OSMIUM PARTNERS
STRATEGIC VALUE INVESTORS

November 2019
Monthly Newsletter

Performance Period	Osmium Capital, LP	Osmium Spartan, LP	Osmium Diamond, LP
Strategy	Long / Short	Long Only	Long / Short
Net November 2019	-8.7%	-4.5%	-6.3%
Net 2019 YTD	+3.7%	+12.9%	+11.0%
Net Annualized Since Inception	+9.9%	+10.8%	+3.7%
Net Since Inception	+405.1%	+321.0%	+25.3%
Fund Inception Date	206 months/17.2 years	169 months/14.1 years	75 months/6.3 years

Dear Friends,

In November, Osmium Capital was down -8.7%, Osmium Spartan was down -4.5%, and Osmium Diamond was down -6.3%. A $100,000 investment in Osmium Capital at the fund's inception in November 2002 is now worth approximately $505,000 net of all fees or 9.9% net annualized returns. Since 2002, Osmium Capital has generated a 2.2% annualized outperformance over the Eurekahedge Small Fund Index (1,460 hedge funds[1]), which has generated 7.7% annualized returns turning $100,000 into approximately $351,000 over the same time period.

If you know a qualified investor who would be interested in receiving our monthly newsletter, please email: main@osmiumpartners.com with subject line: please add me to the newsletter.

We believe our portfolio is underfollowed, undervalued, and undiscovered. Typically with strong business results, these discounts lift and join a market multiple of public companies. This year, the business results were generally fine and the valuations fell, in some cases, quite significantly to what we consider massive discounts to fair value. Our strategy is to focus on 1) above average quality businesses (as measured by predictability, return on capital, revenue growth, and opportunities for growth) and 2) value or target an entry price at half of what we think the business is worth. Our businesses largely have critical mass, as a number of the businesses are now above $200 million in annual revenue. We also believe Buffett's quote "time is a friend to a good company, and an enemy to a bad one." In other words, we think with time, many of our businesses are increasing shareholder value despite declining valuation multiples.

"Price is what you pay, Value is what you get" -Warren Buffett

- 2019 was a year of largely multiple expansion as the S&P 500's earnings grew by +0.6% from $161.93 to $163 and the multiple paid for this earnings stream expanded by nearly +30% to around 20x earnings[2].
- S&P 500 earnings should grow 5% in 2020 over 2019.
- While it has been difficult, our core principle of the intersection of quality and price is unchanged.
- To sum up: 2019 has been a very frustrating year for realizing shareholder value in the public markets for our businesses, but has been a good year for intrinsic value growth.

[1] *The Eurekahedge Small Hedge Fund Index (< US$100m) (Bloomberg Ticker - EHFI256) is an equally weighted index of 1460 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers the index is base weighted at 100 at Dec 1999, does not contain duplicate funds and is denominated in local currencies.*
[2] *Source: https://www.yardeni.com/pub/yriearningsforecast.pdf*

- Markets are always throwing some type of curve ball; the most recent one is private companies are appreciably more valuable than public companies (especially in tech). Historically, public companies trade at a 30-35% premium to private companies given the ability to buy and sell fractional interests. Recently, private companies are trading at a material premium to public companies.
- Another curveball is that high growth rates are more valuable for the business, ***even if it means enormous losses***. Growth is a significant driver of value if the growth is based on good unit economics, but the flip side is that it is not hard to sell a $1 bill for 50 cents. In other words, nearly any business can create a very high growth business if you do not care about the bottom line (but it doesn't mean it's a valuable business).
- We need better IR and PR from our portfolio companies. Many of our businesses trade with peers that are valued at many times what our businesses are valued at. Spark is the #3 company in online dating and trades at a 2.2x market cap/EBITDA and Redbubble is the largest independent marketplace for artists and trades at 2.5x EV/Gross profit.
- We believe our companies will grow the bottom line at a far higher rate than the overall market, w/ an enormous discount to the overall market.

Ironically with extremely low interest rates, which expands valuation multiples, many of our businesses have in several cases seen multiple contraction (sometimes severely). Furthermore, many of these businesses that have seen multiple contraction are what we consider far above average in quality and trade at massive discounts to similar peers. This is unusual, but cycles like this have persisted for the last 20 years that I have been investing in small caps: 1999-2000 (record low valuations for small caps, rest of market expensive), 2002 (everything was cheap), 2008 (everything was cheap), and the last year or two (overall market is very expensive with pockets of extremely low valuations). It is a mix of three factors: Business Results, PR-IR Communications, and Liquidity. We are largely pleased with the business results of our portfolio companies, mostly displeased with the PR-IR & Communications, and the majority of our businesses have sufficient liquidity to get discovered in the public markets (target: $200 million+ in revenue and most of our companies trade between $1-3+ million a day in liquidity which is enough for our needs). Around 99% of our holdings have over $100 million in annual revenue.

There are few areas of the market today where you can say with a straight face: this business could easily double in value and still trade at a discount to market multiples. We feel like we own a number of businesses that are exceptionally undervalued. We continue to push very hard behind the scenes to unlock shareholder value; we believe the discrepancy between our public market portfolio's valuation and what the businesses would be worth in a sale is the widest we have seen in a very, very long time.

Portfolio Updates

Rosetta Stone (RST) $18.02[3]

Rosetta Stone Inc., together with its subsidiaries, provides technology-based learning products in the United States and internationally. It operates through three segments, Enterprise & Education, Literacy, and Consumer. The company develops, markets, and supports a suite of language-learning, literacy, and brain fitness solutions consisting of software products, web-based software subscriptions, online and professional services, audio practice tools, and mobile applications. Rosetta Stone's current market capitalization is approximately $429 million. (RST is a holding across all funds.)

RST's value creation engine is Lexia, which has delivered +25% compounded annual growth (for Lexia) over the last 5 years, nearly tripling Lexia's revenue. Going forward into 2020, Lexia is guiding to +21% to +26% organic revenue growth. In November, Rosetta added Kate Walker to the board who was formerly the CEO of Princeton Review and Tutor.com, and head of M&A at Kaplan (all owned by the Washington Post). In December, Rosetta

[3] *Market price as of the date of dissemination of the letter*

added José A. Viana, the former Assistant U.S. Secretary of Education, to Lexia. While at the U.S. Dept. of Education, he was in charge of English Language Learning in K-12 schools (2017-2019). From 2013 to 2020, Lexia bookings will increase nearly 5x (based on 2020 guidance). We believe Lexia is worth conservatively a 5-6x multiple of revenue. Why? Lexia is a 80%+ gross margin business, with 90% annual renewal rates, dollar retention rates over 100%, and 21-26% revenue growth, with comps hitting 50% EBITDA margins at scale. Therefore, we believe a 5-6x multiple of revenue adds $4-5 a share in value to RST or +20-25% intrinsic value growth. We believe Lexia is the best product in K-12 in teaching kids to read. The business model is 100% subscription based and costs only $22 a child a year. U.S. Schools spend around $13,000 per student per year.

In December there were two transactions of semi-peers. Duolingo raised **money at 15x sales**[4] or a $1.5 billion valuation and Instructure (INST) **sold for $2 billion to PE firm Thoma Bravo at a valuation of 7x sales**. As shown below, a 7.5% shareholder is fighting the Instructure deal at 7x sales:

At 7x sales, a hedge fund is challenging the valuation of INST acquisition price:
"Due to our growing concerns over the potentially flawed and conflicted process and the resulting bid that we feel undervalues the Company, Praesidium believes the proposed deal is not in the best interests of shareholders and intends to vote against the deal as it is currently presented," Praesidium's two founders wrote to Instructure's board on Thursday.

- Lexia is growing about +4-9% faster than INST's 2020 sell side estimates in revenue growth.
- RST has guided to $192-199 million revenue for 2020 while INST guidance is for $300 million, with both companies generating very similar operating cash flow.
- Yet Instructure sold for $2 billion in cash and RST is valued at about 20% of this valuation or $400 million net of cash.

RST has bounced slightly this month, up about +10% to a ***valuation of 1.65x ev/sales on 2020***. RST will host another investor day in the first week of March 2020.

Net net: We think RST could sell for $25-35 a share now and would be hard pressed to believe there is a better outcome for shareholders than exploring an immediate sale of RST.

Tucows (TCX) $61.93[5]

Tucows, an ICANN accredited registrar, provides domain name and email services through a global distribution network. The company also operates a rapidly growing MVNO (wireless service) called Ting, which features innovative pricing and category-leading customer service. The company also derives revenue from the sale of fixed high-speed internet access via fiber (Ting Internet) in select towns. TCX generated $346 million in sales for the LTM ending December 31, 2018 and has a current market capitalization of approximately $650 million. (TCX is a holding across all funds.)

TCX had an eventful year.

- TCX will have invested $35 million in Fiber by the end of 2019 and over $80 million since inception, closing in on nearly 200,000 serviceable addresses
- Tucows/Ting added Justin Reilly, the Head of Product & Customer Experience from Verizon, in September
- We expect nearly +70% to +100% revenue growth for Fiber in 2020

[4] https://venturebeat.com/2019/12/04/duolingo-raises-30-million-from-alphabets-capitalg-at-1-5-billion-valuation/

[5] *Market price as of the date of dissemination of the letter*

- TCX CEO gave guidance that Fiber will exceed 60% net income operating margins at scale
- TCX has now secured on Mobile, 3 out of the 4 largest carriers: Verizon, Sprint, and T-Mobile as partners for voice, text, and data plans sold under the Ting brand with 280K subscribers.
- Ting Internet (Fiber) is now expanding into Southern California, from Denver to northern New Mexico, and around suburbs of Raleigh.
- Net net: If TCX hits 40% passed/served on the current installed base (which will take several years), with all else flat, we estimate that adjusted EBITDA would be around $12 per share and we think the stock would be worth $150+. We think this will take 4-5 years for a doubling of cash EBITDA but equate to a +20% IRR. Again, that is for just the existing 10 towns and likely a lot more will begin to be built out in the coming years.

  https://www.tucows.com/wpcontent/uploads/2019/11/Tucows_Investor_Presentation_11.6.2019.pdf

Below are some of the strong data points for Fiber which make a lot of sense if built out correctly:

It is important to note that the Ting Internet (Fiber) model is based on being the only competitor in its respective market generally speaking, which means they are competing largely against slower internet speeds like Cable, DSL, etc.

In December, two public companies where acquired mainly for their Fiber assets representing about $3 billion in M&A:

NORSA deal December 9th:
https://finance.yahoo.com/news/northstate-enters-definitive-agreement-acquired-125910085.html

CBB deal December 23rd:
https://finance.yahoo.com/news/cincinnati-bell-inc-acquired-brookfield-114500171.html

We had a very small position in CBB, and had about an 80% gain.

We invested in CBB when another investor highlighted that an investor could back into and see CBB had 50% EBITDA margins in the Fiber service business which had around $330 million in revenue.

OTEL in Missouri reached currently Served/Passed of 52%. Their target is 54%.

Both telecom focused investment banks, Charlesmead (done a lot of fiber deals) and CFC Consulting, have estimated Fiber margins between 60-70%.

http://w-t-a.org/wp-content/uploads/2016/03/Financial_Trend-_Gallagher.pdf (page 27)
https://www.hollandfiber.org/assets/FTTP_Deployment_Cost___Final_Projects__03_2016_.pdf (page 78)

Co-Bank, a $150 billion rural bank, says that Fiber is pushing a 20x multiple of EBITDA
https://www.cobank.com/knowledge-exchange/communications/fiber-valuations &
https://www.telecompetitor.com/cobank-deals-are-driving-fiber-network-valuations-higher-and-cable-rlec-networks-may-be-next-in-line/ "According to CoBank, fiber valuations have increased approximately 30% over the last 12 months, and some **buyers have paid multiples above 20 times earnings before interest, taxes, depreciation and amortization (EBITDA)."**

Currently, Europe is at 40% served/passed now and targeting as much as 65% by 2025. See page 8: https://www.ftthcouncil.eu/documents/Reports/2019/FTTH%20Council%20Europe%20-%20Forecast%20for%20EUROPE%202020-2025.pdf

The point is that at 40-50% served/passed, Fiber is close to a 60% net operating income margin business.

We think the U.S. will join the rest of the world in building Fiber infrastructure. In some countries in Asia the served/passed ratio for Fiber is at 90% and Europe is currently at 40%, with the U.S. way behind at only 12% Fiber penetration.

U.S. telecom companies are targeting investing between $130-150 billion into fiber over the next 5 years.

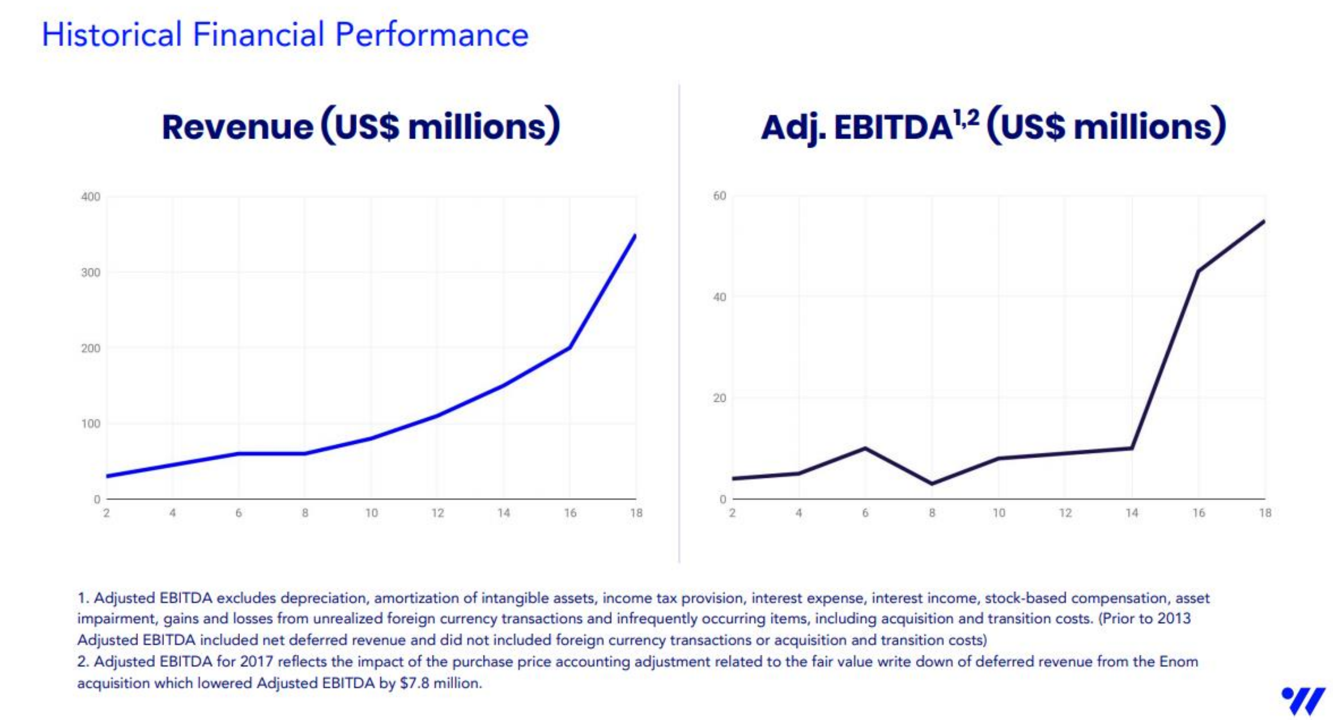
After studying the fiber argument, we believe there is no faster way than moving data at the speed of light through glass. Data can be moved through copper, cable, wireless/5G, satellite...but nothing currently matches symmetrical speeds through fiber.

The cable industry has been betting on DOCSIS. The 4th largest cable company, AlticeUSA (a $40 billion enterprise value) made the following comments on DOCSIS vs. Fiber. This is a positive surprise given the significant costs for a cable company to build out a very costly fiber network.

Benjamin Daniel Swinburne Morgan Stanley, Research Division Okay. *Let's talk about another one of your big initiatives,* ***which is fiber*****.** And you guys have talked quite extensively about the benefits of fiber-to-the-home, particularly relative to a DOCSIS first platform, I think you spent some time on your call last week on it. Without getting into an engineering debate here, maybe you could talk about what you're seeing in the network today? And why you're so confident this has a big financial payoff for the company down the road?

Dexter G. Goei AlticeUSA CEO & Director Well, we haven't launched a real commercial offering on our fiber-to-the-home. We'll have about 600,000 homes and we're launching commercially next quarter on a triple-play basis. What we've seen and we've seen it in our sister companies, both in Portugal and France, where they have parallel networks, *fiber-to-the-home versus a cable network or fiber-to-the-home versus a copper network, is significantly 40% plus less instance rates related to fiber-to-the-home than your DOCSIS network.* That just translates into automatic OpEx savings and maintenance cost savings, right? So -- and the ancillary benefits of that is obviously better NPS scores, better user experience. If you have that type of experience, not only do you have less customer interactions into your call centers and less truck rolls and service calls, but going forward, you probably have a better ease of use in terms of self-install, right? So all of those things lead us to feel really good about our OpEx savings over time as we get more volume and higher penetration numbers. And the flip side to it, and we kind of -- the reason why we launched fiber-to-the-home other than the OpEx savings and the longer-term CapEx savings is there's no better technology today. We don't believe there will be better technology than fiber going into your home all the way to your CPE unit than there is today. Obviously, the software upgrades continue to enhance the ability to get bigger and bigger speeds. But you're going to have to go there anyway. So if you're in a DOCSIS plan, you keep on going, keep on taking active components out and going -- trying to get to an N+0, but you're still dealing with in-house wiring that's DOCSIS, right? Some of this in-house wiring has been around for 40 years. And so as long as you continuously have some type of connectivity to a DOCSIS network or coax, you're going to have an underperformance in terms of the stability of that network. And you can see also a lot of the OEM manufacturers and suppliers, the DOCSISers, and they're saying, there's no real future for DOCSIS going forward. We're going to stop really provisioning our R&D here as well. So I think we've made a right call. I suspect many of our friends and family from other platforms in the U.S. will start doing more fiber-to-the-home. I know on newbuilds, Comcast does quite a bit for fiber-to-the-home. I think even Charter **does. It's really about, do you overbuild your existing plant because ultimately the coax/ DOCSIS technology may be obsolete over time**.

As shown below, the CEO of TCX has built an outstanding 18 year track record (and he is in his early 50s):



Net net: Since 2009, TCX share count has fallen from 17.6 million to 11 million through share repurchases (the average cost on the TCX buy back was $6.50 per share or 1.3x this year's cash EBITDA), while cash EBITDA grew from $8.1 million in 2009 to guidance of $52 million in 2019. On a per share basis, TCX has grown cash EBITDA nearly 10x in 10 years. This was driven by shrinking the share count by -40% and increasing cash EBITDA by 6.5x. TCX has created tremendous shareholder value through very intelligent reinvestment bets. We expect more of the same from the CEO that has been in place 18 years and has a number of very attractive opportunities to reinvest capital.

Glacier Media (TSX: GVC) CAD $0.56[3]

Glacier Media Inc. operates as an information and marketing solutions company in the United States and Canada. It operates through Commodity Information; Environmental, Property and Financial Information; and Community Media segments. The company publishes local daily and weekly newspapers, and related products, as well as develops Websites and digital products in Canada and the United States. It also provides crucial data, news, and analysis, such as dissect complex markets, news and context, invest with confidence, mitigate risk, benchmark financials, and build sales pipeline solutions; and digital and print advertising, audience delivery, storytelling, content creation, and events services. In addition, the company offers database products comprising the Daily Oil Bulletin, Canoils, The POST Report, Oilfield Atlas, and Rig Locator; research and advisory services; and operates online real estate portal. It serves clients in various sectors, such as agriculture, energy, mining, real estate, regional business, environmental risk, regulatory compliance, financial data, community media, and weather. It has a current market capitalization of approximately $69 million. (TSX: GVC is a holding across Osmium Capital, Osmium Capital II and Osmium Spartan.)

GVC is a holding company to a number of what we consider to be unique and valuable assets.

- GVC.TO: is currently valued at $65 million vs. $140 million, which is our conservative sum of the parts valuation.
- The most important part of the GVC story is reinvesting capital at high rates of return in their digital opportunities, which are significant.

Business Information assets: Revenue of $87 million in trailing 12 months

All assets here: https://www.glaciermedia.ca/brands/media-directory#Business+Media

Key Assets:

1. www.Castanet.net is similar to a Canadian version of Drudge Report. GVC paid $22 million for it.
2. www.rew.ca according to Google Trends REW has more traffic than Canadian Zillow in Canada, M&A comps 10x sales and 20x EBITDA. Online Real Estate portals have sold at extremely high valuations (see below).
3. www.erisinfo.com #2 player behind EDR which was acquired for $205 million by SilverLake
4. www.farmmedia.com #1 player in Canadian farm trade shows and magazines with ownership of 700 acres of land
5. www.jwnenergy.com www.infomine.com http://www.northernminer.com/group/ about $15 million digital largely subscription revs.
6. www.eastwardmedia.com Chinese focused market, targeting Chinese in Canada
7. www.stpub.com Specialty Technical publishing

We believe GVC Business Information assets are worth at least 2x sales **or $180 million or $1.40 per share**
Why?

- In March 2018 and May 2018, PE firm Silverlake bought EDR for $205 million and ZPG (the Zillow of the UK) for $3 billion. ZPG was acquired for 9x sales and 23x EBITDA.
- In May of 2019, New Zealand real estate web site Trade Me was acquired for $1.7 billion USD or 11x sales and 18x EBITDA.

[3] *Market price as of the date of dissemination of the letter*

- In April 2019, GVC sold their 50% interest in Fundata.ca for $55 million cash in April and paid off debt and bought Castanet. **Sold for 4x sales and 12x EBITDA**
- Simply put, digital growing assets in high value categories are typically 2-4x + sales multiples: we think 2x revenue is a conservative multiple for a positive cash flowing and growing businesses.

Glacier's Community Newspapers: are converting to digital but currently have $135 million in annual revenue

All Newspapers here: https://www.glaciermedia.ca/brands/media-directory#Community+Media

We believe the community newspapers have around 10% EBITDA margins with limited capex and are worth $35-40 million or around a 3x EBITDA or 30 cents a share.

Debt is $19 million and assuming a poor tax outcome possibly an additional $28 million (mgmt. feels it will likely be zero).

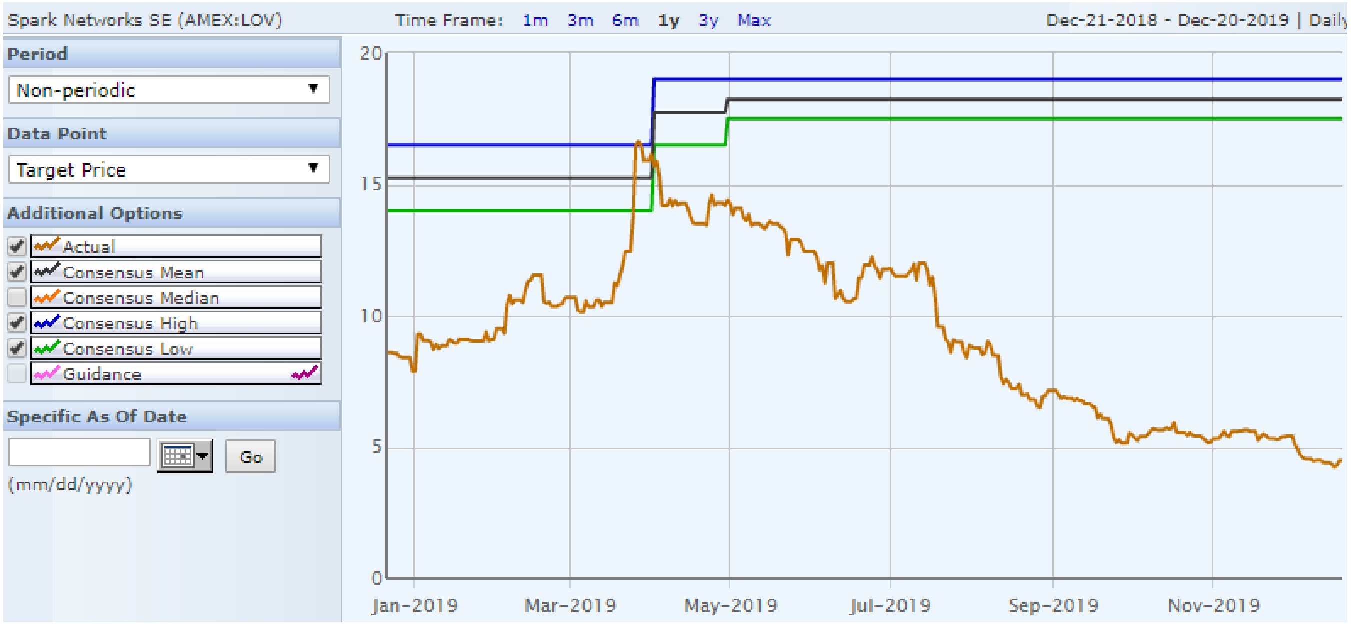
Net net: Base case including all liabilities (including tax liability) comes to $1.40 per share in value.

Spark Networks (LOV) $4.60[6]

Spark Networks SE operates online dating sites and mobile applications. It focuses on catering professionals and highly educated singles with serious relationship intentions in North America and other international markets. The company operates its dating platforms under the EliteSingles, Jdate, Christian Mingle, SilverSingles, eDarling, JSwipe, and AttractiveWorld brands. The company is headquartered in Berlin, Germany. (LOV is a holding across all funds.)

Spark multiple has contracted *from 8x to 2.2x Market Cap/EBITDA since May 2019*. This severe multiple compression happened because there was no lock up on the very large merger deal with Zoosk and the new shareholders were venture capital firms with extremely low cost basis that had been locked up for a long period of time. Additional factors included a new CEO and CFO, with semiannual reporting and no road shows. There you have it, that is what led to this massive multiple contraction. In December, one of the most knowledgeable long term owners of Spark increased their position 5x to 9.9%. This was the first direct purchase Peak6 made since before the Affinitas and Zoosk mergers. Peak6 invested several years ago and supplied the CEO, CTO, CMO and about 30 employees to Spark before successfully merging Spark with Affinitas. Peak6 appointed Brad Goldberg, the former President of Peak6 for 10 years, to the board in 2015 (he left Peak6 in the summer of 2019). Brad was formerly the GM of Microsoft Windows and was the GM who launched Microsoft's search engine Bing. We know the team at Peak6 and consider them extremely savvy investors.

[6] *Market price as of the date of dissemination of the letter*

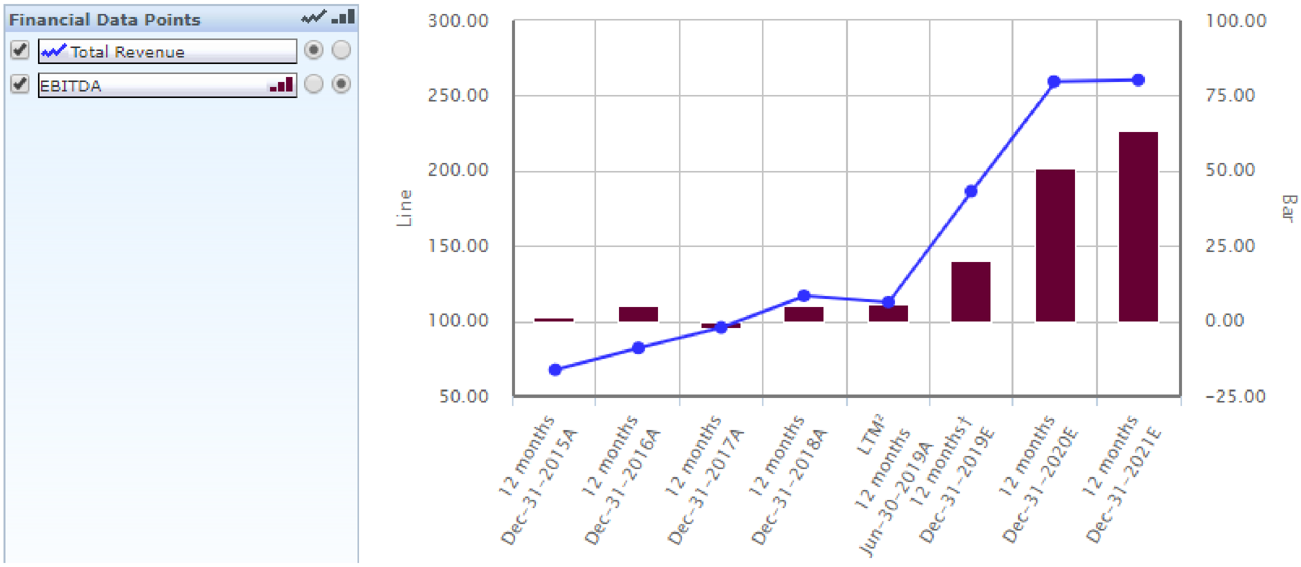


Sell side analysts:

- B. Riley and Canaccord have $17.50 and $19.00 price targets on Spark now vs. the current $4.50 share price.
- <u>One sell side estimate has Spark generating $920 million in aggregate revenue with $228 million in EBITDA from 2020-2023.</u>
- Spark has guided to maintenance CAPEX of about 2-3% of revenue, market cap is $115 million, and EV is $225 million.

What would it take for Spark NOT to work? Spark has guided for 2020 to $6.00 a share in customer acquisition and $2.00 in adjusted EBITDA vs. $4.50 stock price. In other words, Spark has approximately $4 share price + $4 a share in net debt or $8.00 a share EV value which is nearly exactly equal to $6.00 in annual customer acquisition spend + $2.00 in adjusted EBITDA. Given this relationship, we believe even in a tough scenario, Spark could cut customer acquisition cost and hold $2 a share in 2020. Yes, the top line would decline, but the company should be able to hold the bottom line. Spark currently trades at a -30% discount to its annual customer acquisition budget of $150 million and this is with guidance of $50 million in adjusted EBITDA.

Sell side analysts have $51 million in adjusted EBITDA for Spark for 2020 and the company has guided to exceed $50 million in adjusted EBITDA in 2020. Below are sell side analyst estimates for Spark. The big ramp up in EBITDA for Spark is due to the acquisition of Zoosk which cost $254 million.



JP Morgan values Match Group (ex-Tinder) at 10x ebitda and the overall business overall at 10x sales. Bumble is at 8x sales*. Spark is at 0.5x Market Cap/Sales or 1x EV/Sales basis. Using 10x Adjusted EBITDA less debt, Spark would be valued at $15.00 per share.

On December 20th, Care.com (CRCM) was acquired by IAC. The purchase price was $500 million or 2x 2020 sales of $220 million with $22 million in EBITDA. Again, we think Spark will be around $235-250 million for 2020 with $50 million in adjusted EBITDA, $111 million market cap, and EV of $220 million. Analysts have Care.com with 7% revenue growth. IAC paid 20x EBITDA for Care.com and Spark on EV/EBITDA basis is about 4x. Spark has 20% Adjusted EBITDA margins vs. 10% for Care.com for 2020. Spark has $50 million vs. Care.com $22 million. Spark's market cap and EV are $115 and $225 million vs. Care's $500 and $460 million. Forget about a 20x multiple of EBITDA but just an 8x multiple on LOV shares would lead to a +167% return from current prices and to hit sell side targets would be +300% or an 11.5x multiple of EBITDA.

The new team at Spark has plenty of digital experience with larger companies: CFO of Trivago is on the Board, Spark's new CFO came from a public $400 million company in revenue, and the CEO came from a public $2.3 billion company in revenue.

Here is the new CEO's Eric Eichmann's experience source: https://www.linkedin.com/in/eric-eichmann-649110/

criteo.

CEO

Company Name

Criteo

Dates Employed Apr 2013 – Aug 2018

Employment Duration 5 yrs 5 mos
Location Greater New York City Area

Criteo (NASDAQ:CRTO) is a global leader in commerce marketing with $2.3B in 2017 revenues. Driving its success: machine-learning technology, real-time data and performance at scale, and measurable ROI for clients, as well as the dedication and ingenuity of more than 2,700 employees in 35 offices worldwide.
• Started as CRO, quickly promoted to COO and then CEO for 2 ½ years
• Took company public in 2013 and beat expectations 19 quarters in a row
• Significantly scaled company from 2012 to 2017 -- revenue from $320M to $2.3B, Adjusted EBITDA from $20M to $310M, clients from 3'300 to 18'000 and employees from 700 to 2700
• Identified and led key revenue initiatives, including growing midmarket client segment from 8% to 35% of business, doubling US share of revenues to over 40% and shifting from none to a majority of revenues coming from mobile
• Drove significant innovation in core retargeting product to become global leader against competing offers from Google and Facebook
• Repositioned company from a single-product company to a multi-product company with a new vision to become the highest performing and open commerce marketing ecosystem, effectively providing scale and technology for commerce companies to rival Amazon
• Oversaw 5 transformational acquisitions worth over $380M

COO and President, International

Company Name

LivingSocial
Dates Employed Jul 2010 – Dec 2012
Employment Duration 2 yrs 6 mos

Lead scaling and expansion of LivingSocial, directly responsible for 2500+ people in over 23 countries with gross billings of $950M
• Scaled US operations from 200 people to over 1400 - directed operations, HR, national sales and research functions
• Lead international presence into 23 countries, through acquisitions and organic expansion. After a year, restructured portfolio for profitability optimization
• Drove development of new merchant and consumer facing products such as loyalty programs, redemption, merchant services and personalization of offers
• Built national sales from scratch, hiring Yahoo! Head of NA Sales and closing Wholefoods, Amazon, Fandango, Wine.com and other large national deals
• Grew international revenue from $20m to $220 in 18 months

Chief Operating Officer

Company Name

Rosetta Stone
Dates Employed 2006 – 2010
Employment Duration 4 yrs

Day-to-day leader, managing P+L, and directing entire worldwide sales, marketing, IT and operations for leading language learning software company. 1200 people organization.
• Grew overall revenue from $60M to $252M in 3 years
- Lead rapid expansion and optimization of all consumer activities including web sales, call center sales, $40M+ media advertising spend, 250 worldwide kiosks and reseller business (Amazon, Barnes & Noble, Apple, Costco).
- Drove 40% annual growth in the education, corporate and government markets by implementing innovative sales strategies and building 80 people strong sales force.
• Built international sales and marketing offices in Tokyo, London, Seoul and Munich; grew revenue to $40M+ and staff to 120 internationally.
• Turned around struggling IT, web development, call center, customer service and logistics into professional, nimble and well run functions ready to support $500M+ business

Aol.

SVP Advertising Operations and Systems

Company Name

AOL
Dates Employed 1999 – 2006
Employment Duration 7 yrs
Location Dulles Virginia

Lead 200 people team with $80M budget and $1.3B in ’05 revenues
• Lead $1.3B advertising operations turnaround paving the road for AOL’s re-emergence as a top player in online advertising with 25-30% growth per year.
• Created over $300M in value over 2 years by building an organization focused on efficiency, yield and optimization:
- Achieved 40% yield increase, through focused pricing organization and yield mgmt. strategies.
- Improved inventory value by 25% annually through integration of advertising.com’s leading optimization technology, creation of new sales strategy and implementation of a market based system for inventory allocations.
• Created $260M in new advertising products including targeting, video, and new formats.
• Lead vendor strategy, deal negotiations, product requirements and a successful implementation of Doubleclick for ad serving. Migrated transactions worth $500M with no negative revenue impact. Trained 800+ people on new processes and tools.
• Lead vendor selection, deal and successful implementation of Omniture analytics in 2003.see less

Senior Engagement Manager

Company Name

McKinsey and Company
Dates Employed 1994 – 1999
Employment Duration 5 yrs
Location Chicago, Paris and Washington DC

Strategy, M&A and organizational change focus. Project work examples:

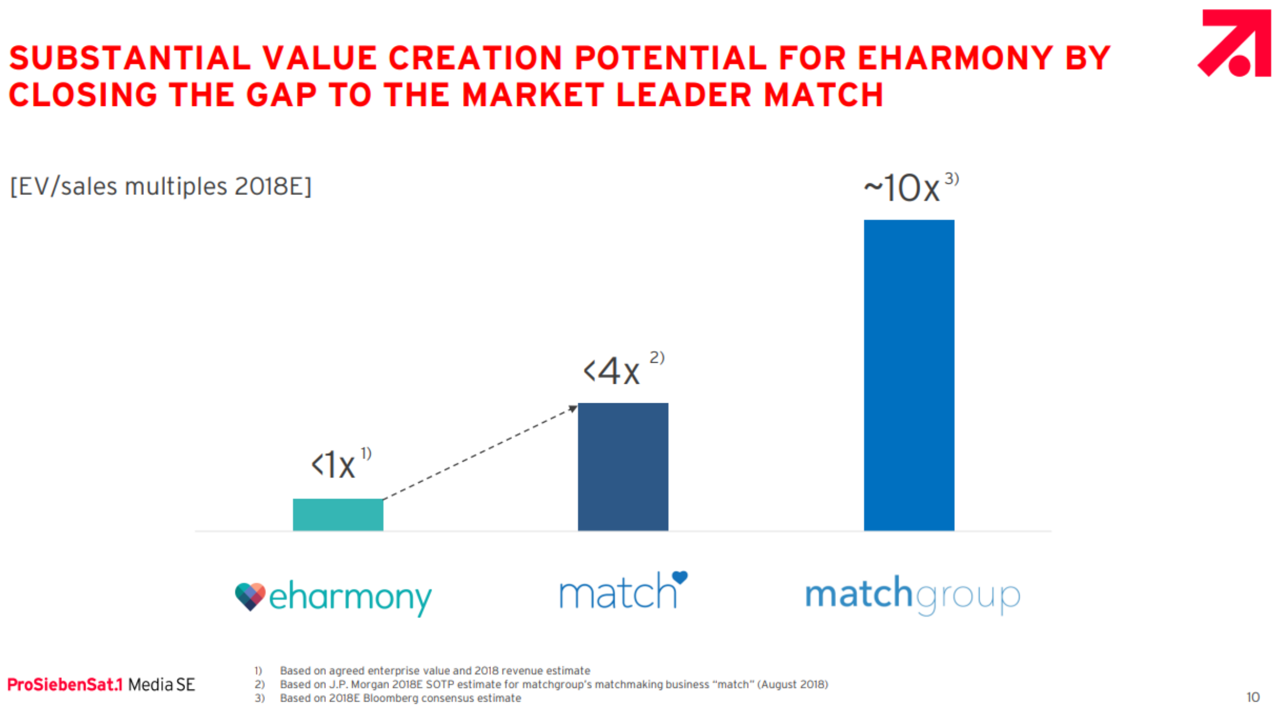
• Developed product strategy and lead full product relaunch for $1B+ PBX like telecom product suite.
• Identified and developed $1B worth in growth opportunities for biotech corporation.
• Lead valuation and structuring of $800M merger of three metallurgical companies. Lead $3B industrial conglomerate post-merger management plan
• Identified and lead $300M worth of acquisitions for multibillion forestry and engine outboard manufacturer in US and Europe.
• Transformed underperforming, multibillion oil subsidiary in UK to a high performing metrics based organization. Achieved $43M cost reduction in 3 months.

Eichman also serves on the board of LoopMe described as:

"We solve attribution in real time, use AI to optimize media delivery and create measurable, incremental uplift against sales and other marketing goals. Our 1st party data is sourced from proprietary brand surveys and mobile data, including GPS location. This is enhanced by third party data partnerships, which enable LoopMe to access data including credit card purchases, car registrations, loyalty card and TV viewership in-flight. Real-time AI optimization uses this data to optimize media performance to users delivering on brand outcomes, while transparent analytics provides clients with deep insights into their active audience."

Match ***#1 is valued at $2,650 per subscriber***, *Bumble* ***#2 is valued at around $1,800 per subscriber*** (private, but from Media reports $3 billion valuation in November with $400 million in total revenue (from what we can find we estimate that Bumble is around 50% of total revenue)), **Spark #3 is valued at $100 per subscriber on a market cap basis and $200 on an EV basis.** All have ARPU in the general $20 per month, Spark has guided to $50+ per subscriber in EBITDA in 2020 vs. $94 for Match and Bumble said they are profitable. *At a 10x multiple of EBITDA, Spark would be worth about $500 per sub, which would equate to a $15.00 stock and still trade a significant discount to the industry.*

The #4 player behind Spark is Parship. Parship bought eHarmony which is only about 30% the size of Spark now and from what we heard was shrinking with break-even operations. Parship paid 1x sales for eHarmony which was a private company. Parship highlighted the value creation opportunity believing 1) they could nearly double the lifetime value of an eHarmony customer to $500 which would get the company closer to targeted industry margins. Parship shows their rationale for acquiring eHarmony: by achieving industry margins for eHarmony, value creation would be around 4x sales or 10x EBITDA (excluding Tinder or softpay wall businesses). In other words, Parship believes/implies that the eHarmony deal could be a 4x return on an investment if they can improve the profitability. Spark should already be on the lower side of industry margins for 2020 (based on guidance in 2019). This is another supporting factor that we think suggests 10x EBITDA is not an unreasonable multiple.



Source:https://www.prosiebensat1.com/uploads/2018/10/29/Acquisition_eharmony.pdf

As the chart above highlights, there is plenty of room for multiple expansion/shareholder value creation with the current Spark valaution at 0.5x sales on a market cap basis and 1x sales on an EV basis.

According to CapitalIQ, a market cap weighted valuation for a business with 22% EBITDA margins and shrinking top line of 1.67% is valued in public equity at 11.9x EBITDA and 2.9x sales vs. Spark at 4x EV/EBITDA and 1x EV/Sales.

Net Net: Using a mosaic of approaches we get a considerably higher valuation, yet understand why the stock is cheap. We think catalysts include finishing cost synergies by June, refinancing debt at ½ the current interest rate in July 2020, quarterly earnings calls in 2H20 (next earnings call March/April 2020), full roll out of tech platform that they have been working on for 18 months, and new softpay wall product launch.

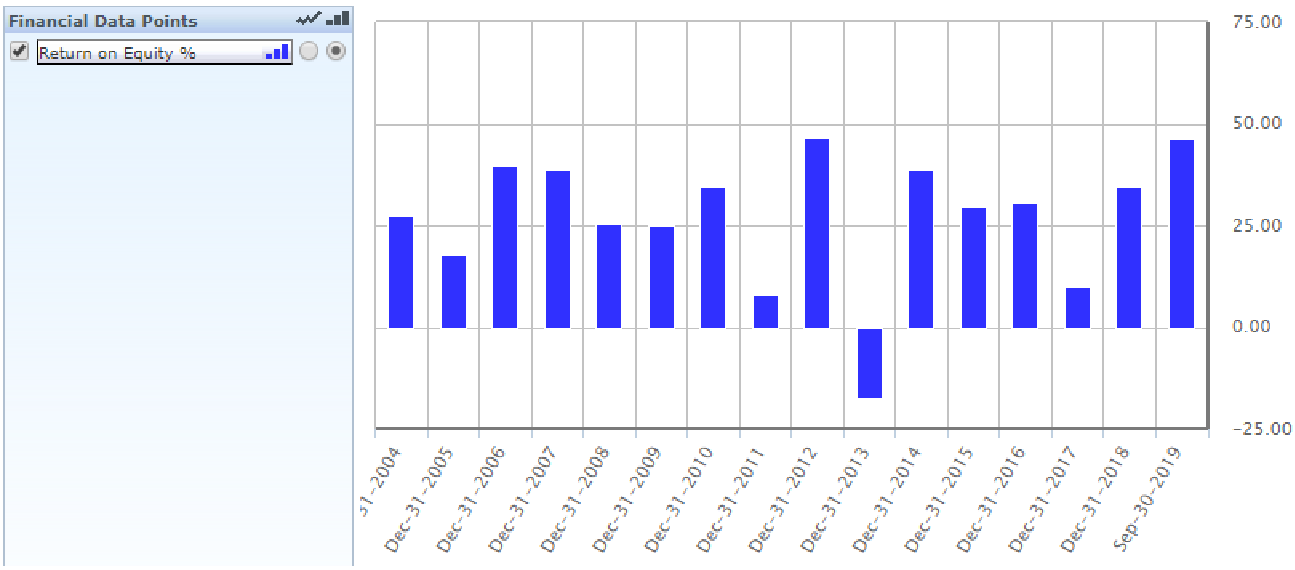
Travelzoo (TZOO) $10.68[7]

Travelzoo Inc., together with its subsidiaries, provides travel, entertainment, and local deals from travel and entertainment companies, and local businesses in Asia Pacific, Europe, and North America. The company's publications and products include Travelzoo Websites; Travelzoo iPhone and Android applications; Travelzoo Top 20 email newsletter; and Newsflash email alert service. It also operates the Travelzoo Network, a network of third-party Websites that list travel deals published by the company; and Local Deals and Getaway services, which allow its subscribers to purchase vouchers for deals from local businesses, including spas, hotels, and restaurants through the Travelzoo Website. The current market capitalization is approximately $129 million. (TZOO is a holding across all funds.)

Travelzoo is valued at 6x US/Europe operating income net of cash. US/Europe represents 95% of revenue. TZOO has over 30 million global members with 90% gross margins. TZOO has repurchased 10% of the outstanding shares in 2019, tied for the most aggressive buyback in 18 years a public company. The industry is consolidating and the

[7] *Market price as of the date of dissemination of the letter*

barriers to entry are high. TZOO China has grown members +27% from January through October 2019. If TZOO Asia achieves guidance of profitability in 2020, operating cash flow will jump to $1.70 per share. TZOO now with a big drag in Asia is generating +40% returns on equity (ROE) without debt. If Asia hits profitability, TZOO's ROE would be over 100%. TZOO should trade at a far higher multiple than 6x operating income. Insiders own 50%, and have bought back 10% at $15.27 in 2019 vs. $11.20 per share now. TZOO has repurchased $60 million worth of stock since 2012 on an enterprise value of $110 million. We appreciate that the Chairman and Chief Talent Officer works as a true owner/operator and does not take a salary of any fees from the company and owns about 49% of the equity.



Net net: Since TZOO has come public in 2002, TZOO has averaged 24x EV/EBITDA and 4.96x EV/Sales. The current valuation is 1.1x sales and 6x US and European Operating Income (excluding TZOO Asia which is 6% of revenue). If TZOO achieves their guidance in 2020 of profitability in Asia through either organic growth, restructuring, or selling, ROE off US and Europe would exceed 100% vs. the current 40%. We think TZOO is worth $20+ per share. TZOO has nearly 90% gross margins and members stay on average 7 years.

Franklin Covey (FC) $32.45[1]

Franklin Covey Co. provides training and consulting services in the areas of leadership, productivity, strategic execution, trust, sales force performance, customer loyalty, and communication effectiveness skills worldwide. Franklin Covey operates multiple billion-dollar brands, including "The 7 Habits" and "Leader in Me." Franklin Covey's market capitalization is currently $461 million. (FC is a holding across all funds.)

For 2019 (August year-end), Franklin Covey grew operating cash flow +80% and will likely to continue to grow at a high rate for some time to come given guidance of 40% of incremental revenue flow to adjusted EBITDA.

In December, Korn Ferry (KFY) bought three companies to create Korn Ferry Digital which is similar to Franklin Covey's All Access Pass. KFY guided that KF Digital will generate *around $400 million in revenue with 27-30% EBITDA margins.* FC has total revenue of just under $250 million a year with around 70% gross margins. FC bought back $10 million worth of stock in December at $35.10 a share and has $40 million remaining on their current repurchase program.

[1] *Market price as of the date of dissemination of the letter*

Using FC guidance of 7-9% revenue growth with 40% of incremental revenue dropping to EBITDA, implies FC can grow EBITDA, which is a good proxy for operating cash flow, around .70 cents a share per year off a base of $2.20 in operating cash flow or close to $3.00 this year (August 2020). Sell side analysts have targets between $47-51. FC now sells 32% of their business as multi-year subscription contracts. We think the company can grow free cash flow at a high rate for a long time.

FC reports January 10th and Bank of America is taking FC's CEO, Bob Whitman, on a road show to see their clients in mid-January. This is typically a sign the company would likely provide additional sell side coverage to FC. FC has come under pressure as the company distributed Knowledge Capital shares to underlying holders which we heard include Stanford and Yale's endowment. FC repurchased $10 million worth of stock this month at $35.10 and has an additional share back authorization for $40 million. FC has evolved to both a high quality business model (recurring revenue, content/subscription model, best-selling brands in the industry) and about 12x operating cash flow for a business. This is a fairly low multiple for a business that can grow EBITDA by 25-30% per year.

Net net: We think FC is worth $45-50+ now and in 3 years we think FC could exceed $5.00 per share and more than double w/o much multiple expansion. We think the market may also revalue FC at a meaningfully higher valuation with an extremely sticky, high margin, growing business at possibly a market multiple of 13-14x EBITDA especially as this is a good proxy to operating cash flow (and 25-30% bottom line growth rates).

Redbubble (RBL.AX) AUD $1.13[6]

Redbubble Limited operates as an online marketplace that connects independent artists with customers and a network of third party fulfillers utilizing print-on-demand technology to fulfill customer orders. It offers apparel for men, women, and kids; cases and skins, such as phone cases and wallets, as well as laptop sleeves and skins; various stickers; home decor products, including throw Pillows, duvet covers, travel mugs, and mugs; bags, such as tote bags, pouchstudio pouches, drawstring bags, and laptop- sleeves; stationary products comprising greeting cards, postcards, calendars, spiral notebooks, and journals; wall art products, including posters, canvas prints, framed prints, photo prints, framed prints, and art prints; and gift certificates. The company was founded in 2006 and is headquartered in Melbourne, Australia. Redbubble's current market capitalization is approximately $292 million. (RBL.AX is a holding across all funds.)

Redbubble has taken an unwarranted pull back to $1.14 in December. In December, Redbubble reported that their overall revenue was +20% for the quarter through December 12th driven by the Redbubble business growing at +2% (was +6% previous quarter) while their TeePublic grew +59% (previous quarter +42%). Our average cost on Redbubble for both the fund and SPV investment are both under $1.00 per share.

We think Redbubble is significantly undervalued at $2.00 let alone the current valuation.

In simple terms: Teepublic should reach around $85 million in revenue by June 2020 with over +50% organic growth rate and one sell side analyst uses over 10% EBIT margins. Teepublic we believe would be worth $1.00 at 2.75x sales. Valuing Redbubble at a very low valuation of 1.0x sales plus cash is worth an additional $1.00 for a sum of the parts valuation of $2.00. Currently, Redbubble trades for 0.8x June 2020 sales and 2.5x EV/Gross Profit. Redbubble has 5 year trailing compounded annual growth rate of +44%.

New Shareholder: One interesting new shareholder of Redbubble is the Mike Cannon-Brookes who is the Co-Founder and Co-CEO of Atlassian (Ticker: TEAM $29 billion market cap). Mike is worth $8.5 billion in USD. In September 2019, Mike's ownership vehicle, Grok Trust, disclosed purchasing 8.4 million shares of Redbubble. Grok's mission statement:

We back world-class teams solving big problems to shape a better future.

We invest in fast growing technology-enabled businesses.

We have private, long-term focused, patient capital.

We participate in early to late stage funding rounds.

Redbubble is a true asset light business model: Redbubble has Accounts Receivable of $2.4 million, Gross PP&E of $7.4 million, zero inventory, prepaid expenses of $2.8 million, and other assets of $1.9 million. These assets power a $300 million+ business in annual revenue. This is truly an asset light platform business, that has long tailed content business (24 million works of art of which 60% of revenue is of content that is at least 1 year or older). This type of business model is worthy of a high multiple given returns on capital (the denominator for invested capital is extremely light) and growth with good incremental margins (from June FY 2019 to 2020 EBITDA analysts have EBITDA improving by $16 million). Note: Redbubble is holding $38 million in net cash as well and we did not include goodwill or other intangible assets.

Nutty Valuation: We are confident that the valuation of 0.8x sales and 2x ev/gross profit makes no sense for a company that has a 5 year trailing growth rate of 44% and hit nearly 8% EBITDA margins last quarter. Especially when industry peers trade at 3-5x sales and Redbubble is an industry leader.

On December 26th Emancipation Capital filed a public letter urging a sale of Redbubble:
https://www.prnewswire.com/news-releases/emancipation-delivers-letter-to-redbubble-ceo-and-board-of-directors-300979449.html

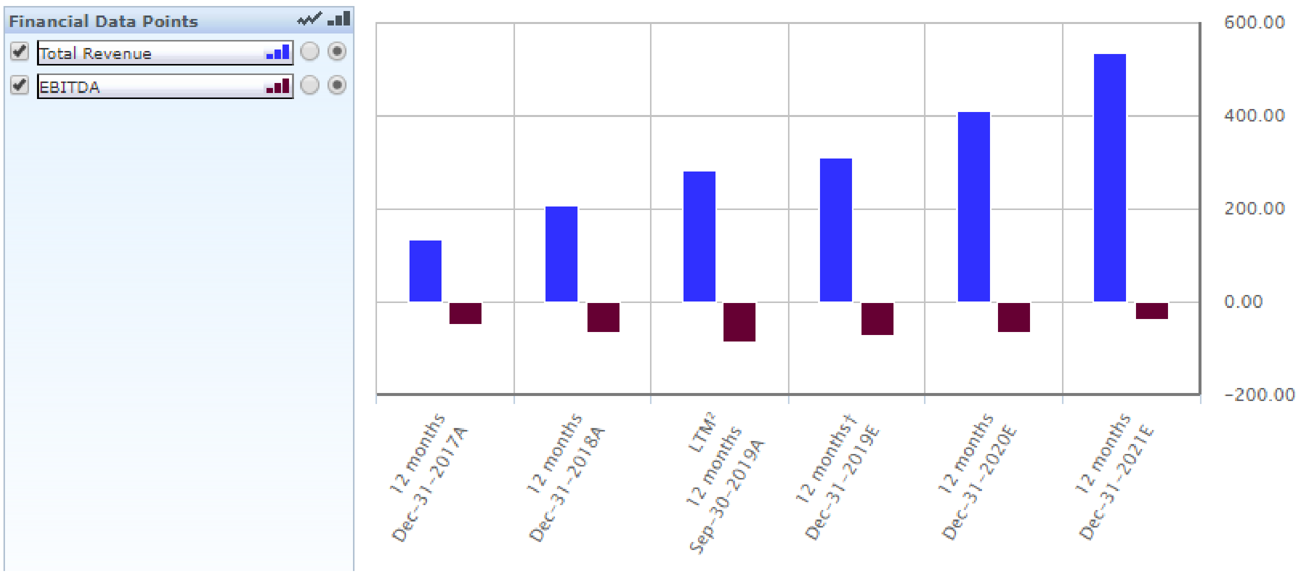
We are NOT supportive of a sale of Redbubble, as we have 1) confidence in the management team 2) believe the business is in still an early phase of growth and 3) massively undervalued.

Other odds and ends: Kornit.com is the hardware manufacturer for the machines Redbubble prints on. Redbubble generates approximately 2x the revenue of the hardware manufacturer and KRNT trades at 7.4x sales compared to RBL, the platform owner, (which we think is a more valuable business) which trades at 0.8x. Markets get it really wrong sometimes, NFLX had 42% short interest in 2005 before going up from a $450 million market cap to $130 billion. Even in 2009, NFLX had a valuation of $1.8 billion with 38% of the stock short. While there is hardly any shares short Redbubble, we think markets occasionally miss big ideas and we believe RBL is a big idea with a very bright future.

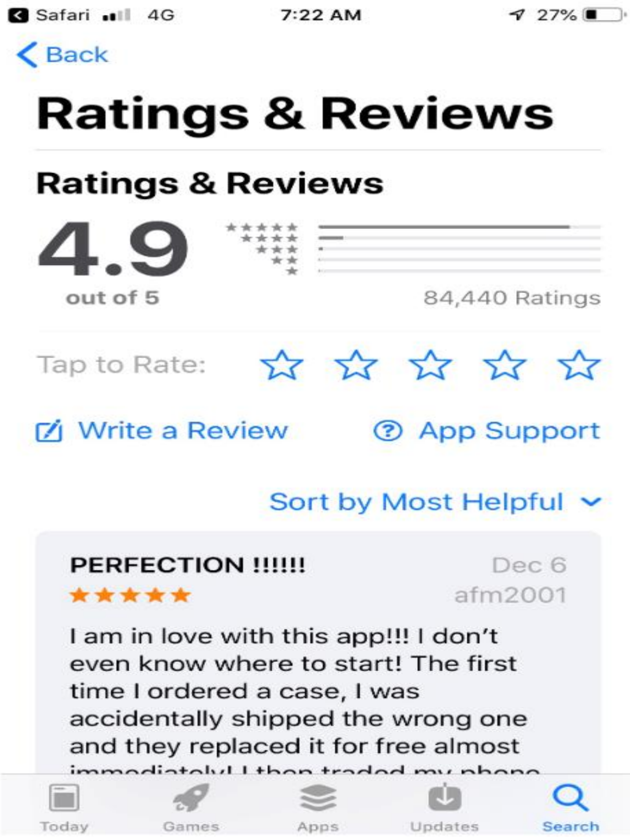
Redbubble is the #1 player as a marketplace for independent artists with over 1 million artists, 24 million designs, and 6 million in annual customer purchases. Redbubble is growing slightly with a Google headwind, which should decline as other channels continue to ramp up. RBL has a solid net cash position of nearly $40 million, guidance for free cash flow generation and growth for the year ending June 2020. Insiders own 35% of outstanding shares and the CEO pay package is tied shareholder returns of at least 20% per year over 4 years, less than 10% no bonus (the vast majority of his compensation is tied to how well RBL shareholders do). Redbubble is already selling over $120 million in T-Shirts and $60 million in stationary and stickers per year across 30 countries and this is the tip of the iceberg given a full product line of 67 products.

TheRealReal (REAL) is a quasi-comp which sells high end hand bags and is a 2 sided marketplace with a 30%+ take rate. REAL is valued at 3.0x 2020 sales with +32% revenue growth and -16% EBITDA margins with full year 2020 revenue estimated to be approximately $410 million.

We certainly think Redbubble's Teepublic business, which has +50% organic growth rates and better than +10% EBIT margins is worth at least REAL's valuation of 3.0x sales. This alone gets an investor to $1.00 plus .15 cents in net cash and Redbubble is FREE with the current stock price at $1.13. We think Redbubble is worth another .90 cents using a very low valuation of 1x sales. Sell side analysts have Redbubble Group growing revenue at 20% per year through 2024 with EBITDA nearly doubling year on year through 2023. Redbubble has a 5 year trailing growth rate of +44% compounded annually



According to the Apple store Redbubble generates more traffic than Ikea, Zappos, Carvana ($9 bn mkt cap), Whole Foods, Abercrombie and Fitch, Polo, Autozone, Gap, and Under Armour.



Recently Redbubble just rolled out their Android app as well.

Inventory: ZERO
Days Sales Outstanding in A/R: 2 days
Day's payable outstanding: 30 days
Fixed asset Turnover: Redbubble at 95x vs. AMZN at 4x WMT at 3x.

Redbubble: an Authentic Story with Retail model for the 21st century

Is riding 6 retail megatrends:

1) Social media era seeking unique authentic one of a kind designs

2) Small business is supported, authentic, and loved vs. big business

3) Collapsing cost curves in printing costs

4) Lack of unique content in Retail or 40-50% of retailers sell the same Levi's, Fruit of the Loom, etc. (sea of sameness)

5) Massive expansion in what is becoming possible to print on Redbubble's platform (shoes, workout gear, wrapping paper, wallpaper, etc). RBL has grown from 6 to 70 categories since 2013. Hundreds of potential new products coming, see Kornit.com for details.

6) Fast Fashion: Shortest supply chain in retail from uploading a design to delivery on your doorstep: 3-5 days

THE SMARTEST GUYS IN RETAIL ARE GOING WITH THE RETAIL VERSION OF REDBUBBLE:

Zara founder is worth $70 billion

H&M founder is worth $18.5 billion

BooHoo is $3 billion public company valued at 3x sale and 28x EBITDA

https://www.datexcorp.com/fast-fashion-retail-success-in-todays-e-commerce-supply-chain/

Difference Between Traditional & Fast Fashion

Design to Retail Lead Time:

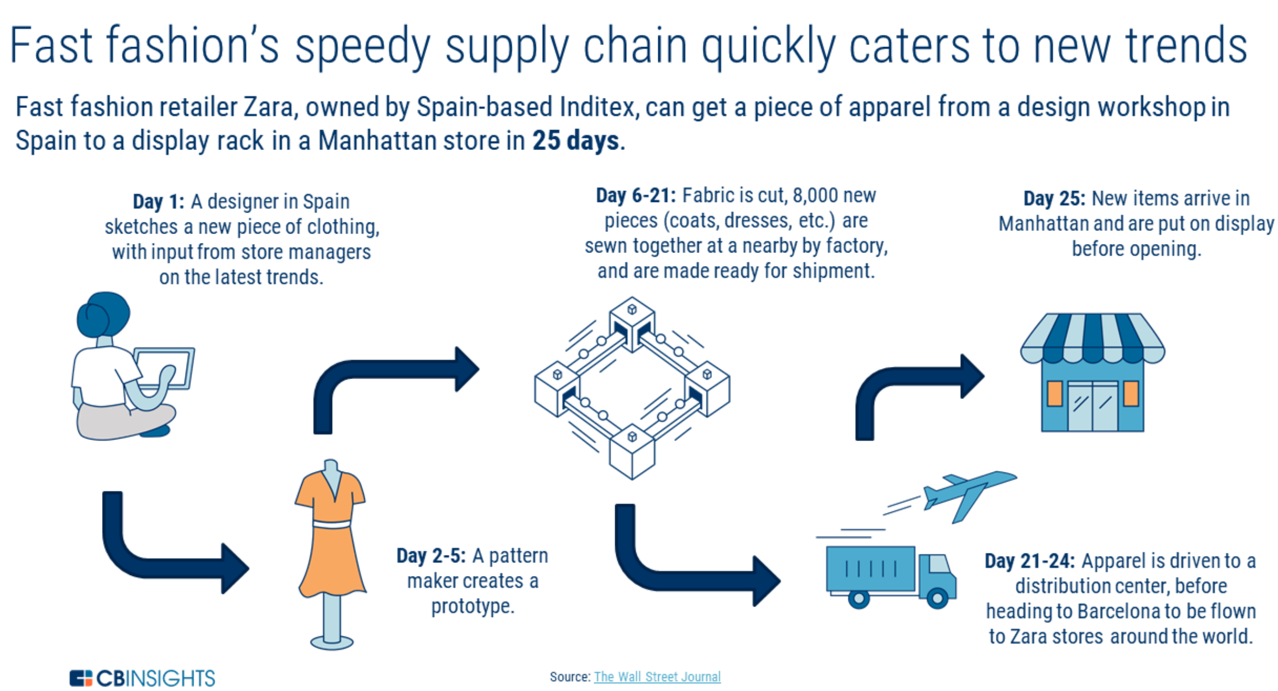
Traditional: 6 months
Frequently discounted

Fast Fashion: 2-6 weeks
Mostly sold at full price

Fast Fashion Objectives

- Increase online and in person retail sales
- Decrease discounting
- Lower cost of ownership of goods
- Decrease stock levels
- Improve cashflow
- Reduce cost of goods
- Turn out more collections per year
- Increase retail store traffic
- Be more competitive

Fast Fashion Company Needs
Must be able to react in near real time to changing consumer tastes
Tight process control needed
Short lead time supply chain models
Requires greater flexibility and shorter turnaround time
Fast-cycle manufacturing processes
Strong quality controls & Real time visibility



Fast fashion's speedy supply chain quickly caters to new trends
Fast fashion retailer Zara, owned by Spain-based Inditex, can get a piece of apparel from a design workshop in Spain to a display rack in a Manhattan store in 25 days.
Day 1: A designer in Spain sketches a new piece of clothing, with input from store managers on the latest trends.
Day 2-5: A pattern maker creates a prototype.
Day 6-21: Fabric is cut, 8,000 new pieces (coats, dresses, etc.) are sewn together at a nearby by factory, and are made ready for shipment.
Day 21-24: Apparel is driven to a distribution center, before heading to Barcelona to be flown to Zara stores around the world.
Day 25: New items arrive in Manhattan and are put on display before opening.
CBINSIGHTS
Source: The Wall Street Journal

Net net: We continue to believe that Redbubble's business model is simply a better mousetrap in Retail. Redbubble dodges all of the typical points that hurt retailers. Redbubble is a virtual (nothing exists physically until it is purchased) retailer in an arbitrage business model (Redbubble takes 30% commission on every sale). Redbubble avoids real estate, inventory, design risk, fulfillment, with the industry's fastest supply channel from uploading a design to delivery on the customer's door step in 3-4 days. Redbubble has never paid an artist acquisition cost to get an artist to join their platform and currently has over 1 million artists and 24 million designs. Consumers will make about 6 million purchases from Redbubble Group this year and Redbubble operates in about 30 countries. Redbubble is now partnering with media companies to allow their artists to design on leading brands and resell exclusively on the Redbubble platform. NBCuniversal which owns well over 200 brands has entered into a deal with Redbubble and their artists.

We think it is very early days for Redbubble and the company the potential to be an "everything store (adding 400-500 products over time vs. 67 now)." We believe Redbubble will get into selling everything from wrapping paper, to shoes, pants, and workout gear. As a perspective, Redbubble now sells over $100 million a year in just t-shirts and around $60 million in Stickers and Stationary. We think it is not hard to see how the company could achieve its target of $1 billion in revenue in the coming years as product categories grow. We believe at some point, this business will get a 2-3x multiple of revenue as a very hard to replicate 2-sided network, which is the #1 player in the category. A 2.5x multiple is a discount to the peer group, but would represent $3.15 a share vs. $1.00 now.

Conclusion

To be a public company you need to be a winner. Winners do more with less: 1) faster than industry revenue growth 2) better than industry profit margins and 3) a simple to explain story. We have a study that shows approximately 4% of public companies over time generate meaningful shareholder value while the rest net to 30 day T-bills over time. Heading into 2020, are going to continue to press board and management teams aggressively to close the massive gaps between what businesses trade for and what believe they could be sold for. Public Boards, in theory, should be constantly pursuing the best risk adjusted path forward for their shareholders, but frankly, the incentive structure is to tread water and enjoy the ride versus doing the right thing and follow the harder path of potentially ending the ride and selling the company.

We will do what it takes to make sure investors know there are two options and that management and boards work on behalf of shareholders, which in many cases gets forgotten. We live by the motto: "All it takes, is all you have."

In our opinion, the small cap market remains, in certain pockets, deeply inefficient. This does not come as a surprise, but it is frustrating that what we consider obvious value drivers are getting ignored for the time being. This backdrop continues to offer us attractive long term investment opportunities, as most of our businesses are transforming to digital models, with attractive growth rates and valuations that are significantly below both public and private peers. We do feel we are well positioned going forward.

Our goal is not to minimize volatility on a day to day or month to month basis, but to capture the significant inefficiencies in underfollowed public companies on both the long and short side. On the long side, we are looking for companies that are aggressively growing per share value through business results and recapitalization when the share price is significantly undervalued. We are far less concentrated on our short portfolio and much more long term focused on the long side. Osmium Capital has a 30% correlation to the overall market. It is very hard/impossible to call when fundamentals get recognized and revalued in the marketplace. Our goal is to be right on the underlying intrinsic value of the businesses on both the long and short side, as opposed to calling an earnings number to the penny on a quarterly earnings report. We believe this is a higher probability and a far more tax efficient strategy that we have successfully executed over the last 16 years. It is important to emphasize that we may take very large equity positions when businesses we know very well become priced at a significant discount to our estimated business value.

If you are interested in adding to your position or becoming a limited partner, please contact us by phone or email. Thank you again for your support.

Best,

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The analyses provided may include certain statements, assumptions, estimates and projections prepared with respect to, among other things, the historical and anticipated operating performance of the companies. Such statements, assumptions, estimates, and projections reflect various assumptions by Osmium Partners concerning anticipated results that are inherently subject to significant economic, competitive, and other uncertainties and contingencies and have included solely for illustrative purposes. No representations, express or implied, are made as to the accuracy or completeness of such statements, assumptions, estimates or projections or with respect to any materials herein. Actual results may vary materially from the estimates and projected results contained herein. Past Osmium performance is not indicative of future results. Osmium takes concentrated positions. Osmium Partners disclaims any obligation to update this letter.

A portion of the Partnership's assets may from time to time be invested in securities that have limited liquidity. The Partnership's investment strategy is to make concentrated investments in what it views as its best ideas. The Offering Memorandum and Limited Partnership Agreement offers a comprehensive overview of the risk factors involved in investing with Osmium Partners.

OSMIUM PARTNERS

STRATEGIC VALUE INVESTORS

OSMIUM CAPITAL, LP[1]						2019						
MICRO & SMALL CAP Long/Short	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Return information, net												
Monthly return	10.0%	4.8%	20.8%	7.5%	(2.9%)	(8.8%)	(3.1%)	(16.0%)	(3.2%)	9.1%	(8.7%)	
Quarter to date	10.0%	15.2%	39.1%	7.5%	4.4%	(4.9%)	(3.1%)	(18.7%)	(21.3%)	9.1%	(0.5%)	
Year to date	10.0%	15.2%	39.1%	49.5%	45.2%	32.4%	28.2%	7.7%	4.2%	13.6%	3.7%	
Since inception, November 2002	435.5%	461.0%	577.5%	628.2%	607.1%	544.6%	524.6%	424.4%	407.5%	453.5%	405.1%	
Month End Position summary[2]												
Long equity	159.4%	160.5%	150.1%	149.6%	152.7%	145.8%	152.3%	162.9%	154.7%	147.0%	150.8%	
Short equity	(60.6%)	(63.2%)	(59.3%)	(58.5%)	(68.6%)	(69.7%)	(59.2%)	(72.7%)	(73.4%)	(64.2%)	(68.4%)	
Gross exposure	220.0%	223.7%	209.4%	208.1%	221.2%	215.5%	211.5%	235.6%	228.1%	211.2%	219.2%	
Net exposure	98.8%	97.3%	90.9%	91.0%	84.1%	76.1%	93.2%	90.2%	81.3%	82.8%	82.4%	
Position information[2]												
Total number of positions, longs / shorts	20 / 73	20 / 72	18 / 30	20 / 31	22 / 33	19 / 6	17 / 6	17 / 6	16 / 7	16 / 7	18 / 7	
Performance attribution												
Longs - Gross % return attribution	17.6%	10.0%	20.2%	10.5%	(8.0%)	(4.0%)	(3.2%)	(19.4%)	(1.5%)	11.8%	(6.6%)	
Shorts - Gross % return attribution	(7.4%)	(5.0%)	0.9%	(2.1%)	4.7%	(4.7%)	0.3%	3.5%	(1.6%)	(2.4%)	(1.9%)	
Total Gross Return	10.1%	5.0%	21.1%	8.3%	(3.3%)	(8.7%)	(2.9%)	(15.9%)	(3.0%)	9.5%	(8.5%)	

OSMIUM SPARTAN, LP[1]						2019						
MICRO & SMALL CAP - LONG ONLY	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Return information, net												
Monthly return	10.5%	5.5%	11.0%	5.3%	(4.0%)	(2.2%)	(1.8%)	(12.3%)	(1.2%)	8.5%	(4.5%)	
Quarter to date	10.5%	16.6%	29.4%	5.3%	1.1%	(1.1%)	(1.8%)	(13.8%)	(14.9%)	8.5%	3.6%	
Year to date	10.5%	16.6%	29.4%	36.3%	30.9%	28.1%	25.8%	10.4%	9.0%	18.2%	12.9%	
Since inception, December 2005	312.2%	334.9%	382.6%	408.1%	388.0%	377.5%	368.9%	311.5%	306.3%	340.8%	321.0%	
Month End Position summary[2]												
Long equity	95.7%	94.4%	95.4%	93.8%	94.1%	79.8%	94.9%	96.4%	89.6%	90.9%	93.7%	
Total number of positions	17	18	17	18	22	17	17	17	16	16	17	

OSMIUM DIAMOND, LP[3]						2019						
MICRO & SMALL CAP Long/Short	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEP**	**OCT**	**NOV**	**DEC**
Return information, net												
Monthly return	11.6%	7.3%	15.3%	6.1%	(4.8%)	(6.6%)	(1.7%)	(14.0%)	(1.8%)	9.8%	(6.3%)	
Quarter to date	11.6%	19.7%	38.0%	6.1%	1.0%	(5.7%)	(1.7%)	(15.5%)	(17.1%)	9.8%	2.9%	
Year to date	11.6%	19.7%	38.0%	46.4%	39.4%	30.1%	27.9%	9.9%	7.9%	18.5%	11.0%	
Since inception, October 2013	25.9%	35.1%	55.8%	65.2%	57.3%	46.9%	44.3%	24.1%	21.8%	33.8%	25.3%	
Month End Position summary[2]												
Long equity	136.6%	135.4%	132.2%	130.3%	129.1%	129.3%	125.8%	133.6%	127.9%	120.4%	120.6%	
Short equity	(32.4%)	(32.8%)	(30.2%)	(29.5%)	(29.8%)	(34.2%)	(33.1%)	(38.5%)	(39.9%)	(32.4%)	(36.0%)	
Total number of positions, longs / shorts	13 / 73	13 / 72	12 / 30	12 / 31	13 / 32	10 / 5	10 / 5	10 / 6	10 / 6	11 / 6	11 / 6	

(1) Performance represents a Class A Investor with a 2% management fee and 20% performance fee

(2) Number of Positions and Position Exposures are not inclusive of Options, Warrants and Certificates

(3) Performance represents a Class A Investor with a 1.75% management fee and 20% performance fee

Note: Past Performance is not indicative of future results

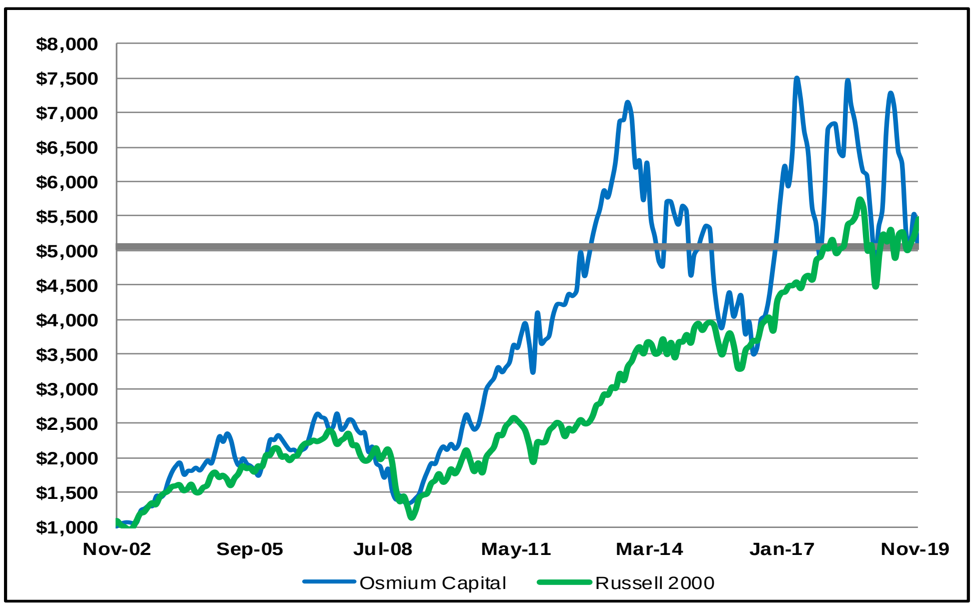
Osmium Capital, LP

Year to Date: 3.7% | **Since Inception: 405.1% | Annualized: 9.9%**

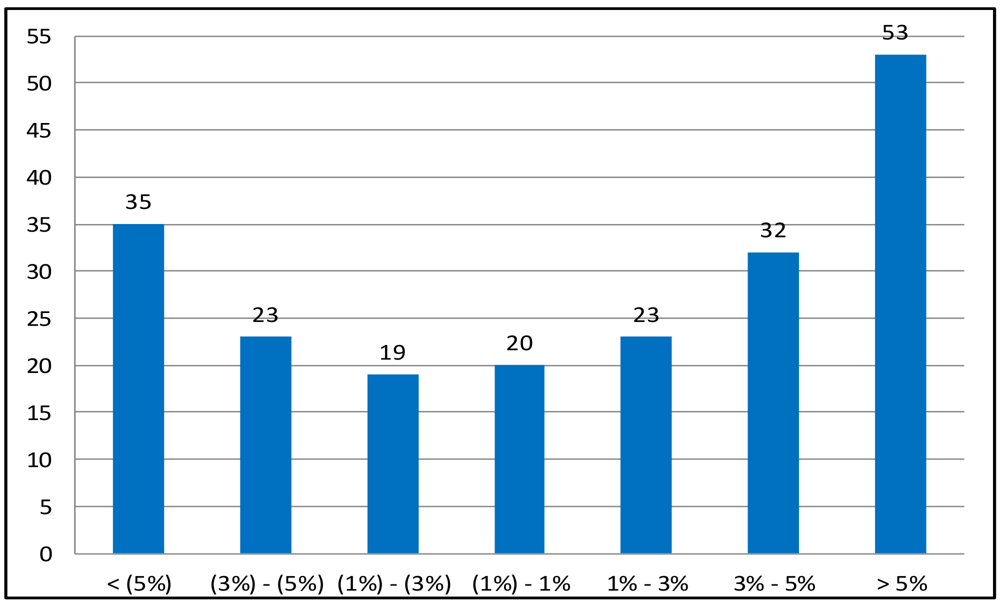
Monthly Net Performance [1] (% change)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Since inception
2019	10.0%	4.8%	20.8%	7.5%	(2.9%)	(8.8%)	(3.1%)	(16.0%)	(3.2%)	9.1%	(8.7%)		3.7%	405.1%
2018	1.3%	0.0%	(5.8%)	(0.9%)	16.7%	(4.5%)	(3.6%)	(6.1%)	(4.5%)	(1.0%)	(9.7%)	(11.4%)	(27.8%)	387.0%
2017	7.6%	(4.8%)	8.2%	16.5%	(3.1%)	(6.9%)	(4.6%)	(12.3%)	(4.2%)	(8.8%)	13.2%	21.1%	16.5%	574.9%
2016	4.2%	3.0%	(12.7%)	4.7%	(11.8%)	2.5%	11.3%	1.4%	6.2%	10.1%	9.7%	11.4%	43.1%	479.2%
2015	(16.4%)	5.9%	2.1%	3.7%	2.6%	(0.8%)	(14.4%)	(10.4%)	(5.0%)	7.1%	6.0%	(8.0%)	(27.4%)	304.9%
2014	(9.2%)	9.5%	(13.0%)	(4.8%)	(6.7%)	(1.4%)	19.4%	0.1%	(3.5%)	(2.5%)	5.0%	(1.4%)	(11.6%)	457.4%
2013	4.7%	3.1%	4.8%	(1.8%)	4.0%	5.1%	9.0%	0.3%	3.8%	(2.8%)	(10.7%)	1.6%	21.5%	530.8%
2012	1.6%	7.5%	4.2%	0.2%	(0.2%)	3.6%	(0.6%)	1.9%	12.5%	(7.0%)	5.4%	6.3%	39.8%	419.0%
2011	(2.3%)	2.1%	2.5%	7.2%	(1.1%)	5.6%	4.0%	(7.9%)	(10.8%)	26.4%	(10.8%)	1.4%	11.9%	271.1%
2010	(3.3%)	3.3%	12.0%	6.7%	(5.0%)	(3.7%)	3.0%	9.8%	9.8%	3.3%	2.4%	4.9%	50.3%	231.7%
2009	(1.6%)	1.4%	4.2%	4.9%	11.7%	8.3%	6.8%	(0.4%)	8.3%	4.4%	(2.3%)	4.1%	61.4%	120.7%
2008	(2.5%)	0.7%	(11.9%)	3.6%	(11.1%)	(2.4%)	(8.7%)	7.6%	(17.0%)	(8.7%)	4.5%	(6.5%)	(43.5%)	36.8%
2007	9.2%	4.3%	(1.9%)	(0.9%)	(6.0%)	1.5%	8.0%	(8.7%)	1.5%	4.3%	(0.8%)	(4.7%)	4.2%	141.9%
2006	7.5%	10.6%	(0.3%)	3.2%	(2.8%)	(3.6%)	(3.1%)	0.3%	(2.0%)	1.6%	1.9%	7.7%	21.6%	132.1%
2005	9.3%	(3.6%)	5.5%	(4.4%)	(11.1%)	(5.6%)	5.5%	(4.0%)	(1.7%)	(3.2%)	(4.4%)	9.3%	(10.0%)	90.9%
2004	8.2%	4.5%	2.2%	(8.9%)	3.2%	0.0%	2.5%	(2.2%)	4.0%	3.9%	(2.1%)	10.1%	26.8%	112.0%
2003	1.5%	0.0%	(1.0%)	0.9%	16.0%	2.6%	3.2%	(0.4%)	11.2%	(1.7%)	4.0%	12.5%	58.5%	67.2%
2002											1.7%	3.8%	5.5%	5.5%

Growth of $1,000 Invested at Inception



Monthly Return Histogram



1) Represents net returns for an investor with a 2% management fee and a 20% performance fee.

Note: Past performance is not indicative of future results.

Data as of Nov 30, 2019

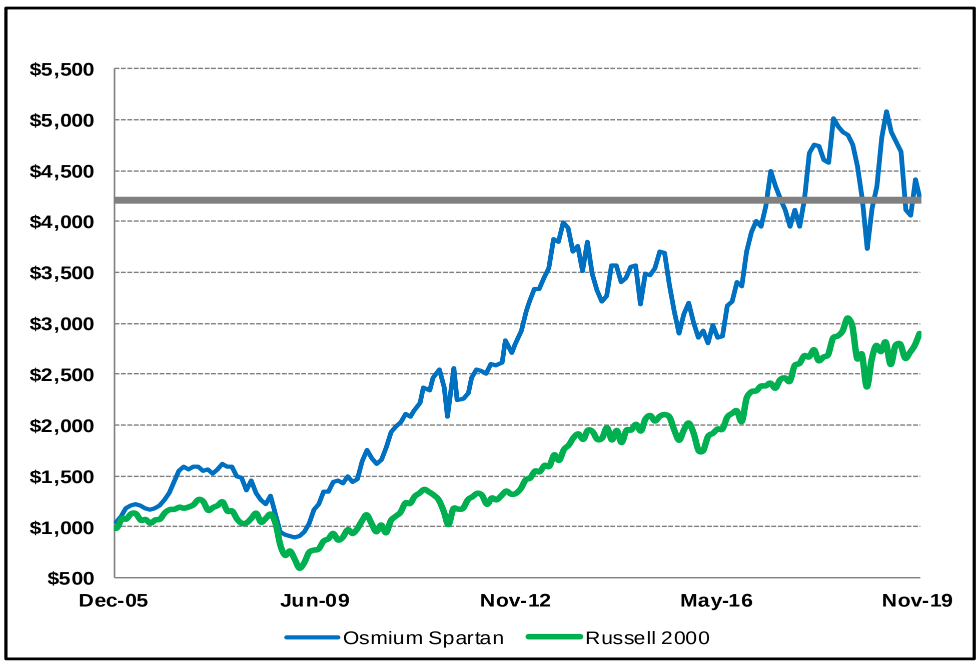
Osmium Spartan, LP

Year to Date: 12.9% | **Since Inception: 321.1% | Annualized: 10.8%**

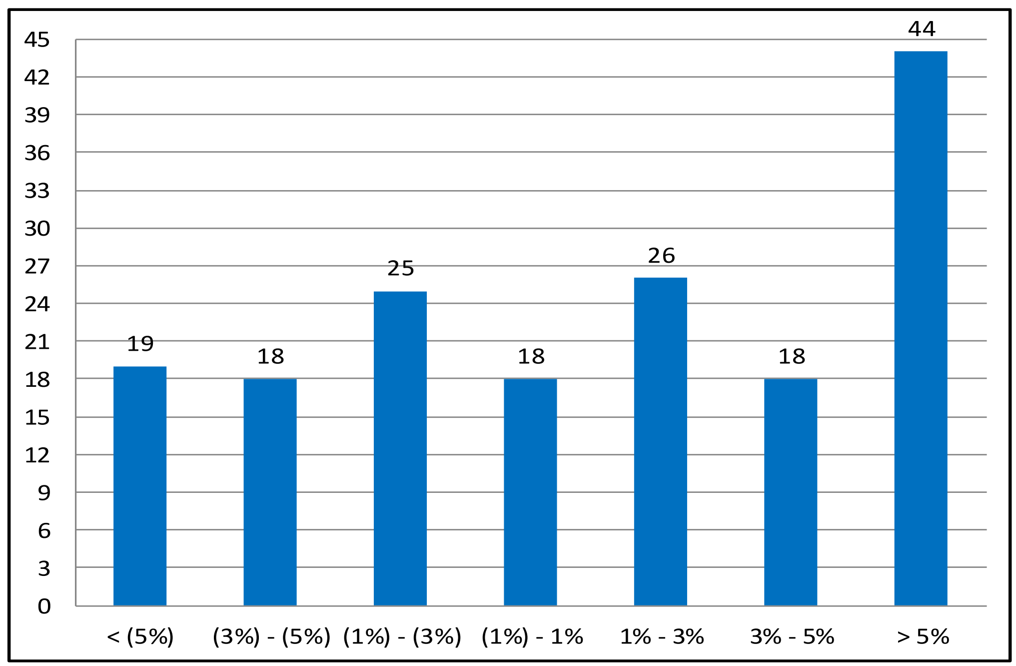
Monthly Net Performance [1] (% change)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Since inception
2019	10.5%	5.5%	11.0%	5.3%	(4.0%)	(2.2%)	(1.8%)	(12.3%)	(1.2%)	8.5%	(4.5%)		12.9%	321.1%
2018	1.6%	(0.2%)	(2.9%)	(0.5%)	9.6%	(1.7%)	(1.1%)	(0.6%)	(2.1%)	(4.5%)	(7.3%)	(11.3%)	(20.2%)	272.9%
2017	3.0%	(1.6%)	5.2%	8.2%	(3.1%)	(3.0%)	(2.7%)	(3.9%)	4.0%	(3.9%)	6.8%	10.9%	20.1%	367.5%
2016	(4.9%)	2.3%	(4.1%)	6.5%	(4.4%)	0.7%	10.1%	1.2%	6.0%	(1.0%)	9.8%	5.2%	29.4%	289.2%
2015	(10.8%)	9.3%	(0.2%)	2.1%	4.5%	(0.3%)	(8.6%)	(7.7%)	(7.0%)	6.7%	3.4%	(6.1%)	(15.8%)	200.7%
2014	(6.7%)	8.3%	(8.4%)	(4.4%)	(3.4%)	1.5%	9.2%	0.1%	(4.5%)	1.1%	3.2%	0.5%	(5.1%)	257.1%
2013	6.5%	2.7%	4.2%	(0.2%)	3.4%	2.6%	8.1%	(0.4%)	5.0%	(1.5%)	(6.0%)	1.6%	28.3%	276.3%
2012	2.6%	6.3%	3.4%	(0.4%)	(1.3%)	3.9%	(0.4%)	1.3%	8.3%	(4.6%)	3.3%	4.9%	30.0%	193.2%
2011	(1.4%)	3.0%	3.7%	6.9%	(1.3%)	5.0%	3.6%	(7.3%)	(11.8%)	22.8%	(12.4%)	0.6%	7.0%	125.5%
2010	(3.9%)	1.9%	12.6%	6.2%	(4.5%)	(3.4%)	2.7%	7.8%	8.4%	2.7%	2.3%	3.7%	41.1%	110.7%
2009	(1.5%)	1.2%	5.4%	8.2%	12.7%	5.3%	9.6%	0.2%	6.9%	1.3%	(2.3%)	5.1%	64.5%	49.4%
2008	(6.0%)	(0.7%)	(7.8%)	6.3%	(8.5%)	(4.7%)	(3.4%)	6.7%	(13.9%)	(15.8%)	(2.3%)	(1.5%)	(42.7%)	(9.2%)
2007	6.8%	3.0%	(2.0%)	1.8%	(0.0%)	(2.5%)	1.4%	(2.5%)	2.2%	3.3%	(1.5%)	(0.2%)	9.6%	58.5%
2006	5.1%	7.2%	2.0%	2.1%	(1.2%)	(2.8%)	(1.5%)	1.2%	2.6%	4.5%	5.5%	8.8%	38.0%	44.6%
2005												4.8%	4.8%	4.8%

Growth of $1,000 Invested at Inception



Monthly Return Histogram



1) Represents net returns for an investor with a 2% management fee and a 20% performance fee.

Note: Past performance is not indicative of future results.

Data as of Nov 30, 2019

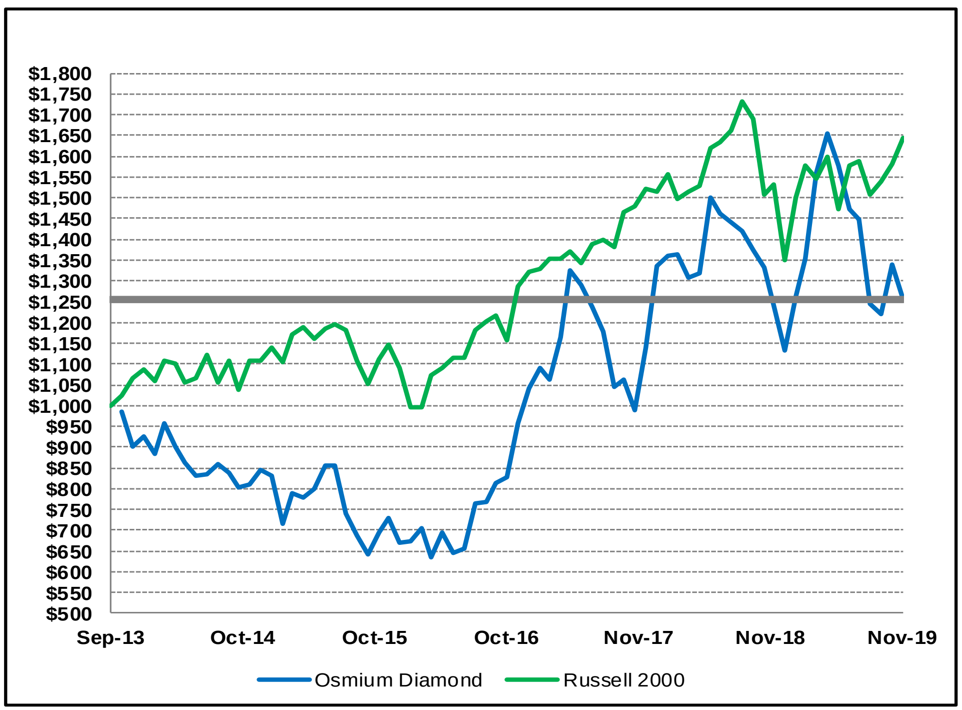
Osmium Diamond, LP

Year to Date: 11.0% **Since Inception: 25.3% | Annualized: 3.7%**

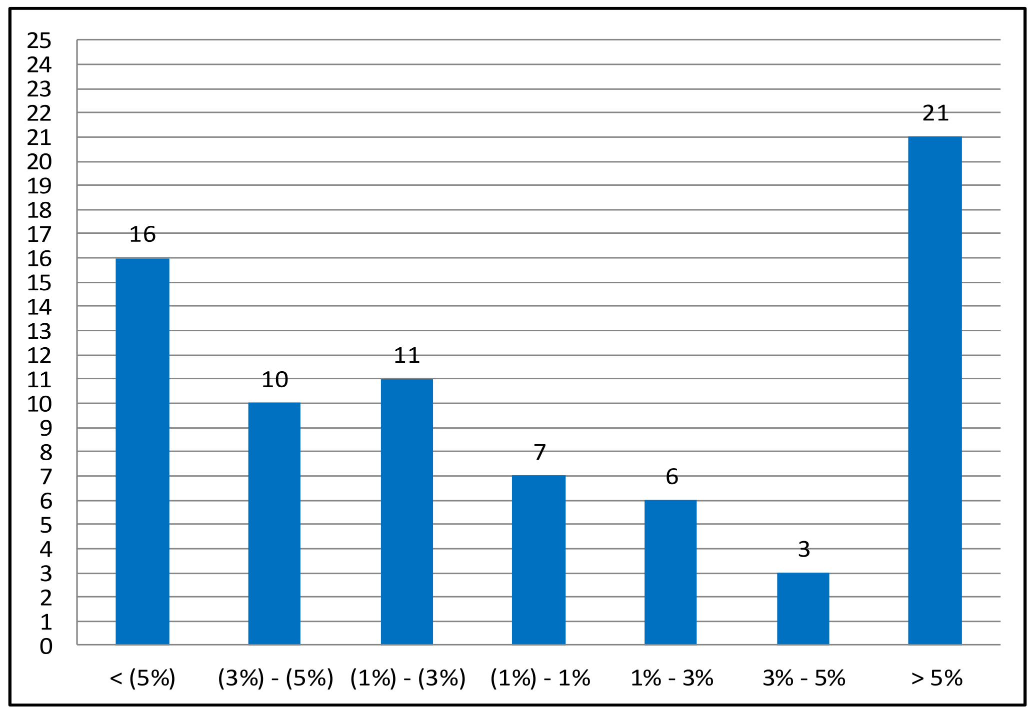
Monthly Net Performance [1] (% change)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Since inception
2019	11.6%	7.3%	15.3%	6.1%	(4.8%)	(6.6%)	(1.7%)	(14.0%)	(1.8%)	9.8%	(6.3%)		11.0%	25.3%
2018	1.8%	0.3%	(4.1%)	0.6%	13.9%	(2.5%)	(1.5%)	(1.3%)	(3.3%)	(3.1%)	(6.9%)	(8.8%)	(15.4%)	12.9%
2017	4.8%	(2.6%)	9.6%	14.0%	(2.7%)	(4.1%)	(4.7%)	(11.4%)	1.8%	(7.1%)	15.5%	17.3%	28.5%	33.4%
2016	0.2%	5.0%	(9.9%)	9.5%	(7.1%)	1.6%	16.6%	0.5%	5.7%	1.7%	15.8%	8.6%	55.1%	3.8%
2015	(14.1%)	10.3%	(1.2%)	2.5%	7.0%	0.0%	(13.2%)	(7.6%)	(6.3%)	8.1%	5.2%	(8.2%)	(19.5%)	(33.1%)
2014	(4.7%)	8.6%	(6.0%)	(4.2%)	(3.7%)	0.1%	3.3%	(2.6%)	(4.1%)	0.7%	4.6%	(1.7%)	(10.2%)	(16.9%)
2013										(1.3%)	(8.9%)	2.9%	(7.4%)	(7.4%)

Growth of $1,000 Invested at Inception



Monthly Return Histogram



1) Represents net returns for an investor with a 1.75% management fee and a 20% performance fee.

Note: Past performance is not indicative of future results.

Data as of Nov 30, 2019