



Q3 2024 Financial Results

November 13, 2024





Cautionary Statement Regarding Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In this context, forward-looking statements often address expected future business and financial performance and financial condition, which may include GAAP and non-GAAP financial measures, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "target," similar expressions, and variations or negatives of these words. In particular, this presentation includes management's revenue outlook for 2024 as of November 13, 2024, which outlook is based on current estimates as of today's date. Estimating financial performance accurately for future periods is difficult as it involves assumptions and internal estimates that may prove to be incorrect and is based on plans and circumstances that may change. There is therefore a significant risk that actual results could differ materially from the outlook we have provided in this presentation, and we have no obligation to update such outlook. Forward-looking statements by their nature address matters that involve risks and uncertainties, many of which are beyond our control and are not guarantees of future results, such as statements about future financial and operating results, company strategy and intended product offerings and market positioning. These and other forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements and caution must be exercised in relying on forward-looking statements. Factors that could cause actual results to differ include, but are not limited to, those risks and uncertainties associated with Forian's ability to execute on its strategy and the additional risks and uncertainties set forth more fully under the caption "Risk Factors" in Forian's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the United States Securities and Exchange Commission ("SEC") on March 29, 2024, and elsewhere in Forian's filings and reports with the SEC. Forward-looking statements contained in this presentation are made as of the date hereof, and we undertake no duty to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

Revenue and Adjusted EBITDA

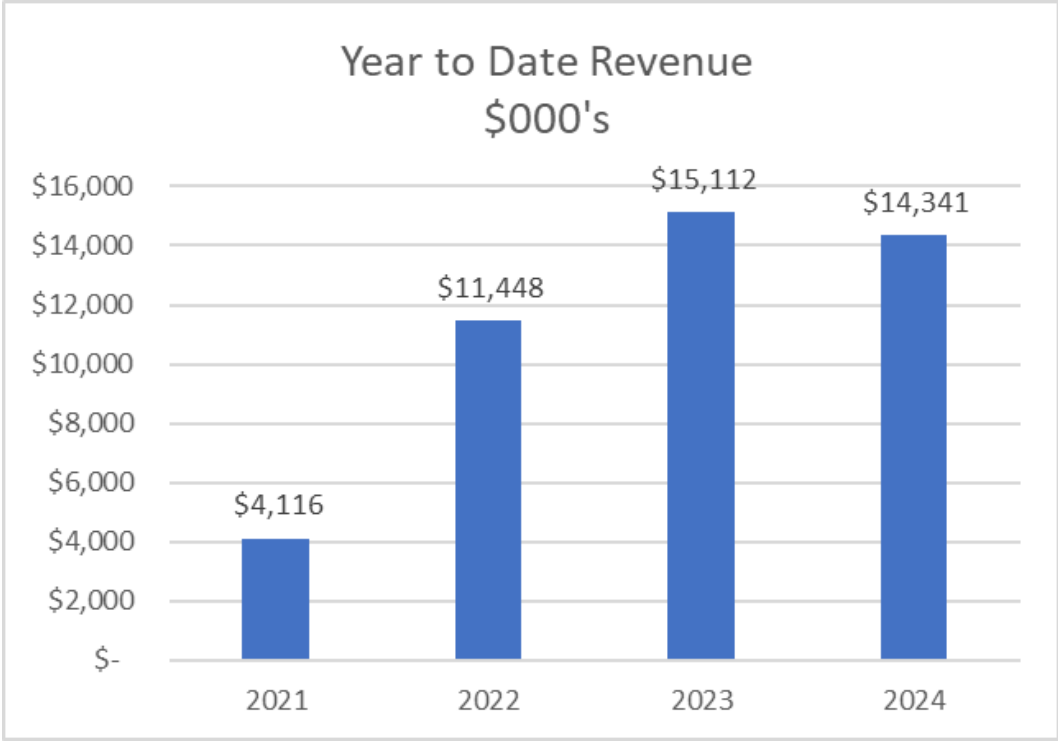
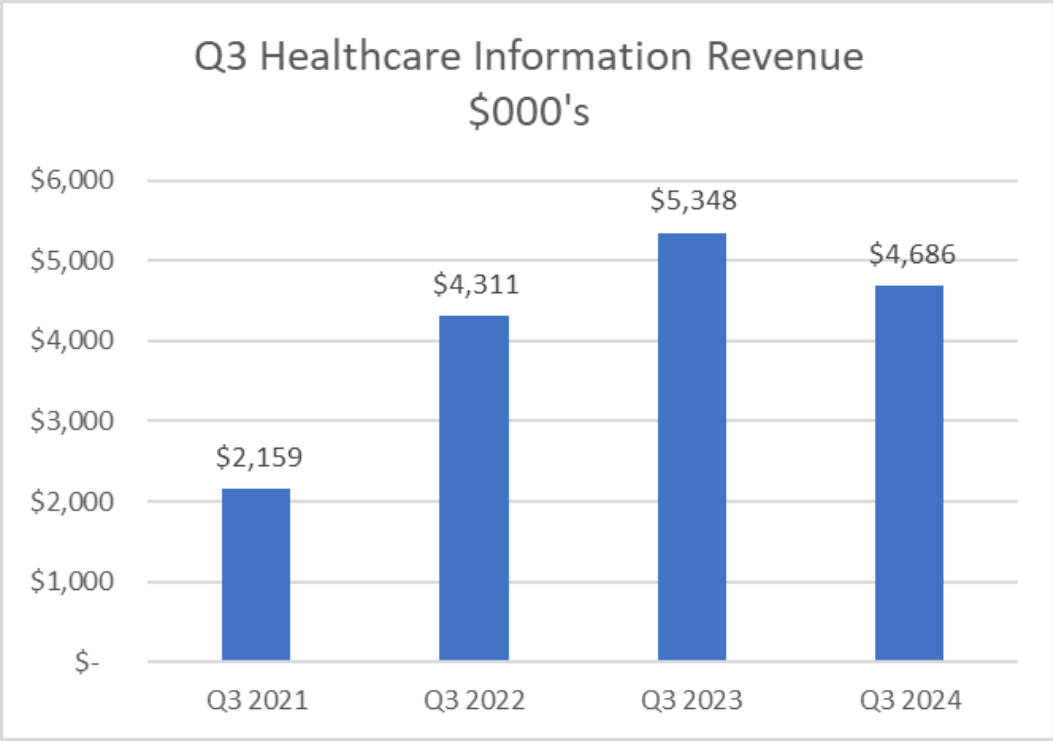
	(\$000's) Three Months Ended September 30,			(\$000's) Nine Months Ended September 30,		
	2024 Unaudited	2023 Unaudited	Period-over- Period % Change	2024 Unaudited	2023 Unaudited	Period-over- Period % Change
Revenue	\$ 4,686	\$ 5,348	-12%	\$ 14,341	\$ 15,112	-5%
(Loss) income from continuing operations, net of tax	\$ (205)	\$ 5,454	-104%	\$ (3,971)	\$ 2,114	-288%
(Loss) income from discontinued operations, net of tax	\$ -	\$ (1,112)	0%	\$ -	\$ 7,603	0%
Net (loss) income	\$ (205)	\$ 4,342	-105%	\$ (3,971)	\$ 9,718	-141%
(Loss) income from continuing operations, net of tax per share - diluted	\$ (0.01)	\$ 0.16	-106%	\$ (0.13)	\$ 0.07	-286%
(Loss) income from discontinued operations, net of tax per share - diluted	\$ -	\$ (0.03)	0%	\$ -	\$ 0.23	0%
(Loss) income per share - diluted	\$ (0.01)	\$ 0.13	-108%	\$ (0.13)	\$ 0.30	-143%
Adjusted EBITDA (a non-GAAP financial measure defined below)	\$ 186	\$ 1,072	-83%	\$ 369	\$ 1,303	-72%

- Revenue down slightly prior year after impact of customer attrition
- Positive Adjusted EBITDA contribution

Adjusted EBITDA is a non-U.S. GAAP measure. See *Appendix* for further information, including a reconciliation of Adjusted EBITDA to Net Loss.



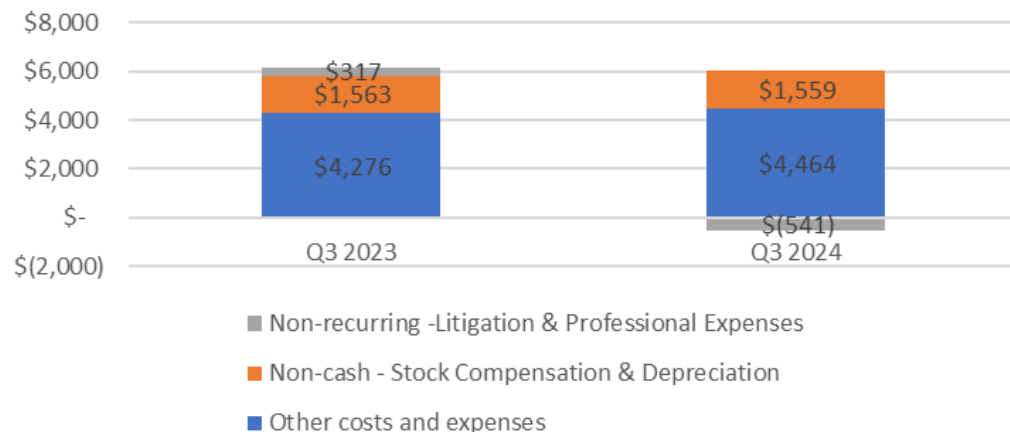
Revenue Trend



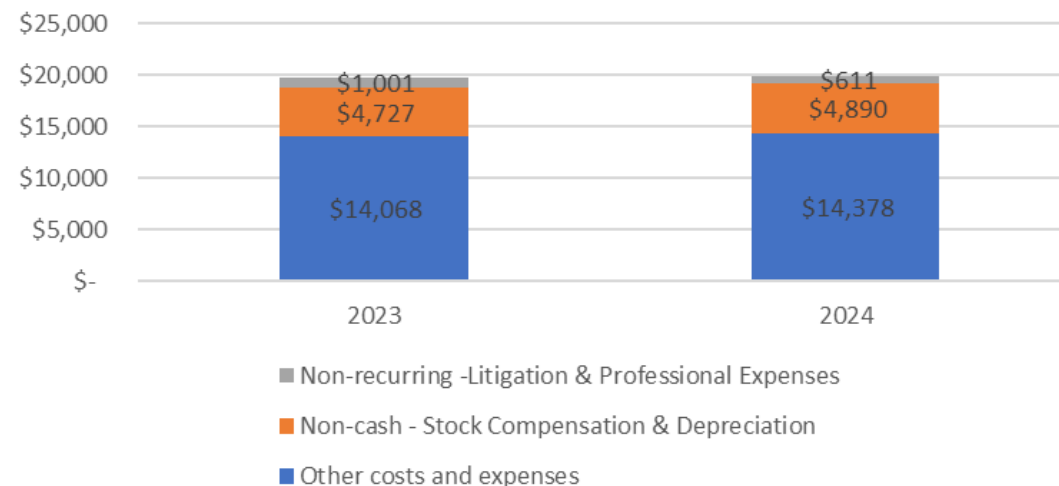
Q3 2024 revenue down slightly from prior year
after expected customer attrition

Costs and Expenses

Third Quarter Costs and Expenses
\$000's



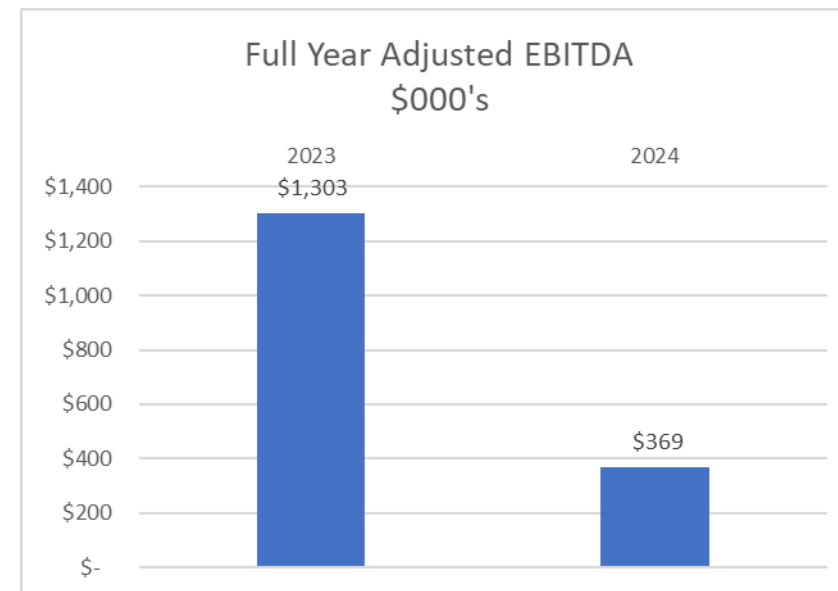
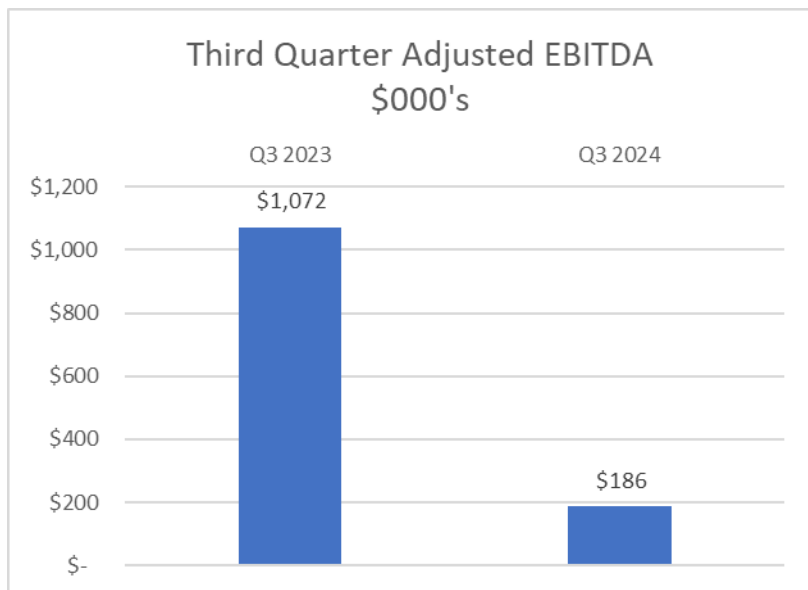
Full Year Costs and Expenses
\$000's



Other costs and expenses increases \$0.2 million for Qtr and \$0.3 million YTD due to increased data licensing costs.

Note: Other costs and expenses excludes non recurring expenses related to litigation & review of strategic alternatives, contract termination, litigation costs, separation expenses, stock compensation and depreciation & amortization expense

Adjusted EBITDA – continuing operations



Continue to achieve positive EBITDA contribution while investing in information assets

Adjusted EBITDA is a non-U.S. GAAP measure. See *Appendix* for further information, including a reconciliation of Adjusted EBITDA to Net Loss.



Summary Balance Sheet Data \$000's

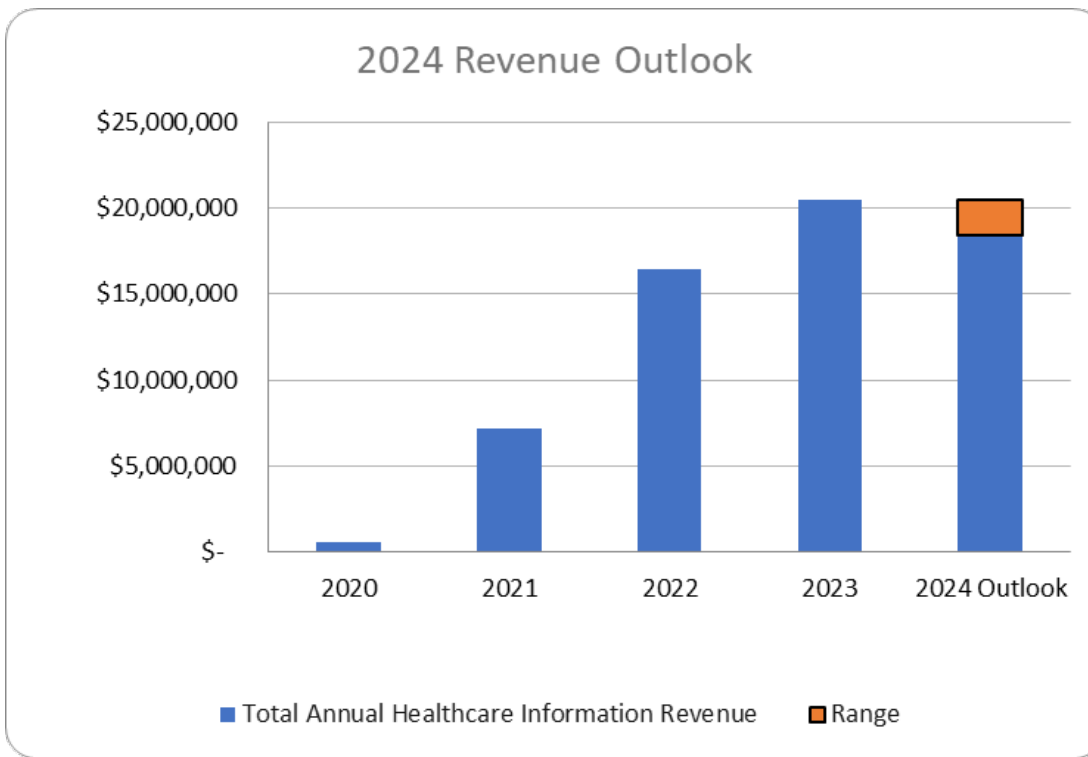
	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Cash and equivalents	\$49,358	\$48,340
Net working capital	\$25,727	\$50,439
Convertible note and accrued interest (due 9/2025)	\$24,371	\$24,870
Shares outstanding	31,093	30,920



Full Year 2024 Outlook

Expect 2024 Revenue of \$19-\$20 million

Expect Adjusted Ebitda of (\$0.5) to 0.5 million



The outlook provided above constitutes forward-looking information within the meaning of applicable securities laws and is based on a number of assumptions and subject to a number of risks. See slide 2.

Adjusted EBITDA is a non-U.S. GAAP measure. See *Appendix* for further information, including a reconciliation of Adjusted EBITDA to Net Loss.

Q&A

Appendix



Reconciliation of U.S. GAAP to Non-GAAP Financial Measures

This presentation includes a non-GAAP measure, which we define as financial information that has not been prepared in accordance with U.S. GAAP. The non-U.S. GAAP financial measure provided herein is earnings before interest, taxes, non-cash and other items (“**Adjusted EBITDA**”), which should be viewed as supplemental to, and not as an alternative for, net income or loss calculated in accordance with U.S. GAAP (referred to below as “**Net loss**”).

Adjusted EBITDA is used by our management as an additional measure of our Company’s performance for purposes of business decision-making, including developing budgets, managing expenditures and evaluating potential acquisitions or divestitures. Period-to-period comparisons of Adjusted EBITDA help our management identify additional trends in our Company’s financial results that may not be shown solely by period-to-period comparisons of net income. In addition, we may use Adjusted EBITDA in the incentive compensation programs applicable to some of our employees in order to evaluate our Company’s performance. Our management recognizes that Adjusted EBITDA has inherent limitations because of the excluded items, particularly those items that are recurring in nature. In order to compensate for those limitations, management also reviews the specific items that are excluded from Adjusted EBITDA, but included in net income, as well as trends in those items.

We believe that the presentation of Adjusted EBITDA is useful to investors in their analysis of our results for reasons similar to the reasons why our management finds it useful and because it helps facilitate investor understanding of decisions made by management in light of the performance metrics used in making those decisions. In addition, we believe that providing Adjusted EBITDA, together with a reconciliation of Net loss to Adjusted EBITDA, helps investors make comparisons between our Company and other companies that may have different capital structures, different effective income tax rates and tax attributes, different capitalized asset values and/or different forms of employee compensation. However, Adjusted EBITDA is not intended as a substitute for comparisons based on Net loss. In making any comparisons to other companies, investors need to be aware that companies use different non-GAAP measures to evaluate their financial performance. Investors should pay close attention to the specific definition being used and to the reconciliation between such measures and the corresponding U.S. GAAP measures provided by each company under applicable SEC rules.

Non-U.S. GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with U.S. GAAP. We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure to evaluate our business and to view our non-GAAP financial measures in conjunction with the most directly comparable U.S. GAAP financial measures.

Non-U.S. GAAP Reconciliations

Reported Net Income to Adjusted EBITDA

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue	\$ 4,686,312	\$ 5,348,469	\$ 14,340,791	\$ 15,112,398
Net (loss) income from continuing operations	\$ (204,907)	\$ 5,453,643	\$ (3,970,781)	\$ 2,114,444
Depreciation and amortization	6,629	10,598	23,405	64,285
Stock based compensation expense	1,552,042	1,551,997	4,873,593	4,920,572
Change in fair value of warrant liability	(20)	(1,594)	(563)	(4,088)
Interest and investment income	(658,339)	(646,832)	(1,951,812)	(1,666,786)
Interest expense	195,415	211,333	587,684	630,547
Gain on sale of investment	(32,082)	(5,805,858)	(80,694)	(5,805,858)
Gain on debt redemption	-	(111,151)	(137,356)	(111,151)
Severance expense	-	-	-	250,000
Litigation settlement and related expenses	1,394	316,820	1,152,670	751,480
Strategic review related expenses	(35,931)	-	399,913	-
Impact of contract termination	(542,389)	-	(542,389)	-
Income tax expense	(95,896)	93,191	14,865	159,287
Adjusted EBITDA - continuing operations	<u>\$ 185,916</u>	<u>\$ 1,072,147</u>	<u>\$ 368,535</u>	<u>\$ 1,302,732</u>

Adjusted EBITDA is a non-U.S. GAAP measure. See previous slide.

The background features a dark blue field with a pattern of glowing blue dots that form a series of concentric, slightly curved lines on the left side. On the right side, there are several large, concentric circular bands in shades of blue and grey.

FORIAN