



## FLUENT Reports Fourth Quarter and Full Year 2024 Results

04/17/2025

- Annual Revenue Grew 6.4% Year-over-Year to Record \$103.6 million -

- Completed Transformative Acquisition of RIV Capital, Adding New York Retail, Wholesale and Cultivation Operations to Multi-State Footprint -
- Successfully Closed Non-Dilutive Debt Refinancing at Favorable Interest Rate and Terms -
- Ended Fiscal Year With More Than \$40 Million of Cash and Cash Equivalents, Positioning Company For Additional Expansion and Growth -
- Expanded Brand Presence Through Strategic Launches, including MOODs and KNACK in New York and Hyer Kind Concentrates in Florida -

TAMPA, Fla., April 17, 2025 (GLOBE NEWSWIRE) -- [FLUENT Corp.](#) (CSE: FNT.U) (OTCQB: CNTMF) ("FLUENT" or the "Company"), a vertically-integrated, multi-state cannabis company, today announced its financial and operating results for the fourth quarter and full year ended December 31, 2024. Unless otherwise indicated, all financial results are presented in U.S. dollars.

### **Management Commentary**

"Closing out the year, we proudly increased our revenues by 6.4%, underscoring our commitment to maintaining sustainable financial growth," said CEO Robert Beasley. "The successful acquisition of RIV Capital was a transformative milestone, expanding our operational footprint with the addition of retail, wholesale, and cultivation assets in the key New York market. We also completed a non-dilutive debt refinancing under favorable terms, enhancing our capital structure while maintaining financial discipline. With over \$40 million in cash and cash equivalents at year-end, we are well-positioned to pursue strategic growth opportunities. Furthermore, the targeted launch of brands such as MOODs and KNACK in New York, and Hyer Kind concentrates in Florida, underscores our continued commitment to brand innovation and market penetration."

Mr. Beasley added, "Looking ahead, we have largely completed our integration efforts and gained valuable insights into what resonates in the New York market, enabling us to refine our approach for even greater impact with both consumers and patients. Our cultivation facility in Chestertown is producing strong results, with the latest crops yielding impressive outputs and THC levels. We are thrilled with the early success of the first harvests under our management, as our operations teams continue to collaborate seamlessly and deliver exceptional performance well. With our enhanced platform now in place, we are confidently optimizing our operational footprint positioning ourselves for continued success in the year ahead."

Mr. Beasley concluded, "While our plans were not reliant on the passage of Amendment 3 in Florida, we have been somewhat impacted by broader industry dynamics. Many in the sector had prepared extensively for the amendment's passage, and its delay has created market challenges, such as oversupply, heightened competition, and increased product discounting. Despite these headwinds, we remain well-positioned with a robust medical footprint and deep market expertise, enabling us to continue delivering exceptional products and executing our growth strategy as these factors stabilize."

### **Q4 2024 Financial Highlights (vs. Q4 2023)**

- Revenue was \$24.9 million compared to \$25.5 million.
  - Pro Forma revenue including a full quarter of New York operations would be \$29.6 million.
- Florida revenue was \$20.3 million compared to \$21.6 million.
- Gross profit before fair value adjustments<sup>1</sup> was \$10.0 million or 40.1% of revenue, compared to \$12.6 million or 49.4% of revenue.
- Adjusted EBITDA was \$3.0 million compared to \$6.9 million, with the decrease primarily driven by the decrease in revenues in the Florida market.
- Cash flow used in operations for the three months ending December 31, 2024, was \$14.7 million compared to cash flow provided by operations of \$1.4 million in the prior year.
- On December 31, 2024, the Company had approximately \$40.1 million of cash and cash equivalents and \$82.4 million of total debt outstanding, with approximately 630 million shares outstanding on an as-converted basis, compared to \$10.5 million of cash and cash equivalents and \$61.2 million of total debt, with approximately 300 million shares outstanding on December 31, 2023.
- Additionally, the Company reported an impairment of intangible assets of \$64.3 million for the quarter, compared to no impairment in Q4 2023. The impairment charge related to the cannabis license in Florida, and reflects lower anticipated operating profits for the Florida market compared to the last impairment testing date, largely as a result of the pricing pressures in the Florida market. The impairment expense is a non-cash item in the current period and reduces the carrying value of the Company's intangible assets on its consolidated statements of financial position to \$37.6 million.

### **Full Year 2024 Financial Highlights (vs. Full Year 2023)**

- Revenue increased 6.4% to \$103.6 million compared to \$97.3 million.

- Florida revenue increased 0.3% to \$86.8 million compared to \$86.5 million.
- Gross profit before fair value adjustments<sup>2</sup> was \$50.3 million or 48.6% of revenue, compared to \$49.5 million or 50.9% of revenue.
- Adjusted EBITDA was \$25.0 million compared to \$27.2 million, with the decrease primarily driven by the slow down in the Florida market.

### **Recent Operational Highlights**

- Currently operating 42 locations across a footprint spanning Florida, New York, Pennsylvania, and Texas. FLUENT anticipates opening an additional three stores by the end of 2025.
- Progressed construction at brand new, Tampa-based cultivation and processing facility, Rosa, targeting to complete its first harvest target by Q2 2025. The facility expansion will add an additional 7,000 sq ft of canopy to FLUENT's growing Florida footprint.
- Completed the acquisition of RIV Capital Inc., expanding the Company's footprint to include New York, with retail, wholesale, and cultivation operations spanning the state.
- Debuted the popular Florida brand MOODs into the New York market. Various MOODs formats are being launched in New York, with the full offering expected to be available in 2025.
- Launched new flower brand KNACK in New York, with an anticipated expansion into Florida in early 2025.
- Introduced FLUENT's first-ever concentrates line Hyer Kind in Florida, with plans to launch in additional markets in 2025.
- Completed a new senior secured credit agreement of up to \$96,500,000 with Chicago Atlantic Admin, LLC, refinancing the Company's existing \$71,000,000 senior secured term loan that was set to mature May 29, 2025.

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<sup>1</sup> Gross profit before fair value adjustments is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates gross profit before fair value adjustments from gross profit plus (minus) the changes in fair value of biological assets, as presented in the consolidated statement of operations.

<sup>2</sup> Gross profit before fair value adjustments is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates gross profit before fair value adjustments from gross profit plus (minus) the changes in fair value of biological assets, as presented in the consolidated statement of operations.

### **Conference Call**

The Company will host a conference call and live audio webcast today at 4:30 p.m. Eastern time to discuss its financial and operational results, followed by a question-and-answer period.

Date: Wednesday, April 17, 2025

Time: 4:30 p.m. Eastern time

Toll-free dial-in number: 1-844-763-8274 (toll -free)

International dial-in number: 1-412-717-9224 (international)

Join Instructions: Participants to ask to be joined into the FLUENT Corp. call.

Link: [FLUENT Corp Conference Call](#)

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization.

The conference call will also be available for replay for up to two weeks via the News & Events section of the Company's investor relations website at <https://investors.getFLUENT.com/>.

### **Forward-Looking Information**

Certain information in this news release may constitute forward-looking information within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections, or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent the Company's expectations, estimates, and projections regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control.

Forward-looking information is necessarily based on many opinions, assumptions, and estimates that, while considered reasonable by the Company as of the date of this news release, are subject to known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the factors described in the public documents of the Company available on its SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. The forward-looking statements contained in this news release are made as of the date of this news release, and the Company expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.

For further information visit: [www.getFLUENT.com](http://www.getFLUENT.com) and [www.investors.getFLUENT.com](http://www.investors.getFLUENT.com)

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**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

As of December 31, 2024 and December 31, 2023

(USD '000)

	2024	2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 40,106	\$ 10,521
Accounts receivable	422	215
Biological assets	3,162	331
Inventory, net	15,155	9,244
Prepaid expenses and other current assets	2,587	1,882
<b>Total current assets</b>	<b>\$ 61,432</b>	<b>22,193</b>
Assets held for sale		-
Property and equipment, net	52,200	27,642
Intangible assets, net	37,590	93,593
Right-of-use assets, net	46,731	31,943
Goodwill	1,525	1,525
Deferred tax assets	1,039	-
Other assets	6,476	907
<b>Total assets</b>	<b>\$ 206,993</b>	<b>\$ 177,803</b>
<b>Liabilities and shareholders' equity</b>		
Current liabilities		
Accounts payable	\$ 6,332	\$ 5,525
Accrued expenses	8,423	9,779
Income taxes payable	1,003	22,009
Derivative liabilities	2,148	9,109
Short term provision liability	4,957	-
Current portion of notes payable	755	213
Lease obligations - current portion	4,751	2,872
<b>Total current liabilities</b>	<b>\$ 28,369</b>	<b>\$ 49,507</b>
Long-term liabilities		
Notes payable, net of current portion and financing costs	68,775	61,189
Lease obligations, net of current portion	51,727	37,242
Deferred tax liability	4,817	17,398
Uncertain tax position	43,314	-
Long term provision liability	9,044	-
Convertible notes, net	6,482	-
Other long-term liabilities	3,447	3,882
<b>Total long-term liabilities</b>	<b>\$ 187,606</b>	<b>\$ 119,711</b>
<b>Total liabilities</b>	<b>\$ 215,975</b>	<b>\$ 169,218</b>
Shareholders' equity		
Share capital	206,419	183,690
Share-based compensation reserve	7,275	6,739
Equity conversion feature	7,097	6,677
Warrants	29,634	29,634

Accumulated deficit	(258,211)	(217,821)
Foreign currency translation reserve	(1,196)	(334)
Accumulated other comprehensive income (loss)	(1,196)	(334)
<b>Total shareholders' equity</b>	<b>(8,982)</b>	<b>8,585</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 206,993</b>	<b>\$ 177,803</b>

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**CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

For the years ended December 31, 2024 and December 31, 2023

(USD '000)

	Year ended	
	December 31, 2024	December 31, 2023
Revenue, net	\$ 103,562	\$ 97,290
Cost of goods sold	53,234	47,814
<b>Gross profit before fair value adjustments</b>	<b>50,328</b>	<b>49,476</b>
Fair value adjustments on inventory sold	(3,642)	12,659
Unrealized gain (loss) on changes in fair value of biological assets	7,872	(14,602)
<b>Gross profit</b>	<b>54,558</b>	<b>47,533</b>
<b>Operating expenses:</b>		
General and administrative	17,602	10,022
Sales and marketing	22,805	20,193
Depreciation and amortization	7,078	7,414
Share-based compensation	538	638
Impairment of goodwill and intangible assets	-	-
<b>Total operating expenses</b>	<b>48,023</b>	<b>38,267</b>
<b>Income from operations</b>	<b>6,535</b>	<b>9,266</b>
<b>Other expense (income):</b>		
Finance costs, net	19,952	17,941
Net change in fair value of derivative	(9,684)	433
Loss on issuance and settlement of debt, net	8,725	-
(Gain) loss on disposal of assets	237	(26)
Intangible assets impairment	64,285	-
(Gain) loss on lease modifications	(223)	67
Bargain purchase gain on business combination	(44,520)	-
Loss on loan	1,201	-
Other (income) expense, net	262	7
<b>Total other expense (income)</b>	<b>40,235</b>	<b>18,422</b>
<b>Net income (loss) before income taxes</b>	<b>(33,700)</b>	<b>(9,156)</b>
Income tax expense	6,690	13,594
<b>Net income (loss)</b>	<b>\$ (40,390)</b>	<b>\$ (22,750)</b>
<b>Other comprehensive income (loss)</b>		
Foreign currency translation adjustment	(862)	-
<b>Comprehensive income (loss)</b>	<b>\$ (41,252)</b>	<b>\$ (22,750)</b>
<b>Net loss per share - basic and diluted</b>	<b>\$ (0.13)</b>	<b>\$ (0.08)</b>

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**CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**

For the three months ended December 31, 2024 and 2023

(USD '000)

	Year ended	
	December 31, 2024	December 31, 2023
Revenue, net	\$ 24,919	\$ 25,544
Cost of goods sold	14,919	12,932
<b>Gross profit before fair value adjustments</b>	<b>10,000</b>	<b>12,612</b>
Fair value adjustments on inventory sold	(1,383)	3,615
Unrealized gain (loss) on changes in fair value of biological assets	(832)	(2,883)
<b>Gross profit</b>	<b>7,785</b>	<b>13,344</b>
<b>Operating expenses:</b>		
General and administrative	5,119	2,436
Sales and marketing	5,507	5,265
Depreciation and amortization	1,831	1,634
Share-based compensation	119	(6)
<b>Total operating expenses</b>	<b>12,576</b>	<b>9,329</b>
<b>Income (loss) from operations</b>	<b>(4,791)</b>	<b>4,015</b>
<b>Other expense (income):</b>		
Finance costs, net	5,252	4,806
Net change in fair value of derivative	(1,392)	171
Loss on issuance and settlement of debt, net	8,725	116
(Gain) loss on disposal of assets	25	(96)
Intangible assets impairment	64,285	-
(Gain) loss on lease modifications	(223)	-
Bargain purchase gain on business combination	(44,520)	-
Loss on loan	1,201	-
Other (income) expense, net	257	1
<b>Total other expense (income)</b>	<b>33,610</b>	<b>4,998</b>
<b>Net income (loss) before income taxes</b>	<b>(38,401)</b>	<b>(983)</b>
Income tax expense	(13,010)	3,727
<b>Net income (loss)</b>	<b>\$ (25,391)</b>	<b>\$ (4,710)</b>
<b>Other comprehensive income (loss)</b>		
Foreign currency translation adjustment	(862)	-
<b>Comprehensive income (loss)</b>	<b>\$ (26,253)</b>	<b>\$ (4,710)</b>

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**CONSOLIDATED STATEMENTS OF CASH FLOW**

For the years ended December 31, 2024 and December 31, 2023

(USD '000)

	Year ended	
	December 31, 2024	December 31, 2023
<b>Cash flows used in operating activities</b>		
Net loss	\$ (40,390)	\$ (22,750)
<b>Adjustments for non-cash items:</b>		
Bargain purchase gain on business combination	(44,520)	-

Loss on issuance and extinguishment of debt instruments, net	8,225	-
Intangible assets impairment	64,285	-
Unrealized (gain) loss on changes in fair value of biological assets	(7,872)	14,602
Realized (gain) loss on fair value amounts included in inventory sold	3,642	(12,659)
Share-based compensation expense	538	638
Inventory write-down	81	-
Depreciation and amortization	14,995	15,078
Accretion and interest expense	20,012	26,788
Gain on lease modification	(223)	-
Net change in fair value of derivative	(9,684)	433
Loss on dispositions of fixed assets	237	253
Uncertain tax position	43,314	-
Deferred tax recovery	(12,850)	(2,892)
Changes in non-cash working capital		
Accounts receivable	24	(187)
Inventory	20,087	15,596
Biological assets	(17,551)	(17,145)
Prepaid expenses and other current assets	1,464	(999)
Right of use assets / liabilities	(4,840)	(3,698)
Other assets	(492)	661
Accounts payable	805	(1,400)
Accrued liabilities	(8,430)	4,390
Income taxes	(18,902)	10,806
Other long-term liabilities	(435)	2,549
<b>Net cash provided by operating activities before income taxes and interest paid</b>	<b>11,520</b>	<b>30,064</b>
Cash interest paid	(7,642)	(8,860)
Income taxes received (paid), net	(2,104)	(2,749)
<b>Net cash provided by operating activities</b>	<b>\$ 1,774</b>	<b>\$ 18,455</b>
<b>Cash flows provided by (used in) investing activities</b>		
Cash acquired through business combination	\$ 39,501	\$ -
Purchase of property and equipment	(16,173)	(6,019)
Purchase of intangible assets	(1,332)	(319)
<b>Net cash provided by (used in) investing activities</b>	<b>\$ 21,996</b>	<b>\$ (6,338)</b>
<b>Cash flows provided by (used in) financing activities</b>		
Proceeds from issuance of convertible notes, net of financing costs	\$ 8,975	\$ -
Proceeds from issuance of shares and warrants	-	2,992
Proceeds from term loan, net of financing costs	68,976	-
Repayments of principal on term loan	(67,173)	(8,533)
Net proceeds from equipment loan	48	-
Payment of notes principal	(1,335)	(2,033)
Payment of lease principal	(2,814)	(2,381)
<b>Net cash provided by (used in) financing activities</b>	<b>\$ 6,677</b>	<b>\$ (9,955)</b>
Net increase in cash and cash equivalents	\$ 30,447	\$ 2,162
Effect of foreign exchange rate movements on cash held	(862)	-
Cash, beginning of period	10,521	8,359
<b>Cash, end of period</b>	<b>\$ 40,106</b>	<b>\$ 10,521</b>

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**EBITDA AND ADJUSTED EBITDA CALCULATION**

**For the years ended December 31, 2024 and December 31, 2023**

**(USD '000)**

	Year ended	
	December 31, 2024	December 31, 2023
Net income (loss)	\$ (40,390)	\$ (22,750)
Finance costs, net	19,952	17,941

Income taxes	6,690	13,594
Depreciation and amortization	14,773	15,078
EBITDA	\$ 1,025	\$ 23,863

	Year ended	
	December 31, 2024	December 31, 2023
EBITDA	\$ 1,025	\$ 23,863
Change in fair value of biological assets	(4,230)	1,943
Change in fair market value of derivative	(9,684)	433
Bargain purchase gain on business combination	(44,520)	-
Loss on issuance and settlement of debt	8,725	-
Intangible assets impairment	64,285	-
Professional fees <sup>(1)</sup>	5,584	-
One-time employee costs <sup>(2)</sup>	927	-
Share-based compensation	538	638
Loss on loan	1,201	-
Other non-recurring expense <sup>(3)</sup>	1,168	307
Adjusted EBITDA	\$ 25,019	\$ 27,184

(1) Legal and professional fees associated with potential transactions and professional fees associated with prior periods.

(2) Severance and relocation costs.

(3) One-time costs incurred during the period related.