



LiveWorld 2026 Business Report





Human-Led, AI-Powered Intelligence Systems for the Intelligence Economy

Dear LiveWorld Shareholders,

Thirty years ago, on April 10, 1996, LiveWorld was founded on a simple but powerful idea:

The transformative power of online dialogue and relationships, and how that enables people to create more value together than they could by themselves.

That vision guided us through the early days of online communities, through the rise of social media, through industry noise and market shifts, and through multiple economic cycles. It is the same vision expressed in our May 2024 Business Report — where we described the strength of our proven business model, our healthcare focus, and our strategy to accelerate growth.

Today, 30 years in, we stand at the threshold of an entirely new era.

The AI revolution has reset the playing field for companies large and small. It has leveled barriers that once favored scale alone. It has created a new global environment in which intelligence — not labor, not information, not media spend — is the core economic driver.

We call this new environment **the Intelligence Economy**.

And LiveWorld is transforming to lead in it.

Peter Friedman
Founder, Chairman, & CEO



Peter H. Friedman

LiveWorld 2026 Business Report: Key Takeaways



Strategic Transformation: LiveWorld is undergoing a strategic transformation to capitalize on the rapid emergence of the AI-driven Intelligence Economy, where competitive advantage is defined by the ability to generate and apply intelligence through the integration of human and AI resources.

A Fundamental Repositioning: LiveWorld is evolving from a social-first digital agency that also has moderation services and SaaS platforms into a Human-Led, AI-Powered Intelligence Systems company. This reflects a material shift in our product architecture, operating model, and long-term revenue profile—positioning the company for higher growth, margins, and valuation potential.

Flagship System: LiveInsight AI™ Intelligence System (patents pending). At the center of this strategy is LiveInsight AI, a scalable system that delivers decision-grade intelligence at one's fingertips, by integrating curated and optimized data sets, tailored AI, and human expertise. This moves LiveWorld beyond services into a differentiated, systems-based offering designed for continuous learning.

Recurring, Higher-Margin Revenue Model: LiveWorld is transitioning to enterprise licensing with modular add-ons, driving:

- Increased recurring revenue
- Higher margins through technology leverage
- Stronger client retention

Differentiated Competitive Position: LiveWorld's 30-year foundation—particularly in healthcare, compliance, and human-centered engagement integrated with technology, —provides a defensible advantage in applying AI in regulated, high-stakes environments where legacy solutions and generic AI fall short.

AI Strategy Focused on Value Creation: The company is using AI to elevate, not replace, human expertise, enabling client employees (“Intelligence Workers”) to make better decisions, do so faster, and deliver higher-value insights, strategy, and engagement.

Execution & Growth Roadmap. Key priorities include:

- Scaling the LiveInsight AI Intelligence System with ongoing module releases
- Expanding within healthcare and into adjacent industries, over time
- Increasing technology-driven revenue mix
- Leverage patent portfolio
- Building category leadership in Human-Led, AI-Powered Intelligence Systems

Disciplined Financial Approach: LiveWorld maintains a consistent philosophy of innovation, operational profitability, measured investment, and compliance integrity, while pursuing long-term revenue growth to the tens of millions per year in revenue and improved capital market positioning.

From Social Media Company To Intelligence Systems Company



In 2024, we described LiveWorld as a social-first digital agency providing integrated compliance, engagement, and insight solutions, primarily in healthcare. That foundation remains strong.

But over the past two years, we have undertaken a deeper transformation.

We design and deliver Human-Led, AI-Powered Intelligence Systems that help corporate clients compete and win in the Intelligence Economy.

This is not a cosmetic repositioning.

It reflects:

- A fundamental shift in our product architecture
 - From traditional SaaS platforms, digital marketing services and moderation services
 - To modular intelligence systems that integrate patent patenting AI multi-agent models, curated and process optimized content, and high value human analysis
- A reconfiguration of how we operate internally
 - We have integrated AI into every part of our business
 - While this does gain us efficiencies, more importantly we are internally implementing our Human-Led, AI-Powered solution model to elevate the value our people bring to our clients
- An evolution of our economic model as we go forward
 - Our new intelligence systems are high margin recurring license revenue streams
 - They have highly differentiated value with technology leverage
 - The integration of human and AI creates greater value for our clients than either could do alone
- And a strategic evolution designed to command higher growth, higher margins, and higher valuation multiples



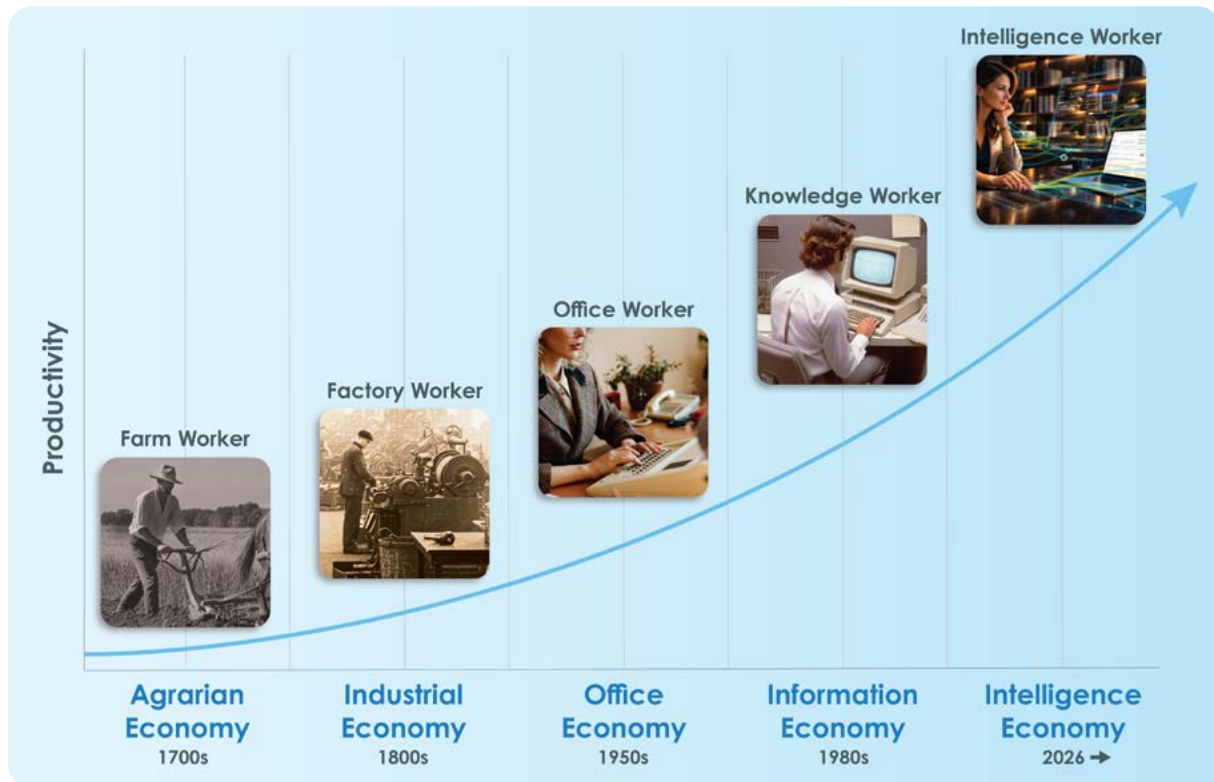
**LiveWorld is now
a Human-Led,
AI-Powered
Intelligence Systems
Company**

The Intelligence Economy & The Rise of the Intelligence Worker



History has moved in waves:

- The Agrarian Era created the farm worker
- The Industrial Revolution created the industrial worker
- Office automation created the office worker
- Personal computing and the Internet created the knowledge worker
- Artificial intelligence now creates the **Intelligence Worker**



Today, AI provides more knowledge than any human can absorb. But knowledge alone does not create value. AI can generate output, but it does not inherently understand context, empathy, compliance, ethics, nuance, or business trade-offs.

The companies that win in this era will not be those that deploy AI blindly for efficiency alone. They will be those that combine vast AI data reach with human judgment, empathy, and guidance. And do so in structured systems that continuously learn and adapt.

This is the Intelligence Economy.

The Intelligence Worker is the human who becomes an intellectual force multiplier through AI.

LiveWorld is building both Intelligence Systems for our clients and transforming our own team into Intelligence Workers. We are not just selling the model. We are living it.



Why LiveWorld Is Uniquely Positioned

Our transformation is not accidental. It is in our DNA. From the beginning, LiveWorld was built by founders coming from Apple, where the philosophy was:

“Always start with the customer experience and work back to the technology.” - *Steve Jobs*

LiveWorld has always integrated, software, services, human empathy, conversations, compliance, and relationships. In the early days, our revenue mix was roughly one-third technology, one-third moderation, and one-third management and strategy services. Even then, we developed some of the earliest chatbots in the world — and intelligently paired them with human operators.

We were Human-Led, AI-Powered before AI was good enough. For over 20 years we experimented with AI. It was never ready. Now it is. And because we spent decades building:

- Regulated industry expertise
- Deep healthcare vertical knowledge
- Compliance infrastructure
- Conversational engagement systems
- Annuity revenue models
- Cross-functional collaborative teams

We are uniquely suited to leverage AI without being commoditized by it.

The AI Revolution Has Re-Levelled the World

The AI revolution favors:

- Smaller, faster, integrated teams
- Companies without massive legacy systems
- Organizations willing to transform culturally
- Firms that blend human insight with machine scale

Over the last two to three years:

- We re-dedicated our software group 100% to AI
- They pivoted in weeks — not years
- We expanded the team to accelerate innovation
- We invested accumulated profits and cash into AI infrastructure, tools, data pipelines, and internal training
- We educated and empowered every employee to become AI-augmented

In AI, smaller is often better:

- We do not have to restructure tens of thousands of employees.
- We do not have legacy software weighing us down.
- We do not have bloated management layers slowing decisions.

We have focus. We have Collaborative Velocity, our core culture that enables us to work together and make better decisions, faster. We have 30 years of domain experience. And now we have AI leverage.

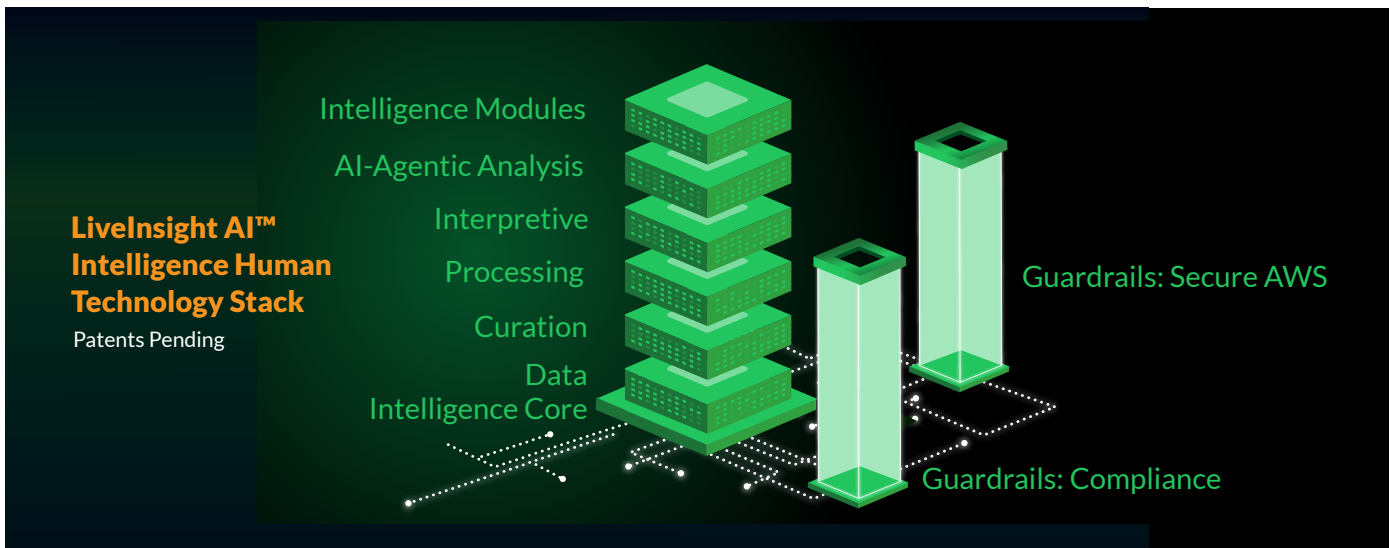
Introducing the LiveInsight AI Intelligence System™



In 2024, we positioned “Unlock Social” as our integrated compliance, engagement, and insight story. Today, we expand that foundation into a systems architecture:

This is a Human-Led, AI-Powered Intelligence System that provides our clients with decision grade intelligence at their fingertips with:

- 1) Healthcare-tailored AI delivers immediate in-depth strategic analysis and recommendations
- 2) Brand exclusive condition libraries provide quality and relevance
- 3) Human-AI integrated discovery model enables continuous learning



An intelligence system designed with:

- A core AI intelligence model as the foundation, always operating, always learning in the background
- Healthcare condition specific curation and integration of structured and unstructured data
- Proprietary data processing system that filters out noise, then optimizes and enhances the content
- A human interpretive layer that reveals deeper meaning in the content
- A constellation of interoperating AI agents each with specialized tasks, further tailoring the analysis to healthcare, condition, brand, user job role, user, and user history
- Intelligence modules that are specially engineered and optimized for each use case such as trending topics, competitive landscapes, influencer marketing, and preference shifts among patients, APPs, and HCPs
- Built in pharma compliance
- All built in a scalable data secure infrastructure

This is not “analytics.” This is not “social listening.” This is not “generic AI.”

This is an integrated Human-Led, AI-Powered intelligence system.



A Recurring, High-Leverage Economic Model

In our 2024 report, we described our strong annuity revenue model in moderation and SaaS. LiveInsight AI advances this further.

Revenue Model:

- Multi-hundred thousand dollar per year licenses
- Modular intelligence add-ons
- Additional modules every 1–3 months
- Vertical expansion across healthcare, OTC, medical devices, and hospitals
- Long-term expansion to financial services, CPG, and beyond

This creates a strong business model:

- High-margin recurring revenue
- Technology leverage: Value, scale, patent portfolio
- Differentiation
- Proprietary data compounding
- Stronger valuation comparables

We are evolving from a services company with software to a Human-Led, AI-Powered intelligence systems company.

Efficiency Alone Is a Commodity:

Many companies are using AI to reduce headcount. We reject that narrow vision. Efficiency without value creation leads to commoditization. We tell ourselves and our clients: Don't be a deer in the headlights of efficiency and get run over. Use AI to create more value.

Every LiveWorld team member is becoming an Intelligence Worker leveraging AI to:

- Develop strategy faster
- Generate creative variations at scale
- Surface deeper insights
- Cross former silos
- Engage clients at a higher intellectual level


This is a discovery work model.

And it transforms culture.

Internal Transformation:

AI now touches every part of LiveWorld:

- Engineers overseeing AI agents
- Strategists and creatives augmenting campaign ideation
- Moderators supported by AI classification and triage
- Sales teams leveraging AI for prospect intelligence
- Administrative teams automating operations
- Executive leadership using real-time intelligence dashboards



**The goal is not fewer people.
The goal is higher-value people.**

We are more efficient. But far more importantly, **we are more intelligent as an organization.**



Where We Are Going (2026-2027 and Beyond)

1

Scale LiveInsight AI Intelligence System

- Launch new intelligence modules every 1-3 months
- Deepen pharma footprint
- Later, expand to OTC, medical devices, and hospitals
- Later, move into adjacent industries

2

Increase Recurring Revenue Mix

- Grow annuity streams
- Increase tech percentage of revenue
- Maintain high-margin services layer

3

Strengthen Market Position

- Human-Led, AI-Powered positioning
- Intelligence Economy thought leadership
- Category creation around Intelligence Systems

4

Long-Term Capital Market Ambitions

- Grow revenue to tens of millions annually
- Improve valuation multiples via product leverage
- Uplist to higher exchanges
- Leverage patent portfolio
- Explore strategic acquisitions once scale supports it



Our Financial Philosophy Remains the Same

As stated in 2024 , we operate with discipline:

- Deliver value exceeding cost
- Maintain profitability where possible
- Invest accumulated cash strategically
- Under-promise and over-deliver
- Protect compliance integrity

That foundation remains intact.

What changes is the scale of opportunity.



Thirty Years of Rocket Fuel

We have survived when few others did. We have reinvented ourselves and expanded our portfolio multiple times:

- Online communities
- Social media moderation
- Healthcare digital agency
- Unlock Social integrated model
- **Now: Intelligence Systems**

Our history is not baggage. It is rocket fuel. This is not a casual statement. LiveInsight AI, our first intelligence system product line, debuts with multiple patents pending, and more to come. These patents are not just a function of the last few years' work. They trace to knowledge and experience gained throughout our entire thirty years.

We have developed perspectives, techniques, process, code, ways of integrating human touch and technology power, that few if any others have. Every up and down, every pivot, every conversation moderated, every human touch, every creative ad, every software innovation, every experiment with AI, all of it over the past three decades prepared us for this moment.



A Company of Vision, Discipline, and Courage

- *We are not chasing AI headlines. We are building defensible systems.
- *We are not replacing humans. We are elevating them.
- *We are not pivoting away from our core. We are expressing it more powerfully than ever.
- *Technology in the service of human experience. Conversations at the center.
- *Creating value together.
- ***Only now: It is Human-Led, AI-Powered Intelligence.**

Looking Forward

Thirty years ago, we believed online dialogue was transformative and people together could create more value than individuals alone. Today, we add to that:

Human-Led, AI-Powered Intelligence Systems can create more value than humans or AI alone.

This is our next era. To our shareholders, clients, employees, and partners:

Thank you for your belief, your patience, and your commitment.

The Intelligence Economy is here. LiveWorld is ready. LiveWorld will lead.



Peter H. Friedman

Founder, Chairman, & CEO



About LiveWorld

LiveWorld is a Human-Led, AI-Powered intelligence systems company which includes digital marketing agency solutions, moderation services, and software platforms, that helps brands engage safely and effectively in digital channels.

With deep expertise in healthcare and pharma, LiveWorld combines compliance, engagement, and insight solutions to transform customer relationships through social and digital media.

The company's LiveInsight AI Intelligence System integrates advanced AI with human expertise to deliver decision-grade intelligence, enabling brands to listen smarter, engage more meaningfully, and act with confidence.

Headquartered in Campbell, California, with an additional office in New York City, LiveWorld serves leading brands in healthcare and beyond. Learn more at www.liveworld.com and @LiveWorld.

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