

USE OF NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA is a “non-GAAP financial measure” as defined in Item 10(e) of Regulation S-K promulgated by the Securities and Exchange Commission (“SEC”). We use Adjusted EBITDA as a supplement to operating income (loss), the most comparable GAAP financial measure, to evaluate the operational performance of our reportable segments. Adjusted EBITDA represents operating income (loss) plus depreciation and amortization expense, share-based compensation expense, impairments and net other income, less other loss. You should not consider our presentation of Adjusted EBITDA in isolation, or consider it superior to, or as a substitute for, financial information prepared and presented in accordance with GAAP. You should also note that our calculation of Adjusted EBITDA may be different from the calculation of Adjusted EBITDA or similarly-titled non-GAAP financial measures used by other companies; therefore, our Adjusted EBITDA may not be comparable to such other measures.

The following table presents certain financial information regarding our reportable segment and other entities for the three and six months ended June 30, 2019 and 2018 (in thousands):

	Technology & Data Intelligence	Corporate Entity and Other	Consolidated
Three Months Ended June 30, 2019			
Revenue	\$ 2,465	\$ 400	\$ 2,865
Adjusted EBITDA	\$ (344)	\$ (2,310)	\$ (2,654)
Three Months Ended June 30, 2018			
Revenue	\$ 3,369	\$ 518	\$ 3,887
Adjusted EBITDA	\$ (1,974)	\$ (3,312)	\$ (5,286)
Six Months Ended June 30, 2019			
Revenue	\$ 2,890	\$ 1,184	\$ 4,074
Adjusted EBITDA	\$ (3,003)	\$ (4,927)	\$ (7,930)
Six Months Ended June 30, 2018			
Revenue	\$ 4,552	\$ 1,161	\$ 5,713
Adjusted EBITDA	\$ (3,492)	\$ (8,864)	\$ (12,356)

The following table reconciles Adjusted EBITDA to Loss before income taxes (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Adjusted EBITDA	\$ (2,654)	\$ (5,286)	\$ (7,930)	\$ (12,356)
Depreciation and amortization	(260)	(546)	(585)	(1,137)
Share-based compensation benefit (expense)	102	(281)	(223)	(11,755)
Other income, net	(92)	(43)	(47)	(44)
Other loss	(27)	(554)	(1)	(523)
Operating loss	\$ (2,931)	\$ (6,710)	\$ (8,786)	\$ (25,815)
Other income (expense)				
Interest expense	(553)	(330)	(940)	(672)
Other income, net	92	43	47	44
Change in fair value of warrant liability	2,078	10,055	662	18,665
Other gain, net	27	554	1	523
Total other income (expense), net	\$ 1,644	\$ 10,322	\$ (230)	\$ 18,560
Income (loss) from continuing operations before income taxes	\$ (1,287)	\$ 3,612	\$ (9,016)	\$ (7,255)