

For Release August 14, 2024, 9:00 AM EDT, 6:00 AM PDT

LiveWorld Reports Second Quarter 2024 Financial Results

Campbell, California and New York City – August 14, 2024 – LiveWorld, Inc. (OTC Markets: LVWD), today announced financial results for the second quarter 2024.

Q2 2024 Financial and Business Highlights

- Total three months revenues of \$2.8 million
- Healthcare revenues of \$2.4 million in Q2 2024
- Net loss from operations of (\$134,000)
- Cash increased by \$136,000 to \$4.8 million from December 31, 2023

Management Commentary

“In the first six months of 2024 we have seen net losses as a result of reduced revenues and our planned investment for 2024,” remarked David Houston, Chief Financial Officer of LiveWorld. “During this period we signed new clients and increased programs with some current clients. But we also found some corporate budgets tighten which we believe is a short-term condition. This combined with the usual client program attrition, indicate the full year 2024 revenues will be relatively flat when compared to 2023. Long term we believe our market segments and product lines are poised for growth.”

“2024 and 2025 are investment years for LiveWorld,” said Peter Friedman, Chairman & CEO. “Our new solutions in managing advertising media and in providing compliance support for pharma digital and social media marketing, along with our existing award-winning creative advertising programs and best in class moderation, are being well received. We expect these and our entry into new segments in the healthcare market to form a foundation for growth in future years.”

Financial Review for the Three and Six Months Ended June 30, 2024

Total revenues were approximately \$2.8 million for the three months, as compared to approximately \$3.1 million in total revenues reported for the same period in 2023. This was a decrease of approximately \$284,000 or 9% when compared to the three months of 2023.

Total revenues were approximately \$5.4 million for the six months, as compared to approximately \$5.8 million in total revenues reported for the same period in 2023. This was a decrease of approximately \$459,000 or 8% when compared to the three months of 2023.

The company reported a net loss for the three months of approximately \$134,000 or 5% of total revenues. This compares to net income of approximately \$164,000 or 5% of total revenues reported for the three months of 2023.



The company reported a net loss for the six months of approximately \$632,000 or 12% of total revenues. This compares to net income of approximately \$298,000 or 5% of total revenues reported for the six months of 2023.

The company finished the quarter with approximately \$4.8 million in cash and cash equivalents, compared to approximately \$4.6 million at the end of 2023.

Detailed financial information may be downloaded at www.liveworld.com/ir (LiveWorld's Investor Relations page) or at <https://www.otcmartets.com/stock/LVWD/overview>.

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 28 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)

	June 30 2024	December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalent	\$ 4,772	\$ 4,635
Accounts receivable, net	2,082	1,701
Prepaid expenses	226	225
Total current assets	7,080	6,561
Property and equipment, net	38	44
Other assets	26	27
Total assets	\$ 7,144	\$ 6,632
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 222	\$ 238
Accrued employee expenses	768	890
Other accrued liabilities	260	343
Deferred revenue	1,646	438
Total current liabilities	2,896	1,909
Total liabilities	2,896	1,909
Stockholders' equity		
Common stock: \$0.001 par value, 100,000,000 shares authorized 45,633,442 issued and outstanding as of June 30, 2024, and December 31, 2023, respectively	34	34
Additional paid-in capital	144,287	144,131
Accumulated deficit	(140,073)	(139,442)
Total stockholders' equity	4,248	4,723
Total liabilities and stockholders' equity	\$ 7,144	\$ 6,632

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total revenues	\$ 2,786	\$ 3,070	\$ 5,359	\$ 5,818
Cost of revenues	1,567	1,477	3,144	2,793
Gross Margin	1,219	1,593	2,215	3,025
Operating Expense				
Product development	245	272	517	531
Sales and marketing	460	451	970	881
General and administrative	629	606	1,340	1,213
Total operating expense	1,334	1,329	2,827	2,625
Income from operations	(115)	264	(612)	400
Income before tax	(115)	264	(612)	400
Other Income	1	1	2	2
Provision for income taxes	20	101	22	104
Net income from operations	(134)	164	(632)	298
Earnings per share analysis from operations:				
Basic income per share	\$ (0.00)	\$ 0.00	\$ (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)	\$ 0.00	\$ (0.01)	\$ 0.00
Shares used in computing diluted income (loss) per share	45,633,442	64,547,778	45,633,442	64,547,778
Departmental allocation of stock-based compensation:				
Cost of revenues	\$ 19	\$ 15	\$ 38	\$ 29
Product development	5	3	9	7
Sales and marketing	8	8	16	16
General and administrative	48	34	93	67
Total stock-based compensation	\$ 80	\$ 60	\$ 156	\$ 119



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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Cash flows from operating activities:				
Net income (loss)	\$ (134)	\$ 164	\$ (632)	\$ 298
Adjustments to reconcile net income (loss) provided by (used in) operating activities:				
Depreciation of long-lived assets	6	8	13	15
Stock-based compensation	80	60	156	119
Changes in operating assets and liabilities:				
Accounts receivable	181	575	(381)	476
Other assets	125	46	---	(64)
Accounts payable	(14)	82	(16)	127
Accrued liabilities	10	87	(204)	(154)
Deferred revenue	203	(436)	1,207	364
Net cash provided by (used in) operating activities	<u>457</u>	<u>586</u>	<u>143</u>	<u>1,181</u>
Cash flows from investing activities:				
Purchase of property and equipment	(1)	(16)	(6)	(20)
Net cash provided by (used in) investing activities	<u>(1)</u>	<u>(16)</u>	<u>(6)</u>	<u>(20)</u>
Cash flows from financing activities:				
Proceeds from exercise of stock options	---	---	---	---
Net cash provided by (used for) financing activities	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Change in cash and cash equivalent	456	570	137	1,161
Cash and cash equivalents, beginning of period	4,316	4,392	4,635	3,801
Cash and cash equivalents, end of period	<u>\$ 4,772</u>	<u>\$ 4,962</u>	<u>\$ 4,772</u>	<u>\$ 4,962</u>
Supplemental disclosure of non-cash financing and investing activities:				
Income tax paid	<u>\$ 20</u>	<u>\$ 101</u>	<u>\$ 22</u>	<u>\$ 104</u>

