



Gaia

Forward-Looking Statements

This presentation 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 presentation, 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 the Forms 10-Q and 10-K that we file, from time to time, with the U.S. Securities and Exchange Commission (the “SEC”). 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, including the coronavirus (COVID-19) pandemic and our response to it; and other risks and uncertainties included in our filings with the SEC. 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 presentation. We undertake no obligation to update any forward-looking information.

What is Gaia

- **Global** video subscription service (SVOD) @ \$11.99/month or \$99/year (Ad Free)
- **\$299 Gaia+** premium annual membership (including live broadcasts)
- **Network of niche channels** for an underserved subscriber base with **10,000+** original programs and curated videos
- **85+%** of content is **exclusive** to Gaia **98%** includes worldwide rights



TARGET DEMOGRAPHIC

Consumption across channels

65% Female / 35% Male

35-70 years old

\$75k+ HH income

Our Addressable Market is Tremendous

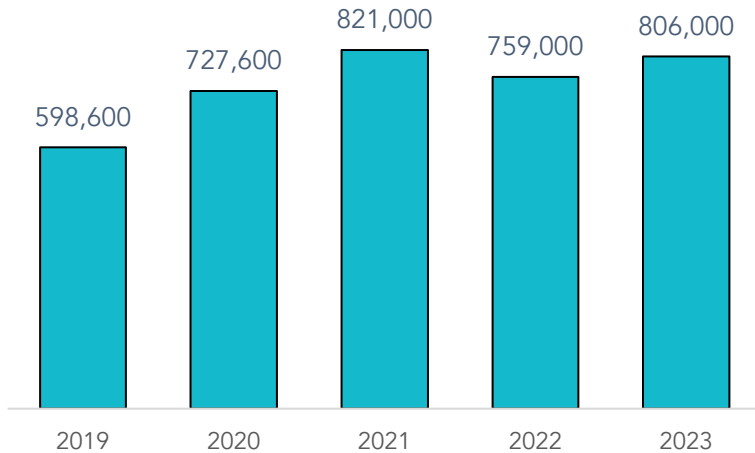


(1) Digital TV Research June 2019
(2) Gaia Segmentation and Market Size study 2018

Members and Revenue

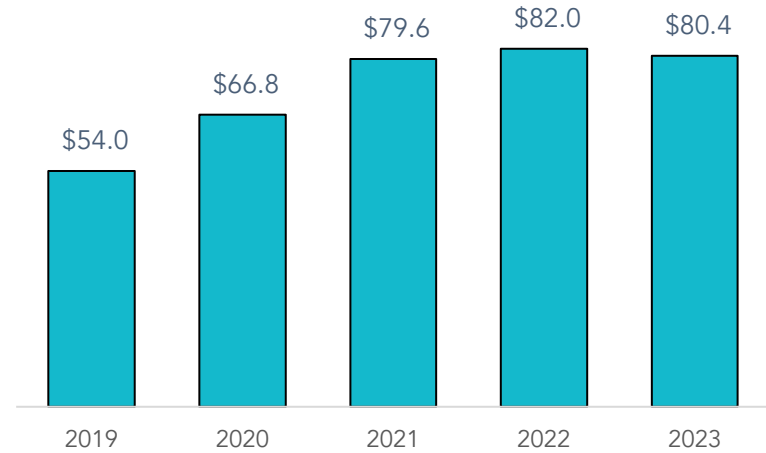
MEMBERS

(# of members at the end of the period)



ANNUAL REVENUES

(\$ in millions)

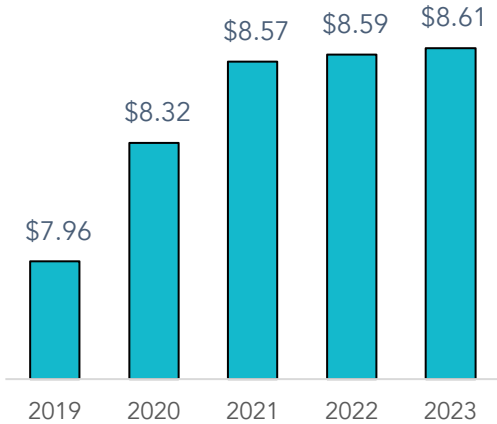


- Sold legacy Gaiam Branded Products group in 2016 to accelerate member and revenue growth to solidify dominant position in our content verticals (until 2018).
- In 2019, we transitioned to focusing on sustainable growth and generating positive EBITDA and cash.

Sustainable Growth Transition

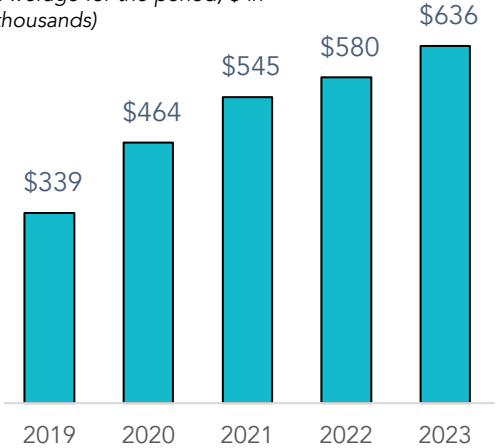
AVERAGE REVENUE PER MEMBER

(Weighted quarterly average for the period)



GROSS PROFIT PER EMPLOYEE

(Average for the period, \$ in thousands)

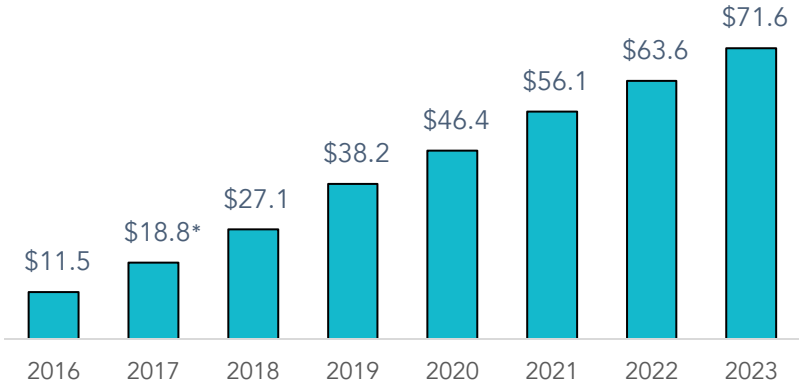


Primary drivers to support this transition have been focusing on increasing average monthly revenue per member and significantly increasing gross profit per employee.

Content Investment With a High ROI

HISTORICAL COST BASIS OF CONTENT LIBRARY

(\$ in millions at end of each year)

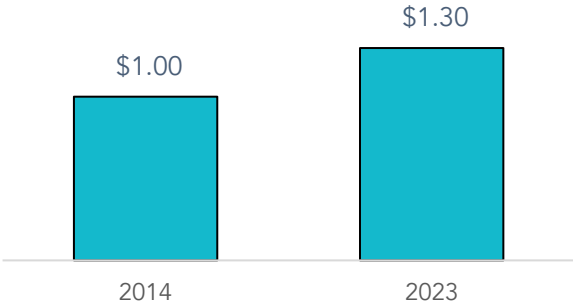


* Third party valuation as of Dec '17:
\$55 million

Estimated replacement cost as of Dec '23:
\$200 million

CONTENT FIRST PUBLISHED IN 2013

(Gross profit in millions for these titles for indicated period)



Cost to produce:
\$2.2 million
Lifetime gross profit:
\$20.9 million

We Are Poised for International Expansion

- International rights for 98% of content viewed
- Expand by adding languages without need for foreign operations
- Live in Spanish, German and French, including native language titles
- Gaia international members: now ~35% ⁽¹⁾ / 2y 45% / 5y 55%
- Members in 198 countries today

(1) As of December 31, 2023.

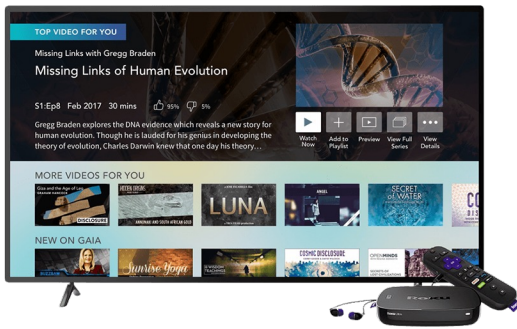
Original Content

- 80% of viewership on Gaia is from original content
- Full in-house production capabilities
- No dependence on outside studios
- Cost per hour: Gaia \$35K (Netflix \$10+M)



Cross-Platform Partnerships

ROKU



Apple tv



YouTube

amazon

Strategic partnerships that drive brand awareness and reach:

fios
by verizon

xfinity

COMCAST

Frontier
COMMUNICATIONS

Charter
Spectrum

windstream.

COX

Gaia

Income Statement Trend

\$ in millions	2019	2021	2023
Revenues, net	\$54.0	\$79.6	\$80.4
Gross Margin (% of Revenue)	86.8%	86.8%	85.5%
Customer Acquisition Expenses (% of Revenue)	56%	39%	41%
Other Operating Expenses (% of Revenue)	60%	42%	46%
EBITDA ^{(1) (2)}	\$(7.9)	\$15.1	\$12.5
EBITDA Margin ⁽²⁾ (% of Revenue)	(15)%	19%	16%

(1) Earnings before interest, taxes, depreciation and amortization

(2) Please see definitions of non-GAAP financial measures and reconciliations of non-GAAP financial measures to the closest GAAP-based financial measures appearing in the appendices to this presentation

Member Count Benchmark Scenarios – Pro Forma

Member Count as of 12/31/2023: 806,000

(in 000's, except member count)

Members (annual average)	800,000	900,000	1,000,000
Revenues, net	88,000	99,000	112,000
Gross Profit	75,200	84,500	95,600
Gross Margin	85%	85%	85%
Cash Contribution Margin %	93%	93%	93%
Marketing Expenses	34,000	37,300	39,400
Operating Expenses	37,000	39,000	41,500
Pre-tax Income	400	4,100	10,100
Depreciation, Amortization, & Stock Compensation	18,800	19,700	20,200
Adjusted EBITDA ^{(1) (2)}	19,600	24,000	30,500
Content & Product Investment (Capex)	14,100	15,100	17,100
Free Cash Flow ⁽²⁾	\$ 7,600	\$ 14,000	\$ 21,000

(1) Earnings before interest, taxes, depreciation, amortization, acquisition costs, share-based compensation expense and the results of discontinued operations

(2) Please see definitions of non-GAAP financial measures and reconciliations of non-GAAP financial measures to the closest GAAP-based financial measures appearing in the appendices to this presentation

Balance Sheet

(in 000's)

	DEC 31, 2023	ESTIMATED VALUE
Cash and cash equivalents	\$ 7,766	
Other current assets	8,317	
Media Library, net [^]	40,125	200,000
Member Base – 806,200 members*	-	282,170
Net Operating Losses (Full VA) ⁺	-	15,800
Right-of-use lease asset, net	6,288	
Property, equipment, investment, and other	35,834	
Goodwill	<u>31,943</u>	
Total Assets	<u>\$130,273</u>	
Accounts payable and accrued liabilities	\$ 14,637	
Short-term debt and lease liability	935	
Deferred Revenue	15,334	
Long-term debt, net	5,801	
Long-term lease liability	5,708	
Deferred taxes	551	
Equity	<u>86,780</u>	
Total Liabilities and Equity	<u>\$130,273</u>	
Shares Outstanding (basic)	23,148	

[^] Estimated fair value based on replacement cost of \$15,000 per hour of content

* Not capitalized on Gaia's balance sheet, value estimated using current lifetime value of \$350 per member

⁺Gross NOL's of \$78 million federal and \$26 million state

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Appendix A

Non-GAAP Measures

In addition to disclosing financial results calculated in accordance with United States generally accepted accounting principles (GAAP), the financial information included in this presentation contains non-GAAP financial measures, including EBITDA, EBITDA Margin, Adjusted EBITDA, and 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 operating cash flow, and reconciliations to GAAP financial statements should be carefully evaluated.

EBITDA represents net income before interest expense, provision for income taxes, other income, depreciation and amortization. Adjusted EBITDA is defined as EBITDA further adjusted to remove acquisition costs, share-based compensation expense and the results of discontinued operations. EBITDA Margin is defined as EBITDA divided by revenue. EBITDA, EBITDA Margin, and Adjusted EBITDA do not represent measures of net income, as that term is defined under GAAP, and should not be considered as an alternative to net income or as an indicator of our operating performance.

Additionally, EBITDA, EBITDA Margin, and Adjusted EBITDA are not intended to be measures of free cash flow available for management or discretionary use as such measures do not consider certain cash requirements such as capital expenditures, tax payments and debt service requirements. EBITDA, EBITDA Margin, and Adjusted EBITDA as presented herein are not necessarily comparable to similarly titled measures.

Free Cash Flow represents net cash provided by operating activities less capital expenditures. 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 is not necessarily 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. EBITDA, EBITDA Margin, Adjusted EBITDA, and Free Cash Flow are key performance measures management uses to assess Gaia's operating performance and to facilitate internal comparisons to our historical performance. We believe EBITDA, EBITDA Margin, Adjusted EBITDA, and Free Cash Flow are useful metrics to investors, enabling them to better assess Gaia's operating performance in the context of current period results and provide for better comparability with Gaia's historically disclosed EBITDA, EBITDA Margin, Adjusted EBITDA, and Free Cash Flow, as well as allowing greater transparency with respect to the key metrics used by management in its financial and operational decision-making. Additionally, investors and the analyst community use these non-GAAP financial measures to help them analyze the health of our business.

Appendix B

GAIA, INC.

Statement of Cash Flows

(in thousands)	(Unaudited) For the Three Months Ended December 31,	
	2023	2022
Net cash provided by (used in):		
Operating activities - continuing operations	\$ 3,184	\$ 1,149
Operating activities - discontinued operations	—	(60)
Operating activities	3,184	1,089
Investing activities	(2,306)	(1,843)
Financing activities	(4,341)	1,475
Net change in cash	<u>\$ (3,463)</u>	<u>\$ 721</u>

(in thousands)	(Unaudited) For the Three Months Ended December 31,	
	2023	2022
Operating cash flow	\$ 3,184	\$ 1,089
Interest payments	87	100
Capital expenditures (investing activities)	(2,306)	(1,843)
Free cash flow	<u>\$ 965</u>	<u>\$ (654)</u>

(in thousands)	(Unaudited) For the Three Months Ended December 31,	
	2023	2022
Net income (loss)	\$ (1,771)	\$ (1,047)
Interest expense, net	92	96
Depreciation and amortization expense	4,339	3,929
Equity method investment loss	125	125
Provision for (benefit from) income taxes	60	202
EBITDA	2,845	3,305
Share-based compensation expense	460	554
Discontinued operations	—	60
Adjusted EBITDA	<u>\$ 3,305</u>	<u>\$ 3,919</u>

Appendix C

GAIA, INC.

Reconciliation of Net Income (Loss) to EBITDA and EBITDA Margin

(in thousands)	For the Twelve Months Ended December 31,		
	2019	2021	2023
Net income (loss)	\$ (17,892)	\$ 3,731	\$ (5,595)
Interest expense, net	643	265	467
Depreciation and amortization expense	9,595	13,145	17,041
Equity method investment loss	-	-	500
Provision for (benefit from) income taxes	45	(2,011)	60
EBITDA	<u>(7,609)</u>	<u>15,130</u>	<u>12,473</u>
Revenues, net	\$ 53,979	\$ 79,573	\$ 80,423
EBITDA	<u>(7,609)</u>	<u>15,130</u>	<u>12,473</u>
EBITDA Margin	(14%)	19%	16%

Reconciliation of Net Income (Loss) to EBITDA, Adjusted EBITDA and Operating Cash Flow to Free Cash Flow

Members (annual average)	Pro Forma for Twelve Months		
	800,000	900,000	1,000,000
Net income (loss)	\$ 400	\$ 4,100	\$ 10,100
Interest expense, net	400	200	200
Depreciation and amortization expense	17,500	17,900	18,200
EBITDA	<u>18,300</u>	<u>22,200</u>	<u>28,500</u>
Share-based compensation expense	1,300	1,800	2,000
Adjusted EBITDA	<u>19,600</u>	<u>24,000</u>	<u>30,500</u>
Operating cash flow	\$ 21,970	\$ 29,370	\$ 37,970
Interest payments	(270)	(270)	(270)
Capital expenditures	(14,100)	(15,100)	(16,700)
Free cash flow	<u>7,600</u>	<u>14,000</u>	<u>21,000</u>