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LiveWorld Reports First Quarter 2025 Financial Results

LiveWorld looks to increase its AI investment

Campbell, California and New York City – May 8, 2025 – LiveWorld, Inc. (OTC Markets: LVWD), today announced financial results for first quarter 2025.

Three Months 2025 Financial and Business Highlights

- Total three months revenues of \$2.6 million
- Healthcare revenues of \$2.3 million in Q1 2025
- Net loss from operations of \$276,000 a reduction of 45% when compared to 2024
- Net Cash decreased by \$1.6 million to \$5.0 million from December 31, 2024

Management Commentary

"In the first quarter of the 2025 our total revenues were relatively flat when comparing 2024 to 2025, as both were approximately \$2.6 million for the period, reflecting continued client concerns with the economy." commented David Houston, Chief Financial Officer of LiveWorld. "For the rest of 2025 we will continue to invest in our AI initiatives, as well as look for growth opportunities from new and existing clients. These investments may lead to increment losses."

"For the three months ended March 31, 2025, we saw a cash burn of approximately \$1.5 million for the period of net cash available for operations. This is a timing issue with contract renewals for 2025," continued David Houston. "As we finalize these renewals, we see our accounts receivables grow, and in the first quarter our AR grew from approximately \$682,000 to over \$2.3 million, or almost \$1.7 million. As we start to collect the receivables, we anticipate the cash will improve over the rest of 2025."

"Our focus continues to bring value to our clients through the integration of a human touch with advanced technology," said Peter Friedman, LiveWorld Chairman & CEO. "To support this vision during 2024 and continuing in 2025 we are expanding our investment in AI. Our first dedicated AI product, the [AI Pharma Brand Reputation Index](#), was launched in Q1. We expect to be in beta for our next generation of AI products later this year."

Financial Review for the Three Months Ended March 31, 2025

Total revenues were flat when comparing the first quarter of 2025 to 2024. Revenues were approximately \$2.6 million for the three months 2025 and 2024 respectively.

The company reported a net loss for the three months of approximately \$276,000 or 12% of total revenues. This compares to net loss of approximately \$498,000 or 20% of total revenues reported for the three months of 2024. This was a reduction of approximately 45% when comparing the two periods.

The company finished the quarter with approximately \$5.0 million in cash and cash equivalents, compared to approximately \$6.6 million at the end of 2024. The net cash available for operations was approximately \$4.7 million at the end of March 31, 2025, compared to the \$6.2



million at the end of 2024 . The company defines net cash available for operations as cash, less media expenditure commitments.

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

About LiveWorld

LiveWorld is a social-first digital agency and software company 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 29 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)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalent	\$ 5,045	\$ 6,603
Accounts receivable, net	2,342	682
Prepaid expenses	461	290
Total current assets	<u>7,848</u>	<u>7,575</u>
Property and equipment, net	31	33
Other assets	27	27
Total assets	<u>\$ 7,906</u>	<u>\$ 7,635</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 213	\$ 182
Accrued employee expenses	581	1,068
Other accrued liabilities	337	413
Deferred revenue	1,860	860
Total current liabilities	<u>2,991</u>	<u>2,523</u>
Total liabilities	2,991	2,523
Stockholders' equity		
Common stock: \$0.001 par value, 100,000,000 shares authorized 45,633,442 issued and outstanding as of March 31, 2025 and December 31, 2024 respectively	34	34
Additional paid-in capital	144,530	144,451
Accumulated deficit	(139,649)	(139,373)
Total stockholders' equity	<u>4,915</u>	<u>5,112</u>
Total liabilities and stockholders' equity	<u>\$ 7,906</u>	<u>\$ 7,635</u>

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

	Three Months Ended March 31,	
	2025	2024
Total revenues	\$ 2,575	\$ 2,572
Cost of revenues	1,514	1,577
Gross Margin	1,061	995
Operating Expense		
Product development	275	272
Sales and marketing	440	510
General and administrative	638	711
Total operating expense	1,353	1,493
Income from operations	(292)	(498)
Income before tax	(292)	(498)
Other Income	17	1
Provision for income taxes	(1)	1
Net income from operations	(276)	(498)
Earnings per share analysis from operations:		
Basic income per share	\$ (0.01)	\$ (0.01)
Shares used in computing basic loss per share	45,633,442	45,633,442
Diluted net income (loss) per share	\$ (0.01)	\$ (0.01)
Shares used in computing diluted income (loss) per share	45,633,442	45,633,442
Departmental allocation of stock-based compensation:		
Cost of revenues	\$ 20	\$ 18
Product development	5	5
Sales and marketing	8	8
General and administrative	46	45
Total stock-based compensation	\$ 79	\$ 76

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

	Three Months Ended March 31, 2025	2024
Cash flows from operating activities:		
Net income (loss)	\$ (276)	\$ (498)
Adjustments to reconcile net income (loss) provided by (used in) operating activities:		
Depreciation of long-lived assets	6	6
Stock-based compensation	79	76
Changes in operating assets and liabilities:		
Accounts receivable	(1,660)	(562)
Other assets	(171)	(124)
Accounts payable	31	(2)
Accrued liabilities	(563)	(214)
Deferred revenue	1,000	1,004
Net cash provided by (used in) operating activities	<u>(1,554)</u>	<u>(314)</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(4)</u>	<u>(5)</u>
Net cash provided by (used in) investing activities	<u>(4)</u>	<u>(5)</u>
Cash flows from financing activities:		
Proceeds from exercise of stock options	<u>----</u>	<u>----</u>
Net cash provided by (used for) financing activities	<u>----</u>	<u>----</u>
Change in cash and cash equivalent	(1,558)	(319)
Cash and cash equivalents, beginning of period	6,603	4,635
Cash and cash equivalents, end of period	<u>\$ 5,045</u>	<u>\$ 4,316</u>
Supplemental disclosure of non-cash financing and investing activities:		
Income tax paid	<u>\$ 1</u>	<u>\$ 1</u>