		8		6				
Interest expense, net		1,212		1,281		875		1,018				
Depreciation and amortization		55		40		41	_	47				
EBITDA		(7,122)	83 83	(15,543)		(14,051)	20 20	(17,475)				
Other expense (income), net		45		(13)		21		-12				
Stock-based compensation		1,500		11,873		11,374		9,934				
Adjusted EBITDA	\$	(5,577)	\$	(3,683)	\$	(2,656)	\$	(7,553)				
Adjusted EBITDA as a percentage of net revenue		(31.3)%		(12.1)%		(6.5)%		(6.6)%				

### **Contribution Margin Reconciliation**

	(in Thousands)Twelve Months Ended										
	2019		2020		2021		2022			2023	
Gross Profit Add :	\$	45,040	\$	84,746	\$	121,863	\$	105,518	\$	70,285	
Amortization of inventory step-up from acquisitions (included in cost of goods sold)				583		5,458					
Reserve on barter credits Less:						1,000		1,643		323	
E-commerce platform commissions, online advertising, selling and logistics expenses		(42,551)		(60,206)		(103,283)		(103,258)		(68,846)	
Contribution margin	\$	2,489	\$	25,123	\$	25,038	\$	3,903	\$	1,744	
Gross Profit as a percentage of net revenue		39.4%		45.6%		49.2%		47.7%		49.3%	
Contribution margin as a percentage of net revenue		2.2%		13.5%		10.1%		1.8%		1.2%	