



Q4 2023 Financial Results

March 28, 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 outlook for 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, 2022, filed with the United States Securities and Exchange Commission ("SEC") on March 30, 2023, 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.



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Revenue and Adjusted EBITDA

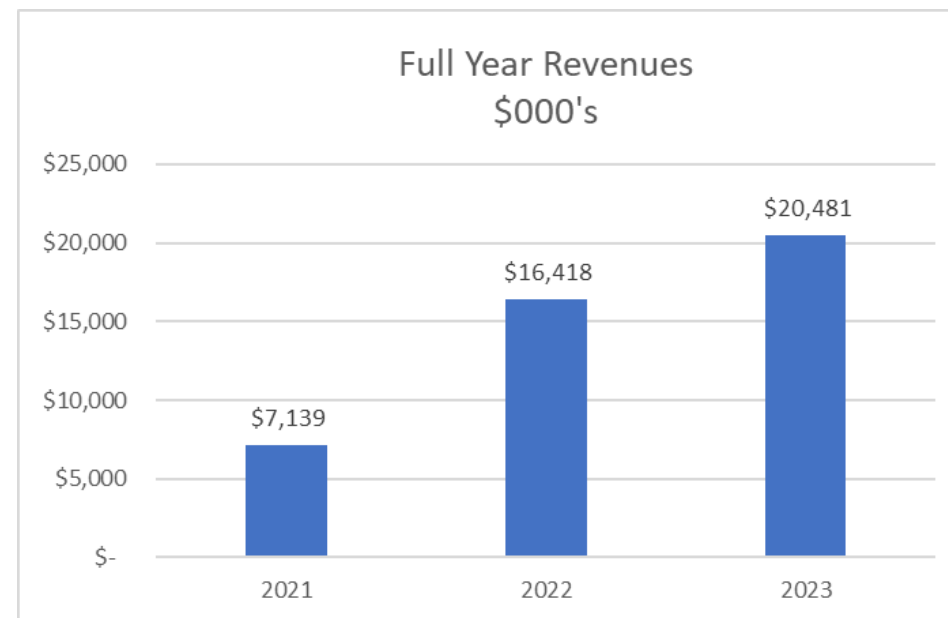
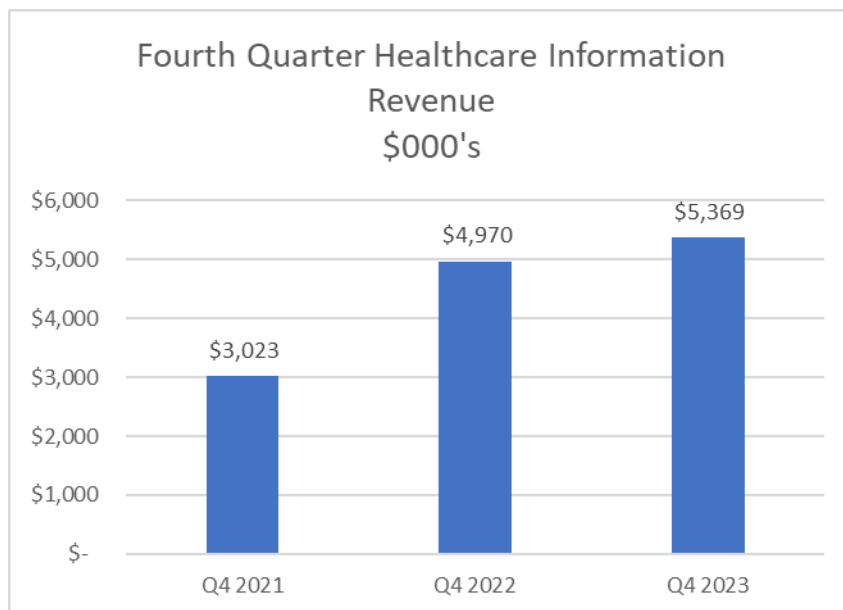
	Q4 2023			YTD Q4 2023		
	2023 Unaudited	2022 Unaudited	Period-over- Period % Change	2023 Unaudited	2022 Unaudited	Period-over- Period % Change
Total revenue	\$ 5,369	\$ 4,970	8%	\$ 20,481	\$ 16,418	25%
(Loss) Income from continuing operations, net of tax	\$ (381)	\$ (1,900)	80%	\$ 1,733	\$ (19,192)	109%
Income (loss) from discontinued operations, net of tax	\$ 1,770	\$ (1,657)	207%	\$ 9,373	\$ (6,780)	238%
Net income (loss)	\$ 1,389	\$ (3,557)	139%	\$ 11,107	\$ (25,972)	143%
(Loss) income from continuing operations, net of tax per share- diluted	\$ (0.01)	\$ (0.06)	83%	\$ 0.05	\$ (0.60)	108%
Income (loss) from discontinued operations, net of tax per share - diluted	\$ 0.05	\$ (0.05)	200%	\$ 0.29	\$ (0.21)	238%
Income (loss) per share - diluted	\$ 0.04	\$ (0.11)	136%	\$ 0.34	\$ (0.81)	142%
Adjusted EBITDA	\$ 1,034	\$ (425)	343%	\$ 2,336	\$ (6,708)	135%
Adjusted EBITDA as a percentage to revenue	19.3%	-8.6%	-	11.4%	-40.9%	-

- Organic revenue growth, 8% over the same quarter last year, 25% over prior full year
- Continued improvement in Adjusted EBITDA

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

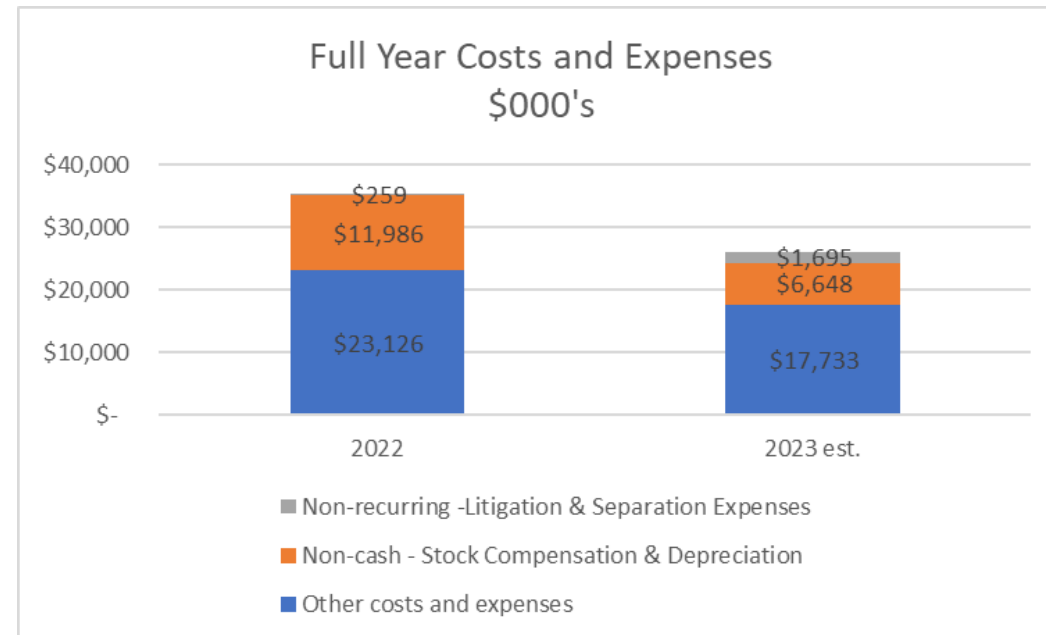
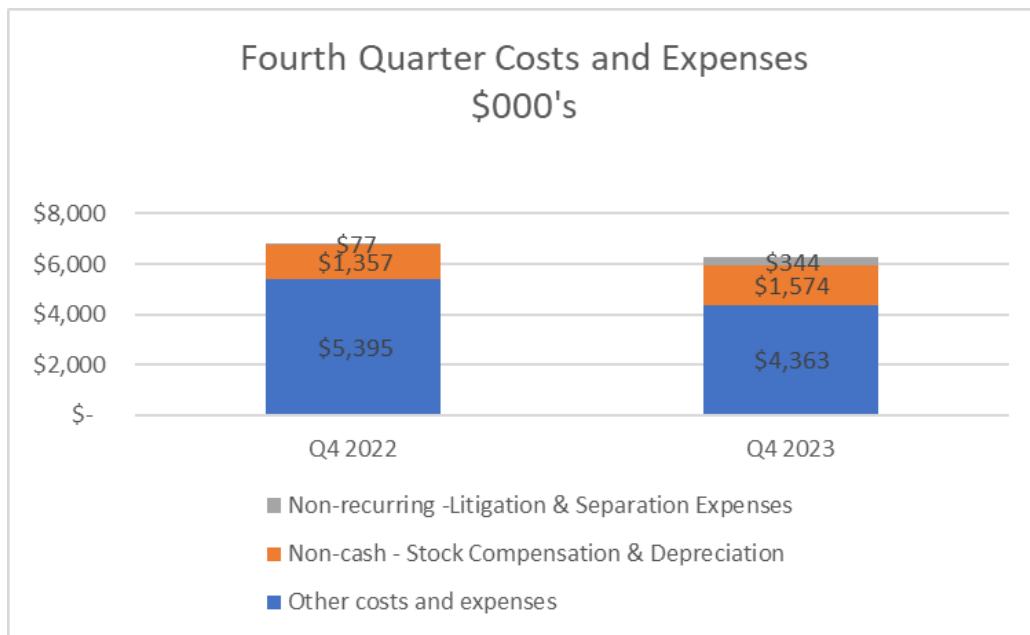


Revenue Trend



- 8% Q4 2023 revenue growth over same quarter last year
- 25% Q4 2023 revenue growth over same period YTD last year

Costs and Expenses



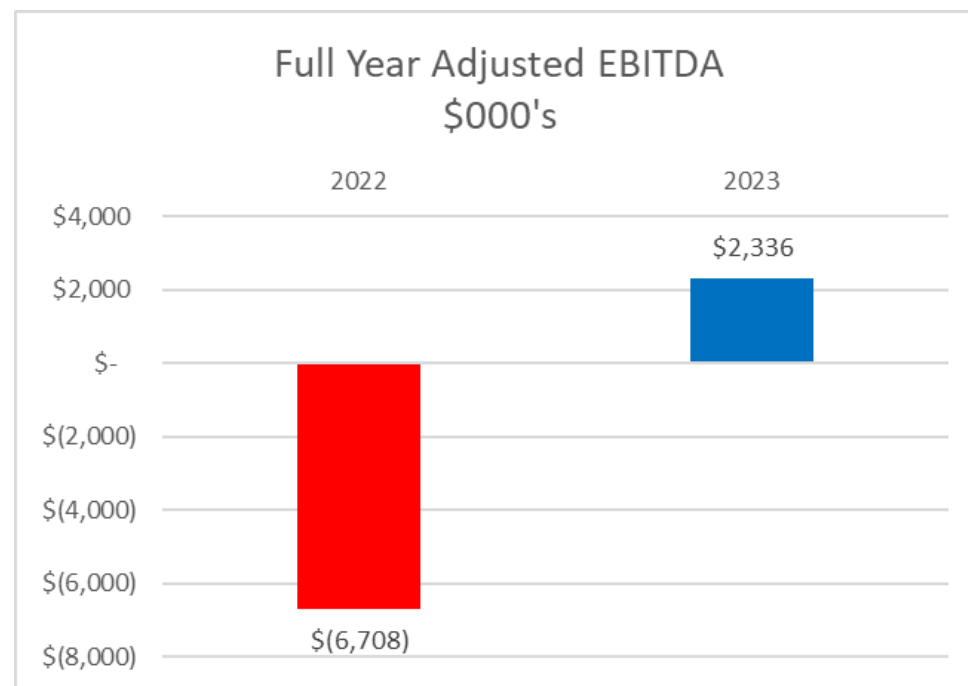
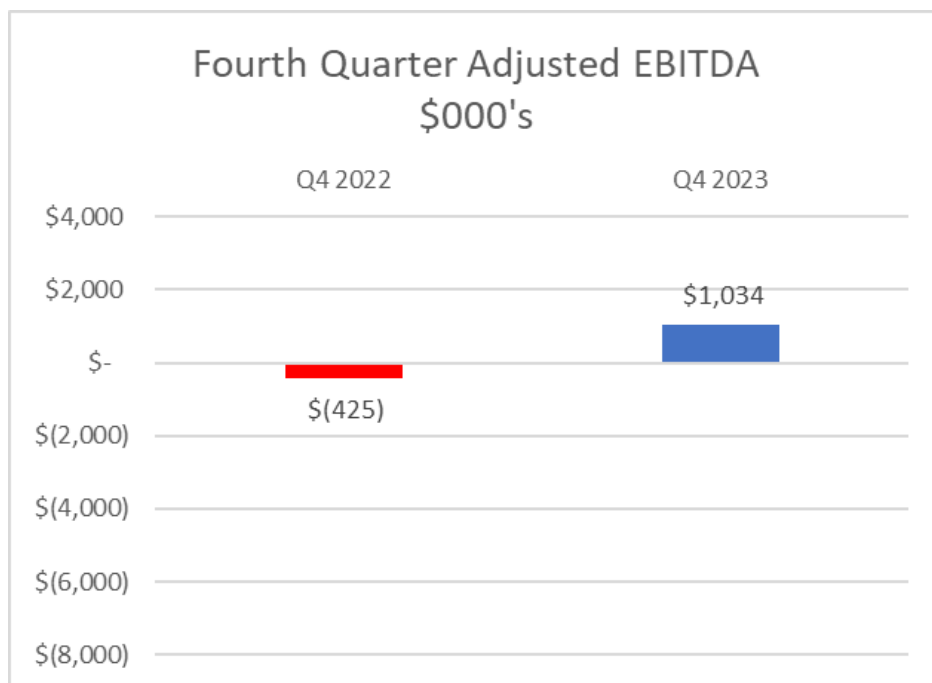
Focused business model drives cost reductions in other costs and expenses:

- 19% reduction in Q4 vs same QTR last Year
- 23% reduction in full year 2023 vs prior year

Note: Other costs and expenses excludes litigation costs, separation expenses, stock compensation and depreciation & amortization expense.



Adjusted EBITDA



Continued improvement in Adjusted EBITDA driven by revenue growth and cost management

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

	December 31,	
	<u>2023</u>	<u>2022</u>
Cash and equivalents	\$48,340	\$20,192
Net working capital	\$50,439	\$18,563
Convertible note and accrued interest (due 9/2025)	\$24,870	\$25,107
Shares outstanding	30,920	32,251

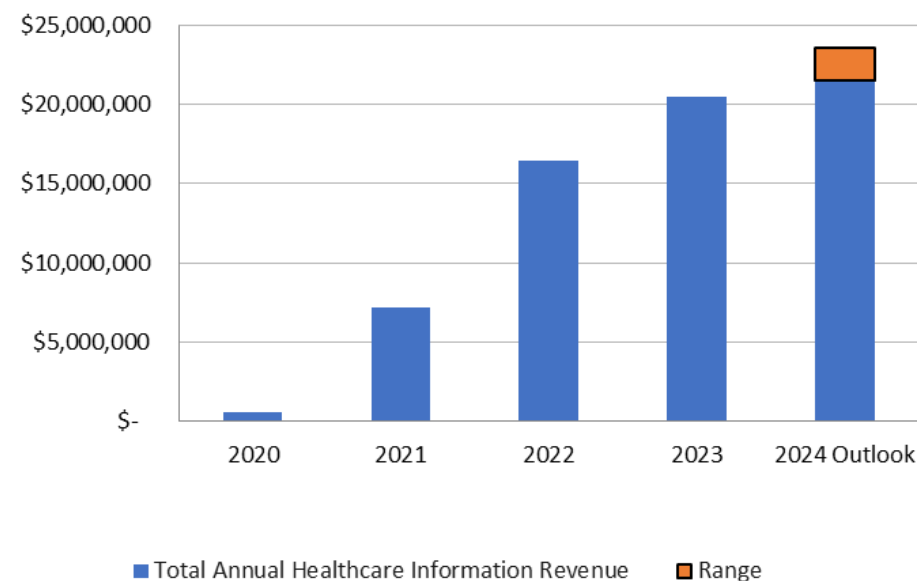


Full Year 2024 Outlook

Expect 2024 Healthcare Information Revenue growth of 5% to 15%

Expect Adjusted EBITDA as a percentage of revenues (“EBITDA Margin”) of 8% to 12% in 2024 while continuing to expand information assets

2023 Healthcare Information Revenue Outlook



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 December 31,		For the Years Ended December 31,	
	2023	2022	2023	2022
Total revenues	\$ 5,368,932	\$ 4,969,673	\$ 20,481,330	\$ 16,418,141
Net Income (loss) from continuing operations	\$ (381,014)	\$ (1,900,105)	\$ 1,733,430	\$ (19,191,990)
Depreciation and amortization	10,153	16,955	74,438	65,554
Stock based compensation expense	1,653,397	1,339,555	6,573,969	11,920,575
Change in fair value of warrant liability	104	(21,532)	(3,984)	(364,687)
Interest and investment income	(661,188)	(154,530)	(2,327,974)	(266,213)
Interest expense	204,238	213,059	834,785	846,100
Gain on sale of investment	-	-	(5,805,858)	-
Gain on debt redemption	-	-	(111,151)	-
Severance expense	-	-	250,000	-
Litigation related expenses	281,505	77,184	1,032,985	258,872
Income tax expense	(73,547)	3,980	85,740	23,980
Adjusted EBITDA - continuing operations	<u>\$ 1,033,648</u>	<u>\$ (425,434)</u>	<u>\$ 2,336,380</u>	<u>\$ (6,707,809)</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