

March 10, 2025



Revenue Grew 18% for the Fourth Quarter 2024

BOULDER, Colo., March 10, 2025 (GLOBE NEWSWIRE) -- **Gaia, Inc. (NASDAQ: GAIA)**, a conscious media and community company, reported financial results for the fourth quarter and full year ended December 31, 2024.

Highlights:

- Q4 revenue increased 18% year over year.
- Full year revenue increased 12% to \$90.4 million and EPS improved 19% year over year.
- Positive operating and free cash flow for both Q4 and the full year.

“As planned, we have delivered positive free cash flow for both Q4 and the full year,” said Jirka Rysavy, Gaia’s Chairman. “Our price increase during second part of the year has already shown positive revenue impact with 18% revenue growth in the quarter. The price increase combined with investments in content, AI and community, shall further improve Gaia’s position.”

“2024 was a year of strengthening our member base, enhanced retention, and strong financial performance as we continued to scale Gaia’s impact. Top line revenue growth accelerated whilst maintaining operating leverage in the business,” said James Colquhoun, Gaia’s CEO. “Our pricing adjustments, alongside continued improvements in operational efficiency, have set the foundation for sustained growth into 2025.”

Gaia CFO Ned Preston added: “In 2024, we remained focused on cash flow efficiency, resulting in positive operating and free cash flow for both the fourth quarter and the full year. We also achieved an 18% year over year improvement in revenue for the fourth quarter, with our annual revenue growing 12% and our EPS improving 19% for the full year 2024, demonstrating our commitment to sustainable financial growth.”

Fourth Quarter 2024 Financial Results

Revenues for the fourth quarter 2024 increased 18% to \$24.4 million from \$20.7 million in the fourth quarter of 2023, primarily driven by growth of our member base and increasing ARPU.

Member growth increased during the year, growing sequentially during the fourth quarter, regardless of some member losses due to the price increase, with the member count ending at 856,000 up from 806,000 on December 31, 2023.

Gross profit in the fourth quarter increased to \$21.6 million from \$17.7 in the fourth quarter of

2023. Gross margin was 88.3% for the fourth quarter, up from 85.3% in the fourth quarter of the last year.

Net loss was \$(0.8) million or \$(0.03) per share as compared to a net loss of \$(1.8) million or \$(0.08) per share in the year-ago quarter, with operating cash flow declining \$0.5 million and free cash flow improving by \$2.2 million to \$0.6 million from \$(1.6) million year over year.

The cash balance as of December 31, 2024 was \$5.9 million with an unused \$10 million line of credit.

2024 Financial Results

Revenue for the year was \$90.4 million as compared to \$80.4 million in 2023, representing 12% growth on a year-over-year basis.

Gross profit increased to \$77.8 million from \$68.8 million in 2023. Gross margin increased to 86.1% from 85.5%. We expect the margin in the 86% range for the fiscal year 2025.

Loss for the year was \$(5.4) million or \$(0.22) per share, as compared to a loss of \$(5.6 million) or \$(0.27) per share for 2023, with increased marketing spend and amortization, with an operating cash flow improvement of \$1.0 million.

For the year, free cash flow improved by \$4.0 million to \$2.7 million from (\$1.3) million in the prior year.

Conference Call

Date: Monday, March 10, 2025

Time: 4:30 p.m. Eastern time (2:30 p.m. Mountain time)

Toll-free dial-in number: 1-877-269-7751

International dial-in number: 1-201-389-0908

Conference ID: 13751007

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Group at (949) 574-3860.

The conference call will be broadcast live and available for replay [here](#) and via ir.gaia.com.

A telephonic replay of the conference call will be available after 7:30 p.m. Eastern time on the same day through March 24, 2025.

Toll-free replay number: 1-844-512-2921

International replay number: 1-412-317-6671

Replay ID: 13751007

About Gaia

Gaia is a member-supported global video streaming service and community that produces and curates conscious media through four primary channels—Seeking Truth, Transformation, Alternative Healing and Yoga—in four languages (English, Spanish, French

and German) to its members in 185 countries. Gaia's library includes over 10,000 titles, over 88% of which is exclusive to Gaia, and approximately 75% of viewership is generated by content produced or owned by Gaia. Gaia is available on Apple TV, iOS, Android, Roku, Chromecast, and sold through Amazon Prime Video and Comcast Xfinity. For more information about Gaia, visit www.gaia.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical fact are forward looking statements that involve risks and uncertainties. When used in this discussion, we intend the words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "future," "hope," "intend," "may," "might," "objective," "ongoing," "plan," "potential," "predict," "project," "should," "strive," "target," "will," "would" and similar expressions as they relate to us to identify such forward-looking statements. Our actual results could differ materially from the results anticipated in these forward-looking statements as a result of certain factors set forth under "Risk Factors" and elsewhere in our filings with the U.S. Securities and Exchange Commission, including in our Annual Report on Form 10-K for the year ended December 31, 2024. Risks and uncertainties that could cause actual results to differ include, without limitation: our ability to attract new members and retain existing members; our ability to compete effectively, including for customer engagement with different modes of entertainment; maintenance and expansion of device platforms for streaming; fluctuation in customer usage of our service; fluctuations in quarterly operating results; service disruptions; production risks; general economic conditions; future losses; loss of key personnel; price changes; brand reputation; acquisitions; new initiatives we undertake; security and information systems; legal liability for website content; failure of third parties to provide adequate service; future internet-related taxes; our founder's control of us; litigation; consumer trends; the effect of government regulation and programs; the impact of public health threats; and other risks and uncertainties included in our filings with the Securities and Exchange Commission. We caution you that no forward-looking statement is a guarantee of future performance, and you should not place undue reliance on these forward-looking statements which reflect our views only as of the date of this press release. We undertake no obligation to update any forward-looking information.

Non-GAAP Measures

In addition to disclosing financial results calculated in accordance with generally accepted accounting principles in the United States of America (GAAP), the financial information included in this release contains non-GAAP financial measures, including Free Cash Flow. These non-GAAP measures should not be considered a substitute for, or superior to, financial measures and results calculated in accordance with GAAP, including net income, and reconciliations to GAAP financial statements should be carefully evaluated. Free Cash Flow represents net cash provided by operating activities plus cash paid for interest payments, less cash used in investing activities, plus cash from non-core business activities. We believe Free Cash Flow is also useful as one of the bases for comparing the Gaia's performance with its competitors. Although Free Cash Flow and similar measures are frequently used as measures of cash flows generated from operations by other companies, Gaia's calculation of Free Cash Flow might not necessarily be comparable to such other similarly titled captions of other companies. We believe that both management and investors

benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting and analyzing future periods.

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GAIA, INC.

Condensed Consolidated Balance Sheets

| (in thousands, except share and per share data) | As of December 31, | |
|--|--------------------|-------------------|
| | 2024 | 2023 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 5,860 | \$ 7,766 |
| Accounts receivable | 5,560 | 4,111 |
| Other receivables | 1,809 | 2,191 |
| Prepaid expenses and other current assets | 2,513 | 2,015 |
| Total current assets | 15,742 | 16,083 |
| Media library, net | 38,987 | 40,125 |
| Operating right-of-use asset, net | 5,454 | 6,288 |
| Property and equipment, net | 26,883 | 26,303 |
| Equity method investment | — | 6,374 |
| Technology license, net | 15,550 | — |
| Investments and other assets, net | 6,658 | 3,157 |
| Goodwill | 31,943 | 31,943 |
| Total assets | <u>\$ 141,217</u> | <u>\$ 130,273</u> |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 12,435 | \$ 12,038 |
| Accrued and other liabilities | 3,491 | 2,599 |
| Long-term debt, current portion | 5,801 | 155 |
| Operating lease liability, current portion | 839 | 780 |
| Deferred revenue | 19,268 | 15,861 |
| Total current liabilities | 41,834 | 31,433 |
| Long-term debt, net of current portion | — | 5,801 |
| Operating lease liability, net of current portion | 4,869 | 5,708 |
| Deferred taxes, net | 501 | 551 |
| Total liabilities | 47,204 | 43,493 |
| Commitments and Contingencies | | |
| Equity: | | |
| Gaia, Inc. shareholders' equity: | | |
| Class A common stock, \$0.0001 par value, 150,000,000 shares authorized, 18,066,942 and 17,813,179 shares issued, 18,001,955 and 17,748,374 shares outstanding at December 31, 2024 and 2023, respectively | 2 | 2 |
| Class B common stock, \$0.0001 par value, 50,000,000 shares authorized, 5,400,000 shares issued and outstanding at December 31, 2024 and 2023, respectively | 1 | 1 |
| Additional paid-in capital | 171,100 | 170,695 |
| Accumulated deficit | (90,428) | (85,195) |
| Total Gaia, Inc. shareholders' equity | 80,675 | 85,503 |
| Noncontrolling interests | 13,338 | 1,277 |
| Total equity | 94,013 | 86,780 |
| Total liabilities and equity | <u>\$ 141,217</u> | <u>\$ 130,273</u> |

GAIA, INC.
Condensed Consolidated Statements of Operations

| (in thousands, except per share data) | For the Three Months Ended December 31, (unaudited) | | For the Twelve Months Ended December 31, | |
|--|---|------------|---|------------|
| | 2024 | 2023 | 2024 | 2023 |
| Revenues, net | \$ 24,433 | \$ 20,714 | \$ 90,363 | \$ 80,423 |
| Cost of revenues | 2,869 | 3,034 | 12,553 | 11,629 |
| Gross profit | 21,564 | 17,680 | 77,810 | 68,794 |
| Operating Expenses: | | | | |
| Selling and operating | 21,128 | 17,694 | 75,982 | 67,156 |
| Corporate, general and administration | 2,131 | 1,479 | 7,761 | 6,205 |
| Total operating expenses | 23,259 | 19,173 | 83,743 | 73,361 |
| Loss from operations | (1,695) | (1,493) | (5,933) | (4,567) |
| Equity method investment loss | — | (126) | — | (501) |
| Interest and other income (expense), net | 897 | (92) | 501 | (467) |
| Loss before income taxes | (798) | (1,711) | (5,432) | (5,535) |
| Income tax (benefit) expense | — | — | (34) | 60 |
| Net loss | \$ (764) | \$ (1,771) | \$ (5,398) | \$ (5,595) |
| Net (loss) income attributable to noncontrolling interests | \$ 39 | \$ 65 | \$ (165) | \$ 207 |
| Net loss attributable to common shareholders | \$ (803) | \$ (1,836) | \$ (5,233) | \$ (5,802) |
| Loss per share: | | | | |
| Basic (attributable to common shareholders) | \$ (0.03) | \$ (0.08) | \$ (0.22) | \$ (0.27) |
| Diluted (attributable to common shareholders) | \$ (0.03) | \$ (0.08) | \$ (0.22) | \$ (0.27) |

Condensed Consolidated Statement of Cash Flows

| (in thousands) | For the Three Months Ended December 31, (unaudited) | | For the Twelve Months Ended December 31, | |
|---|---|------------|---|------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net cash provided by (used in): | | | | |
| Net cash (used in) provided by operating activities | \$ 2,660 | \$ 3,185 | \$ 6,923 | \$ 5,870 |
| Net cash used in investing activities | (1,117) | (2,307) | (14,998) | (5,282) |
| Net cash provided by (used in) financing activities | (47) | (4,341) | 6,169 | (4,384) |
| Net change in cash, cash equivalents, and restricted cash | \$ 1,496 | \$ (3,463) | \$ (1,906) | \$ (3,796) |

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow (unaudited)

| (in thousands) | For the Three Months Ended December 31, | | For the Twelve Months Ended December 31, | |
|---|--|------------|---|------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net cash (used in) provided by operating activities | \$ 2,660 | \$ 3,185 | \$ 6,923 | \$ 5,870 |
| Cash paid for interest | 183 | 87 | 586 | 481 |
| Net cash used in investing activities | (1,117) | (2,307) | (14,998) | (5,282) |
| Change in cash from non-core business activities | (1,121) | (2,589) | 10,226 | (2,433) |
| Free cash flow | \$ 605 | \$ (1,624) | \$ 2,737 | \$ (1,364) |

Gaia

Source: Gaia, Inc.