

Condensed Consolidated Statements of Operations



(In thousands, except share data)	(Unaudited)									
	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	
Revenue	\$ 10,879	\$ 11,668	\$ 11,258	\$ 12,729	\$ 12,494	\$ 15,026	\$ 13,069	\$ 14,626	\$ 14,680	
Costs and expenses:										
Cost of revenue (exclusive of depreciation and amortization)	2,720	2,787	2,927	3,170	2,920	3,067	3,054	3,179	3,240	
Sales and marketing expenses	2,349	2,154	2,208	2,391	2,822	2,623	2,998	3,889	3,078	
General and administrative expenses	4,890	4,127	6,244	5,353	5,300	5,465	7,119	5,241	5,075	
Depreciation and amortization	1,330	1,345	1,466	1,534	1,613	1,713	1,815	1,916	2,054	
Total costs and expenses	11,289	10,413	12,845	12,448	12,655	12,868	14,986	14,225	13,447	
(Loss) income from operations	(410)	1,255	(1,587)	281	(161)	2,158	(1,917)	401	1,233	
Interest (expense) income, net	(4)	1	1	1	-	125	225	286	315	
Gain on extinguishment of debt	2,175	-	-	-	-	-	-	-	-	
Income (loss) before income taxes	1,761	1,256	(1,586)	282	(161)	2,283	(1,692)	687	1,548	
Income tax expense (benefit)	-	-	198	175	44	25	(148)	(29)	160	
Net income (loss)	\$ 1,761	\$ 1,256	\$ (1,784)	\$ 107	\$ (205)	\$ 2,258	\$ (1,544)	\$ 716	\$ 1,388	
Earnings (loss) per share:										
Basic	\$ 0.14	\$ 0.10	\$ (0.14)	\$ 0.01	\$ (0.01)	\$ 0.16	\$ (0.11)	\$ 0.05	\$ 0.10	
Diluted	\$ 0.13	\$ 0.09	\$ (0.14)	\$ 0.01	\$ (0.01)	\$ 0.16	\$ (0.11)	\$ 0.05	\$ 0.10	
Weighted average number of shares outstanding:										
Basic	12,269,412	12,741,723	13,158,638	13,543,607	13,776,479	13,748,587	13,964,010	13,997,154	13,961,862	
Diluted	13,560,714	13,645,208	13,158,638	14,047,635	13,776,479	13,764,262	13,964,010	14,236,771	14,172,024	

Condensed Consolidated Balance Sheets



(In thousands, except share data)	(Unaudited)								
	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
ASSETS:									
Current assets:									
Cash and cash equivalents	\$ 13,915	\$ 13,397	\$ 34,258	\$ 34,775	\$ 32,328	\$ 31,273	\$ 31,810	\$ 30,818	\$ 31,368
Accounts receivable, net of allowance for doubtful accounts	3,386	4,040	3,736	4,561	4,157	6,473	5,535	5,889	6,556
Prepaid expenses and other current assets	1,265	650	599	1,081	953	849	771	1,310	1,325
Total current assets	18,566	18,087	38,593	40,417	37,438	38,595	38,116	38,017	39,249
Property and equipment, net	576	587	577	625	671	664	709	692	640
Intangible assets, net	27,810	27,979	28,181	28,804	29,774	30,831	31,647	32,521	33,175
Goodwill	5,227	5,227	5,227	5,227	5,227	5,227	5,227	5,227	5,227
Right-of-use assets	1,916	1,790	1,661	1,529	1,394	1,255	1,114	969	821
Other non-current assets	137	137	137	137	137	137	601	894	765
Total assets	\$ 54,232	\$ 53,807	\$ 74,376	\$ 76,739	\$ 74,641	\$ 76,709	\$ 77,414	\$ 78,320	\$ 79,877
LIABILITIES AND SHAREHOLDERS' EQUITY:									
Current liabilities:									
Accounts payable	\$ 1,418	\$ 1,366	\$ 1,605	\$ 2,233	\$ 1,448	\$ 1,596	\$ 2,229	\$ 2,345	\$ 1,694
Accrued expenses and other current liabilities	761	746	395	442	626	562	1,845	411	424
Current portion of operating lease liabilities	584	600	617	636	655	674	692	711	731
Deferred revenue	427	424	841	713	622	539	670	763	627
Total current liabilities	3,190	3,136	3,458	4,024	3,351	3,371	5,436	4,230	3,476
Noncurrent operating lease liabilities	1,608	1,452	1,291	1,124	953	778	598	413	222
Deferred tax liabilities	-	-	198	373	395	405	287	257	411
Total liabilities	4,798	4,588	4,947	5,521	4,699	4,554	6,321	4,900	4,109
Shareholders' equity:									
Preferred stock—\$0.001 par value	-	-	-	-	-	-	-	-	-
Common stock—\$0.001 par value	13	13	13	14	14	14	14	14	14
Treasury stock, at cost	-	-	-	-	(134)	(18)	-	(201)	(52)
Additional paid-in capital	70,911	69,440	91,434	93,115	92,178	92,017	92,481	94,293	95,104
Accumulated deficit	(21,490)	(20,234)	(22,018)	(21,911)	(22,116)	(19,858)	(21,402)	(20,686)	(19,298)
Total shareholders' equity	49,434	49,219	69,429	71,218	69,942	72,155	71,093	73,420	75,768
Total liabilities and shareholders' equity	\$ 54,232	\$ 53,807	\$ 74,376	\$ 76,739	\$ 74,641	\$ 76,709	\$ 77,414	\$ 78,320	\$ 79,877

Condensed Consolidated Statements of Cash Flows



(In thousands, except share data)	(Unaudited)									
	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	
CASH FLOWS FROM OPERATING ACTIVITIES:										
Net income (loss)	\$ 1,761	\$ 1,256	\$ (1,784)	\$ 107	\$ (205)	\$ 2,258	\$ (1,544)	\$ 716	\$ 1,388	
Adjustments to reconcile net income (loss) to net cash provided by operating activities:										
Depreciation and amortization	1,330	1,345	1,466	1,534	1,613	1,713	1,815	1,916	2,054	
Share-based compensation expense	2,165	986	1,418	1,387	1,406	1,273	1,439	1,384	1,305	
Write-off of long-lived assets	5	-	8	3	-	3	171	3	-	
Provision for bad debts	3	5	28	37	24	35	78	668	121	
Noncash lease expenses	124	126	129	132	135	139	141	145	148	
Interest expense	6	-	-	-	-	-	-	-	-	
Gain on extinguishment of debt	(2,175)	-	-	-	-	-	-	-	-	
Deferred income tax expense (benefit)	-	-	198	175	22	10	(118)	(30)	154	
Changes in assets and liabilities:										
Accounts receivable	193	(659)	276	(862)	380	(2,351)	860	(1,022)	(788)	
Prepaid expenses and other current assets	(292)	615	51	(482)	128	104	78	(539)	(15)	
Other non-current assets	-	-	-	-	-	-	(464)	(293)	129	
Accounts payable	(556)	(52)	239	628	(785)	148	633	116	(651)	
Accrued expenses and other current liabilities	(102)	(15)	(351)	47	50	52	1,301	(1,460)	9	
Deferred revenue	(26)	(3)	417	(128)	(91)	(83)	131	93	(136)	
Operating lease liabilities	(135)	(140)	(144)	(148)	(152)	(156)	(162)	(166)	(171)	
Net cash provided by operating activities	2,301	3,464	1,951	2,430	2,525	3,145	4,359	1,531	3,547	
CASH FLOWS FROM INVESTING ACTIVITIES:										
Purchase of property and equipment	(109)	(68)	(57)	(113)	(108)	(50)	(102)	(44)	(7)	
Capitalized costs included in intangible assets	(1,173)	(1,129)	(1,415)	(1,794)	(2,099)	(2,246)	(2,317)	(2,273)	(2,236)	
Net cash used in investing activities	(1,282)	(1,197)	(1,472)	(1,907)	(2,207)	(2,296)	(2,419)	(2,317)	(2,243)	
CASH FLOWS FROM FINANCING ACTIVITIES:										
Proceeds from issuance of shares, net of issuance costs	-	-	20,924	-	-	-	-	-	-	
Taxes paid related to net share settlement of vesting of restricted stock units	-	(2,785)	(542)	(6)	(2,765)	(1,539)	(890)	(31)	(19)	
Repurchases of common stock	-	-	-	-	-	(365)	(513)	(175)	(735)	
Net cash (used in) provided by financing activities	-	(2,785)	20,382	(6)	(2,765)	(1,904)	(1,403)	(206)	(754)	
Net increase (decrease) in cash and cash equivalents	1,019	(518)	20,861	517	(2,447)	(1,055)	537	(992)	550	
Cash and cash equivalents at beginning of period	12,896	13,915	13,397	34,258	34,775	32,328	31,273	31,810	30,818	
Cash and cash equivalents at end of period	\$ 13,915	\$ 13,397	\$ 34,258	\$ 34,775	\$ 32,328	\$ 31,273	\$ 31,810	\$ 30,818	\$ 31,368	
SUPPLEMENTAL DISCLOSURE INFORMATION										
Cash paid for interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cash paid for income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37	\$ 2	\$ 1	\$ 21	
Share-based compensation capitalized in intangible assets	\$ 344	\$ 328	\$ 194	\$ 301	\$ 422	\$ 470	\$ 428	\$ 459	\$ 413	
Retirement of treasury stock	\$ -	\$ 2,785	\$ 542	\$ 6	\$ 2,765	\$ 1,904	\$ 1,403	\$ 31	\$ 907	

Non-GAAP Reconciliations



(In thousands)	(Unaudited)									
	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	
Net income (loss)	\$ 1,761	\$ 1,256	\$ (1,784)	\$ 107	\$ (205)	\$ 2,258	\$ (1,544)	\$ 716	\$ 1,388	
Interest expense (income), net	4	(1)	(1)	(1)	-	(125)	(225)	(286)	(315)	
Income tax expense (benefit)	-	-	198	175	44	25	(148)	(29)	160	
Depreciation and amortization	1,330	1,345	1,466	1,534	1,613	1,713	1,815	1,916	2,054	
Share-based compensation expense	2,165	986	1,418	1,387	1,406	1,273	1,439	1,384	1,305	
Gain on extinguishment of debt	(2,175)	-	-	-	-	-	-	-	-	
Litigation costs	6	-	-	15	76	37	4	3	45	
Write-off of long-lived assets and others	41	34	9	3	-	4	171	2	-	
Adjusted EBITDA	\$ 3,132	\$ 3,620	\$ 1,306	\$ 3,220	\$ 2,934	\$ 5,185	\$ 1,512	\$ 3,706	\$ 4,637	
Revenue	\$ 10,879	\$ 11,668	\$ 11,258	\$ 12,729	\$ 12,494	\$ 15,026	\$ 13,069	\$ 14,626	\$ 14,680	
Net income (loss) margin	16%	11%	(16%)	1%	(2%)	15%	(12%)	5%	9%	
Adjusted EBITDA margin	29%	31%	12%	25%	23%	35%	12%	25%	32%	

(In thousands)	(Unaudited)									
	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	
Revenue	\$ 10,879	\$ 11,668	\$ 11,258	\$ 12,729	\$ 12,494	\$ 15,026	\$ 13,069	\$ 14,626	\$ 14,680	
Cost of revenue (exclusive of depreciation and amortization)	(2,720)	(2,787)	(2,927)	(3,170)	(2,920)	(3,067)	(3,054)	(3,179)	(3,240)	
Depreciation and amortization of intangible assets	(1,272)	(1,288)	(1,407)	(1,472)	(1,551)	(1,659)	(1,758)	(1,858)	(1,995)	
Gross profit	6,887	7,593	6,924	8,087	8,023	10,300	8,257	9,589	9,445	
Depreciation and amortization of intangible assets	1,272	1,288	1,407	1,472	1,551	1,659	1,758	1,858	1,995	
Adjusted gross profit	\$ 8,159	\$ 8,881	\$ 8,331	\$ 9,559	\$ 9,574	\$ 11,959	\$ 10,015	\$ 11,447	\$ 11,440	
Gross margin	63%	65%	62%	64%	64%	69%	63%	66%	64%	
Adjusted gross margin	75%	76%	74%	75%	77%	80%	77%	78%	78%	

(In thousands)	(Unaudited)									
	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	
Net cash provided by operating activities	\$ 2,301	\$ 3,464	\$ 1,951	\$ 2,430	\$ 2,525	\$ 3,145	\$ 4,359	\$ 1,531	\$ 3,547	
Less:										
Purchase of property and equipment	(109)	(68)	(57)	(113)	(108)	(50)	(102)	(44)	(7)	
Capitalized costs included in intangible assets	(1,173)	(1,129)	(1,415)	(1,794)	(2,099)	(2,246)	(2,317)	(2,273)	(2,236)	
Free cash flow	\$ 1,019	\$ 2,267	\$ 479	\$ 523	\$ 318	\$ 849	\$ 1,940	\$ (786)	\$ 1,304	

Use of Non-GAAP Financial Measures

Management evaluates the financial performance of our business on a variety of key indicators, including non-GAAP metrics of adjusted EBITDA, adjusted EBITDA margin, adjusted gross profit, adjusted gross margin and free cash flow ("FCF"). Adjusted EBITDA is a financial measure equal to net income (loss), the most directly comparable financial measure based on US GAAP, excluding interest expense (income), net, income tax expense (benefit), depreciation and amortization, share-based compensation expense, gain on extinguishment of debt, litigation costs, and write-off of long-lived assets and others. We define adjusted EBITDA margin as adjusted EBITDA as a percentage of revenue. We define adjusted gross profit as revenue less cost of revenue (exclusive of depreciation and amortization), and adjusted gross margin as adjusted gross profit as a percentage of revenue. We define FCF as net cash provided by operating activities reduced by purchase of property and equipment and capitalized costs included in intangible assets.