UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: September 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-37893

FLUENT, INC.

(Exact name of registrant as specified in its charter)

Delaware	**77-0688094**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
300 Vesey Street, 9th Floor New York, New York	**10282**
(Address of principal executive offices)	**(Zip Code)**

(646) 669-7272
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0005 par value per share	FLNT	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 10, 2026, the registrant had 31,712,435 shares of common stock, $0.0005 par value per share, outstanding.

FLUENT, INC.

TABLE OF CONTENTS FOR FORM 10-Q

		Page
PART I - FINANCIAL INFORMATION		
Item 1.	Financial Statements (unaudited)	
	Consolidated Balance Sheets as of September 30, 2026 and December 31, 2025	2
	Consolidated Statements of Operations for the three and nine months ended September 30, 2026 and 2025	3
	Consolidated Statements of Changes in Shareholders' Equity for the three and nine months ended September 30, 2026 and 2025	4
	Consolidated Statements of Cash Flows for the nine months ended September 30, 2026 and 2025	5
	Notes to Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	34
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	50
Item 4.	Controls and Procedures	50
PART II - OTHER INFORMATION		
Item 1.	Legal Proceedings	51
Item 1A.	Risk Factors	51
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	52
Item 3.	Defaults Upon Senior Securities	52
Item 5.	Other Information	52
Item 6.	Exhibits	53
Signatures		55

PART I - FINANCIAL INFORMATION

Unless otherwise indicated or required by the context, all references in this Quarterly Report on Form 10-Q to "we," "us," "our," "Fluent," or the "Company," refer to Fluent, Inc. and its consolidated subsidiaries.

ITEM 1. FINANCIAL STATEMENTS.

FLUENT, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share data)

	September 30, 2026 (unaudited)	December 31, 2025
ASSETS:		
Cash and cash equivalents	$ 11,436	$ 12,935
Accounts receivable, net of allowance for credit losses of $247 and $163, respectively	41,398	46,735
Prepaid expenses and other current assets	5,395	7,799
Total current assets	58,229	67,469
Non-current restricted cash	710	710
Property and equipment, net	231	104
Operating lease right-of-use assets	2,293	2,859
Intangible assets, net	16,956	17,276
Other non-current assets	2,950	715
Total assets	$ 81,369	$ 89,133
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Accounts payable	$ 9,052	$ 7,200
Accrued expenses and other current liabilities	27,284	25,163
Deferred revenue	306	721
Short-term debt, net	31,451	30,846
Current portion of operating lease liability	1,104	1,104
Total current liabilities	69,197	65,034
Convertible Notes, at fair value with related parties	4,443	3,734
Operating lease liability, net	1,366	1,985
Other non-current liabilities	785	168
Total liabilities	75,791	70,921
Contingencies (Note 10)		
Shareholders' equity:		
Preferred stock — $0.0001 par value, 10,000,000 Shares authorized; Shares outstanding — 0 shares for both periods	—	—
Common stock — $0.0005 par value, 200,000,000 Shares authorized; Shares issued — 32,465,082 and 30,404,779, respectively; and Shares outstanding — 31,696,487 and 29,636,184, respectively	56	53
Treasury stock, at cost — 768,595 and 768,595 Shares, respectively	(11,407)	(11,407)
Additional paid-in capital	469,547	467,528
Accumulated deficit	(452,618)	(437,962)
Total shareholders' equity	5,578	18,212
Total liabilities and shareholders' equity	$ 81,369	$ 89,133

See notes to consolidated financial statements

FLUENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except share and per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 53,642	$ 47,029	$ 146,943	$ 146,945
Costs and expenses:				
Cost of revenue (exclusive of depreciation and amortization)	38,359	36,155	107,612	114,356
Sales and marketing	5,207	4,570	14,405	12,895
Product development	2,749	2,200	8,439	7,147
General and administrative (including $50 and $218 to a related party for the three and nine months ended September 30, 2026, respectively)	8,749	7,929	23,364	25,614
Depreciation and amortization	1,694	2,478	5,085	7,418
Loss on disposal of assets	3	—	17	—
Total costs and expenses	56,761	53,332	158,922	167,430
Loss from operations	(3,119)	(6,303)	(11,979)	(20,485)
Interest expense, net	(712)	(711)	(1,954)	(2,293)
Fair value adjustment of Convertible Notes with related parties	712	(554)	(709)	(156)
Loss before income taxes	(3,119)	(7,568)	(14,642)	(22,934)
Income tax (expense) benefit	(6)	12	(14)	(114)
Net loss	$ (3,125)	$ (7,556)	$ (14,656)	$ (23,048)
Basic and diluted loss per share:				
Basic	$ (0.10)	$ (0.27)	$ (0.47)	$ (0.94)
Diluted	$ (0.12)	$ (0.27)	$ (0.47)	$ (0.94)
Weighted average number of shares outstanding:				
Basic	31,910,509	28,097,016	30,929,079	24,497,510
Diluted	32,803,153	28,097,016	30,929,079	24,497,510

See notes to consolidated financial statements

FLUENT, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Amounts in thousands, except share and per share data)
(unaudited)

	Common stock		Treasury stock		Additional paid-in capital	Accumulated deficit	Total shareholders' equity
	Shares	Amount	Shares	Amount			
Balance at June 30, 2026	32,362,277	$ 55	768,595	$ (11,407)	$ 468,949	$ (449,493)	$ 8,104
Vesting of restricted stock units and issuance of stock under incentive plans	102,805	1	—	—	(1)	—	—
Share-based compensation	—	—	—	—	599	—	599
Exercise of pre-funded warrants	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	(3,125)	(3,125)
Balance at September 30, 2026	32,465,082	$ 56	768,595	$ (11,407)	$ 469,547	$ (452,618)	$ 5,578
Balance at December 31, 2025	30,404,779	$ 53	768,595	$ (11,407)	$ 467,528	$ (437,962)	$ 18,212
Vesting of restricted stock units and issuance of stock under incentive plans	616,174	3	—	—	(3)	—	—
Share-based compensation expense	—	—	—	—	2,022	—	2,022
Exercise of pre-funded warrants	1,444,129	—	—	—	—	—	—
Net loss	—	—	—	—	—	(14,656)	(14,656)
Balance at September 30, 2026	32,465,082	$ 56	768,595	$ (11,407)	$ 469,547	$ (452,618)	$ 5,578

	Common stock		Treasury stock		Additional paid-in capital	Accumulated deficit	Total shareholders' equity
	Shares	Amount	Shares	Amount			
Balance at June 30, 2025	25,037,334	$ 50	768,595	$ (11,407)	$ 456,767	$ (426,287)	$ 19,123
Vesting of restricted stock units and issuance of stock under incentive plans	50,264	—	—	—	—	—	—
Share-based compensation	—	—	—	—	486	—	486
Issuance of pre-funded warrants and common stock warrants	3,542,856	2	—	—	9,531	—	9,533
Exercise of pre-funded warrants	1,657,143	1	—	—	(1)	—	—
Net loss	—	—	—	—	—	(7,556)	(7,556)
Balance at September 30, 2025	30,287,597	$ 53	768,595	$ (11,407)	$ 466,783	$ (433,843)	$ 21,586
Balance at December 31, 2024	20,791,431	$ 47	768,595	$ (11,407)	$ 447,110	$ (410,795)	$ 24,955
Vesting of restricted stock units and issuance of stock under incentive plans	368,094	1	—	—	(1)	—	—
Share-based compensation expense	—	—	—	—	1,174	—	1,174
Issuance of pre-funded warrants and common stock warrants	3,542,856	2	—	—	18,503	—	18,505
Exercise of pre-funded warrants	5,585,216	3	—	—	(3)	—	—
Net loss	—	—	—	—	—	(23,048)	(23,048)
Balance at September 30, 2025	30,287,597	$ 53	768,595	$ (11,407)	$ 466,783	$ (433,843)	$ 21,586

See notes to consolidated financial statements

FLUENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (14,656)	$ (23,048)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	5,085	7,418
Non-cash loan amortization expense	239	563
Non-cash gain on divestiture	(2,352)	—
Share-based compensation expense	3,667	1,144
Fair value adjustment of Convertible Notes with related parties	709	156
Loss on disposal of asset	17	—
Non-cash loss on asset write-off	—	698
Allowance for credit losses	1,092	(23)
Changes in assets and liabilities, net of business acquisitions:		
Accounts receivable	5,175	14,426
Prepaid expenses and other current assets	1,517	459
Other non-current assets	117	189
Operating lease assets and liabilities, net	(53)	(45)
Accounts payable	1,852	607
Accrued expenses and other current liabilities	832	(6,718)
Deferred revenue	(415)	(82)
Other	—	(1)
Net cash provided by (used in) operating activities	2,826	(4,257)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capitalized costs included in intangible assets	(5,106)	(4,843)
Proceeds from note receivable	354	—
Acquisition of property and equipment	(190)	(48)
Net cash used in investing activities	(4,942)	(4,891)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of short and long-term debt	178,971	43,726
Repayments of short and long-term debt	(178,354)	(53,445)
Debt financing costs	—	(375)
Proceeds from issuance of pre-funded and common stock warrants	—	19,370
Equity financing costs	—	(865)
Net cash provided by financing activities	617	8,411
Net decrease in cash, cash equivalents, and restricted cash	(1,499)	(737)
Cash, cash equivalents, and restricted cash at beginning of period	13,645	10,694
Cash, cash equivalents, and restricted cash at end of period	$ 12,146	$ 9,957
SUPPLEMENTAL DISCLOSURE INFORMATION		
Cash paid for interest	$ 2,039	$ 1,925
Cash refunded for income taxes	$ (119)	$ (69)
Share-based compensation capitalized in intangible assets	$ 27	$ 25
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Note receivable issuance for Call Solutions divestiture	$ 3,000	$ —

See notes to consolidated financial statements

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Amounts in thousands, except share and per share data)
(unaudited)

1. Summary of significant accounting policies

(a) Basis of preparation

The accompanying unaudited consolidated financial statements have been prepared by Fluent, Inc., a Delaware corporation (the "Company" or "Fluent"), in accordance with accounting principles generally accepted in the United States ("GAAP" or "U.S. GAAP") and applicable rules and regulations of the Securities and Exchange Commission (the "SEC") regarding interim financial reporting. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations.

The accompanying unaudited consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods ended September 30, 2026 and 2025, but are not necessarily indicative of the results of operations to be anticipated for any future interim periods or for the full year ending December 31, 2026.

From time to time, the Company may enter into relationships or investments with other entities, and, in certain instances, the entity in which the Company has a relationship or investment may qualify as a variable interest entity ("VIE"). The Company consolidates a VIE in its financial statements if the Company is deemed to be the primary beneficiary of the VIE. The primary beneficiary is the party that has the power to direct activities that most significantly impact the operations of the VIE and has the obligation to absorb losses or the right to benefits from the VIE that could potentially be significant to the VIE.

The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 31, 2026, as amended April 30, 2026 (as amended, "2025 Form 10-K"). The consolidated balance sheet as of December 31, 2025 included herein was derived from the audited financial statements as of that date and included in the 2025 Form 10-K.

Going concern

In accordance with Accounting Standards Codification ("ASC") 205-40, Presentation of Financial Statements – Going Concern, management must evaluate whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date these accompanying unaudited consolidated financial statements are issued (the "issuance date"). As part of this evaluation, management may consider the potential mitigating impact of its plans that have not been fully implemented as of the issuance date if (a) it is probable that management's plans will be effectively implemented on a timely basis, and (b) it is probable that the plans, when implemented, will alleviate the relevant conditions or events that raise substantial doubt about the Company's ability to continue as a going concern within one year after the issuance date.

With the difficulties in sourcing traffic for the owned and operated digital media properties ("O&O Sites"), the Company shifted its strategic focus toward scaling its Commerce Media Solutions business. Commerce Media Solutions has demonstrated growth and operates under a different economic model that reduces exposure to certain media sourcing risks. However, it continues to represent an evolving component of the Company’s business and the continued success of Commerce Media Solutions depends on the Company’s ability to continue to onboard and retain media partners, achieve favorable economics under long-term agreements, and maintain advertiser demand, of which there can be no assurance.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

Since entering into the Financing Agreement (as defined in and discussed in Note 4, *Debt, net*), the Company has continued to receive advances, as needed, on its eligible account receivables. On September 30, 2026, the Company entered into an amendment with Bay View (as defined in Note 4, *Debt, net*) that increased the maximum advance available pursuant to the facility by $5,000, but the facility remains uncommitted, with the advances typically due within 120 days, leading to its classification as short-term. Bay View continues to work with the Company and has indicated in writing its intention, absent an event of default, to continue purchasing eligible account receivables in the ordinary course and has made advances since the facility was entered into. However, such funding remains subject to the discretion of Bay View and the terms and conditions of the Financing Agreement. Further, if availability under the facility were reduced or if Bay View were to cease advances, the Company could have insufficient funds to support its operations and meet its obligations as they come due unless it found another lender or purchaser of its receivables. Based upon the foregoing, management has concluded that there is substantial doubt about the Company's ability to continue as a going concern.

Based on the Company's forecast, management expects to have sufficient liquidity over the next twelve months from the date of filing, but any substantial deviations from such forecasts could adversely affect the Company’s liquidity and ability to access funding. Although the Company has met or exceeded its forecasts over the trailing four quarters, it did not meet its forecast, at times, over the prior three years.

In addition, the Company is eligible to offer and sell shares of the Company's common stock having an aggregate value of up to $11,200 pursuant to that certain At-the-Market Issuance Sales Agreement, dated December 31, 2025, by and between the Company and Lake Street Capital Markets, LLC. As of September 30, 2026, no shares have been sold. The Company's ability to raise capital under this program or through other financing sources is subject to market conditions and other factors and may be limited or unavailable at acceptable terms, if at all.

Although management believes its current plans will be sufficient and that the Company will maintain access to the Bay View facility, there is no guarantee such plans will be successful or have the expected benefit. As such, management has concluded that there is substantial doubt about the Company's ability to continue as a going concern for one year after the date of issuance of this Quarterly Report on Form 10-Q.

The accompanying consolidated financial statements do not include any adjustments relating to the possible future effects on the recoverability and classification of recorded assets and classification of liabilities that might result should the Company be unable to continue as a going concern.

Principles of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. All significant transactions among the Company and its subsidiaries have been eliminated upon consolidation.

Reclassification

During the three and nine months ended September 30, 2025, the Company reclassified certain salaries and benefits and other costs among sales and marketing, product development, and general and administrative expenses within the consolidated statements of operations to better align with how management reviews the business and personnel allocate their time. Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on previously reported total costs and expenses, loss from operations, or net loss for any period presented.

(b) Recently issued and adopted accounting standards

Accounting pronouncements not listed below were assessed and determined to be not applicable or are expected to have minimal impact on the Company's consolidated financial statements.

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiatives*, which incorporates updates to the Codification to align with SEC disclosure requirements in response to the August 2018 SEC Release No. 33-10532. ASU 2023-06 updates and simplifies certain SEC disclosure requirements that were duplicative or outdated due to changes in other SEC requirements and in U.S. GAAP, International Financial Reporting Standards, or the overall financial reporting environment. The new guidance is effective for each amendment only if the SEC removes the related disclosure of presentation requirements from its existing regulations by June 30, 2027. The guidance is to be applied prospectively, with early adoption prohibited. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic* 220-40*): Disaggregation of Income Statement Expenses*, which requires additional disclosures about a public business entity's costs and expenses on the face of the financial statements. The ASU follows investors' requests for more detailed information and disclosures of disaggregated financial reporting information about the types of expenses in commonly presented expense captions (such as cost of sales, selling, general, and administrative, and research and development), including purchases of inventory, employee compensation, depreciation, amortization, and depletion. The new guidance is effective for fiscal years beginning after December 15, 2026 and interim periods beginning after December 15, 2027, and early adoption is permitted. The guidance will be applied on a prospective basis to financial statements issued for reporting periods after the effective date, or retrospectively to any and all prior periods presented in the financial statements. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software*, which amends certain aspects of the accounting for and disclosure of software costs under ASC No. 350-40. ASU No. 2025-06 clarifies and modernizes the accounting for costs related to internal-use software. The amendments in ASU No. 2025-06 remove all references to project stages throughout Subtopic No. 350-40 and clarify the threshold entities apply to begin capitalizing costs. The guidance will be effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal periods. Companies have the option to apply the guidance on a retrospective or prospective basis, and early adoption is permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events from the end of the last annual reporting period that have a material impact on the entity. The guidance is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements,* which makes improvements to the ASC for a broad range of Topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements. This update is effective for annual reporting periods beginning after December 15, 2026, including interim reporting periods within those annual reporting periods. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements.

(c) Revenue recognition

Data and performance-based marketing revenue

Revenue is generated when control of a good or service transfers to a customer for consideration in an amount the Company expects to be entitled to. Revenue is recognized when a company has satisfied its performance obligations to a customer and can reasonably expect and measure the payment. The Company's performance obligations are typically to (a) deliver data records based on predefined qualifying characteristics specified by the customer, (b) generate conversions based on predefined user actions (for example, a click, a registration, or the installation of an app) and subject to certain qualifying characteristics specified by the customer, (c) deliver media spend as a part of the business of AdParlor, LLC d/b/a Trevant ("Trevant"), a wholly-owned subsidiary of the Company, or (d) transfer calls with the Company's advertiser clients as a part of its former call center operations, through January 31, 2026. These Company performance obligations have the customer simultaneously receiving and consuming the benefits provided.

The Company applies the practical expedient related to the review of a portfolio of contracts in reviewing the terms of customer contracts as one collective group, rather than by individual contract. Based on historical performance of the contracts contained in this portfolio and the similar nature and characteristics of the customers, the Company concluded that the financial statement effects are not materially different than accounting for revenue on a contract-by-contract basis.

The Company has elected the "right to invoice" practical expedient available within ASC 606-10-55-18 as the measure for revenue to be recognized, as it corresponds directly with the amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. The Company's revenue arrangements do not contain significant financing components. As of September 30, 2026, December 31, 2025 and 2024, the balance of accounts receivable was $26,771, $28,499, and $26,131, respectively.

For each identified performance obligation in a contract with a customer, the Company assesses whether it or the third-party supplier is the principal or agent. In arrangements where the Company has substantive control of the specified goods and services, is primarily responsible for the integration of products and services into the final deliverable to the customer, and has inventory risk and discretion in establishing pricing, the Company is considered to have acted as the principal. For performance obligations in which the Company acts as principal, the Company records the gross amount billed to the customer within revenue and the related incremental direct costs incurred as cost of revenue. If the third-party supplier, rather than the Company, is primarily responsible for the performance and deliverable to the customer, and the Company solely arranges for the third-party supplier to provide services to the customer, the Company is considered to have acted as the agent. For performance obligations in which the Company acts as the agent, the net fees on such transactions are recorded as revenue, with no associated costs of revenue for the Company.

If a customer pays consideration before the Company's performance obligations are satisfied, such amounts are classified as deferred revenue on the consolidated balance sheets. As of September 30, 2026, December 31, 2025, and December 31, 2024, the balance of deferred revenue was $306, $721, and $556, respectively. The majority of the deferred revenue balance as of December 31, 2025 was recognized as revenue during the first quarter of 2026.

When there is a delay between the period in which revenue is recognized and when a customer invoice is issued, revenue is recognized, and the corresponding amounts are recorded as unbilled revenue within accounts receivable on the consolidated balance sheets. As of September 30, 2026, December 31, 2025, and December 31, 2024, unbilled revenue included in the Company's accounts receivable was $14,707, $17,701, and $18,625, respectively. In line with industry practice, the unbilled revenue balance is recorded based on the Company's internally tracked conversions, net of estimated variances between this amount and the amount tracked and subsequently confirmed by customers. Substantially all amounts included within the unbilled revenue balance are invoiced to customers within the month directly following the period of service. Historical estimates related to unbilled revenue have not differed materially from actual invoiced revenue.

Sales commissions are recorded at the time revenue is recognized and recorded in sales and marketing in the consolidated statements of operations. The Company has elected to utilize a practical expedient to expense incremental costs incurred related to obtaining a contract.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

In addition, the Company elected the practical expedient to not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which revenue is recognized at the amount to which the Company has the right to invoice for services performed.

Revenue Disaggregation

The following tables present the Company's disaggregated revenue by media resources along with its availability and demand for the three and nine months ended September 30, 2026 and 2025, based on segment reporting:

	Three Months Ended September 30, 2026			Three Months Ended September 30, 2025		
	Fluent	All Other	Consolidated	Fluent	All Other	Consolidated
(In thousands)						
Owned and Operated	$ 13,799	$ —	$ 13,799	$ 20,744	$ —	$ 20,744
Commerce Media Solutions	37,539	—	37,539	18,808	—	18,808
Call Solutions	—	—	—	5,283	—	5,283
Trevant	—	2,304	2,304	—	2,183	2,183
All Other[1]	—	—	—	—	11	11
Total Revenue	$ 51,338	$ 2,304	$ 53,642	$ 44,835	$ 2,194	$ 47,029

(1) The balance for the three months ended September 30, 2025 is fully related to commission revenues in run-off.

	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	Fluent	All Other	Consolidated	Fluent	All Other	Consolidated
(In thousands)						
Owned and Operated	45,846	$ —	$ 45,846	$ 73,228	$ —	$ 73,228
Commerce Media Solutions	93,951	—	93,951	47,548	—	47,548
Call Solutions	1,213	—	1,213	20,992	—	20,992
Trevant	—	6,335	6,335	—	5,131	5,131
All Other[1]	—	(402)	(402)	—	46	46
Total Revenue	$ 141,010	$ 5,933	$ 146,943	$ 141,768	$ 5,177	$ 146,945

(1) The balance for the nine months ended September 30, 2026 was due to the reassessment of the health insurance policies estimated lifetime value related to its prior commission revenue, that is in run-off. The balance for the nine months ended September 30, 2025 is fully related to commission revenues in run-off.

Owned and Operated and Commerce Media Solutions in the tables above represent the Company's remaining data and performance-based marketing revenue. Prior to its divestiture, Call Solutions also consisted of performance-based marketing revenue (refer to Note 12, *Divestiture* for details).

Seasonality

The Company's performance is subject to fluctuations related to seasonality and cyclicality in its clients' and media partners' businesses. Other factors affecting the Company may include macroeconomic conditions that impact the digital advertising industry, the various client and partner verticals served, and general market conditions.

(d) Use of estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires the Company's management to make estimates and assumptions relating to the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the allowance for credit losses, useful lives of intangible assets, recoverability of the carrying amounts of intangible assets, the portion of revenue subject to estimates for variances between internally-tracked conversions and those confirmed by the customer, consolidation of the VIE, fair value of Convertible Notes (as defined in Note 4, *Debt, net*) with related parties based on input assumptions, share-based compensation and income tax provision. These estimates are often based on complex judgments and assumptions that management believes to be reasonable but are inherently uncertain and unpredictable. Actual results could differ from these estimates.

(e) Note receivable and allowance for credit losses

In connection with the divestiture on January 31, 2026, the Company received a note (the "Note") that is a secured financial asset valued at amortized cost (as defined in Note 12, *Divestiture*). The Company evaluates the Note for expected credit losses and recorded an allowance of $931 as of September 30, 2026, which was recorded in prepaid expenses and other current assets. The allowance was estimated using a probability of default and loss given default methodology, which incorporated a borrower-specific credit assessment and the estimated fair value of the underlying collateral, adjusted for the Company's subordinated position. Management also considered current and forecasted macroeconomic conditions in evaluating whether additional adjustments to the allowance were necessary. The increase in the allowance for the three months ended September 30, 2026 reflects a modification granted to the borrower, as described below.

In August 2026, the Company was notified by the borrower of the Note that the borrower would be unable to make the monthly scheduled payments during certain periods in 2026 and 2027. In response, on September 15, 2026, the Company entered into a first amendment to the Note which deferred principal payments from July 2026 to November 2026 and then from April 2027 to September 2027, while continuing to require interest only payments, with the first being due upon signing. All deferred principal payments are to be repaid at the end of the Note's term through an eleven-month extension as no principal or interest was forgiven. In addition, the borrower is required to provide monthly financial statements to the Company. The Company concluded that the borrower is experiencing financial difficulty and that the modification represents a combination of payment delay and term extension. As of the modification date, the amortized cost of the Note was $2,646, which represents 100% of the receivable. As of September 30, 2026, the borrower is current on all required interest payments under the modified terms and no payment default has occurred subsequent to the modification.

The Company considered the modification of the Note and concluded that it will continue to record its allowance for credit losses using the methodology described above, as foreclosure is not probable and repayment is not expected substantially through the operation or sale of the collateral.

(f) Fair value

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820, *Fair Value Measurements and Disclosure* describes a fair value hierarchy based on the following three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value:

- Level 1 — defined as observable inputs, such as quoted prices in active markets;
- Level 2 — defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and
- Level 3 — defined as unobservable inputs, for which little or no market data exists, therefore requiring an entity to develop its own assumptions.

See Note 5, *Fair Value Measurements*, for further details.

(g) Goodwill

Goodwill represents the difference between the purchase price and the estimated fair value of net assets acquired when accounted for by the acquisition method of accounting. As of September 30, 2026 and December 31, 2025, there was no remaining goodwill.

2. Income (loss) per share

Basic income (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding, restricted stock units ("RSUs"), and restricted common stock that have vested but not been delivered during the period. Diluted income (loss) per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock and is calculated using the if-converted method for convertible notes (see Note 4, *Debt*, below) and the treasury stock method for stock options, RSUs, restricted stock, pre-funded warrants, common stock warrants, direct offering, deferred common stock, and unvested shares (see Note 7, *Equity*, below). Stock equivalent shares are excluded from the calculation in loss periods, as their effects would be anti-dilutive.

For the nine months ended September 30, 2026 and 2025, basic and diluted loss per share were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net loss	$ (3,125)	$ (7,556)	$ (14,656)	$ (23,048)
Fair value adjustment of Convertible Notes with related parties	(712)	—	—	—
Net loss for diluted EPS	$ (3,837)	$ (7,556)	$ (14,656)	$ (23,048)
Denominator:				
Weighted average shares outstanding	31,626,135	27,797,444	30,645,685	24,207,259
Weighted average restricted shares vested not delivered	284,374	299,572	283,394	290,251
Total basic weighted average shares outstanding	31,910,509	28,097,016	30,929,079	24,497,510
Dilutive effect of if-conversion of convertible notes	892,644	—	—	—
Total diluted weighted average shares outstanding	32,803,153	28,097,016	30,929,079	24,497,510
Basic and diluted loss per share:				
Basic	$ (0.10)	$ (0.27)	$ (0.47)	$ (0.94)
Diluted	$ (0.12)	$ (0.27)	$ (0.47)	$ (0.94)

Based on exercise prices compared to the average stock prices for the three and nine months ended September 30, 2026 and 2025, certain stock equivalents have been excluded from the diluted weighted average share calculations due to their anti-dilutive nature. Prior period has been updated to include convertible notes under the if-converted method.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Restricted stock units	1,895,550	817,384	1,895,550	817,384
Stock options	311,000	331,667	311,000	331,667
Convertible notes	—	1,084,183	892,644	1,023,169
Common stock warrants	7,701,383	7,701,383	7,701,383	7,701,383
Total anti-dilutive securities	9,907,933	9,934,617	10,800,577	9,873,603

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

3. Intangible assets, net

Intangible assets, net, other than goodwill, consist of the following:

	Amortization period (in years)	September 30, 2026	December 31, 2025
Gross amount:			
Software developed for internal use	3	$ 31,752	$ 28,141
Acquired proprietary technology	3-5	13,482	14,282
Customer relationships	5-10	34,986	36,686
Trade names	4-20	16,657	16,657
Domain names	20	191	195
Databases	5-10	31,292	31,292
Non-compete agreements	2-5	1,768	1,768
Total gross amount		130,128	129,021
Accumulated amortization:			
Software developed for internal use		(22,399)	(19,305)
Acquired proprietary technology		(13,482)	(14,282)
Customer relationships		(34,986)	(36,472)
Trade names		(9,142)	(8,529)
Domain names		(103)	(97)
Databases		(31,292)	(31,292)
Non-compete agreements		(1,768)	(1,768)
Total accumulated amortization		(113,172)	(111,745)
Net intangible assets:			
Software developed for internal use		9,353	8,836
Customer relationships		—	214
Trade names		7,515	8,128
Domain names		88	98
Total intangible assets, net		$ 16,956	$ 17,276

The gross amounts associated with software developed for internal use primarily represent capitalized costs of internally developed software. The amounts relating to customer relationships, trade names, and domain names primarily represented the fair values of intangible assets acquired as a result of the acquisition of Fluent, LLC, effective December 8, 2015; the acquisition of Q Interactive, LLC, effective June 8, 2016; the acquisition of substantially all the assets of AdParlor Holdings, Inc. and certain of its affiliates, effective July 1, 2019; and previously the acquisition of a 50% interest in Winopoly, LLC, effective April 1, 2020. On January 31, 2026, the Company divested its 100% interest in Winopoly, LLC, and accordingly deconsolidated the entity under ASC 810 (see Note 12, *Divestiture* for details).

The Company completed its quarterly triggering event assessment for the three months ended September 30, 2026 and determined that no triggering event had occurred requiring further impairment assessment of its long-lived assets.

Amortization expenses of $1,676 and $2,408 for the three months ended September 30, 2026 and 2025, respectively, and $5,039 and $7,206 for the nine months ended September 30, 2026 and 2025, respectively, are included in depreciation and amortization expenses in the consolidated statements of operations. As of September 30, 2026, intangible assets with a carrying amount of $543, included in the gross amount of software developed for internal use, have not commenced amortization, as they are not ready for their intended use.

As of September 30, 2026, estimated amortization expenses related to the Company's intangible assets for the remainder of 2026 and through 2031 and thereafter are as follows:

Year	September 30, 2026
Remainder of 2026	$ 986
2027	3,944
2028	3,944
2029	3,165
2030	826
2031 and thereafter	4,091
Total	$ 16,956

4. Debt, net

Debt, net of unamortized discount and financing costs, related to the Financing Agreement (as defined herein), Note Payable (as defined herein), and Convertible Notes (as defined herein) with related parties consisted of the following:

	September 30, 2026	December 31, 2025
Financing Agreement due 2028 (less unamortized discount and financing costs of $687 and $926, respectively)	$ 31,451	$ 30,346
Note Payable due 2026	—	500
Convertible Notes, at fair value with related parties	4,443	3,734
Debt, net	35,894	34,580
Less: Short term and current portion of long-term debt	(31,451)	(30,846)
Long-term debt, net (non-current)	$ 4,443	$ 3,734

Accounts Receivable Finance Agreement

On November 25, 2025, the Company and its affiliates Fluent, LLC, Fluent Media Labs, LLC and AdParlor, LLC, each a wholly owned subsidiary of the Company, entered into an Accounts Receivable Finance Agreement (as amended the "Financing Agreement") with CSNK Working Capital Finance Corp. d/b/a Bay View Funding ("Bay View"), a portion of the net proceeds of which were used to repay and terminate the SLR Credit Facility (as defined below).

On November 26, 2025, the Company entered into the First Amendment to the Financing Agreement with Bay View (the “First Amendment”) to decrease the minimum finance rate for each year in the Initial Term (as defined below). On January 8, 2026, the Company entered into the Second Amendment to the Financing Agreement with Bay View (the “Second Amendment”) to change the reconciliation period from weekly to semi-weekly. On September 30, 2026, the Company entered into an Amended and Restated Unbilled Line Addendum to the Financing Agreement (the “A&R Unbilled Line Addendum”) and the Third Amendment to the Financing Agreement with Bay View (the “Third Amendment”) to increase the Maximum Credit (as defined below) to $35,000.

Under the Financing Agreement, Bay View may extend financing to the Company based on eligible domestic and foreign accounts receivable, provided that the aggregate amount of advances thereon shall not exceed the lesser of a maximum credit of $35,000 (the “Maximum Credit”), an increase from the initial $30,000 under the original Financing Agreement, or an amount equal to the sum of all advances less any funds received by Bay View pursuant to the Financing Agreement over the collection amounts adjusted for obligation that is maintained in a reserve account. All collections of the financed receivables go directly to Bay View and are applied to the Company’s obligations under the Financing Agreement. The transfer of the receivables was recorded as secured borrowings in accordance with ASC 860, Transfers and Servicing (“ASC 860”), with the receivables remaining on the consolidated balance sheet as a current asset. As of September 30, 2026, the Financing Agreement had a balance of $32,138, which was recorded within current liabilities as the underlying receivables are typically due within 120 days and Bay View may require repayment of amounts outstanding beyond that period. In addition, the Company had $34 in its reserve accounts with Bay View as of September 30, 2026, which was recorded within prepaid expenses and other current assets. The net unused advance as of September 30, 2026 was $2,896.

The Financing Agreement has an initial term of 36 months (the "Initial Term") and renews automatically for additional 12-month periods unless terminated as permitted under the agreement. The Company is required to pay a facility fee of 0.50% of the Maximum Credit as of November 25, 2025, and an annual facility fee of 0.33% of the Maximum Credit thereafter. The Company also pays a monthly finance charge at the prime rate plus 2.0%, calculated on the average balance outstanding during the month, as well as certain administrative fees. The finance rate adjusts monthly but will not fall below 8.75% for the first year from the initial funding date, 8.50% for the second year of the Initial Term and 8.25% for the third year of the Initial Term. As of September 30, 2026, the annual finance charge rate was 11.75%, which includes the management fee of 3.0% applied on the end of month average outstanding balance. The total cost of the Financing Agreement for the nine months ended September 30, 2026 was $2,008, inclusive of the management fee, and was included in interest expense on the consolidated statements of operations under the effective interest method. In addition, amortization of the debt discount for the nine months ended September 30, 2026 was $239 and was included in interest expense on the consolidated statements of operations.

The Company’s obligations under the Financing Agreement are secured by a security interest in substantially all of the Company’s assets. The Financing Agreement contains customary representations, warranties, covenants and events of default, including repurchase obligations with respect to certain receivables.

Credit Facility

On April 2, 2024, Fluent, LLC, a wholly owned subsidiary of the Company (the "Borrower"), entered into a credit agreement (as amended, the "SLR Credit Agreement") with certain of its subsidiaries and the Company, as guarantors, and Crystal Financial LLC d/b/a SLR Credit Solutions, as administrative agent, lead arranger and bookrunner ("SLR"), and each other lender from time to time party thereto.

The SLR Credit Agreement provided for a $20,000 term loan (the "SLR Term Loan") and a revolving credit facility of up to $30,000 (the "SLR Revolver," and, together with the SLR Term Loan, the "SLR Credit Facility"). On November 26, 2025, the SLR Credit Facility was repaid, prior to maturity, resulting in a debt extinguishment loss of approximately $3,759, which included the $1,000 early termination fee.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

Note Payable

On March 17, 2024, Fluent, LLC entered into a junior secured promissory note (the "Note Payable") with Freedom Debt Relief, LLC ("FDR") in the principal amount of $2,000. The Note Payable bore interest equal to one-month CME Term SOFR (defined as the rate published by the CME Group Benchmark Administration Limited) plus 11.0% per annum, compounded quarterly. The opening interest rate of the Note Payable was 16.32% (SOFR + 11%). On April 8, 2026, the final payment was made on the Note Payable.

Convertible Notes with related parties

On August 19, 2024, the Company entered into a securities purchase agreement (the "Notes Purchase Agreement") with certain of the Company's officers and directors and the largest stockholder to sell convertible subordinated promissory notes (the "Convertible Notes") in aggregate principal amount of $2,050. The Convertible Notes mature on April 2, 2029, and bear interest at 13% per annum payable quarterly. Subject to certain payment conditions in the Subordination Agreements (as defined below), the Company may pay interest quarterly in kind or in cash beginning December 31, 2024 and may prepay the Convertible Notes in whole or in part at any time upon ten days' written notice.

Each holder of a Convertible Note is entitled to convert the Conversion Amount (as defined below) into shares of the Company's common stock at a conversion price equal to the lesser of (i) $3.01, and (ii) the greater of (A) the consolidated closing bid price of the Company's common stock as reported on Nasdaq on the applicable conversion date and (B) $1.00, in each case subject to adjustments for stock splits, recapitalizations and the like. The "Conversion Amount" is the sum of all or any portion of the outstanding principal amount of the Convertible Note, as designated by the holder upon exercise of its right of conversion, plus all accrued and unpaid interest. The Convertible Notes were subject to additional limits on conversion until stockholder approval was obtained on June 18, 2025.

In connection with the Second Amendment and the Notes Purchase Agreement, the Company and SLR entered into a Subordination Agreement with each purchaser of the Convertible Notes on August 19, 2024 (the "Subordination Agreements"). The Subordination Agreements confirmed the subordinated nature of the Convertible Notes and restricted payments to and remedies of the holders of the Convertible Notes for so long as the SLR Credit Agreement had outstanding indebtedness. The Subordination Agreements provided that the Company may not make any payment of principal or interest on the Convertible Notes unless certain conditions are met. Following the refinancing of the SLR Credit Agreement with the Finance Agreement, the Convertible Notes remain subordinated to the Company's obligations under the Finance Agreement.

The Convertible Notes are accounted for at fair value under the fair value option ("FVO") in accordance with ASC 825, *Financial Instruments* ("ASC 825"). ASC 825 permits the FVO election for debt host financial instruments containing embedded features which would otherwise be required to be bifurcated from the debt-host and recognized as separate derivative liabilities subject to initial and subsequent periodic estimated fair value measurements under ASC 815. Notwithstanding, ASC 825-10-15-4 provides for the FVO election, to the extent not otherwise prohibited by ASC 825-10-15-5, to be afforded to financial instruments, wherein bifurcation of an embedded derivative is not necessary, and the financial instrument is initially measured at its issue-date estimated fair value and then subsequently remeasured at estimated fair value on a recurring basis at each reporting period date.

Within ASC 825-10-45-5, the estimated fair value adjustments are recognized as a component of other comprehensive income with respect to the portion of the fair value adjustment attributed to a change in the instrument-specific credit risk, with the remaining amount of the fair value adjustment recognized as other income (expense) within the consolidated statement of operations. As then provided by ASC 825-10-50-30(b), the estimated fair value adjustment is presented in a respective single line item within other income (expense) in the consolidated statements of operations, as the Company concluded that the change in fair value of the Convertible Notes was not attributable to instrument-specific credit risk. The Company then elected to not present the interest expense for the Convertible Notes separately.

The initial fair value was determined to be greater than the principal balance of the Convertible Notes. The transaction was entered into with certain of the Company's officers and directors and the largest stockholder and was required under the Second Amendment to the SLR Credit Agreement for liquidity needs. Further, the Company reviewed the valuation and determined it was appropriate, resulting in a day one unrealized loss on the Convertible Notes of $2,110.

As of September 30, 2026, the principal balance of the Convertible Notes was $2,686, with a fair value of $4,443. The Company recognized a gain in fair value of $712 and a loss of $709 for the three and nine months ended September 30, 2026, respectively, which was recognized in other income (expense) from operations. For the nine months ended September 30, 2026, accrued interest was paid in kind.

Maturities

As of September 30, 2026, scheduled future maturities of the outstanding debt are as follows:

Year	September 30, 2026
Remainder of 2026	$ 32,138
2027	—
2028	—
2029	2,686
Total maturities	$ 34,824

5. Fair Value Measurements

The fair value of the Company's cash, cash equivalents, restricted cash, accounts receivable, accounts payable, and accrued liabilities approximate their carrying values because of the short-term nature of these instruments. Restricted cash includes a separately maintained cash account, as required under the terms of a lease agreement the Company entered into on October 10, 2018 for office space in New York City. On April 15, 2025, the Company received the landlord's consent for the second amendment to its sublease, which reduced the subleased premises and payments, effective March 19, 2025. The consent also approved the extension of the sublease term by four years, effective April 15, 2025. In connection with this lease agreement, the Company recorded $710 and $710 in non-current restricted cash as of September 30, 2026 and December 31, 2025, respectively, on the consolidated balance sheets.

As of September 30, 2026, the Company estimates the fair value of its Note (as defined in Note 12, *Divestiture*), under level 2 of the hierarchy, to be $1,715, net of an allowance for credit losses of $931, to approximate its carrying value. The Company continues to regard its debt fair value to approximate its carrying value.

The following table presents the Company's fair value hierarchy for assets and liabilities that are measured at fair value on a recurring basis as of September 30, 2026 and December 31, 2025:

	September 30, 2026			December 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets:						
Restricted cash	$ 710	—	—	$ 710	—	—
Liabilities:						
Debt, net(1)	—	32,138	—	—	31,772	—
Convertible Notes with related parties	—	—	4,443	—	—	3,734
Contingent consideration in connection with TAPP(2)	—	—	—	—	—	34

(1) Inclusive of the credit facilities and note payable. The debt fair value does not include debt issuance costs or debt discount. See Note 4, D*ebt, net.*
(2) Balance was recorded in accrued expenses and other current liabilities with changes to the balance as a result of adjustment of the fair value related to the initial discount rate and payments made.

Convertible Notes with related parties

The Company issued the Convertible Notes on August 19, 2024 and elected the fair value option. See Note 4, *Debt, net*. The following is a reconciliation of the fair value from December 31, 2025 to September 30, 2026:

	Amount
Fair value as of December 31, 2025	$ 3,734
Loss on change in fair value reported in the consolidated statements of operations	709
Fair value as of September 30, 2026	$ 4,443

As the Convertible Notes mature on April 2, 2029, and bear interest at 13% per annum paid in kind but may be converted into shares of the Company's common stock (the "call option"), the estimated fair value is computed as the sum of (a) the present value of the expected interest and principal payments using the discounted cash flow method based on an estimated discount rate and (b) the fair value of the call option computed using the Black-Scholes model. Both approaches are based on the following assumptions:

Assumptions	September 30, 2026
Face value of principal payable	$ 2,686
Strike price	3.01
Value of common stock	3.14
Expected term (years)	2.5
Volatility	76.0%
Risk free rate	5.1%
Discount rate	16.7%

Contingent Consideration

In connection with the contingent consideration received related to the initial consolidation of TAPP Influencers Corp. ("TAPP") effective January 9, 2023, the Company had to determine the fair value of the identified assets acquired and liabilities assumed. The Company determined that the estimated fair value of the net assets acquired, excluding the net working capital, was a Level 3 measurement, as certain inputs to determine fair value were unobservable.

	Amount
Fair value as of December 31, 2025	$ 34
Payment of compensation expense	(34)
Fair value as of September 30, 2026	$ 0

The fair value of certain long-lived non-financial assets and liabilities may be required to be measured on a nonrecurring basis in certain circumstances, including when there is evidence of impairment. As of September 30, 2026, there were none. See Note 1(g), *Goodwill.*

6. Income taxes

The Company is subject to federal and state income taxes in the United States. The tax provision for interim periods is determined using an estimate of the Company's annual effective tax rate ("AETR"). The Company updates its estimated AETR on a quarterly basis and, if the estimate changes, records a cumulative adjustment.

As of September 30, 2026 and December 31, 2025, the Company recorded a full valuation allowance against U.S. net deferred tax assets until there is sufficient evidence to support the release of all or a portion of these valuation allowances. Release of some or all of the valuation allowance would result in the recognition of certain deferred tax assets and an increase in deferred tax benefit for any period in which such a release may be recorded; however, the exact timing and amount of any valuation allowance release are subject to change depending upon the level of profitability that the Company is able to achieve and the net deferred tax assets available.

For the nine months ended September 30, 2026, the Company's effective income tax rate of 0.1% differed from the statutory federal income tax rate of 21% primarily due to state and local tax expense and losses for which no tax benefit is recognized as such amounts are fully offset with a valuation allowance. For the nine months ended September 30, 2025, the Company's effective income tax rate of 0.5% primarily represented state and local tax expense and losses for which no tax benefit was recognized.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon its evaluation of the facts, circumstances, and information available as of the reporting dates. For those tax positions where it is more-likely-than-not that a tax benefit will be sustained, the Company has recorded the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where it is not more-likely-than-not that a tax benefit will be sustained, no tax benefit has been recognized in the Company's financial statements.

7. Equity

Common stock

As of September 30, 2026 and December 31, 2025, the number of issued shares of common stock was 32,465,082 and 30,404,779, respectively, which included shares of treasury stock of 768,595 and 768,595, respectively.

For the nine months ended September 30, 2026, the increase in the number of issued shares of common stock was the result of the exercise of pre-funded warrants for 1,444,129 shares of common stock and the issuance of 616,174 shares of common stock issued upon vesting of RSUs, in which no shares of common stock were withheld to cover statutory taxes upon such vesting.

Private placements

On November 29, 2024, the Company entered into securities purchase agreements (the "December 2024 Purchase Agreements") with certain accredited or sophisticated investors (the "December 2024 Purchasers"), all of whom were related parties, pursuant to which the Company sold to the December 2024 Purchasers unregistered pre-funded warrants (the "December 2024 PFWs") to purchase up to 1,187,802 shares of the Company’s common stock, at a purchase price of $2.3147 per December 2024 PFW and an exercise price of $0.0005 per share of common stock (the "December 2024 Private Placement"). The December 2024 Purchasers consisted of three officers and/or directors and the largest stockholder of the Company. No underwriting discounts or commissions were paid with respect to the December 2024 Private Placement.

The Company closed the December 2024 Private Placement on December 2, 2024, with aggregate gross proceeds totaling $2,750, before deducting offering expenses payable by the Company of $22. The Company's largest stockholder exercised its warrant on December 9, 2024. The December 2024 PFWs purchased by three officers and/or directors of the Company were subject to stockholder approval, which was obtained on June 18, 2025, and terminated when exercised in full. The officers and/or directors exercised their December 2024 PFWs on June 24, 2025.

On March 19, 2025, the Company entered into securities purchase agreements (the "March 2025 Purchase Agreements") with certain accredited or sophisticated investors (the "March 2025 Purchasers"), all of whom were related parties, pursuant to which the Company sold to the March 2025 Purchasers unregistered pre-funded warrants (the "March 2025 PFWs") to purchase up to 2,332,104 shares of the Company's common stock, at a purchase price of $2.174 per March 2025 PFW and an exercise price of $0.0005 per share of common stock (the "March 2025 Private Placement"). The March 2025 Purchasers consisted of three officers and/or directors of the Company, the Company's largest stockholder, and an institutional investor. No underwriting discounts or commissions were paid with respect to the March 2025 Private Placement.

The aggregate gross proceeds totaled $5,070, before deducting offering expenses payable by the Company of $70. The Company's largest stockholder and an institutional investor exercised their March 2025 PFWs on March 20, 2025. The March 2025 PFWs purchased by the three officers and/or directors of the Company were subject to stockholder approval, which was obtained on June 18, 2025, and terminated when exercised in full. The officers and/or directors exercised their March 2025 PFWs on June 24, 2025.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

On May 15, 2025, the Company entered into securities purchase agreements (the "May 2025 Purchase Agreements") with certain accredited or sophisticated investors (the "May 2025 Purchasers"), all of whom were related parties, pursuant to which the Company sold to the May 2025 Purchasers (i) unregistered pre-funded warrants (the "May 2025 PFWs") to purchase up to 1,829,956 shares of the Company's common stock, and (ii) unregistered warrants (the "May 2025 CSWs") to purchase up to 1,829,956 shares of the Company's common stock (the "May 2025 Private Placement"). The May 2025 PFWs had a purchase price of $2.1995, had an exercise price of $0.0005 per share of common stock, became immediately exercisable after stockholder approval and terminated when exercised in full. The May 2025 CSWs have an exercise price of $2.20 and will expire three years from the issuance date. The May 2025 Purchasers consisted of four officers and/or directors, the Company's largest stockholder, and institutional investors or others for whom they have or share beneficial ownership. No underwriting discounts or commissions were paid with respect to the May 2025 Private Placement.

The aggregate gross proceeds totaled $4,025, before deducting offering expenses payable by the Company of $54. The allocation of the fair values was $2,671 for the May 2025 PFWs and $1,354 for the May 2025 CSWs. The Company's largest stockholder exercised its May 2025 PFWs on May 19, 2025. The May 2025 PFWs purchased by the four officers and/or directors of the Company were subject to stockholder approval, which was obtained on June 17, 2026, and were subsequently exercised as of June 30, 2026.

On August 19, 2025, the Company entered into securities purchase agreements (the "August 2025 Purchase Agreements") with certain officers and/or directors of the Company or others for whom they have or share beneficial ownership (the "August 2025 Inside Investors"), the largest stockholder of the Company and other accredited investors, (collectively, together with the August 2025 Inside Investors, the "August 2025 Purchasers"), pursuant to which the Company sold to the August 2025 Purchasers (i) 3,542,856 unregistered shares (the "August 2025 Shares") of common stock, (ii) unregistered pre-funded warrants (the "August 2025 PFWs") to purchase up to 2,328,571 shares of the Company's common stock, and (iii) unregistered warrants (the "August 2025 CSWs" and, together with the August 2025 PFWs, the "August 2025 Warrants") to purchase up to 5,871,427 shares of the Company's common stock (the "August 2025 Private Placement").

Each August 2025 Share and accompanying August 2025 CSW were sold together at a purchase price of $1.75 per share and accompanying warrant, and each August 2025 PFW and accompanying August 2025 CSWs were sold together at a purchase price of $1.7495 per pre-funded warrant and accompanying common stock warrant, for aggregate gross proceeds of approximately $10,275 before deducting estimated offering expenses of approximately $742 payable by the Company. The allocation of the fair values was $3,271 for the August 2025 Shares, $2,150 for the August 2025 PFWs and $4,854 for the August 2025 CSWs.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

The August 2025 PFWs had an exercise price of $0.0005 per share of common stock and were immediately exercisable upon issuance for all August 2025 Purchasers other than the August 2025 Inside Investors. Nearly all of the August 2025 Purchasers (other than the August 2025 Inside Investors) exercised their August 2025 PFWs during the month of September 2025, for an aggregate of 1,657,143 shares of common stock, with the additional 85,714 shares related to non-affiliates being exercised in February 2026. The remaining unexercised August 2025 PFWs to purchase 585,714 shares of common stock, all of which were held by August 2025 Inside Investors, were subject to stockholder approval, which was obtained on June 17, 2026, and were subsequently exercised as of June 30, 2026.

The August 2025 CSWs are exercisable for a period of five and one-half years from the date of issuance and may be exercised six months and one day from the date of issuance at an exercise price of $2.21 per share, subject to adjustment. The Company may not effect an exercise of the August 2025 Warrants if, as a result of such exercise, the holder and its affiliates would beneficially own more than 4.99% (or, at the election of the holder, 9.99%) of the Company's outstanding common stock, calculated immediately after the shares are issued.

In connection with the August 2025 Private Placement, on August 19, 2025, the Company entered into registration rights agreements (the “Registration Rights Agreements”) with the August 2025 Purchasers, pursuant to which the Company was required to file a registration statement covering the resale of the Registrable Securities (as defined in the Registration Rights Agreements). Accordingly, the Company filed a registration statement on Form S-3 with the SEC on September 15, 2025, and it was declared effective on September 24, 2025.

As of September 30, 2026, and December 31, 2025, an aggregate of 7,029,543 and 5,585,216 respectively, of the December 2024 PFWs, March 2025 PFWs, May 2025 PFWs, and August 2025 PFWs had been exercised, a portion of which were cashless exercises.

The issuance of the December 2024 PFWs, March 2025 PFWs, May 2025 PFWs, and August 2025 PFWs was reflected in the Company's stockholders' equity within common stock and additional paid-in-capital. In accordance with ASC 815-40, *Derivatives and Hedging*, a contract is classified as an equity agreement if it is both indexed to its own stock and classified in stockholders' equity. The December 2024 PFWs, March 2025 PFWs, May 2025 PFWs, and August 2025 PFWs met the requirements of being classified as equity because (i) they had a fixed share limit and the Company had sufficient authorized and unissued shares, (ii) they required physical or net share settlement, and (iii) no cash payments or settlement top-off was required by the Company.

Common stock warrants

As of September 30, 2026 and December 31, 2025, the Company had 7,701,383 and 7,701,383 common stock warrants outstanding, respectively. The Company determined that the detachable common stock warrants issued in connection with the May 2025 Purchase Agreements and August 2025 Purchase Agreements met the definition of freestanding financial instruments and qualified for classification as permanent equity under applicable accounting guidance. The Company accounts for warrants as either equity-classified or liability-classified instruments in accordance with the guidance provided in ASC 480, *Distinguishing Liabilities from Equity*, and ASC 815, *Derivatives and Hedging*. Equity-classified warrants are those that are indexed to the Company's own stock and meet the criteria for equity classification under ASC 815-40. These instruments are recorded in equity at fair value on the issuance date and are not subsequently remeasured, provided the Company continues to meet the equity classification criteria. As the common stock warrants were issued in conjunction with the other equity instruments, the proceeds have been allocated to each using the relative fair value method and recorded as a component of additional paid-in-capital as of the issuance date. These warrants are included in the diluted earnings per share calculation when they are in-the-money and dilutive, as their features are considered participatory in nature.

At-the-market issuance

On December 31, 2025, the Company entered into an At-The-Market Issuance Sales Agreement (the "ATM Agreement") with Lake Street Capital Markets, LLC ("Lake Street"), pursuant to which the Company may offer and sell shares of its common stock, par value $0.0005 per share (the "Shares"), having an aggregate sales price of up to $11,200 through Lake Street as the sales agent. Sales of shares of the Company's common stock through Lake Street, if any, will be made by any method permitted by law deemed to be an "at the market offering" as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), including, without limitation, sales made directly on The Nasdaq Stock Market LLC or any other existing trading market for the Shares. Lake Street will use commercially reasonable efforts to sell the Shares from time to time, based on instructions from the Company (including any price, time or size limits or other parameters or conditions the Company may impose). The Company will pay Lake Street a commission equal to 3.0% of the aggregate gross proceeds from the sales of Shares sold through Lake Street under the ATM Agreement and will also reimburse Lake Street for certain specified expenses in connection with entering into the ATM Agreement as well as in connection with each Triggering Event Date (as defined in the ATM Agreement). Pursuant to the ATM Agreement, the Company also provided Lake Street with customary indemnification and contribution rights. The ATM Agreement contains customary representations and warranties and conditions to the sale of the Shares.

The Company is not obligated to sell any of the Shares under the ATM Agreement and may at any time suspend solicitation and offers thereunder. The offering of Shares pursuant to the ATM Agreement will terminate on the earlier of (1) the sale of Shares having an aggregate offering price of $11,200 and (2) the termination of the ATM Agreement by either the Company or Lake Street, as set forth therein.

Treasury stock

As of September 30, 2026 and December 31, 2025, the Company held shares of treasury stock of 768,595 and 768,595, respectively, with a cost of $11,407 and $11,407, respectively.

The Company's share-based incentive plans allow employees the option to either make a cash payment or forfeit shares of common stock upon vesting to satisfy federal and state statutory tax withholding obligations associated with equity awards. The forfeited shares of common stock may be taken into treasury stock by the Company or sold on the open market. For the nine months ended September 30, 2026, no shares of common stock were withheld to cover statutory taxes owed by certain employees for this purpose. See Note 8, *Share-based compensation*.

8. Share-based compensation

On June 8, 2022, the stockholders of the Company approved the Fluent, Inc. 2022 Omnibus Equity Incentive Plan (the "2022 Plan"), authorizing the issuance of 2,570,421 shares of the Company's common stock. On June 18, 2025, the Company's stockholders approved an increase of the number of shares of common stock authorized for issuance under the 2022 Plan by 2,000,000 shares. On June 17, 2026, the Company's stockholders then approved an increase of the number of shares of common stock authorized for issuance under the 2022 Plan by 1,900,000 shares. As of September 30, 2026, the Company had 2,443,491 shares of common stock available for grants pursuant to the 2022 Plan, which includes 349,184 shares of common stock previously available for issuance under the 2018 Stock Incentive Plan.

On September 22, 2025, the Company's board of directors (the "Board" or "Board of Directors") approved the Fluent, Inc. Equity Participation Plan (the "2025 Plan"). The 2025 Plan provides for the grant of cash-settled awards that track the value of the Company's common stock and are accounted for under the same share reserve authorized under the 2022 Plan. No additional shares were authorized in connection with the adoption of the 2025 Plan.

The primary purpose of the 2025 plan, 2022 Plan and prior plans is to attract, retain, reward, and motivate certain individuals by providing them with opportunities to acquire or increase their ownership interests in the Company. In October 2022, the Company issued to certain of its senior officers and employees, RSUs (time-based), long-term incentive grants (performance and time-based vesting RSUs), or performance stock units ("PSUs") (on achievement of targets, a cash payout) under the 2022 Plan. In October 2025 and April 2026, the Company issued to certain of its senior officers and employees (i) RSUs (time-based, a cash payout) and PSUs (performance and time-based vesting RSUs, a cash payout) under the 2025 Plan and (ii) RSUs (time-based) and PSUs (on achievement of targets) under the 2022 Plan.

Stock options

The Compensation Committee (the "Compensation Committee") of the Company's Board of Directors approved the grant of stock options to certain Company officers, which were issued on February 1, 2019, December 20, 2019, March 1, 2020, and March 1, 2021. Subject to continuing service, 50% of the stock options will vest if the Company's stock price remains above 125%, 133.33%, 133.3% and 133.33%, respectively, of the exercise prices for 20 consecutive trading days, and the remaining 50% of the stock options will vest if the Company's stock price remains above 156.25%, 177.78%, 177.78% and 177.78%, respectively, of the exercise prices for 20 consecutive trading days; provided, that no shares vested prior to the first anniversary of the grant date.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

As of September 30, 2026, the first condition for the stock options issued on February 1, 2019, December 20, 2019 and March 1, 2020 had been met and the second condition for the stock options issued on December 20, 2019 and March 1, 2020 had been met. Any stock options that had remained unvested as of the fifth anniversary of the grant date vested in full on such date. The fair value of the stock options granted was estimated at the trading day before the date of grant using a Monte Carlo simulation model. The key assumptions utilized to calculate the grant-date fair values for these awards are summarized below:

Issuance Date	February 1, 2019	December 20, 2019	March 1, 2020	March 1, 2021
Fair value lower range	$ 16.86	$ 9.48	$ 8.76	$ 26.04
Fair value higher range	$ 17.16	$ 9.66	$ 8.94	$ 26.58
Exercise price	$ 28.32	$ 15.36	$ 13.98	$ 37.98
Expected term (in years)	1.0 - 1.3	1.0 - 1.6	1.0 - 1.5	1.0 - 1.3
Expected volatility	65%	70%	70%	80%
Dividend yield	—%	—%	—%	—%
Risk-free rate	2.61%	1.85%	1.05%	1.18%

On September 9, 2024, the Compensation Committee approved the grant of stock options to the Company's Chief Financial Officer in connection with his employment agreement. Subject to his continuing service, 50% of the stock options will vest if the average closing price of the Company's common stock is equal to three times the exercise price for ten consecutive trading days, and the remaining 50% of the shares subject to these stock options will vest if the average closing price of the Company's common stock is equal to five times the exercise price for 10 consecutive trading days. Notwithstanding the foregoing, the options will immediately vest upon the occurrence of certain conditions such as a change in control. The fair value of the stock option granted was estimated on the date of the grant using a Monte Carlo simulation model. The key assumptions utilized to calculate the grant-date fair value for the award is summarized below:

Issuance Date	September 9, 2024
Fair value lower range	$ —
Fair value higher range	$ 15.59
Exercise price	$ 2.75
Expected term (in years)	3.0 - 4.3
Expected volatility	65%
Dividend yield	—%
Risk-free rate	3.7%

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

For the nine months ended September 30, 2026, details of stock option activity were as follows:

	Number of stock options	Weighted average exercise price per share	Weighted average remaining contractual term (in years)	Aggregate intrinsic value
Outstanding as of December 31, 2025	331,667	$ 16.35	5.6	$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited	—	—	—	—
Expired	(20,667)			
Outstanding as of September 30, 2026	311,000	$ 15.69	4.9	$ 47
Options exercisable as of September 30, 2026	182,666	$ 24.57	2.8	$ —

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of the Company's common stock at the end of the reporting period and the corresponding exercise prices, multiplied by the number of in-the-money stock options as of the same date.

For the nine months ended September 30, 2026, the unvested balance of stock options was as follows:

	Number of stock options	Weighted average exercise price per share	Weighted average remaining contractual term (in years)
Unvested as of December 31, 2025	138,500	$ 4.33	8.5
Granted	—	—	—
Forfeited	—	—	—
Vested	(10,166)	—	—
Unvested as of September 30, 2026	128,334	$ 2.79	7.9

Compensation expense recognized for stock options of $15 and $59 for the three months ended September 30, 2026 and 2025, respectively, and $45 and $96 for the nine months ended September 30, 2026 and 2025, respectively, was recognized in product development and general and administrative expenses in the consolidated statements of operations. As of September 30, 2026, there was $85 of unrecognized share-based compensation with respect to outstanding stock options.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

Restricted stock units and restricted stock

For the nine months ended September 30, 2026, details of unvested RSU activity were as follows:

	Number of units	Weighted average grant-date fair value
Unvested as of December 31, 2025	1,471,345	$ 11.12
Granted	1,185,045	3.19
Vested and delivered	(616,174)	3.09
Withheld as treasury stock [1]	—	—
Vested not delivered [2]	(2,479)	1.57
Forfeited	(142,187)	2.95
Unvested as of September 30, 2026	1,895,550	$ 9.34

(1) As discussed in Note 7, *Equity*, the treasury stock relates to shares withheld to cover statutory withholding taxes upon the delivery of shares following the vesting of RSUs. As of September 30, 2026, there were 768,595 outstanding shares of treasury stock.
(2) Vested not delivered represents vested RSUs with delivery deferred to a future time. For the nine months ended September 30, 2026, there was a change in the vested not delivered balance due to a net 2,479 shares that were deferred due to timing of delivery of certain shares, of which no shares had elected deferred delivery. As of September 30, 2026, 2,479 outstanding RSUs were vested not delivered.

Compensation expense recognized for RSUs of $652 and $427 for the three months ended September 30, 2026 and 2025, respectively, and $2,962 and $1,078 for the nine months ended September 30, 2026 and 2025, respectively, was recorded in sales and marketing, product development and general and administrative in the consolidated statements of operations, and intangible assets, net in the consolidated balance sheets. The fair value of the RSUs and restricted stock was estimated using the closing prices of the Company's common stock on the dates of grant.

As of September 30, 2026, unrecognized share-based compensation expense associated with the granted RSUs and stock options amounted to $4,054**,** which is expected to be recognized over a weighted average period of 2.2 years.

For the three and nine months ended September 30, 2026 and 2025, share-based compensation for the Company's stock options, RSUs, and common stock awards were allocated to the following accounts in the consolidated financial statements:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Sales and marketing	$ 73	$ 123	$ 313	$ 175
Product development	72	78	367	160
General and administrative	512	277	2,299	814
Share-based compensation expense	657	478	2,979	1,149
Capitalized in intangible assets	9	8	27	25
Total share-based compensation	$ 666	$ 486	$ 3,006	$ 1,174

As of September 30, 2026 and December 31, 2025, the Company recorded a liability of $449 and $165, respectively, related to PSUs that are to be settled in cash and its applicable expense is not included within the share-based compensation above.

Related party RSUs

The Company entered into an Amended and Restated Consulting Agreement (the "Consulting Agreement"), effective June 16, 2026, with an entity controlled by an immediate family member of the Company's Chief Strategy Officer (the "Consultant"), pursuant to which the Consultant provides operational consulting and advisory services to the Company's executive leadership team. The Consulting Agreement was approved by the Compensation and Audit Committees, and renews on a quarter-to-quarter basis until terminated by either party.

Under the Consulting Agreement, for each calendar quarter in which the Consultant performs the operational consulting services, the Company grants the Consultant RSUs with a grant-date fair value of $50, calculated by dividing $50 by the closing price of the Company's common stock on the last trading day of the calendar quarter. Each quarterly grant is made and vests in full upon approval by the Compensation Committee.

The Company accounts for the RSU awards in accordance with ASC 718, *Compensation - Stock Compensation*. Each quarterly grant is treated as a separate award measured at fair value and vested in full on the grant date. Because each grant is made in arrears for services already rendered during the calendar quarter ending on the grant date, the service inception date precedes the grant date and compensation cost is recognized in the requisite service period.

For the three and nine months ended September 30, 2026, the Company recognized $50 and $100, respectively, of share-based compensation expense for services rendered during the period and granted 15,948 and 29,352 RSUs, respectively, that vested immediately. In addition, the Consulting Agreement included a one-time transition payment of 36,656 RSUs that were granted and vested on June 16, 2026 for services provided for the three months ended December 31, 2025 and March 31, 2026. In connection with the one-time payment, the Company recorded $118 of share-based compensation expense, all of which is included in general and administrative expenses in the consolidated statements of operations.

9. Segment information

The Company identifies operating segments as components of an entity for which discrete financial information is available and are regularly reviewed by the Chief Executive Officer, who is the Company’s Chief Operating Decision Maker ("CODM") and has final authority in making decisions regarding resource allocation and performance assessment. The profitability measure employed by CODM is earnings before interest, taxes, depreciation and amortization ("EBITDA"). The use of EBITDA as a financial metric provides management and investors with a clearer view of the core business performance and profitability, excluding the effects of financing and other non-operational expenses.

As of September 30, 2026, the Company had two continuing operating segments: a) "Fluent", which reflects Owned and Operated and Commerce Media Solutions revenue, and b) "AdParlor d/b/a Trevant." The Company has determined that it has one reportable segment, "Fluent," for the purposes of segment reporting. Until January 31, 2026, the Fluent reporting segment reflected Fluent and the Call Solutions operating segment. The Call Solutions business was divested on January 31, 2026 (refer to Note 12, *Divestiture,* below for details); however, the divestiture did not trigger a re-assessment under ASC 280. This reporting unit worked with advertisers to bring consumers to their products through multiple media channels and earn revenue when a consumer completed an action as agreed upon with the advertisers. The remaining activity represents the operating results of AdParlor, LLC, which primarily performs media buying and creator services, and those businesses sold or in run-off, which are included for purposes of reconciliation of the respective balances below to the consolidated financial statements and included within "Unallocated" below.

The Company determined its segments based on revenue sources and its agreements with advertisers. In addition, certain advertisers overlap within the different operating segments and they are managed consistently with shared management. The Company considered other qualitative factors, such as the environment operated in, and quantitative factors to determine its reportable segment.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

The significant expense categories and amounts align with the segment-level information that is regularly provided to and used by the CODM in evaluating performance and EBITDA profitability and were identified as a) cost of revenue b) salaries and benefits, c) professional fees, and d) IT and software.

The Company does not allocate certain shared expenses such as interest expense and other non-recurring items. The allocation methodology is regularly assessed, evaluated and subject to future changes.

Summarized financial information concerning the Company's segments for the three and nine months ended September 30, 2026 and 2025 are shown in the following tables below, noting prior period amounts have been recast to conform to the Company's current period segment presentation:

	Three Months Ended September 30, 2026		Three Months Ended September 30, 2025	
	Fluent	Total	Fluent	Total
Revenue[1]:				
United States	$ 35,758		$ 28,330	
International	15,580		16,505	
Total segment revenue	$ 51,338		$ 44,835	
Reconciliation of revenue				
Unallocated revenue		2,304		2,194
Total revenue		$ 53,642		$ 47,029
Costs of revenue				
Cost of revenue (exclusive of depreciation and amortization)	37,743		35,858	
Costs and expenses:				
Salaries and benefits	8,635		7,805	
Professional fees	1,363		2,391	
IT and software	1,422		1,142	
Other segment items[2]	3,797		1,840	
Segment EBITDA	$ (1,622)		$ (4,201)	
Reconciliation of Segment EBITDA to loss before income taxes				
Segment EBITDA (from above)		$ (1,622)		$ (4,201)
Plus: Unallocated revenue		2,304		2,194
Less:				
Unallocated cost of revenue (exclusive of depreciation and amortization)		616		297
Unallocated salaries and benefits		1,009		1,024
Unallocated professional fees		126		87
Unallocated IT and software		80		65
Unallocated other operating items[2]		276		345
Depreciation and amortization		1,694		2,478
Interest expense, net		712		711
Fair value adjustment of Convertible Notes, with related parties		(712)		554
Loss before income taxes		$ (3,119)		$ (7,568)

(1) Revenue aggregation is based upon location of the customer.
(2) Balance includes sales and marketing expense, travel and entertainment expense, office overhead, restructuring and severance, impairment of intangible assets, and other operating costs.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

	Nine Months Ended September 30, 2026		Nine Months Ended September 30, 2025	
	Fluent	**Total**	**Fluent**	**Total**
Revenue[1]:				
United States	$ 89,452		$ 92,132	
International	51,558		49,636	
Total segment revenue	$ 141,010		$ 141,768	
Reconciliation of revenue				
Unallocated revenue		5,933		5,177
Total revenue		$ 146,943		$ 146,945
Costs of revenue				
Cost of revenue (exclusive of depreciation and amortization)	106,200		113,891	
Costs and expenses:				
Salaries and benefits	25,240		22,837	
Professional fees	4,385		6,051	
IT and software	3,762		3,399	
Other segment items[2]	8,074		9,003	
Segment EBITDA	$ (6,651)		$ (13,413)	
Reconciliation of Segment EBITDA to loss before income taxes				
Segment EBITDA (from above)		$ (6,651)		$ (13,413)
Plus: Unallocated revenue		5,933		5,177
Less:				
Unallocated cost of revenue (exclusive of depreciation and amortization)		1,412		465
Unallocated salaries and benefits		3,124		3,071
Unallocated professional fees		420		251
Unallocated IT and software		207		210
Unallocated other operating items[2]		1,013		834
Depreciation and amortization		5,085		7,418
Interest expense, net		1,954		2,293
Fair value adjustment of Convertible Notes, with related parties		709		156
Loss before income taxes		$ (14,642)		$ (22,934)

(1) Revenue aggregation is based upon location of the customer.
(2) Balance includes sales and marketing expense, travel and entertainment expense, office overhead, restructuring and severance, impairment of intangible assets, and other operating costs.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

	September 30, 2026	December 31, 2025
Total assets:		
Fluent	$ 71,666	$ 79,570
Unallocated	9,703	9,563
Total assets	$ 81,369	$ 89,133

As of September 30, 2026, long-lived assets are all located in the United States.

For the nine months ended September 30, 2026, 23.5% of the Company's consolidated revenue was earned from customers located in Israel. In addition, the Company identified one international customer within the Fluent segment that represented 10.2% of the Company's consolidated revenue.

10. Contingencies

In the ordinary course of business, the Company is subject to loss contingencies that cover a range of matters. An estimated loss from a loss contingency, such as a legal proceeding or claim, is accrued if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In determining whether a loss should be accrued, the Company evaluates, among other factors, the degree of probability and the ability to reasonably estimate the amount of any such loss. The Company does not accrue liabilities when the likelihood that the liability has been incurred is probable but the amount cannot be reasonably estimated.

As of September 30, 2026, the Company did not accrue any amounts for loss contingencies as they were not probable nor reasonably estimable.

FLUENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(Amounts in thousands, except share and per share data)
(unaudited)

11. Variable interest entity

A VIE is an entity that either (i) has insufficient equity to permit the entity to finance its activities without additional subordinated financial support, or (ii) has equity investors who lack the characteristics of a controlling financial interest. The primary beneficiary is the party that has the power to direct activities that most significantly impact the operations of the VIE and has the obligation to absorb losses or the right to benefits from the VIE that could potentially be significant to the VIE. The Company assesses whether it is the primary beneficiary of a VIE at the inception of the arrangement and as of the reporting date.

TAPP

As of January 9, 2023, the Company determined that TAPP qualified as a VIE because the Company held a variable interest in TAPP and was the primary beneficiary. During the first quarter of 2025, TAPP's key employee became a consultant to the Company, but as the Company concluded that it still had significant influence over TAPP, it continued to consolidate TAPP's operations. However, because the Company did not have an equity interest in TAPP, 100% of the net assets and results of operations of TAPP were attributable to non-controlling interests. On May 20, 2025, the Company made a one-time payment of $300 and entered into an updated agreement with the key employee and TAPP, terminating all prior agreements. As a result, the Company determined that it was no longer the primary beneficiary, and under ASC 810, deconsolidated TAPP. The Company recognized a loss of $698 in general and administrative expenses in the consolidated statements of operations in the second quarter of 2025, mainly related to the write-off of the intangible assets.

12. Divestiture

Winopoly

On January 31, 2026, Inbox Pal, LLC, an indirect, wholly owned subsidiary of the Company, and InsurCo, LLC ("InsurCo") entered into a membership interest purchase agreement pursuant to which Inbox Pal, LLC conveyed 100% of the membership interests of Winopoly, LLC ("Winopoly") to InsurCo. Winopoly was a call center-supported performance marketplace that provided live-call-based performance campaigns to help clients increase engagement through the Company's Call Solutions business. The deemed fair value of the consideration received was approximately $2,800, which consisted of a $3,000 secured promissory note (the "Note") along with forgiveness of approximately $200 owed to the Company related to the profit share obligation. The Note bears interest at 12.96% per annum and is payable in monthly installments of $100. In connection with the transaction, the Company conveyed dissimilar assets relating to the Call Solutions business, excluding net working capital. In addition, the Company terminated all remaining employees related to Winopoly prior to the transaction. InsurCo's members are former employees of the Company. The conveyance did not meet the criteria of a discontinued operation under ASC 205-20.

The Company determined that the conveyance of Winopoly was a business under ASC 805, *Business Combinations*. As a result, in accordance with ASC 810, *Consolidation*, the Company recognized a gain of $2,352 on the conveyance of Winopoly, which is reflected in general and administrative expenses. Going forward, the Company's continuing relationship with InsurCo will be limited to the payment of the Note. As of September 30, 2026, the Note has a principal balance of $296, reflected in prepaids and other current assets, and $2,350, reflected in other non-current assets (refer to 1(e) *Note receivable and allowance for credit losses* for additional details).

13. Subsequent events

The Company has evaluated subsequent events through November 12, 2026, and has determined that there are no material subsequent events to disclose in the consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"), Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), about our expectations, beliefs, or intentions regarding our business, financial condition, results of operations, strategies, the outcome of litigation, or prospects. Forward-looking statements are those that do not relate strictly to historical or current matters, but instead relate to anticipated or expected events, activities, trends, or results as of the date they are made. These forward-looking statements can be identified by the use of terminology such as "anticipate," "believe," "estimate," "expect," "intend," "project," "will," or the negative thereof or other variations thereon or comparable terminology. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements, including, without limitation, those discussed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission (the "SEC") on March 31, 2026, as amended on April 30, 2026 (as amended the "2025 Form 10-K"), those contained in our Quarterly Reports on Form 10-Q (including this one), and such other factors contained in our other filings we make with the SEC. We do not undertake any obligation to update forward-looking statements, except as required by law and intend that all forward-looking statements be subject to the safe harbor provisions of the PSLRA.

These forward-looking statements are only predictions and reflect our views as of the date they are made with respect to future events and financial performance. The following discussion should be read in conjunction with the 2025 Form 10-K and the consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q.

Overview

Fluent, Inc. ("we," "us," "our," "Fluent," or the "Company") is a commerce media solutions provider connecting top-tier brands with highly engaged consumers. Leveraging exclusive ad inventory, robust first-party data, and proprietary machine learning, we unlock additional revenue streams for partners and empower advertisers to acquire their most valuable customers at scale. We primarily perform customer acquisition services by operating highly scalable digital marketing campaigns, through which we connect our advertiser clients with targeted consumers.

We access these consumers through both our commerce media marketplace ("Commerce Media Solutions"), which delivers targeted advertising within e-commerce and digital media transaction flows on partner sites and mobile apps, and our owned and operated digital media properties ("O&O Sites"). Over the last 12 months, we provided data and performance-based customer acquisition services for over 350 consumer brands, direct marketers, and agencies across a wide range of industries, including Media & Entertainment, Financial Products & Services, Health & Life Sciences, Retail & Consumer, and Staffing & Recruitment.

We operate our Commerce Media Solutions on partner sites and mobile apps where we embed our proprietary ad-serving technology to identify and acquire consumers for our advertiser clients. Our technology is integrated at key moments in the consumer experience to capitalize on high engagement and improve conversion; for example, our post-transaction solution connects our advertisers to consumers on e-commerce websites and apps after a purchase or similar transaction. Commerce Media Solutions generates meaningful revenue for our media partners, while driving high-quality customer acquisition for our advertiser clients. We enter into exclusive agreements with our media partners with one-to-five year terms, typically remunerating them on a revenue share and/or impression basis.

We also attract consumers at scale to our O&O Sites primarily through promotional offerings, through which consumers are rewarded for completing activities on our sites. Upon registration, consumers provide their name, contact information, and opt-in consent for telemarketing and email marketing. Over 90% of these users engage with our media on their mobile devices or tablets.

Once users have registered, they are engaged through our proprietary direct marketing technologies and analytics with surveys, polls, and other experiences, through which we capture information about their lifestyles, preferences, and purchasing histories, among other attributes. Based on these insights, we serve users targeted, relevant offers on behalf of our clients. As new users register and existing registrants re-engage, our database is enriched and improves the effectiveness of our performance-based campaigns across the entire Company, thus expanding our addressable advertiser client base.

Since our inception, we have amassed a large, proprietary database of first-party, self-declared user information and preferences. We solicit our users' consent to be contacted by us and/or our advertisers via various channels including email, telephone, SMS/text, and push messaging. We leverage their self-declared data primarily in two ways: (1) to serve advertisements we believe will be relevant to users based on the information they provide on our O&O Sites and our Commerce Media Solutions and (2) to provide our clients with users' contact information for direct outreach. We may also leverage our technology and database to drive non-core revenue streams, including utilization-based models (*e.g.*, programmatic advertising).

Additionally, we operated a call center-supported performance marketplace ("Call Solutions") that provided live, call-based performance campaigns to help clients increase engagement, which was divested through the sale of Winopoly, LLC on January 31, 2026. Our Call Solutions business served clients across an array of industries but had a heavy focus on the health insurance sector.

Across our business, we generate revenue by delivering measurable marketing results to our clients. We differentiate ourselves from other marketing alternatives by our ability to provide clients with a cost-effective and measurable return on advertising spend ("ROAS"), a measure of profitability of sales compared to the money spent on ads, and to manage highly targeted and fragmented online media sources. We are predominantly compensated on a negotiated or market-driven "per click," "per lead," or other "per action" basis that aligns with the customer acquisition cost targets of our clients. For our O&O Sites, we bear the responsibility and cost of acquiring consumers from media partners that ultimately generate qualified clicks, leads, calls, app downloads, or customers for our clients. Our Commerce Media Solutions business operates under exclusive long-term contracts with media partners that generally remunerate the partner on a revenue share basis. Notwithstanding occasional minimum guarantees, our predominant use of revenue share agreements reduces media inventory risk and the result is a more predictable margin profile.

Through AdParlor, LLC d/b/a Trevant ("Trevant"), our wholly owned subsidiary, we conduct our non-core business, which offers advertiser clients a managed service for creator marketing and media buying on social platforms.

Third Quarter Financial Summary

Three months ended September 30, 2026, compared to three months ended September 30, 2025:

- Revenue increased 14% to $53.6 million, compared to $47.0 million
- Net loss was $3.1 million, or $0.10 per basic share, compared to net loss of $7.6 million or $0.27 per share
- Gross profit (exclusive of depreciation and amortization) increased 41% to $15.3 million, representing 28% of revenue for the three months ended September 30, 2026, from $10.9 million, representing 23% of revenue for the three months ended September 30, 2025
- Media margin increased 48% to $18.9 million, representing 35% of revenue for the three months ended September 30, 2026, from $12.8 million, representing 27% of revenue for the three months ended September 30, 2025
- Adjusted EBITDA was $0.0 million, compared to negative $3.4 million
- Adjusted net loss was $2.5 million, or $0.08 per share, compared to $6.5 million, or $0.23 per share

Nine months ended September 30, 2026, compared to nine months ended September 30, 2025:

- Revenue remained consistent at $146.9 million
- Net loss was $14.7 million, or $0.47 per share, compared to net loss of $23.0 million or $0.94 per share
- Gross profit (exclusive of depreciation and amortization) increased 21% to $39.3 million, representing 27% of revenue for the nine months ended September 30, 2026, from $32.6 million, representing 22% of revenue for the nine months ended September 30, 2025
- Media margin increased 31% to $50.4 million, representing 34% of revenue for the nine months ended September 30, 2026, from $38.5 million, representing 26% of revenue for the nine months ended September 30, 2025
- Adjusted EBITDA was negative $5.0 million, compared to negative $9.2 million
- Adjusted net loss was $12.0 million, or $0.39 per share, compared to $19.0 million, or $0.78 per share

Media margin, adjusted EBITDA, and adjusted net loss are non-GAAP financial measures. See "Definitions, Reconciliations and Uses of Non-GAAP Financial Measures" below.

Trends Affecting our Business

The commerce media sector has experienced significant growth in recent years, driven by the expansion of e-commerce, increasing demand for privacy-compliant first-party data solutions, and the ability of media owners to generate incremental revenue from their existing consumer traffic. According to eMarketer, the commerce media market is expected to reach a total market value of more than $140 billion by 2030. These industry tailwinds, combined with the media supply challenges affecting our owned and operated business were the basis for the strategic shift to Commerce Media.

We launched Commerce Media Solutions in the first quarter of 2023 to access high-value consumers for our advertiser clients and help media owners and e-commerce businesses monetize their existing consumer traffic. Commerce Media Solutions embeds proprietary ad-serving technology in the post-action and post-transaction inventory on partner sites and mobile apps across a range of industries, including retail, ticketing and hospitality. In 2025, we served ads to over 200 million consumers in the post-action and post-transaction moment for top-tier media owners and brands. These consumers are among the highest intent consumers in digital advertising and have driven significantly higher ROAS for our advertiser clients compared to other channels.

Because Commerce Media Solutions operates on media partner-owned inventory under exclusive long-term contracts, the business typically does not require us to source consumer traffic directly, resulting in a more predictable cost structure and reduced exposure to the media supply challenges that have affected our O&O Sites. Since its launch, Commerce Media Solutions has delivered year-over-year revenue growth in every quarter. For the quarter ended September 30, 2026, Commerce Media Solutions represented approximately 70% of consolidated revenue, compared to approximately 40% for the prior year period. Based on current performance trends, we expect Commerce Media Solutions to represent a majority of consolidated revenue on an ongoing basis and continue to grow as we onboard additional media partners and expand into new verticals and other key moments in the consumer experience.

The mix and profitability of Commerce Media Solutions will be influenced by the pace of new partner onboarding, the terms of revenue share arrangements with media partners, and advertiser demand across the verticals we serve. For the third quarter of 2026, we saw Commerce Media Solutions gross margins improve over the prior quarter and the same quarter of the prior year due to improved monetization on placements with certain media partners.

Prior to 2026, our primary revenue channel was our O&O Sites. This business depends on our ability to identify and access high-quality media sources and attract targeted users to our offers. As the business grew, we attracted larger and more sophisticated advertiser clients to our marketplaces. In response to evolving client expectations, to increase our value proposition, and strengthen our compliance posture within the evolving regulatory landscape, we implemented various initiatives to improve traffic quality.

In recent years, however, we experienced challenges maintaining traffic volume to our O&O Sites due to changes in our ad serving and media sourcing standards following the Federal Trade Commission ("FTC") inquiry. We have since taken steps to diversify our traffic sources and expand our ad network beyond our O&O Sites, including the strategic transition to our Commerce Media Solutions business.

The mix and profitability of our media channels, strategies, and partners is likely to continue to be dynamic and reflect evolving market trends and the regulatory environment. Revenue from our owned and operated business declined on a year-over-year basis and the Company continues to shift its focus toward scaling Commerce Media Solutions. Consistent with this strategic transition, we are reallocating our resources to support the growth of Commerce Media Solutions and this long-term growth opportunity.

Seasonality

Our performance is subject to fluctuations related to seasonality and cyclicality in our clients' and media partners' businesses. Specifically, our retail specific media partners in our Commerce Media Solutions marketplace experience highly seasonal volume from fourth quarter consumer spending which can affect advertiser demand and campaign performance. In addition, advertiser marketing budgets may fluctuate throughout the year based on seasonal spending patterns, economic conditions, and other factors, which can impact the timing and volume of advertising spend across our platform. Other factors affecting our business may include macroeconomic conditions that impact the digital advertising industry, the various advertiser client verticals we serve, and general market conditions.

Business Practices & Compliance

We have continued to be affected by uncertain economic conditions and the impacts of the previously disclosed FTC inquiry and subsequent 2023 Joint Motion for Entry of Proposed Stipulated Order (the "FTC Consent Order"). In response to the FTC Consent Order, we enhanced our compliance standards and processes across our O&O Sites and programmatic advertising business. These changes have affected our ability to source traffic at historical levels and have contributed to declines in revenue and gross profit in these channels.

Current Economic Conditions

We are subject to risks and uncertainties caused by events with significant macroeconomic impacts. Inflation, rising interest rates, uncertainty regarding tariff policy, global hostilities, and reduced consumer confidence have caused our clients and their customers to be cautious in their spending. The full impact of these macroeconomic events and the extent to which these macro factors may impact our business, financial condition, and results of operations in the future remains uncertain. Considering the uncertain macroeconomic environment, we continue to prioritize strategic investments that have near-term benefits to revenue while also streamlining our organization through cost saving initiatives.

Please see *Item 1A. Risk Factors* in the 2025 Form 10-K —"Economic or political instability could adversely affect our business, financial condition, and results of operations," and "We are exposed to credit risk from our clients, and we may not be able to collect on amounts owed to us" for further discussion of the possible impact of unfavorable conditions on our business.

Definitions, Reconciliations and Uses of Non-GAAP Financial Measures

We report the following non-GAAP measures:

Media margin is defined as that portion of gross profit (exclusive of depreciation and amortization) reflecting variable costs paid for media and related expenses and excluding non-media cost of revenue and one-time items. Gross profit (exclusive of depreciation and amortization) represents revenue minus cost of revenue (exclusive of depreciation and amortization). Media margin is also presented as a percentage of revenue.

Adjusted EBITDA is defined as net income (loss), excluding (1) income taxes, (2) interest expense, net, (3) depreciation and amortization, (4) share-based compensation expense, (5) loss on early extinguishment of debt, (6) loss on disposal of assets, (7) goodwill impairment, (8) impairment of intangible assets, (9) fair value adjustment of Convertible Notes with related parties (see Note 4, *Debt, net*), (10) acquisition-related costs, (11) restructuring and other severance costs, (12) certain litigation and other related costs, and (13) other one-time items.

Adjusted net income (loss) is defined as net income (loss), excluding (1) share-based compensation expense, (2) loss on early extinguishment of debt, (3) loss on disposal of assets, (4) goodwill impairment, (5) impairment of intangible assets, (6) fair value adjustment of Convertible Notes with related parties (see Note 4, *Debt, net*), (7) acquisition-related costs, (8) restructuring and other severance costs, (9) certain litigation and other related costs, and (10) other one-time items. Adjusted net income (loss) is also presented on a per share (basic and diluted) basis.

We consider items one-time in nature if they are non-recurring, infrequent or unusual and have not occurred in the past two years and are not expected to recur in the next two years, in accordance with SEC rules.

Below is a reconciliation of media margin from gross profit (exclusive of depreciation and amortization) for the three and nine months ended September 30, 2026 and 2025, which we believe is the most directly comparable U.S. GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In thousands, except percentages)	**2026**	**2025**	**2026**	**2025**
Revenue	$ 53,642	$ 47,029	$ 146,943	$ 146,945
Less: Cost of revenue (exclusive of depreciation and amortization)	38,359	36,155	107,612	114,356
Gross profit (exclusive of depreciation and amortization)	$ 15,283	$ 10,874	$ 39,331	$ 32,589
Gross profit (exclusive of depreciation and amortization) % of revenue	28%	23%	27%	22%
Non-media cost of revenue[(1)]	3,598	1,923	11,199	5,882
One-time item[(2)]	—	—	(156)	—
Media margin	$ 18,881	$ 12,797	$ 50,374	$ 38,471
Media margin % of revenue	35.2%	27.2%	34.3%	26.2%

(1) Represents the portion of cost of revenue (exclusive of depreciation and amortization) not attributable to variable costs paid for media and related expenses.
(2) Includes a one-time non-media revenue adjustment ($156) in connection with a settlement with a media partner in the second quarter of 2026.

Below is a reconciliation of adjusted EBITDA from net loss for the three and nine months ended September 30, 2026 and 2025, which we believe is the most directly comparable U.S. GAAP measure:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Net loss	$ (3,125)	$ (7,556)	$ (14,656)	$ (23,048)
Income tax expense (benefit)	6	(12)	14	114
Interest expense, net	712	711	1,954	2,293
Depreciation and amortization	1,694	2,478	5,085	7,418
Share-based compensation expense	875	478	3,667	1,144
Loss on disposal of assets	3	—	17	—
Fair value adjustment of Convertible Notes with related parties	(712)	554	709	156
Acquisition-related costs[(1)]	504	(20)	(1,421)	1,074
Restructuring and other severance costs	—	—	51	1,325
Certain litigation and other related costs	—	—	(250)	300
One-time item[(2)]	—	—	(156)	—
Adjusted EBITDA	$ (43)	$ (3,367)	$ (4,986)	$ (9,224)

(1) Balance includes gain on the conveyance of the membership interest of Winopoly in January 2026 of $2,352 (refer to Note 12, *Divestiture* in the notes to our consolidated financial statements included in this Form 10-Q), along with provisions for credit losses related to the Note (as described in Note 1(e)) of $504 and $931 for the three and nine months ended September 30, 2026, respectively. Balance also includes a $698 write-off of intangibles and related expenses related to the write-off of TAPP Influencers Corp. in May 2025. Lastly, the balance includes compensation expense related to non-compete agreements and earn-out expense incurred as a result of business combinations; earn-out expenses were in the amount of $0 and ($20) for the three months ended September 30, 2026 and 2025, respectively, and $0 and ($148) for the nine months ended September 30, 2026 and 2025, respectively, while non-compete agreements were in the amount of $0 and $0 for the three months ended September 30, 2026 and 2025, respectively, and $0 and $412 for the nine months ended September 30, 2026 and 2025, respectively.
(2) Includes a one-time non-media revenue adjustment of ($156) in connection with a settlement with a media partner in the second quarter of 2026.

Below is a reconciliation of adjusted net loss and adjusted net loss per share from net loss for the three and nine months ended September 30, 2026 and 2025, which we believe is the most directly comparable U.S. GAAP measure.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In thousands, except share and per share data)	**2026**	**2025**	**2026**	**2025**
Net loss	$ (3,125)	$ (7,556)	$ (14,656)	$ (23,048)
Share-based compensation expense	875	478	3,667	1,144
Loss on disposal of assets	3	—	17	—
Fair value adjustment of Convertible Notes with related parties	(712)	554	709	156
Acquisition-related costs[1]	504	(20)	(1,421)	1,074
Restructuring and other severance costs	—	—	51	1,325
Certain litigation and other related costs	—	—	(250)	300
One-time item[2]	—	—	(156)	—
Adjusted net loss	$ (2,455)	$ (6,544)	$ (12,039)	$ (19,049)
Adjusted net loss per share:				
Basic	$ (0.08)	$ (0.23)	$ (0.39)	$ (0.78)
Diluted	$ (0.08)	$ (0.23)	$ (0.39)	$ (0.78)
Weighted average number of shares outstanding:				
Basic	31,910,509	28,097,016	30,929,079	24,497,510
Diluted	31,910,509 [3]	28,097,016	30,929,079	24,497,510

(1) Balance includes gain on the conveyance of the membership interest of Winopoly in January 2026 of $2,352 (refer to Note 12, *Divestiture* in the notes to our consolidated financial statements included in this Form 10-Q), along with provisions for credit losses related to the Note (as described in Note 1(e)) of $504 and $931 for the three and nine months ended September 30, 2026, respectively. Balance also includes a $698 write-off of intangibles and related expenses related to the write-off of TAPP Influencers Corp. in May 2025. Lastly, the balance includes compensation expense related to non-compete agreements and earn-out expense incurred as a result of business combinations; earn-out expenses were in the amount of $0 and ($20) for the three months ended September 30, 2026 and 2025, respectively, and $0 and ($148) for the nine months ended September 30, 2026 and 2025, respectively, while non-compete agreements were in the amount of $0 and $0 for the three months ended September 30, 2026 and 2025, respectively, and $0 and $412 for the nine months ended September 30, 2026 and 2025, respectively.

(2) Includes a one-time non-media revenue adjustment of ($156) in connection with a settlement with a media partner in the second quarter of 2026.

(3) Balance excludes the 892,644 shares issuable under the if-converted method for the Convertible Notes as they would be anti-dilutive for the adjusted net loss per share, as such, basic and diluted shares are measured as equal.

We present media margin, media margin as a percentage of revenue, adjusted EBITDA, adjusted net income (loss), and adjusted net income (loss) per share as supplemental measures of our financial and operating performance because we believe they provide useful information to investors. More specifically:

Media margin, as defined above, is a measure of the efficiency of the Company's operating model. We use media margin and the related measure of media margin as a percentage of revenue as primary metrics to measure the financial return on our media and related costs, specifically to measure the degree by which the revenue generated from our digital marketing services exceeds the cost to attract the consumers to whom offers are made through our services. Media margin is used extensively by our management to manage our operating performance, including evaluating operational performance against budgeted media margin and understanding the efficiency of our media and related expenditures. We also use media margin for performance evaluations and compensation decisions regarding certain personnel.

Adjusted EBITDA, as defined above, is another primary metric by which we evaluate the operating performance of our business, on which certain operating expenditures and internal budgets are based and by which, in addition to media margin and other factors, our senior management is compensated. The first three adjustments represent the conventional definition of EBITDA, and the remaining adjustments are items recognized and recorded under U.S. GAAP in particular periods but might be viewed as not necessarily coinciding with the underlying business operations for the periods in which they are so recognized and recorded. These adjustments include certain litigation and other related costs associated with legal matters outside the ordinary course of business.

Adjusted net income (loss), as defined above, and the related measure of adjusted net income (loss) per share exclude certain items that are recognized and recorded under U.S. GAAP in particular periods but might be viewed as not necessarily coinciding with the underlying business operations for the periods in which they are so recognized and recorded. We believe adjusted net income (loss) affords investors a different view of the overall financial performance of the Company than adjusted EBITDA and the U.S. GAAP measure of net income (loss).

Media margin, adjusted EBITDA, adjusted net income (loss), and adjusted net income (loss) per share are non-GAAP financial measures with certain limitations regarding their usefulness. They do not reflect our financial results in accordance with U.S. GAAP, as they do not include the impact of certain expenses that are reflected in our consolidated statements of operations. Accordingly, these metrics are not indicative of our overall results or indicators of past or future financial performance. Further, they are not financial measures of profitability and are neither intended to be used as a proxy for the profitability of our business nor to imply profitability. The way we measure media margin, adjusted EBITDA, and adjusted net income (loss) may not be comparable to similarly titled measures presented by other companies and may not be identical to corresponding measures used in our various agreements.

Comparison of Our Results of Operations for the Three and Nine Months Ended September 30, 2026 and 2025

Revenue

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	% Change
Revenue	$ 53,642	$ 47,029	14%	$ 146,943	$ 146,945	(0%)

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

For the three months ended September 30, 2026 and 2025, revenue was comprised of Commerce Media Solutions of $37.5 million and $18.8 million, O&O sites of $13.8 million and $20.7 million, and other streams of $2.3 million and $7.5 million, respectively. The increase in our Commerce Media Solutions revenue reflected both the addition of long-term contracts with new media partners signed since the prior year period and growth from existing media partners which in turn drove revenue from advertiser clients in the Media & Entertainment and Retail & Consumer sectors. The decrease in our O&O sites revenue was primarily driven by the ongoing strategic transition of our business, as we continue to reallocate resources and advertiser demand to the scaling Commerce Media Solutions. Within our other streams, the decrease was due to the divestiture of our Call Solutions business as of January 31, 2026.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

For the nine months ended September 30, 2026 and 2025, revenue was comprised of Commerce Media Solutions of $94.0 million and $47.5 million, owned and operated of $45.8 million and $73.2 million, and other streams of $7.1 million and $26.2 million, respectively. These changes were attributable to the same factors as discussed above in the three months ended September 30, 2026 comparison.

Cost of revenue (exclusive of depreciation and amortization)

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Cost of revenue (exclusive of depreciation and amortization)	$ 38,359	$ 36,155	6%	$ 107,612	$ 114,356	(6%)

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

For the three months ended September 30, 2026 and 2025, cost of revenue (exclusive of depreciation and amortization) consisted of Commerce Media Solutions media and related costs of $26.4 million and $14.7 million, O&O sites media and related costs of $11.3 million and $16.7 million, and media enablement and other indirect costs related to our other revenue streams of $0.7 million and $4.8 million, respectively. Commerce Media Solutions cost of revenue consists of fees and revenue share payments made to media partners for ad inventory on their digital properties, web hosting costs, and fulfillment costs related to incentives earned by consumers. The increase in cost of revenue (exclusive of depreciation and amortization) in Commerce Media Solutions was driven by increased revenue share payments generated from impressions from new media partners added since the prior year period. Cost of revenue (exclusive of depreciation and amortization) for Commerce Media Solutions decreased as a percentage of revenue, due to the improved monetization with certain commerce media partners that do not operate on revenue share agreements and a benefit from a renegotiated partner agreement. Our O&O sites cost of revenue (exclusive of depreciation and amortization) primarily consists of media and related costs associated with acquiring traffic from third-party publishers, digital media platforms, and influencers for our O&O Sites, fulfillment costs related to rewards earned by consumers, and web hosting costs. The decrease in O&O Sites media cost was largely attributable to the decline in the media acquired for the business following the FTC Consent Order. There was a slight increase in cost of revenue as a percentage of revenue driven by challenges acquiring media for our O&O Sites offset by increased activity in the related programmatic business that generates revenue without media cost. The decrease in cost of revenue (exclusive of depreciation and amortization) for other revenue streams, which includes media costs, enablement costs and tracking costs related to our consumer data associated with our call centers, was attributable to the decreased cost of media related to the Call Solutions that was divested on January 31, 2026. Cost of revenue (exclusive of depreciation and amortization) for other revenue streams decreased materially as a percentage of revenue related to the divestiture of Call Solutions.

For the three months ended September 30, 2026, the total cost of revenue (exclusive of depreciation and amortization) as a percentage of revenue decreased to 72% compared to 77% for the three months ended September 30, 2025. The change was primarily driven by the aforementioned reasons and shifts in revenue mix to Commerce Media Solutions.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

For the nine months ended September 30, 2026 and 2025, cost of revenue (exclusive of depreciation and amortization) consisted of Commerce Media Solutions media and related costs of $69.6 million and $37.8 million, O&O Sites media and related costs of $35.6 million and $58.2 million, and media enablement and other indirect costs related to our other revenue streams of $2.4 million and $18.4 million, respectively. These changes were attributable to the same factors as discussed above in the three months ended September 30, 2026 comparison.

For the nine months ended September 30, 2026, the total cost of revenue (exclusive of depreciation and amortization) as a percentage of revenue decreased to 73% compared to 78% for the nine months ended September 30, 2025. These changes were attributable to the same factors as discussed above in the three months ended September 30, 2026 comparison.

In the normal course of executing paid media campaigns to source consumer traffic for our O&O Sites, we regularly evaluate new channels, strategies, and partners. As we perform that evaluation, we may determine that certain sources initially able to provide us profitable quality traffic may not be able to maintain our quality standards over time, and we may need to discontinue, or modify the practices of such sources, which could reduce profitability further.

Sales and marketing

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Sales and marketing	$ 5,207	$ 4,570	14%	$ 14,405	$ 12,895	12%

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

For the three months ended September 30, 2026 and 2025, sales and marketing expenses consisted mainly of employee salaries and benefits of $3.9 million and $3.3 million, advertising costs of $0.6 million and $0.3 million, and professional fees of $0.3 million and $0.6 million, respectively. The increase was primarily due to higher salaries and other variable employee-related costs driven by improved results during the current quarter related to the Commerce Media Solutions business and an increase in advertising costs driven by conferences and seminars expenses to promote Commerce Media Solutions, partly offset by the lower consulting expenses.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

For the nine months ended September 30, 2026 and 2025, sales and marketing expenses consisted mainly of employee salaries and benefits of $10.8 million and $9.8 million, advertising costs of $1.5 million and $0.9 million, professional fees of $0.8 million and $0.9 million, travel and entertainment costs of $0.5 million and $0.3 million, share-based compensation expense of $0.3 million and $0.2 million, and severance costs of $0.1 million and $0.6 million, respectively. The increase was primarily attributable to the factors discussed above, partly offset by a decline in restructuring and severance costs in the current year period.

Product development

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Product development	$ 2,749	$ 2,200	25%	$ 8,439	$ 7,147	18%

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

For the three months ended September 30, 2026 and 2025, product development expenses consisted mainly of salaries and benefits of $1.8 million and $1.5 million, software license and maintenance costs of $0.4 million and $0.3 million, professional fees of $0.3 million and $0.2 million, and share-based compensation expense of $0.1 million and $0.1 million, respectively. The increase was primarily due to an increase in salaries due to an overall increase in headcount, along with higher variable compensation due to the improved results and increased costs associated with AI- implementation.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

For the nine months ended September 30, 2026 and 2025, product development expenses consisted mainly of salaries and benefits of $5.7 million and $4.8 million, software license and maintenance costs of $1.0 million and $0.8 million, professional fees of $0.7 million and $0.8 million, and shared-based compensation expense of $0.4 million and $0.2 million, respectively. The increase was primarily attributable to the factors discussed above along with increased share-based compensation due to the grants under the new plan.

General and administrative

(In thousands)	Three Months Ended September 30, 2026	2025	% Change	Nine Months Ended September 30, 2026	2025	% Change
General and administrative	$ 8,749	$ 7,929	10%	$ 23,364	$ 25,614	(9%)

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

For the three months ended September 30, 2026 and 2025, general and administrative expenses consisted mainly of employee salaries and benefits of $3.9 million and $3.6 million, professional fees of $0.9 million and $1.6 million, software license and maintenance costs of $1.0 million and $0.9 million, office overhead of $0.8 million and $0.7 million, non-cash share-based compensation expense of $0.5 million and $0.3 million, and provision for credit losses of $0.6 million and $0.0 million, respectively. General and administrative expenses increased primarily due to higher salaries and benefits due to the re-allocation of higher salary personnel and higher variable compensation tied to improved results, even as headcount declined. Expenses also increased due to additional share-based compensation from grants under the new plan, and a higher provision for credit losses related to the Note (as described in Note 1(e)). These increases were partially offset by the decline in professional fees driven by both legal costs and consultants, along with lower severance costs.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

For the nine months ended September 30, 2026 and 2025, general and administrative expenses consisted mainly of employee salaries and benefits of $11.5 million and $10.7 million, professional fees of $3.2 million and $4.5 million, software license and maintenance costs of $2.8 million and $2.6 million, office overhead of $2.4 million and $2.9 million, non-cash share-based compensation expense of $2.3 million and $0.8 million, provision for credit losses of $1.1 million and $0.0 million, restructuring and severance costs of $0.2 million and $1.3 million, and non-cash costs related to disposal of non-core businesses of ($2.4) million and $1.1 million, respectively. General and administrative expenses decreased primarily due to the non-cash gain on the divestiture of Call Solutions in the current year period compared to the write off of TAPP in the prior year period, along with lower professional and restructuring fees. These declines were partially offset by the factors discussed above.

In each of the first and fourth quarters of 2025, we reduced our workforce by 24 and 9 employees, respectively, to better align resources with our strategic initiatives. In connection with the reductions in the first quarter of 2025, we incurred $1.3 million in exit-related restructuring costs, consisting primarily of one-time termination benefits and associated costs, which were fully settled in cash by March 31, 2026. In connection with the reductions in the fourth quarter of 2025, we incurred $0.1 million in exit-related restructuring costs, consisting primarily of one-time termination benefits and associated costs which were fully settled in cash by December 31, 2025. Apart from these exit-related restructuring costs, these reductions in workforce have resulted in corresponding reductions in future salary and benefits within sales and marketing, product development, and general and administrative expenses.

Depreciation and amortization

(In thousands)	Three Months Ended September 30, 2026	2025	% Change	Nine Months Ended September 30, 2026	2025	% Change
Depreciation and amortization	$ 1,694	$ 2,478	(32%)	$ 5,085	$ 7,418	(31%)

Three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025

The decrease in depreciation and amortization costs during the three and nine months ended September 30, 2026 and 2025 was due to the overall decline in intangibles due to cessation or divestitures of businesses, along with full amortization on certain intangibles since the prior period.

Interest expense, net

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Interest expense, net	$ 712	$ 711	0%	$ 1,954	$ 2,293	(15%)

Three months ended September 30, 2026 compared to the three months ended September 30, 2025
The interest expense remained consistent between the periods. Lower amortization fees associated with the Financing Agreement (as defined herein) were offset by a lower outstanding balance on the SLR Credit Facility (as defined herein) in the prior year period.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025
The decrease in interest expense for the nine months ended September 30, 2026 was driven by lower average outstanding balances in our debt as well as lower amortization fees associated with the Financing Agreement (as defined herein).

Fair value adjustment of Convertible Notes with related parties

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Fair value adjustment of Convertible Notes with related parties	$ 712	$ (554)	229%	$ (709)	$ (156)	(354%)

Three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025
The change in the fair value adjustment of Convertible Notes with related parties during the three and nine months ended September 30, 2026 and 2025 was driven by the fair value calculation inputs, including discount rate and stock price.

Loss before income taxes

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Loss before income taxes	$ (3,119)	$ (7,568)	59%	$ (14,642)	$ (22,934)	36%

Three months ended September 30, 2026 compared to the three months ended September 30, 2025
The decrease in loss before income taxes of $4.4 million was a result of the factors discussed above.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025
The decrease in loss before income taxes of $8.3 million was a result of the factors discussed above.

Income tax benefit (expense)

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Income tax (expense) benefit	$ (6)	$ 12	(150%)	$ (14)	$ (114)	88%

Three months ended September 30, 2026 compared to the three months ended September 30, 2025
For the three months ended September 30, 2026, the effective income tax rate of 0.2% differed from the statutory federal income tax rate of 21% primarily due to state and local tax expense and losses for which no tax benefit is recognized as such amounts are fully offset with a valuation allowance. For the three months ended September 30, 2025, the Company's effective income tax rate of 0.2% differed from the statutory federal income tax rate of 21% primarily due to state and local tax expense and losses for which no tax benefit is recognized as such amounts are fully offset with a valuation allowance.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025
For the nine months ended September 30, 2026, the effective income tax rate of 0.1% differed from the statutory federal income tax rate of 21% primarily due to state and local tax expense and losses for which no tax benefit is recognized as such amounts are fully offset with a valuation allowance. For the nine months ended September 30, 2025, the Company's effective income tax rate of 0.5% differed from the statutory federal income tax rate of 21% primarily due to state and local tax expense and losses for which no tax benefit is recognized as such amounts are fully offset with a valuation allowance.

As of September 30, 2026 and 2025, we recorded full valuation allowances against our U.S. net deferred tax assets. We intend to continue maintaining a full valuation allowance on our U.S. net deferred tax assets until there is sufficient evidence to support the release of all or some portion of the allowance. Release of some or all of the valuation allowance would result in the recognition of certain deferred tax assets and an increase in deferred tax benefit for any period in which such a release may be recorded; however, the exact timing and amount of any valuation allowance release are subject to change depending upon the level of profitability that the Company is able to achieve and the net deferred tax assets available.

Net loss

	Three Months Ended September 30,			Nine Months Ended September 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Net loss	$ (3,125)	$ (7,556)	59%	$ (14,656)	$ (23,048)	36%

Three months ended September 30, 2026 compared to the three months ended September 30, 2025
For the three months ended September 30, 2026 and 2025, net loss was $3.1 million and $7.6 million, respectively, as a result of the factors discussed above.

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025
For the nine months ended September 30, 2026 and 2025, net loss was $14.7 million and $23.0 million, respectively, as a result of the factors discussed above.

Liquidity and Capital Resources

Cash provided by (used in) operating activities. For the nine months ended September 30, 2026, net cash provided by operating activities was $2.8 million, compared to net cash used in operating activities of $4.3 million for the nine months ended September 30, 2025. Net loss in the current year period of $14.7 million represents an improvement of $8.4 million, compared with net loss of $23.0 million in the prior period. Adjustments to reconcile net loss to net cash provided by operating activities of $8.5 million in the current year period decreased by $1.5 million, compared with net cash provided by operating activities of $10.0 million in the prior period. The decrease was primarily due to a $2.4 million non-cash gain on divestiture in the current year, lower depreciation and amortization and prior year non-cash loss on an asset write-off where there were none this year, partly offset by the increased share-based compensation expense and change in fair value adjustment of Convertible Notes with related parties of $0.6 million. Changes in assets and liabilities generated cash of $9.0 million in the current year period, compared with $8.8 million in the prior period, primarily due to ordinary-course changes in working capital, largely involving the timing of receipt of amounts owing from clients and disbursements of amounts payable to vendors.

Cash used in investing activities. For the nine months ended September 30, 2026 and 2025, net cash used in investing activities was $4.9 million and $4.9 million, respectively. The change was minimal primarily due to payments received on the note receivable related to the Winopoly divestiture in the current year period, offset by an increase in capitalized costs.

Cash provided by financing activities. For the nine months ended September 30, 2026, net cash provided by financing activities was $0.6 million, compared to net cash provided by financing activities of $8.4 million for the nine months ended September 30, 2025. This was due to the net proceeds of $0.6 million on the Financing Agreement in the current year, compared to the net repayments of $9.7 million on the term loan and revolving credit facility entered into on April 2, 2024 with Crystal Financial LLC d/b/a SLR Credit Solutions, as administrative agent (the "SLR Credit Facility"), offset by proceeds received in the prior year period from the issuance of pre-funded and common stock warrants.

As of September 30, 2026, we had noncancelable operating lease commitments of $2.8 million and debt with a $34.8 million principal balance.

As of September 30, 2026, we had cash, cash equivalents, and restricted cash of $12.1 million, a decrease of $1.5 million from $13.6 million as of December 31, 2025.

Going concern

With the difficulties in sourcing traffic for our O&O Sites, we shifted our strategic focus toward scaling our Commerce Media Solutions business. Commerce Media Solutions has demonstrated growth and operates under a different economic model that reduces exposure to certain media sourcing risks. However, it continues to represent an evolving component of our business and the continued success of the Commerce Media Solutions transition depends on our ability to continue to onboard and retain media partners, achieve favorable economics under long-term agreements, and maintain advertiser demand, of which there can be no assurance.

Since entering into the Financing Agreement (as defined and discussed below), we have continued to receive advances, as needed, on our eligible account receivables. On September 30, 2026, we entered into an amendment with Bay View (as defined herein) that increased the maximum advance available pursuant to the facility by $5,000, but the facility remains uncommitted, with the advances typically due within 120 days, leading to its classification as short-term. Bay View continues to work with us and has indicated in writing its intention, absent an event of default, to continue purchasing eligible account receivables in the ordinary course and has made advances since the facility was entered into. However, such funding remains subject to the discretion of Bay View and the terms and conditions of the Financing Agreement. Further, if availability under the facility were reduced or if Bay View were to cease advances, we could have insufficient funds to support its operations and meet its obligations as they come due unless it found another lender or purchaser of its receivables. Based upon the foregoing, management has concluded that there is substantial doubt about our ability to continue as a going concern.

Based on our forecast, management expects to have sufficient liquidity over the next 12 months from the date of filing, but any substantial deviations from such forecasts could adversely affect our liquidity and ability to access funding. Although we have met or exceeded our forecasts over the trailing four quarters, we did not meet our forecasts, at times, over the prior three years.

In addition, we completed our procedures as it relates to the At-The-Market Issuance Sales Agreement (the "ATM Agreement"), which allow us to offer and sell up our common stock up to to an aggregate value of $11.2 million. As of September 30, 2026, no shares have been sold. Our ability to raise capital under this program, or through other financing sources, is subject to market conditions and other factors and may be limited or unavailable at acceptable terms, if at all.

Although management believes its current plans will be sufficient and we will maintain access to the Bay View facility, there is no guarantee such plans will be successful or have the expected benefit. As such, management has concluded that there is substantial doubt about our ability to continue as a going concern for one year after the date of issuance of this Quarterly Report on Form 10-Q.

Capital resources and cash requirements

Our sources of capital include cash on hand, cash from operations to the extent available and borrowings from the Financing Agreement (as defined below) to the extent available. We have no other committed sources of capital.

Our material cash requirements from known contractual and other obligations consist of our Financing Agreement and obligations under operating leases for office space. For more information regarding our Financing Agreement, refer to Note 4, *Debt, net*, in the notes to our consolidated financial statements included in this Form 10-Q.

Our future cash requirements will depend on many factors, including employee-related expenditures from expansion of our headcount, costs to support the growth in our client and partner accounts and continued client expansion, the timing and extent of spending to support product development efforts, the expansion of sales and marketing activities, the introduction of new and enhanced solutions, features, and functionality, and litigation. We may, in the future, enter into arrangements to acquire or invest in complementary businesses, services, technologies, and intellectual property rights. In order to finance such acquisitions or investments, it may be necessary for us to raise additional funds through public or private financings or draw upon our facility. In the past, we have been able to secure funding from our officers, directors and the largest stockholder of our Company and have entered into an At-the-Market Issuance Sales Agreement to offer and sell our shares of common stock. However, if we do not meet the conditions to draw on the facility, or additional financing is not accessible from outside sources, we may not be able to raise additional capital on terms acceptable to us, or at all. If we are unable to raise additional capital when desired, our business, results of operations, and financial condition would be adversely affected.

Accounts Receivable Financing Agreement

On November 25, 2025, the Company, and its affiliates Fluent, LLC, Fluent Media Labs, LLC and AdParlor, LLC, each a wholly owned subsidiary of the Company (together with the Company, the "Borrower"), entered into an Accounts Receivable Finance Agreement (the "Financing Agreement") with CSNK Working Capital Finance Corp. d/b/a Bay View Funding ("Bay View"), a portion of the proceeds of which were used to repay and terminate the Company's prior credit facility. On November 26, 2025, the Company entered into the First Amendment to the Financing Agreement with Bay View (the "First Amendment") to decrease the minimum finance rate for each year in the Initial Term (as defined below). On January 8, 2026, the Company entered into the Second Amendment to the Financing Agreement with Bay View (the "Second Amendment") to change the reconciliation period from weekly to semi-weekly. On September 30, 2026, the Company entered into an Amended and Restated Unbilled Line Addendum to the Financing Agreement (the "A&R Unbilled Line Addendum") and the Third Amendment to the Financing Agreement with Bay View (the "Third Amendment") to increase the Maximum Credit (as defined below) to $35.0 million.

Under the Financing Agreement, Bay View may extend financing to the Company based on eligible domestic and foreign accounts receivable, provided that the amount of advances thereon shall not exceed the lesser of a maximum credit of $35.0 million (the "Maximum Credit"), an increase from the initial amount of $30.0 million, or an amount equal to the sum of all advances less any funds received by Bay View pursuant to the Financing Agreement over the collection amounts adjusted for fees that is maintained in a reserve account. All collections of the financed receivables go directly to Bay View and are applied to the Company's obligations. The transfer of the receivables was recorded as secured borrowings in accordance with ASC 860, Transfers and Servicing ("ASC 860"), with the receivables remaining on the balance sheet as a current asset. As of September 30, 2026, the Financing Agreement had a balance of $32.1 million, which was recorded within current liabilities as the underlying receivables are typically due within 120-days and Bay View may require repayment of amounts outstanding beyond that period. In addition, the Company had $0.0 million in its reserve accounts with Bay View as of September 30, 2026, which was recorded within prepaids and other current assets. The net unused advance as of September 30, 2026 was $2.9 million.

The Financing Agreement has an initial term of 36 months (the "Initial Term") and renews automatically for additional 12-month periods unless terminated in accordance with its terms. The Company is required to pay a facility fee in the amount of 0.50% of the Maximum Credit as of November 25, 2025 and then annually a 0.33% of the Maximum Credit as well as a finance charge based on prime plus 2.0% based on the average balance outstanding during the month. In addition, the Company will be required to pay certain administrative fees. The finance rate shall increase or decrease monthly but not be less than 8.75% for the first year from the initial funding date, 8.50% for the second year of the Initial Term and 8.25% for the third year of the Initial Term. As of September 30, 2026, the finance charge rate was 11.75% which includes the management fee of 3.0% applied on the end of month average outstanding balance. The total cost of the Financing Agreement for the nine months ended September 30, 2026 was $2.0 million, and was included in interest expense on the consolidated statements of operations. In addition, amortization of the debt discount for the nine months ended September 30, 2026 was $0.2 million, and was included in interest expense on the consolidated statements of operations.

The Company's obligations under the Financing Agreement are secured by a security interest in substantially all of the Company's assets.

The Financing Agreement contains customary representations, warranties, covenants and events of default, including repurchase obligations with respect to certain receivables.

Critical Accounting Estimates

Management's discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires us to make certain estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to revenue recognition, recoverability of the carrying amounts of intangible assets, fair value of Convertible Notes, share-based compensation, income taxes, and contingencies. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Further details of the Company's accounting policies are available in Item 1, Financial Statements, Note 1, *Summary of significant accounting policies*, to the consolidated financial statements.

For additional information, please refer to our 2025 Form 10-K. There have been no additional material changes to Critical Accounting Estimates disclosed in the 2025 Form 10-K.

Recently issued and adopted accounting standards

See Note 1(b), "*Recently issued and adopted accounting standards,"* in the notes to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a smaller reporting company, the Company is not required to provide the information required by this Item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2026. We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on the evaluation of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), the Company's Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2026 and concluded they were effective as of that date.

Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may be subject to litigation and claims arising in the ordinary course of business. We are not currently a party to any material legal proceedings, and we are not aware of any pending or threatened legal proceedings against us that we believe could have a material adverse effect on our business, operating results, cash flows, or financial condition.

Item 1A. Risk Factors.

Our business, financial condition, results of operations, and cash flows may be impacted by a number of factors, many of which are beyond our control, including those set forth in our 2025 Form 10-K, the occurrence of any one of which could have a material adverse effect on our actual results.

There have been no material changes to the risk factors previously disclosed in our 2025 Form 10-K as updated and supplemented by our Quarterly Reports on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 5. Other Information.

Rule 10b5-1 Trading Plans

During the fiscal quarter ended September 30, 2026, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 6. Exhibits.

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

		Incorporated by Reference			Filed
Exhibit No.	**Exhibit Description**	**Form**	**Exhibit**	**Filing Date**	**Herewith**
3.1	Certificate of Domestication.	8-K	3.1	3/26/2015	
3.2	Certificate of Incorporation.	8-K	3.2	3/26/2015	
3.3	Certificate of Amendment to the Certificate of Incorporation.	8-K	3.1	9/26/2016	
3.4	Certificate of Amendment to the Certificate of Incorporation.	8-K	3.1	4/16/2018	
3.5	Certificate of Amendment to the Certificate of Incorporation of Fluent, Inc. effective April 11, 2024.	8-K	3.1	4/12/2024	
3.6	Amended and Restated Bylaws.	8-K	3.2	2/19/2019	
10.1	Amendment No. 1 to the Accounts Receivable Finance Agreement, dated November 26, 2025, by and between Fluent, LLC, Fluent, Inc. and CSNK Working Capital Finance Corp. d/b/a Bay View Funding.				X
10.2	Amendment No. 2 to the Accounts Receivable Finance Agreement, dated January 8, 2026, by and between Fluent, LLC, Fluent, Inc. and CSNK Working Capital Finance Corp. d/b/a Bay View Funding.				X
10.3	Amendment No. 3 to the Accounts Receivable Finance Agreement, dated September 30, 2026, by and between Fluent, LLC, Fluent, Inc. and CSNK Working Capital Finance Corp. d/b/a Bay View Funding.				X
10.4	Amended and Restated Unbilled Line Addendum to the Accounts Receivable Finance Agreement, dated September 30, 2026, by and between Fluent, LLC, Fluent, Inc. and CSNK Working Capital Finance Corp. d/b/a Bay View Funding.				X
10.5	First Amendment to Secured Promissory Note, dated as of September 15, 2026, by and between InsurCo, LLC and Fluent, LLC.				X

31.1	Certification of Chief Executive Officer filed pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X
31.2	Certification of Chief Financial Officer filed pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X
32.1*	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	
32.2*	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	
101.INS	Inline XBRL Instance Document (the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)	X
101.SCH	Inline XBRL Taxonomy Extension Schema Document	X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	X

* Furnished herewith. This certification is deemed not filed for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Fluent, Inc.

November 12, 2026

By: /s/ Ryan Perfit
Ryan Perfit
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

AMENDMENT
TO
ACCOUNTS RECEIVABLE FINANCE AGREEMENT
Amendment #1
Dated November 26, 2025

The Accounts Receivable Finance Agreement dated November 25, 2025 (the "Agreement"), between CSNK Working Capital Finance Corp. d/b/a Bay View Funding, a California Corporation, and Fluent, Inc., a Delaware Corporation, Fluent, LLC, a Delaware Limited Liability Company, Fluent Media Labs, LLC, a Delaware Limited Liability Company, and AdParlor, LLC, a Delaware Limited Liability Company (individually and together hereinafter referred to as “Client”), is hereby amended in the specific section(s) as follows:

Section 3. COLLECTIONS, CHARGES AND REMITTANCES

3.7 Finance Fee. Client shall pay a Finance Fee to Bay View on the outstanding Advances under this Agreement at a floating rate per annum equal to the Prime Rate plus two percent (Prime + 2.00%) (the "Finance Rate"), which fee shall be payable and calculated as hereinafter set forth. Client shall pay such fee to Bay View on the last day of each month in an amount equal to (a) the quotient obtained by dividing the sum of the daily unpaid Advances outstanding on each day during the then current month by the actual number of days in such month (the "Daily Balance"), multiplied by (b) the quotient obtained by dividing the Finance Rate by 360, multiplied by (c) the actual number of days in the then current month. The Finance Rate shall increase or decrease monthly, on the first day of each month, by the amount of any increase or decrease in the Prime Rate but at no time will the Finance Fee be less than eight and three quarters of one percent (8.75%) for the first year from the Initial Funding Date, eight and one half of one percent (8.50%) for the second year of the Initial Term, and eight and one quarter of one percent (8.25%) for the third year of the Initial Term (the “Floor Rate”). For purposes of this Agreement, the "Prime Rate" is the Prime Rate publicly listed by the Western Edition of the Wall Street Journal on the first day of each month or, if the first day of such month is not a business day, on the last business day of the immediately preceding month. In the event the Prime Rate listed by the Wall Street Journal is a range, the highest rate in the range shall be the "Prime Rate". In no event shall the finance fee exceed the maximum rate of interest permitted by law.

The Amendment affects only the above listed Section(s) of the Agreement and all other provisions of the Agreement shall remain unchanged and in force as written or thereafter amended in writing.

This Amendment shall become effective when it is accepted and executed by an authorized officer of Buyer.

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SIGNATURE PAGE FOLLOWS

AGREED:

SELLER: **FLUENT, INC.**

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 11/26/2025

FLUENT, LLC.

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 11/26/2025

FLUENT MEDIA LABS, LLC.

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 11/26/2025

ADPARLOR, LLC.

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 11/26/2025

ACCEPTED:

BUYER: **CSNK WORKING CAPITAL FINANCE CORP. D/B/A BAY VIEW FUNDING**

By: _____

Andrew Aquino EVP

(Print Name and Title)

Date: 11/26/2025

Exhibit 10.2

AMENDMENT
TO
ACCOUNTS RECEIVABLE FINANCE AGREEMENT
Amendment #2
Dated January 8, 2026

The Accounts Receivable Finance Agreement dated November 25, 2025 (the "Agreement"), between CSNK Working Capital Finance Corp. d/b/a Bay View Funding, a California Corporation, and Fluent, Inc., a Delaware Corporation, Fluent, LLC, a Delaware Limited Liability Company, Fluent Media Labs, LLC, a Delaware Limited Liability Company, and AdParlor, LLC, a Delaware Limited Liability Company (individually and together hereinafter referred to as "Client"), is hereby amended in the specific section(s) as follows:

Section 1. DEFINITIONS. When used herein, the following terms shall have the following meanings:

1.35. "Reconciliation Period" shall, unless otherwise notified by Bay View to Client, mean a semi-weekly calendar period.

The Amendment affects only the above listed Section(s) of the Agreement and all other provisions of the Agreement shall remain unchanged and in force as written or thereafter amended in writing.

This Amendment shall become effective when it is accepted and executed by an authorized officer of Buyer.

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SIGNATURE PAGE FOLLOWS

AGREED:

SELLER: **FLUENT, INC.**

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 1/13/2026

FLUENT, LLC.

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 1/13/2026

FLUENT MEDIA LABS, LLC.

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 1/13/2026

ADPARLOR, LLC.

By: _____

RYAN MACNAB PERFIT CFO

(Print Name and Title)

Date: 1/13/2026

ACCEPTED:

BUYER: **CSNK WORKING CAPITAL FINANCE CORP. D/B/A BAY VIEW FUNDING**

By: _____

Aaron Zehadani Executive Vice President

(Print Name and Title)

Date: 1/13/2026

AMENDMENT
TO
ACCOUNTS RECEIVABLE FINANCE AGREEMENT
Amendment #3
Dated September 30, 2026

The Accounts Receivable Finance Agreement dated November 25, 2025 (the "Agreement"), between CSNK Working Capital Finance Corp. d/b/a Bay View Funding, a California Corporation, and Fluent, Inc., a Delaware Corporation, Fluent, LLC, a Delaware Limited Liability Company, Fluent Media Labs, LLC, a Delaware Limited Liability Company, and AdParlor, LLC, a Delaware Limited Liability Company (individually and together hereinafter referred to as "Client"), is hereby amended in the specific section(s) as follows:

Section 1. DEFINITIONS. When used herein, the following terms shall have the following meanings:

1.7 "Advance Percentage" shall be (i) ninety percent (90%) for Domestic Receivables, (ii) eighty-five percent (85%) for Foreign Receivables, which may be adjusted pursuant to Section 13.13 herein. Advances against Foreign Receivables (whether billed or unbilled) shall not exceed thirty percent (30%) of the total Advance balances, and (iii) fifty percent (50%) for Account Debtors Moon Active Ltd. or any of its subsidiaries, affiliates, or divisions; Playtika Holding Corp. or any of its subsidiaries, affiliates, or divisions; and Papaya Gaming Ltd. or any of its subsidiaries, affiliates, or divisions.

Section 2. PURCHASE AND SALE OF RECEIVABLES

2.1 Acceptance of Receivables. Bay View shall have no obligation to purchase any Receivable listed on a Schedule of Accounts. Upon acceptance, Bay View shall pay to Client the Advance Percentage of the face amount of each Receivable Bay View desires to purchase minus ACH Fee, Wire Fee, and other Obligations which are currently due under the Agreement. Such payment shall be the "Advance" with respect to such Receivable. The purchase price of any Receivables purchased hereunder shall be the sum of the Advance, plus any Reserve payable by Bay View to Client relating to such Receivable. The aggregate amount of all outstanding Advances including the Unbilled Line Addendum shall not at any time exceed the lesser of Thirty Five Million Dollars ($35,000,000) (the Maximum Credit) or an amount equal to the sum of all Advances less any funds in the Reserve. Advances on Foreign Receivables, including Unbilled Line Advances, shall not exceed thirty percent (30%) of all outstanding Advances. Client shall not request and Bay View shall not make an Advance that would cause the resulting total of all Advances to exceed the foregoing limitation. In the event the aggregate outstanding Obligations shall at any time exceed the foregoing limitation, Client shall within one business day repay the Advances in the amount of such excess.

The Amendment affects only the above listed Section(s) of the Agreement and all other provisions of the Agreement shall remain unchanged and in force as written or thereafter amended in writing.

This Amendment shall become effective when it is accepted and executed by an authorized officer of Buyer.

THE REST OF THIS PAGE IS INTENTIONALLY BLANK

SIGNATURE PAGE FOLLOWS

AGREED: SELLER

FLUENT, INC.

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

FLUENT, LLC

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

FLUENT MEDIA LABS, LLC

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

ADPARLOR, LLC

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

ACCEPTED: BUYER

CSNK WORKING CAPITAL FINANCE CORP. D/B/A BAY VIEW FUNDING

By: _____

Title: _____

Date: _____

AMENDED & RESTATED UNBILLED LINE ADDENDUM TO
ACCOUNTS RECEIVABLE FINANCING AGREEMENT

This Amended and Restated Unbilled Line Addendum to the Accounts Receivable Financing Agreement (this "Unbilled Line Addendum"), is dated as of September ___, 2026 (the "Effective Date") by and between CSNK WORKING CAPITAL FINANCE CORP. D/B/A BAY VIEW FUNDING ("Bay View"), a California corporation, having a place of business at 224 Airport Parkway, Suite 200, San Jose, CA 95110-3730, and Fluent, Inc., a Delaware Corporation and Fluent, LLC, a Delaware Limited Liability Company; Fluent Media Labs, LLC, a Delaware Limited Liability Company, and AdParlor, LLC, a Delaware Limited Liability Company (individually and together hereinafter referred to as "Client") having its principal place of business and chief executive office at 300 Vesey Street, 9th Floor, New York, NY 10282-1102. Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such term in the Accounts Receivable Financing Agreement (the "Agreement") entered into between Bay View and Client.

RECITALS

WHEREAS, Bay View and Client are parties to the Agreement, as amended, modified, supplemented or restated from time to time, pursuant to which Bay View has purchased or will purchase, in its discretion, Accounts from Client.

WHEREAS, in conjunction with the Agreement, Client has requested that Bay View provide Client with accommodations to finance the amounts due for goods delivered and/or services rendered, prior to the time that actual invoices in written or electronic form are actually created, for the purpose of facilitating funding for Client's operations, so long as there is no Event of Default hereunder or under terms of the Agreement (the "Unbilled Line").

WHEREAS, Bay View is willing to amend and restate the Unbilled Line financing pursuant to the terms and conditions set forth in this Amended and Restated Unbilled Line Addendum, which amends and restates the Unbilled Line Addendum dated as of November 25, 2025 (the "Amended and Restated Unbilled Line Addendum") and the Agreement, which Amended and Restated Unbilled Line Addendum shall become and is now part of the Agreement.

Now, therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, and with the intent to be legally bound thereby, Bay View and Client, hereby agree as follows:

1. Definitions. In addition to the definitions contained in the Agreement and elsewhere in this Amended and Restated Unbilled Line Addendum, the following terms are specifically defined for use herein:

1.1 "Unbilled Account" shall mean the value of applicable goods delivered or services rendered to an Account Debtor, which amount is earned but unbilled.

1.2 "Limited Advance Unbilled Accounts" shall mean the value of applicable goods delivered or services rendered to Account Debtors Moon Active Ltd. or any of its subsidiaries, affiliates, or divisions; Playtika Holding Corp. or any of its subsidiaries, affiliates, or divisions; and Papaya Gaming Ltd. or any of its subsidiaries, affiliates, or divisions., which amount is earned but unbilled.

1.3 "Unbilled Line Advances" shall mean advances made on the Unbilled Line.

1.4 " Unbilled Line Availability Limit" shall mean the lesser of Eighty Percent (80%) of the value of the Unbilled Accounts plus Fifty Percent (50%) of the value of the Limited Advance Unbilled Accounts or the Unbilled Line Maximum Amount. At no time shall the amount of outstanding Unbilled Line Advances exceed the lesser of Forty-Five Percent (45%) of the combined amount of outstanding Advances on Purchased Receivables and outstanding Unbilled Line Advances or Fifteen Million Dollars ($15,000,000).

1.5 "Unbilled Line Maximum Amount" shall mean Fifteen Million Dollars ($15,000,000).

2. Unbilled Line. Upon the request of Client, and so long as there is availability under the terms of the Agreement and this Unbilled Line Addendum, and no Event of Default has occurred and is continuing following any applicable cure period, Bay View may, but is not required to, make Advances to Client, within the Unbilled Line Availability Limit, on a revolving basis. All Advances under this Addendum are discretionary and are made pursuant to Bay View's sole discretion. The Unbilled Line shall be a subline within and part of the Agreement and at no time shall the total of the Unbilled Line Advances exceed the Unbilled Line Maximum Amount and the aggregate amount of Unbilled Line Advances together with Advances made under the Agreement unrelated to the Unbilled Line exceed the Maximum Credit.

3. Unbilled Line Advances and Fees included in Obligations. Unbilled Line Advances, as well as all of the fees accrued thereon, shall be deemed included in the "Obligations" and shall be secured by the Collateral pursuant to the terms of the Agreement. Once an Unbilled Account is billed (thereafter, a "Billed Account"), it shall be assigned to and factored with Bay View pursuant to the terms of the Agreement. The Advance to be made on the newly created Billed Account shall be first used to repay the related Unbilled Line Advance(s) made on the related Unbilled Account(s) with the excess availability, if any, advanced pursuant to and consistent with the terms of the Agreement.

4. Fees on the Unbilled Line Advances. Advances made on the Unbilled Line shall incur fees as provided in Section 3 of the Agreement. Upon the occurrence and during the continuance of an Event of Default, Unbilled Line Advances shall be subject to the highest interest rate applicable to the Obligations pursuant to the Agreement.

5. Sale of Account. Despite that no invoice has been generated at the time an Unbilled Line Advance is made, the amounts due Client are still Accounts based on the definition of Account in the UCC. Thus, the Accounts due for which an Unbilled Line Advance is made shall be deemed sold to Bay View upon the making of the Unbilled Line Advance attributable to such Account notwithstanding that no invoice has then been generated. The lack of an invoice relating to Unbilled Line Advance(s) made by Bay View to Client for goods delivered or services rendered by Client to the Account Debtor shall not be an Event of Default as it relates to such Account(s). However, once the Account relating to the Unbilled Line Advance has been factored, based upon goods having been delivered in full and services having been completed for the billing period in question, an invoice shall be required, and it shall be an Event of Default for an Account not to be supported by a completed invoice issued to the Account Debtor and factored with Bay View.

6. Payment Terms. The Unbilled Line shall be subject to the repayment terms contained in this Section.

6.1 Client shall repay the Unbilled Line, and the accrued fees thereon, as follows:

6.1.1 Absent an Event of Default, Client shall pay to Bay View amounts advanced on the Unbilled Line Addendum attributable to the Unbilled Account and fees accrued thereon based on amounts available for the invoice issued and factored with Bay View pursuant to the terms of the Agreement attributable and generated subsequent to the Unbilled Account. An invoice for the Unbilled Account relating to the advance made under this Unbilled Line Addendum must be generated and assigned to and factored with Bay View by the thirtieth (30^{th}) calendar day of the month following the month in which the Unbilled Account was generated. The failure to do the foregoing shall require prompt repayment the outstanding principal balance of the Unbilled Line Advance(s). Any amounts available for an Advance attributable to an invoice related to the amount of Advances made under the Unbilled Line factored with Bay View in excess of the amounts repaid, may then be made available for an Advance pursuant to and in accordance with the terms of the Agreement. The principal amount outstanding may not exceed the Maximum Credit under the Agreement or the Unbilled Line Maximum Amount.

6.1.2 If not sooner paid, absent an Event of Default, Client shall pay to Bay View the remaining outstanding principal balance of the Unbilled Line Advance(s), together with all accrued and unpaid fees thereon on the last day of the Initial Term (unless the term is extended pursuant to the terms of the Agreement).

6.2 Notwithstanding the provisions of Section 6.1 to the contrary, the outstanding principal balance of the Unbilled Line Addendum, and all accrued and unpaid fees, costs, expenses and attorney's fees thereon, will be immediately due and payable upon the termination of the Agreement, regardless of how such termination occurs.

7. Voluntary Prepayment. Client may prepay amounts outstanding on the Unbilled Line at any time. Such payment will be first applied to the Unbilled Line Advances and thereafter to the accrued and unpaid fees on the Unbilled Line Advances. Such application of payments made shall be made in Bay View's sole discretion.

8. Conditions Precedent. This Unbilled Line Addendum shall become effective upon execution and delivery by Client of this Addendum and the fully executed Agreement.

9. Client's Representations and Warranties. Client makes the following representations and warranties which shall be deemed to be continuing representations and warranties so long as this Unbilled Line remains in effect and until the Obligations have been repaid in full:

9.1 Due Authorization. This Unbilled Line has been duly authorized by the Board of Client and the officer(s) executing this Unbilled Line Addendum on behalf of Client has been duly authorized to do so by the Board of Client.

9.2 Binding Agreement. This Unbilled Line Addendum is the valid, binding and legally enforceable obligation of Client in accordance with its terms.

9.3 No Conflict. The execution, delivery and performance by Client of this Unbilled Line Addendum: (a) shall not constitute an event of default under any agreement, indenture or undertakings to which Client is a party or by which Client or any of its property may be bound or affected; (b) are not in contravention of or in conflict with any law or regulation applicable to Client; and (c) do not cause any lien, charge or other encumbrance to be created or imposed upon any such property by reason thereof except for liens in favor of the Bay View and the Permitted Liens.

10. Binding Agreement. This Unbilled Line Addendum shall be binding and deemed effective when executed by Client and accepted and executed by Bay View.

11. Section Headings. Section headings and section numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each section applies equally to this entire Unbilled Line Addendum.

12. Interpretation. Neither this Unbilled Line Addendum nor any uncertainty or ambiguity herein shall be construed or resolved against Bay View or Client, whether under any rule of construction or otherwise. On the contrary, this Unbilled Line Addendum has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

13. Severability. Each provision of this Unbilled Line Addendum shall be severable from every other provision of this Unbilled Line Addendum for the purpose of determining the legal enforceability of any specific provision.

14. Modification and Merger. This Unbilled Line Addendum cannot be changed or terminated orally. All prior agreements, understandings, representations, warranties and negotiations, if any, relating to the Unbilled Line are merged into this Unbilled Line Addendum.

15. Incorporation into Agreement. This Unbilled Line Addendum and all of the terms, covenants, warranties, conditions, agreements and representations contained herein are incorporated into and deemed part of the Agreement.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties have executed this Unbilled Line Addendum as of the date first hereinabove written.

CLIENT

FLUENT, INC.

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

FLUENT, LLC

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

FLUENT MEDIA LABS, LLC

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

ADPARLOR, LLC

By: _____ By: _____

Name/Title: DONALD HUNTLEY PATRICK, CEO Name/Title: RYAN MACNAB PERFIT, CFO

BAY VIEW

CSNK WORKING CAPITAL FINANCE CORP. D/B/A BAY VIEW FUNDING

By: _____

Title: _____

Date: _____

Exhibit 10.5

FIRST AMENDMENT TO SECURED PROMISSORY NOTE

This First Amendment to Secured Promissory Note (this "*Amendment*") is entered into as of September 15, 2026 by and between InsurCo, LLC, a Wyoming limited liability company ("*Payor*"), and Fluent, LLC ("*Payee*"), and amends that certain Secured Promissory Note dated January 31, 2026 (the "*Note*"), executed by Payor in favor of Payee in the original principal amount of $3,000,000.00. Capitalized terms used but not otherwise defined herein have the meanings given to them in the Note.

RECITALS

A. Payor has requested, and Payee is willing to grant, an accommodation with respect to the monthly payments otherwise due under the Note during the period from July 2026 through October 2027, as more particularly set forth in Section 1 below, citing a seasonal, industry-wide decline in Medicare marketing revenue during the Medicare Special Enrollment Period (April through October each year).

B. Payee is willing to accommodate Payor's request on the terms set forth in this Amendment, without any deferral or modified payment described herein constituting an Event of Default under the Note, subject to the terms and conditions herein.

C. The parties acknowledge that Payee previously agreed, on an informal basis, to extend Payor's monthly payment due date from the original due date to the 15th day of each month.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. Payment Schedule; No Event of Default.

Notwithstanding Section 1 or Section 4 of the Note, and notwithstanding anything to the contrary in Schedule 1 to the Note, Payor's payments under the Note for the period from July 2026 through October 2027 (collectively, the "*Adjusted Payment Period*") shall be made as follows, in lieu of the payments otherwise reflected on Schedule 1 to the Note for such period:

(a) for each of July, August, September, October, and November 2026, and April, May, June, July, August, and September 2027 (collectively, the "*Deferral Months*"), Payor shall not be required to pay the principal portion of the monthly payment otherwise due under the Note for such month (the aggregate amount of such deferred principal for all Deferral Months, the "*Deferred Principal*"), but shall pay only the interest portion of such payment, calculated at the Interest Rate on the outstanding principal balance of the Note; and

(b) for each of December 2026 and January, February, and March 2027 (collectively, the "*Interim Payment Months*"), Payor shall pay $100,000, consisting of both principal and interest, in lieu of the payment otherwise reflected on Schedule 1 to the Note for such month.

Each payment described above shall be due and payable no later than the fifteenth (15th) day of the calendar month immediately following the month to which such payment relates, except that the payment for July 2026 shall be due and payable upon execution of this Amendment, its originally scheduled due date having already passed.

Payor's timely payment of each amount set forth above, together with the non-payment of the corresponding Deferred Principal for each Deferral Month, in each case in accordance with this Amendment, shall not constitute an Event of Default under Section 4(a) of the Note. This accommodation is granted by Payee in its sole discretion pursuant to, and in accordance with, Section 4(d) of the Note.

2. No Catch-Up; No PIK; Extension of Term; Revised Amortization Schedule.

The Deferred Principal shall not be required to be repaid in a lump sum or "caught up" during the remaining original term of the Note. Because Payor will continue to make the interest payments described in Section 1 above during the Deferral Months, no interest with respect to the Deferred Principal shall be capitalized, added to principal, or otherwise paid in kind. Instead, the term of the Note is hereby extended by the number of months necessary to fully repay the Deferred Principal, together with interest accruing thereon at the Interest Rate, following the original maturity date of the Note, as reflected on the Revised Schedule 1 described below.

A revised amortization schedule reflecting the Adjusted Payment Period, the extension of the term, and the resulting repayment of the Deferred Principal (the "*Revised Schedule 1*") will be prepared by Payee's finance team and delivered to Payor promptly following the date of this Amendment. Upon delivery, the Revised Schedule 1 shall be attached hereto and incorporated herein, shall replace Schedule 1 to the Note in its entirety, and Payor agrees to promptly acknowledge receipt thereof in writing.

3. Financial Reporting.

In addition to, and not in lieu of, Payor's obligations under Section 4(c) of the Note, Payor shall deliver to Payee:

(a) within five (5) business days of the date of this Amendment, unaudited financial statements (balance sheet, income statement, and statement of cash flows) for Payor for the year-to-date period through July 31, 2026, together with the corresponding period of the prior year, and Payor's most recent bank statements; and

(b) within thirty (30) days of each calendar month thereafter, updated financial statements and bank statements of the same type described in clause (a) above, continuing until the payment described in Section 4 below has been made in full.

4. Resumption of Payments; Payment Due Dates.

Beginning with the payment otherwise due for October 2027, Payor shall resume making the full monthly payment under the Note (including both principal and interest) in accordance with the Revised Schedule 1, and each payment due under the Note, beginning with such payment, shall be due and payable no later than the fifteenth (15th) day of the calendar month immediately following the calendar month for which such payment is scheduled under the Revised Schedule 1. For the avoidance of doubt, nothing in this Section 4 shall apply to any payment during the Adjusted Payment Period, which is governed exclusively by Section 1 above.

5. Acknowledgment of Prior Accommodation; No Course of Dealing.

The parties acknowledge that this is not the first accommodation Payee has extended to Payor with respect to payments under the Note, and that Payor has previously missed or delayed payments under the informal arrangement described in Recital C above. This Amendment supersedes that informal arrangement in its entirety, and, from and after the date of this Amendment, all payments due under the Note shall be due and payable in accordance with Sections 1 and 4 above, as applicable. Nothing in this Amendment, the informal arrangement described in Recital C, or the parties' course of dealing shall be construed to establish any ongoing practice, obligation, or expectation that Payee will grant any similar or future accommodation.

6. No Other Waiver; Reservation of Rights.

Except as expressly set forth in this Amendment, all other terms and conditions of the Note remain in full force and effect and are not modified, waived, or amended. This Amendment constitutes a one-time accommodation applicable solely to the Adjusted Payment Period and the payment dates described herein, and shall not be construed as a waiver of Payee's rights with respect to any other payment, any future Event of Default, or any other term of the Note or the Security Agreement. Payee expressly reserves all rights and remedies available to it under the Note, the Security Agreement, the MIPA, and applicable law, except as specifically and expressly limited by this Amendment.

7. Miscellaneous.

This Amendment may be executed in counterparts, including by electronic signature or PDF, each of which shall be deemed an original. Except as amended hereby, the Note remains in full force and effect in accordance with its terms. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, consistent with Section 6(a) of the Note.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

InsurCo, LLC

By: _____

Name: Luciano Rammairone
Title: Member

Fluent, LLC

By: _____

Name: Ryan Perfit
Title: Chief Financial Officer

Revised Schedule 1

Attached.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Donald Patrick, certify that:

(1) I have reviewed this Quarterly Report on Form 10-Q of Fluent, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 12, 2026

By: /s/ Donald Patrick
Donald Patrick
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ryan Perfit, certify that:

(1) I have reviewed this Quarterly Report on Form 10-Q of Fluent, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 12, 2026

By: /s/ Ryan Perfit
Ryan Perfit
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT
TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report on Form 10-Q of Fluent, Inc. for the quarter ended September 30, 2026 (the "Report"), the undersigned hereby certifies in his capacity as Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to his knowledge and belief, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Fluent, Inc.

November 12, 2026

By: /s/ Donald Patrick
Donald Patrick
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT
TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report on Form 10-Q of Fluent, Inc. for the quarter ended September 30, 2026 (the "Report"), the undersigned hereby certifies in his capacity as Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to his knowledge and belief, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Fluent, Inc.

November 12, 2026

By: /s/ Ryan Perfit
Ryan Perfit
Chief Financial Officer
(Principal Financial and Accounting Officer)