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LiveWorld Reports 2023 Annual Financial Results

Campbell, California and New York City – March 27, 2024 – LiveWorld, Inc. (OTC Markets: LVWD), today announced financial results for the year 2023.

Twelve Months 2023 Financial and Business Highlights

- Total twelve months revenues of \$11.5 million
- Healthcare revenues of \$10.2 million in 2023
- Net income from operations of \$214,000, or 2% of revenues
- Cash increased by \$835,000 to \$4.6 million from December 31, 2022

Management Commentary

“2023 was the fourth consecutive year of increased revenues while maintaining a positive net income,” remarked David Houston, Chief Financial Officer, LiveWorld. “Overall, the year was positive and has us headed in the right direction as we move into 2024.”

The Company stated that beginning in 2023 and continuing in 2024 it is making investments to add additional revenue streams by expanding its solution sets, entering new market segments, and increasing its market presence. It is anticipated the current business operations will grow and be profitable net of the investment which will result in a loss for the year.

“LiveWorld leads the market in unlocking the true value of social media marketing, with a combination of compliance, engagement, and insight solutions,” said Peter Friedman, Chairman & CEO, LiveWorld. “In 2023 we added new clients, won multiple awards for our digital agency work, and were recognized by **Medical Marketing & Media** as a top 100 healthcare agency.”

Financial Review for the Twelve Months Ended December 31, 2023

Total revenues were approximately \$11.5 million for the twelve months, as compared to approximately \$11.1 million in total revenues reported for the same period in 2022. This was an increase of approximately \$312,000 or 3% when compared to the twelve months of 2022.

The company reported net income for the twelve months of approximately \$214,000 or 2% of total revenues. This compares to net income of approximately \$1.0 million or 9% of total revenues reported for the twelve months of 2022. The lower income in 2023 was primarily due to a higher tax liability and investments for future growth of the company.

The company finished the year with approximately \$4.6 million in cash and cash equivalents, compared to approximately \$3.8 million at the end of 2022.



Detailed financial information may be downloaded at www.liveworld.com/ir (LiveWorld's Investor Relations page) or at www.otcmarkets.com.

About LiveWorld

LiveWorld is a social-first digital agency that unlocks the full potential of social media to transform customer relationships through integrated compliance, engagement, and insight solutions. We provide brand marketers bold creative rooted in strategy that captivates and resonates, social moderation and engagement that activates interactions, software that enriches customer experiences, and compliance that enables and accelerates digital programs.

With over 27 years of making connections, we leverage our social media DNA 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 and [@LiveWorld](https://twitter.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>December 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Current assets		
Cash and cash equivalent	\$ 4,635	\$ 3,801
Accounts receivable, net	1,701	2,583
Prepaid expenses	225	180
Total current assets	<u>6,561</u>	<u>6,564</u>
Property and equipment, net	44	43
Other assets	27	26
Total assets	<u>\$ 6,632</u>	<u>\$ 6,633</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 238	\$ 203
Accrued employee expenses	890	791
Other accrued liabilities	343	52
Deferred revenue	438	1,326
Total current liabilities	<u>1,909</u>	<u>2,372</u>
Total liabilities	1,909	2,372
Stockholders' equity		
Common stock: \$0.001 par value, 100,000,000 shares authorized 45,633,442 issued and outstanding as of December 31, 2023 and December 31, 2022 respectively	34	34
Additional paid-in capital	144,131	143,883
Accumulated deficit	(139,442)	(139,656)
Total stockholders' equity	<u>4,723</u>	<u>4,261</u>
Total liabilities and stockholders' equity	<u>\$ 6,632</u>	<u>\$ 6,633</u>

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

	Twelve Months Ended December 31,	
	2023	2022
Total revenues	\$ 11,458	\$ 11,146
Cost of revenues	5,884	5,341
Gross Margin	5,574	5,805
Operating Expense		
Product development	1,070	958
Sales and marketing	1,548	1,356
General and administrative	2,538	2,345
Total operating expense	5,156	4,659
Income from operations	418	1,146
Income before tax	418	1,146
Other Income	4	1
Provision for income taxes	208	130
Net income from operations	214	1,017
Earnings per share analysis from operations:		
Basic income per share	\$ 0.01	\$ 0.02
Shares used in computing basic loss per share	45,633,442	45,633,442
Diluted net income (loss) per share	\$ 0.00	\$ 0.02
Shares used in computing diluted income (loss) per share	64,632,465	62,522,559
Departmental allocation of stock-based compensation:		
Cost of revenues	\$ 59	\$ 49
Product development	15	10
Sales and marketing	33	26
General and administrative	141	97
Total stock-based compensation	\$ 248	\$ 182

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

	Twelve Months Ended Dec 31,	
	2023	2022
Cash flows from operating activities:		
Net income (loss)	\$ 214	\$ 1,017
Adjustments to reconcile net income (loss) provided by (used in) operating activities:		
Depreciation of long-lived assets	31	26
Stock-based compensation	248	182
Changes in operating assets and liabilities:		
Accounts receivable	881	(809)
Other assets	(44)	(25)
Accounts payable	35	(28)
Accrued liabilities	389	(248)
Deferred revenue	(888)	157
Net cash provided by (used in) operating activities	866	272
Cash flows from investing activities:		
Purchase of property and equipment	(32)	(22)
Net cash provided by (used in) investing activities	(32)	(22)
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	834	250
Cash and cash equivalents, beginning of period	3,801	3,551
Cash and cash equivalents, end of period	\$ 4,635	\$ 3,801
Supplemental disclosure of non-cash financing and investing activities:		
Income tax paid	\$ 208	\$ 130