

**For Release November 13, 2023, 9:00 AM EDT, 6:00 AM PDT**

## **LiveWorld Reports Third Quarter 2023 Financial Results**

Campbell, California and New York City – November 13, 2023 – LiveWorld, Inc. (OTC Markets: LVWD), today announced financial results for the third quarter of 2023.

### **Q3 and Nine Months 2023 Financial and Business Highlights**

- Total Q3 revenues of \$2.8 million, in-line with same period a year ago
- First nine months total revenues were \$8.6 million, an increase of 8% over year ago period
- Healthcare revenues of \$2.4 million during Q3
- Net income from operations of \$46,000, or 4% of revenues
- Cash increased by \$1.2 million to \$5.0 million from December 31<sup>st</sup> 2022

### **Management Commentary**

"LiveWorld continues to lead the charge in developing and implementing compliant social media solutions that build brand trust and unlock business value through deeper patient and HCP engagement." said Peter Friedman, Chairman and CEO, LiveWorld. "We recently commissioned a research study in partnership with the Digital Health Coalition Group (DHCG) that examines and calculates social media ROI justifying spending levels of this rapidly ascending and evolving channel."

"The third quarter revenues were in-line with those reported a year ago as we experienced some shifts in revenue contracts and some seasonality in the third quarter. While at times there can be fluctuations in the revenues, depending on certain customers and projects we are working on, the company continued to remain profitable and continued to contribute cash flow and add to our cash position, which is now approximately \$5 million," remarked David Houston, Chief Financial Officer of LiveWorld. "We will make material investments in developing the new revenue opportunities and these investments could come as early as the fourth quarter of this year."

### **Financial Review for the Three and Nine Months Ended September 30, 2023**

Total revenues were approximately \$2.8 million for the three months, in-line compared to the approximately \$2.8 million in total revenues reported for the same period in 2022. This was a decrease of approximately \$17,000 or 1% when compared to the three months of 2022.

Total revenues were approximately \$8.6 million for the nine months, as compared to the approximately \$8.0 million in total revenues reported for the same period in 2022. This was an increase of approximately \$625,000 or 8% when compared to the nine months of 2022.

The company reported net income for the third quarter of approximately \$46,000 or 4% of total revenues. This compares to net income of approximately \$253,000 or 10% of total revenues reported for the third quarter of 2022. The lower margin is due to a higher tax liability stemming



from clients located in states that carries a higher tax rates and changes in the federal treatment of R&E.

The company reported net income for the nine months of 2023 of approximately \$344,000 or 7% of total revenues. This compares to net income of approximately \$514,000 or 7% of total revenues reported for the nine months of 2022.

The company finished the third quarter with approximately \$5.0 million in cash and cash equivalents, and approximately \$3.8 million compared to the end of 2022.

Detailed financial information may be downloaded at [www.liveworld.com/ir](http://www.liveworld.com/ir) (LiveWorld's Investor Relations page) or at [www.otcmartets.com](http://www.otcmartets.com).

### **About LiveWorld**

LiveWorld is a social-first digital agency with deep compliance, customer engagement, and support expertise that helps companies spark emotional connections, build stronger customer relationships, and drive behavior change. We operate at the intersection of bold creative rooted in strategy that captivates and resonates, social engagement that activates human interactions, and compliance enabling and accelerating digital campaigns.

With over 27 years of making connections, we leverage our social media DNA and technology prowess to deliver emotion-driven behavior change through digital campaigns with a human touch. LiveWorld clients include the number one brands in pharmaceuticals, healthcare, and financial-travel services. LiveWorld is headquartered in Campbell, California, with an additional office in New York City. Learn more at [www.liveworld.com](http://www.liveworld.com) and [@LiveWorld](https://www.instagram.com/LiveWorld).

### **"Safe Harbor" Statement Under The Private Securities Litigation Reform Act**

This press release may contain forward-looking information concerning LiveWorld plans, objectives, future expectations, forecasts and prospects. These statements may include those regarding LiveWorld's current or future financial performance including but not limited to lists of clients, revenue and profit, use of cash, investments, relationships and the actual or potential impact of stock option expense, and the results of its product development efforts. Actual results may differ materially from those expressed in the forward- looking statements made as a result of, among other things, final accounting adjustments and results, LiveWorld's ability to attract new clients and preserve or expand its relationship with existing clients, LiveWorld's ability to retain and attract high quality employees, including its management staff, the ability to deliver new innovative products in a timely manner, changing accounting treatments, and other risks applicable to the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and the Company undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

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**LIVEWORLD, INC.**  
**UNAUDITED CONDENSED BALANCE SHEETS**  
(In thousands, except share data)

	<u>September 30</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalent	\$ 4,971	\$ 3,801
Accounts receivable, net	1,901	2,583
Prepaid expenses	223	180
Total current assets	<u>7,095</u>	<u>6,564</u>
Property and equipment, net	46	43
Other assets	26	26
Total assets	<u>\$ 7,167</u>	<u>\$ 6,633</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 195	\$ 203
Accrued employee expenses	612	791
Other accrued liabilities	224	52
Deferred revenue	1,351	1,326
Total current liabilities	<u>2,382</u>	<u>2,372</u>
Total liabilities	2,382	2,372
Stockholders' equity		
Common stock: \$0.001 par value, 100,000,000 shares authorized 45,633,442 issued and outstanding as of September 30, 2023 and December 31, 2022 respectively	34	34
Additional paid-in capital	144,063	143,883
Accumulated deficit	(139,312)	(139,656)
Total stockholders' equity	<u>4,785</u>	<u>4,261</u>
Total liabilities and stockholders' equity	<u>\$ 7,167</u>	<u>\$ 6,633</u>

**LIVEWORLD, INC.**  
**CONDENSED STATEMENT OF OPERATIONS**  
(In thousands, except per share data)

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
Total revenues	\$ 2,760	\$ 2,777	\$ 8,578	\$ 7,953
Cost of revenues	1,453	1,374	4,246	3,906
Gross Margin	1,307	1,403	4,332	4,047
Operating Expense				
Product development	253	252	785	697
Sales and marketing	359	268	1,240	1,060
General and administrative	585	619	1,798	1,712
Total operating expense	1,197	1,139	3,823	3,469
Income / (loss) from operations	110	264	509	578
Income / (loss) before tax	110	264	509	578
Other Income / Expense	1	-----	3	1
Provision for income taxes	65	11	168	65
Net income / (loss)	46	253	344	514
Basic income / (loss) per share	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.01
Shares used in computing basic loss per share	45,633,442	45,633,442	45,633,442	45,633,442
Diluted net income (loss) per share	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.01
Shares used in computing diluted income (loss) per share	63,042,604	62,916,831	65,033,524	62,566,831
Departmental allocation of stock-based compensation:				
Cost of revenues	\$ 15	\$ 12	\$ 44	\$ 34
Product development	4	3	10	7
Sales and marketing	8	8	25	18
General and administrative	35	30	102	66
Total stock-based compensation	\$ 62	\$ 53	\$ 181	\$ 125



**LIVEWORLD, INC.**  
**CONDENSED STATEMENTS OF CASH FLOWS**  
(In thousands)

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
Cash flows from operating activities:				
Net income (loss)	\$ 46	\$ 253	\$ 344	\$ 514
Adjustments to reconcile net income (loss) provided by (used in) operating activities:				
Depreciation of long-lived assets	8	7	23	19
Stock-based compensation	62	53	181	125
Changes in operating assets and liabilities:				
Accounts receivable	205	252	681	(451)
Other assets	21	29	(42)	(53)
Accounts payable	(135)	(399)	(8)	(83)
Accrued liabilities	147	38	(7)	(324)
Deferred revenue	(339)	(232)	24	263
Net cash provided by (used in) operating activities	<u>15</u>	<u>1</u>	<u>1,196</u>	<u>10</u>
Cash flows from investing activities:				
Purchase of property and equipment	<u>(6)</u>	<u>(2)</u>	<u>(26)</u>	<u>(14)</u>
Net cash provided by (used in) investing activities	<u>(6)</u>	<u>(2)</u>	<u>(26)</u>	<u>(14)</u>
Cash flows from financing activities:				
Proceeds from exercise of stock options	-----	-----	-----	-----
Net cash provided by (used for) financing activities	-----	-----	-----	-----
Change in cash and cash equivalent	9	(1)	1,170	(4)
Cash and cash equivalents, beginning of period	<u>4,962</u>	<u>3,548</u>	<u>3,801</u>	<u>3,551</u>
Cash and cash equivalents, end of period	<u>\$ 4,971</u>	<u>\$ 3,547</u>	<u>\$ 4,971</u>	<u>\$ 3,547</u>
Supplemental disclosure of non-cash financing and investing activities:				
Income taxes paid	<u>\$ 65</u>	<u>\$ 11</u>	<u>\$ 168</u>	<u>\$ 65</u>