

Reliv International, Inc.

136 Chesterfield Industrial Blvd., Chesterfield, MO 63005

Company Phone: (636) 537-9715

Website: www.reliv.com

Email: shareholderinfo@relivinc.com

Quarterly Report

For the period ending March 31, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,058,303 as of March 31, 2024 *(Current Reporting Period Date or More Recent Date)*

1,058,303 as of December 31, 2023 *(Most Recent Completed Fiscal Year End)*

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁴ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Reliv International, Inc.

Current State and Date of Incorporation or Registration: Delaware

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

N/A

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

136 Chesterfield Industrial Blvd., Chesterfield, MO 63005

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Equiniti Trust Company, LLC (formerly American Stock Transfer & Trust)

Phone: 718-921-8124

Email: admin1@equiniti.com

Address: 6201 15th Avenue, Brooklyn, NY 11219

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>RELV</u>
Exact title and class of securities outstanding:	<u>Reliv International, Inc. Common Stock</u>
CUSIP:	<u>75952R308</u>
Par or stated value:	<u>Par value \$0.001</u>
Total shares authorized:	<u>5,000,000</u> as of date: <u>3/31/2024</u>
Total shares outstanding:	<u>1,058,303</u> as of date: <u>3/31/2024</u>
Total number of shareholders of record:	<u>approx. 23</u> as of date: <u>3/31/2024</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	<u>Reliv International, Inc. Preferred Stock</u>
CUSIP (if applicable):	<u>N/A</u>
Par or stated value:	<u>Par value \$0.001</u>
Total shares authorized:	<u>500,000</u> as of date: <u>3/31/2024</u>
Total shares outstanding (if applicable):	<u>none</u> as of date: <u>3/31/2024</u>
Total number of shareholders of record (if applicable):	<u>none</u> as of date: <u>3/31/2024</u>

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

No other classes of authorized or outstanding equity securities

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Dividends: We have not declared any cash dividends over the past two years. The declaration of future dividends is subject to the discretion of our Board of Directors and will depend upon various factors, including our earnings, financial condition, restrictions that may be imposed by any indebtedness that may be outstanding, cash requirements, and other factors deemed relevant by our Board of Directors.

Voting rights: For matters presented by our Board of Directors to our common stock shareholders, an owner of our common stock as of the record date is entitled to one vote per each share of common stock.

Preemption rights: None

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

Preferred Stock: Shares of Preferred Stock may be issued from time to time at the sole discretion of our Board of Directors, with such designation, preferences, conversion rights, cumulative, relative, participating, option or other rights, qualifications, limitations or restrictions thereof as shall be stated and expressed in the resolution or resolutions providing for the issuance of such Preferred Stock adopted by our Board of Directors pursuant to its authority.

The Company has had no outstanding shares of Preferred Stock since 2004.

3. Describe any other material rights of common or preferred stockholders.

None

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☒ Yes: ☐ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance:</u> Date _____ Common: _____ Preferred: _____			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding on Date of This Report: <u>Ending Balance:</u> Date _____ Common: _____ Preferred: _____									

Example: A company with a fiscal year end of December 31st 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☒ Yes: ☐ (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Reliv International, Inc. is a developer and marketer of a proprietary line of nutritional supplements addressing basic nutrition, specific wellness needs, weight management and sports nutrition. We sell our products through an international network marketing system using independent distributors. We have sold products in the United States since 1988 and in selected international markets since 1991. Our international markets include Australia, New Zealand, Canada, Malaysia, Mexico, the Philippines, the United Kingdom, Ireland, France, Germany, Austria and the Netherlands,

We have developed our products over the years through several sources, including an in-house R&D team, partnering with our manufacturing partner, Nutracom LLC, and other development partners in the nutritional supplement industry. We have received U.S. patents on a number of products, and have active patents on ProVantage, GlucAffect, 24K, and CardioSentials. In addition to our patented formulas, we own four U.S. patents, several international patents and patent applications related to our soy concentrate ingredient with elevated levels of bioactive lunasin, the key ingredient in our LunaRich X product. Further, we utilize a proprietary production process to produce our soy concentrate that we protect as a trade secret, along with the bioassay to determine the bioavailability of lunasin in our products.

We market our products through our independent distributors in the United States and other countries we do business. We also market directly to our preferred customers that have purchased through a distributor or directly from the company. Our marketing techniques include our corporate website (www.reliv.com), direct email, texting, and frequent activity on various social media sites, including Facebook and Instagram. We have been a member of Direct Selling Association since 1990, and we also maintain a marketplace on Amazon.

B. List any subsidiaries, parent company, or affiliated companies.

Reliv, Inc., an Illinois corporation
Reliv World Corporation, an Illinois corporation
Reliv Australia Pty, Limited, organized under the laws of Australia
Reliv New Zealand, Limited, organized under the laws of New Zealand
Reliv Now de Mexico, S. de R.L. de C.V., organized under the laws of Mexico
Reliv Philippines, Inc., organized under the laws of the Philippines
Reliv Canada Company, organized under the laws of Canada
Reliv International Sdn. Bhd., organized under the laws of Malaysia
Reliv Europe Limited, organized under the laws of the United Kingdom
SL Technology, Inc., a Missouri corporation
Reliv Online Global, Inc., a Missouri corporation

All of our subsidiaries conduct business under their legal names as stated above.

C. Describe the issuers' principal products or services.

See response to Item 5) A. above

Reliv International, Inc. offers a proprietary line of nutritional supplements addressing basic nutrition, specific wellness needs, weight management and sports nutrition which is distributed internationally through an international marketing system of independent distributors.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

<u>Location</u>	<u>Nature of Use</u>	<u>Square Feet</u>	<u>Owned/Leased</u>
Chesterfield, MO, USA	corporate headquarters/call center	29,823	Leased
Guadalajara, Mexico	central office/warehouse/call center	2,300	Leased
Makati City (Manila), Philippines	central office/ warehouse/distribution	5,000	Leased
Redditch (Birmingham), England, UK	central office/ warehouse/distribution	1,700	Leased
Subang Jaya (Kuala Lumpur), Malaysia	central office/call center	300	Leased

Effective upon the completion of the April 10, 2023 sale of our headquarters building and land, we have entered into a lease agreement with the Buyer to continue our headquarters office in its current location. The lease is for a term of ten years with a lessee mid-term option to reduce the rental space after five years. Annual lease payments range from approximately \$25,000 to \$36,000 per month plus operating expenses and common area maintenance charges. The lease also includes various provisions for our obligation to fund certain building repairs over the term of the lease.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Robert L. Montgomery</u>	<u>Chairman of the Board</u>	<u>Chesterfield, MO</u>	<u>295,495</u>	<u>Common</u>	<u>27.9%</u>	<u>----</u>
<u>Ryan A. Montgomery</u>	<u>Chief Executive Officer, Director</u>	<u>St. Albans, MO</u>	<u>100,781</u>	<u>Common</u>	<u>9.5%</u>	<u>----</u>
<u>Donald L. McCain</u>	<u>Director</u>	<u>Las Vegas, NV</u>	<u>81,451</u>	<u>Common</u>	<u>7.7%</u>	<u>----</u>
<u>R. Scott Montgomery</u>	<u>President of Operations, Director</u>	<u>Defiance, MO</u>	<u>103,985</u>	<u>Common</u>	<u>9.8%</u>	<u>----</u>
<u>Melisa B. McCain</u>	<u>5% Owner/ Employee</u>	<u>Wildwood, MO</u>	<u>100,000</u>	<u>Common</u>	<u>9.4%</u>	<u>Note 1</u>
<u>Stephen M. Merrick</u>	<u>Secretary/Director</u>	<u>Fairhope, AL</u>	<u>63,191</u>	<u>Common</u>	<u>6.0%</u>	<u>Note 2</u>
<u>Steven D. Albright</u>	<u>Chief Financial Officer</u>	<u>Wildwood, MO</u>	<u>5,438</u>	<u>Common</u>	<u><1.0%</u>	<u>----</u>
<u>John M. Klimek</u>	<u>General Counsel</u>	<u>Inverness, IL</u>	<u>-0-</u>	<u>N/A</u>	<u>----</u>	<u>----</u>
<u>Debra P. Bernardoni</u>	<u>Chief Operating Officer</u>	<u>O'Fallon, MO</u>	<u>-0-</u>	<u>N/A</u>	<u>----</u>	<u>----</u>
<u>James L. Lahm</u>	<u>VP of Information Technology</u>	<u>St. Louis, MO</u>	<u>-0-</u>	<u>N/A</u>	<u>-----</u>	<u>-----</u>

Note 1: Melissa B. McCain holds 69,129 shares through Montgomery Enterprises, Ltd., for which she has voting control of these shares.

Note 2: Stephen M. Merrick holds 63,191 shares through Merrick & Company, for which he has voting control of these shares.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

NO

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

NO

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

NO

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

NO

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

NO

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

NO

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Jessica Haggard
Firm: Anthony, Linder & Cacomanolis, PLLC
Address 1: 1700 Palm Beach Lakes Blvd., Suite 820
Address 2: West Palm Beach, FL 33401
Phone: 561/514-0936
Email: jhaggard@alclaw.com

Accountant or Auditor

Name: None
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations

Name: None
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): N/A
Discord: N/A
LinkedIn: N/A
Facebook: N/A
[Other] N/A

Other Service Providers

Provide the name of any other service provider(s) **that assisted, advised, prepared, or provided information with respect to this disclosure statement.** This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: None
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **Steven D. Albright**
Title: **Sr. Vice President, Chief Financial Officer**
Relationship to Issuer: **Officer of Reliv International, Inc.**

B. The following financial statements were prepared in accordance with:

- ☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: **Steven D. Albright**
Title: **Sr. Vice President, Chief Financial Officer**
Relationship to Issuer: **Officer of Reliv International, Inc.**

Describe the qualifications of the person or persons who prepared the financial statements:⁵

Mr. Albright has been our Senior Vice President and Chief Financial Officer since March 2005; was the Vice President, Finance/Controller from 2002 to 2005; and was the Controller from 1992 to 2002. Prior to his employment with us, Mr. Albright was employed from 1987 to 1992 as Assistant Controller for Kangaroos USA, Inc., an athletic shoe importer and distributor. For the period from 1983 to 1987, he was employed by the public accounting firm of Ernst & Young LLP. Mr. Albright received a B.S. degree in Accountancy from the University of Illinois at Urbana-Champaign and is a CPA.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

See Appendix A at end of document for the unaudited Consolidated Financial Statements.

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Ryan A. Montgomery certify that:

1. I have reviewed this Disclosure Statement for Reliv International, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 13, 2024

/s/ Ryan A. Montgomery

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Steven D. Albright certify that:

1. I have reviewed this Disclosure Statement for Reliv International, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 13, 2024

/s/ Steven D. Albright

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

APPENDIX A

Condensed Consolidated Financial Statements for the Quarter Ending March 31, 2024

Reliv International, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets

(unaudited)	March 31 2024	December 31 2023
Assets		
Current assets:		
Cash and cash equivalents	\$5,584,895	\$5,667,057
Accounts receivable	43,632	15,367
Notes & accounts receivables and deposits	793,899	556,045
Inventories		
Finished goods	2,016,326	2,367,727
Raw materials	238,468	328,700
Sales aids and promotional materials	59,088	59,470
Total inventories	2,313,882	2,755,897
Refundable income taxes	16,234	19,065
Prepaid expenses and other current assets	489,886	471,497
Total current assets	9,242,428	9,484,928
Notes and accounts receivables	896,550	956,247
Operating lease right-to-use assets, net	2,578,246	2,658,508
Intangible assets, net	761,841	818,337
Property, plant and equipment:		
Office & other equipment	976,299	977,018
Computer equipment & software	2,478,707	2,419,192
Leasehold Improvements	86,818	87,739
	3,541,824	3,483,949
Less: Accumulated depreciation	3,125,647	3,119,264
Net property, plant and equipment	416,177	364,685
Total assets	\$13,895,242	\$14,282,705

See notes to financial statements.

Reliv International, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets

(unaudited)	March 31 2024	December 31 2023
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses:		
Trade accounts payable and other accrued expenses	\$664,665	\$578,419
Distributors' commissions payable	503,336	384,922
Sales taxes payable	62,892	54,559
Payroll and payroll taxes payable	148,663	226,534
Total accounts payable and accrued expenses	1,379,556	1,244,434
Income taxes payable	4,787	1,153
Deferred revenue	155,413	145,664
Operating lease liabilities	214,218	222,858
Total current liabilities	1,753,974	1,614,109
Noncurrent liabilities:		
Operating lease liabilities	2,420,089	2,474,415
Other noncurrent liabilities	317,960	314,494
Total noncurrent liabilities	2,738,049	2,788,909
Stockholders' equity:		
Preferred stock, par value \$.001 per share; 500,000 shares authorized; -0- shares issued and outstanding in 2023 and 2022	-	-
Common stock, par value \$.001 per share; 5,000,000 authorized; 1,421,867 shares issued and 1,058,303 shares outstanding as of 3/31/2024 and 12/31/2023	1,422	1,422
Additional paid-in capital	27,993,259	27,993,259
Accumulated deficit	(11,773,269)	(11,305,454)
Accumulated other comprehensive loss:		
Foreign currency translation adjustment	(966,770)	(958,117)
Treasury stock	(5,851,423)	(5,851,423)
Total stockholders' equity	9,403,219	9,879,687
Total liabilities and stockholders' equity	\$13,895,242	\$14,282,705

See notes to financial statements.

Reliv International, Inc. and Subsidiaries

Condensed Consolidated Statements of Net Loss
and Comprehensive Loss

(unaudited)	Three months ended March 31	
	2024	2023
Product sales	\$5,098,455	\$6,341,987
Freight income	335,352	372,491
Other revenue	-	208,860
Net sales	5,433,807	6,923,338
Costs and expenses:		
Cost of goods sold	1,360,620	1,860,268
Distributor royalties and commissions	1,646,591	2,093,114
Selling, general and administrative	2,909,262	3,151,258
Total costs and expenses	5,916,473	7,104,640
Loss from operations	(482,666)	(181,302)
Other income (expense):		
Interest income	36,982	21,307
Interest expense	(2,814)	(53,729)
Other income (expense)	(12,317)	23,623
Loss before income taxes	(460,815)	(190,101)
Provision for income taxes	7,000	11,000
Net loss	(\$467,815)	(\$201,101)
Other comprehensive income (loss):		
Foreign currency translation adjustment	(8,653)	49,582
Comprehensive loss	(\$476,468)	(\$151,519)
Loss per common share - Basic & Diluted	(\$0.44)	(\$0.19)
Weighted average shares	1,058,000	1,058,000

See notes to financial statements.

Reliv International, Inc. and Subsidiaries

Condensed Consolidated Statements of Cash Flows

(unaudited)

	Three months ended March 31	
	2024	2023
Operating activities:		
Net loss	(\$467,815)	(\$201,101)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	65,520	129,744
Non-cash debt issuance expense	-	12,782
Foreign currency transaction (gain) loss	15,901	5,152
(Increase) decrease in trade, accounts & notes receivable, and deposits	(266,857)	329,475
(Increase) decrease in inventories	433,498	27,191
(Increase) decrease in refundable income taxes	2,513	3,797
(Increase) decrease in prepaid expenses and other current assets	(21,162)	(293,839)
Increase (decrease) in income taxes payable	3,634	(11,131)
Increase (decrease) in accounts payable & accrued expenses, deferred revenue, and other noncurrent liabilities	174,185	(51,091)
Net cash provided by (used in) operating activities	(60,583)	(49,021)
Investing activities:		
Purchase of property and equipment	(60,734)	(32,809)
Payments received on notes & royalty receivables	60,272	43,506
Net cash provided by (used in) investing activities	(462)	10,697
Financing activities:		
Principal payments on long-term borrowings	-	(35,219)
Net cash used in financing activities	-	(35,219)
Effect of exchange rate changes on cash and cash equivalents	(21,117)	22,929
Increase (decrease) in cash and cash equivalents	(82,162)	(50,614)
Cash and cash equivalents at beginning of period	5,667,057	2,447,531
Cash and cash equivalents at end of period	<u>\$5,584,895</u>	<u>\$2,396,917</u>

See notes to financial statements.

Reliv International, Inc. and Subsidiaries

Condensed Consolidated Statements of
Stockholders' Equity

(unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance at December 31, 2022	1,421,867	\$ 1,422	\$ 27,993,259	\$ (13,819,578)	\$ (1,035,921)	363,564	\$ (5,851,423)	\$ 7,287,759
Net loss	-	-	-	(201,101)	-	-	-	(201,101)
Other comprehensive income (loss):								
Foreign currency translation adjustment	-	-	-	-	49,582	-	-	49,582
Total comprehensive loss								(151,519)
Balance at March 31, 2023	1,421,867	\$ 1,422	\$ 27,993,259	\$ (14,020,679)	\$ (986,339)	363,564	\$ (5,851,423)	\$ 7,136,240

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock		Total
	Shares	Amount				Shares	Amount	
Balance at December 31, 2023	1,421,867	\$ 1,422	\$ 27,993,259	\$ (11,305,454)	\$ (958,117)	363,564	\$ (5,851,423)	\$ 9,879,687
Net loss	-	-	-	(467,815)	-	-	-	(467,815)
Other comprehensive income (loss):								
Foreign currency translation adjustment	-	-	-	-	(8,653)	-	-	(8,653)
Total comprehensive loss								(476,468)
Balance at March 31, 2024	1,421,867	\$ 1,422	\$ 27,993,259	\$ (11,773,269)	\$ (966,770)	363,564	\$ (5,851,423)	\$ 9,403,219

See notes to financial statements.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

March 31, 2024

1. Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements and notes thereto have been prepared in accordance with accounting principles generally accepted in the United States for the preparation of interim financial statements and reflect all adjustments (which primarily include normal recurring accruals) which we believe are necessary to present fairly the financial position, results of operations and cash flows. All significant intercompany accounts and transactions have been eliminated. These statements, however, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, and cash flows in conformity with accounting principles generally accepted in the United States. Interim results may not necessarily be indicative of results that may be expected for any other interim period or for the year as a whole. These financial statements should be read in conjunction with the unaudited consolidated financial statements and footnotes included in the Annual Report and Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines for the year ended December 31, 2023, filed April 1, 2024 with the OTC Marketplace.

We evaluate events through the date these condensed consolidated financial statements are filed with the OTC Marketplace for events requiring adjustment to or disclosure in the condensed consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Concentrations of Risk

Effective January 1, 2019, we have entered into outsourcing agreements with Nutracom LLC ("Nutracom") to manufacture our nutritional and dietary supplements and for warehousing and fulfillment services for the U.S. distribution of our products. Nutracom has also issued promissory notes to us for its 2019 acquisition of our manufacturing and fulfillment operations. Any inability of Nutracom to deliver these contracted services or to repay its various obligations to us could adversely impact our future operating results. See Notes 2 and 3 for further discussion of our relationship with Nutracom.

Cash Equivalents

Our policy is to define cash and cash equivalents as demand deposits and short-term investments with a maturity of three months or less when purchased. We primarily maintain our U.S. cash balance in two U.S. financial institutions which are insured up to the maximum allowable by the Federal Deposit Insurance Corporation ("FDIC"). We have not experienced any losses in such accounts and do not believe we are exposed to any significant risk of loss of cash. At times, the U.S. cash balance may exceed the maximum insured limits of the FDIC. Our non-U.S. cash balances are maintained at various financial institutions within the local country of each of our foreign subsidiaries. As of March 31, 2024 and December 31, 2023, our U.S. cash balance as a percentage of our total consolidated cash balance was 80% and 82%, respectively.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

1. Accounting Policies (continued)

New Accounting Pronouncements – Not Yet Adopted

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The update is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant expenses. The ASU requires disclosure to include significant segment expenses that are regularly provided to the chief operating decision maker (CODM), a description of other segment items by reportable segment, and any additional measures of a segment’s profit or loss used by the CODM when deciding how to allocate resources. The ASU also requires all annual disclosures currently required by Topic 280 to be included in interim periods. The update is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted and requires retrospective application to all prior periods presented in the financial statements. We are currently assessing the timing and impact of adopting the updated provisions.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which includes amendments that further enhance income tax disclosures, primarily through standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The amendments are effective for our annual fiscal periods beginning January 1, 2025, with early adoption permitted, and should be applied either prospectively or retrospectively. We are currently evaluating the ASU to determine its impact on our income tax disclosures.

2. Significant Business Concentrations

On January 1, 2019, we entered into a Purchase Agreement with Nutracom pursuant to which Nutracom purchased from us machinery, other equipment, and inventories previously used by us in our manufacturing operations. Nutracom was founded by our former manufacturing operations management.

Concurrently with the execution of the Purchase Agreement, we entered into several agreements with Nutracom including a product supply agreement for a term of seven years, and a fulfillment agreement.

Included within the consideration received by us for the sale of our manufacturing operations, Nutracom issued us two interest-bearing promissory notes (as amended) and a Class B equity membership interest in Nutracom. Embedded within the Class B equity membership was an agreement for Nutracom to pay us royalties based on a percentage of Nutracom’s annual revenues (excluding Nutracom’s revenues from sales to us). On April 10, 2023, we entered into an agreement with Nutracom whereby we returned to Nutracom our Class B 5% non-voting, non-profit-participating equity membership interest in Nutracom LLC. We continue to retain our rights to receive royalties on certain Nutracom revenues until the end of 2030 or an effective Supply Agreement with Nutracom remains in effect. The annual royalty limit is \$250,000. In accordance with this transaction, in 2023, we re-classified this asset from an Equity Investment to a Royalty Receivable in the accompanying condensed consolidated balance sheets.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

2. Significant Business Concentrations (continued)

The following summarizes our significant business activities with Nutracom.

Significant Business Concentrations

	March 31 2024	December 31 2023
<u>Assets and liabilities</u>		
<u>Notes & accounts receivables and deposits - current</u>		
Deposits with Nutracom for inventory	\$ 534,080	\$ 297,812
Manufacturing credit receivable - Nutracom	164,816	162,167
Royalty receivable - Nutracom	79,615	82,838
Other miscellaneous receivables	15,388	13,228
	<u>\$ 793,899</u>	<u>\$ 556,045</u>
<u>Notes & accounts receivables - non-current</u>		
Manufacturing credit receivable - Nutracom	\$ 542,497	\$ 584,708
Royalty receivable - Nutracom	354,053	371,539
	<u>\$ 896,550</u>	<u>\$ 956,247</u>
<u>Liability captions with Nutracom balances included therein</u>		
Trade accounts payable and other accrued expenses	\$ 51,516	\$ 104,744
<u>Revenue and expense</u>	Three months ended March 31 2024	2023
Other revenue	\$ -	\$ 208,860
Selling, general and administrative expense:		
Fullfillment & professional fees	85,760	105,219
Interest income on promissory notes	11,709	20,027
Royalty income (other income/expense)	1,264	26,837
Finished goods inventory purchased from Nutracom	\$ 612,000	\$ 1,282,500

At March 31, 2024, we had \$958,000 in commitments (net of deposits) to purchase finished goods inventory from Nutracom.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

3. Notes Receivable Due From Nutracom

Included within the consideration received by us from Nutracom for the January 1, 2019 sale of our manufacturing operations, Nutracom issued us two interest-bearing promissory notes under various repayment terms.

On April 10, 2023, we have entered into a re-financing agreement with Nutracom whereby our two outstanding Nutracom notes receivable balances were combined into a single financial instrument (manufacturing credit receivable) to be satisfied as follows: fifty-eight months of a monthly amortization of principal and interest of approximately \$17,000 at 6.5% fixed interest rate. Nutracom will satisfy its obligation to us in the form of a monthly credit memo which we will apply to our obligations to Nutracom for our purchases from Nutracom of our finished goods inventories. Concurrently, we have extended our supplier agreement with Nutracom through 2030. The outstanding balance of the manufacturing credit note receivable was \$707,313 and \$746,875 as of March 31, 2024 and December 31, 2023, respectively.

The following table presents scheduled manufacturing credits (principal portion) to be received on the Nutracom manufacturing credit receivable:

Remainder of 2024	\$	122,605
2025		173,027
2026		184,615
2027		196,979
2028		30,087
Thereafter		-
	\$	<u>707,313</u>

4. Fair Value of Financial Instruments

Fair value can be measured using valuation techniques such as the market approach (comparable market prices), the income approach (present value of future income or cash flow), and the cost approach (cost to replace the service capacity of an asset or replacement cost). Accounting standards utilize a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

4. Fair Value of Financial Instruments (continued)

The carrying amount and fair value of financial instruments were approximately as follows:

Description	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
<u>March 31, 2024</u>					
Receivables - Nutracom:					
Manufacturing credit	\$707,313	\$707,313	-	-	\$707,313
Royalty	433,668	433,668	-	-	433,668
<u>December 31, 2023</u>					
Receivables - Nutracom:					
Manufacturing credit	\$746,875	\$746,875	-	-	\$746,875
Royalty	454,377	454,377	-	-	454,377

Manufacturing credit receivable - Nutracom: The manufacturing credit receivable - Nutracom represents a financial instrument with characteristics similar to a fixed rate promissory note issued by a privately-held entity (PHE). The fair value of this financial instrument approximates carrying value as the financial instrument was obtained in April 2023 at fair value. (Fair value is only disclosed).

Royalty receivable - Nutracom: The royalty receivable - Nutracom represents our long-term right to receive a royalty from Nutracom based upon Nutracom's annual revenues (excluding Nutracom's revenues from sales to us). The fair value of this variable royalty amount approximates carrying value as the royalty was obtained in April 2023 at fair value. (Fair value is only disclosed).

The carrying value of other financial instruments, including cash, accounts receivable and accounts payable, and accrued liabilities approximate fair value due to their short maturities or variable-rate nature of the respective balances.

5. Income Taxes

During the fiscal years of 2016 through 2022, we determined that it was more likely than not losses generated in the U.S. (domestic) and certain foreign jurisdictions will not be realized based on projections of future taxable income, estimated reversals of existing taxable timing differences, and other considerations. In prior years, we recorded a full valuation allowance on all of our domestic and foreign deferred tax assets.

In an April 2023 non-recurring event, we sold our headquarters building and land for an estimated taxable gain on sale of \$4.3 million. This gain on sale exceeded our 2023 loss from operations resulting in 2023 U.S. taxable income. In 2023, we applied unrecognized U.S. deferred tax assets, (primarily consisting of federal and state net operating loss carryforward balances subject to full valuation allowances), to significantly reduce our overall 2023 federal and state tax liabilities.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

5. Income Taxes (continued)

Excluding our 2023 operating results, we are unable to estimate that we will generate sufficient domestic taxable income to utilize remaining deferred tax assets post-2023. As a result, we continue to record a full valuation allowance on all of our estimated remaining domestic and foreign deferred tax assets.

The effective income tax rate was (1.5)% and (5.8)% for the year to date periods ending March 31, 2024 and 2023, respectively. For the 2024 and 2023 year-to-date periods, the income tax provision amounts include estimated income taxes for one of the Company's foreign subsidiaries and certain U.S. states.

Beginning October 2023, one of our foreign subsidiaries is under examination of its 2022 local country income tax return.

6. Revenue Recognition

We recognize revenue from product sales under a five-step process with our independent distributors (including customers) when there is a legally enforceable contract, the rights of the parties are identified, the contract has commercial substance, and collectability of the contract consideration is probable. Product sales revenue (principally nutritional and dietary supplements) and commission expenses are recorded when control is transferred to the independent distributors, which occurs at the time of shipment. Generally, net sales reflect product sales less the distributor discount of 20 percent to 40 percent of the suggested retail price. We present distributor royalty and commission expense as an operating expense, rather than a reduction to net sales, as these payments are not made to the purchasing distributor. At point of sale, we receive payment by credit card, personal check, or guaranteed funds for contracts from independent distributors and make related commission payments in the following month.

We recognize the performance obligation for membership fees-type revenue over the membership term of generally twelve months. We receive payment for membership fees revenue at the beginning of the membership term and recognize membership fees revenue on a straight-line basis in correlation with the completion of our performance obligation under the membership term. Our remaining unearned membership fees obligation is reported as deferred revenue liability.

We record freight income as a component of net sales and record freight costs as a component of cost of goods sold. Total sales do not include sales tax as we consider ourselves a pass-through conduit for collecting and remitting applicable sales taxes.

Actual and estimated sales returns are classified as a reduction of net sales. We estimate and accrue a reserve for product returns based on our return policy and historical experience. Our product returns policy allows for distributors to return product only upon termination of his or her distributorship. Allowable returns are limited to saleable product which was purchased within twelve months of the termination for a refund of 100% of the original purchase price less any distributor royalties and commissions received relating to the original purchase of the returned products. For the year-to-date periods ending March 31, 2024 and 2023, total returns as a percent of net sales were 0.12% and 0.09%, respectively.

Other revenue consisted of revenue derived from our leasing a portion of our previously owned headquarters building. In conjunction with the sale of our headquarters building, other revenue ceased on April 10, 2023.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

6. Revenue Recognition (continued)

We operate in one reportable segment, a network marketing segment consisting of six operating units that sell nutritional and dietary products to a sales force of independent distributors that sell the products directly to customers. These operating units are based on geographic regions, as follows:

	Three months ended March 31	
	2024	2023
Net sales by geographic region		
United States	\$ 4,309,848	\$ 5,552,235
Australia/New Zealand	107,029	129,354
Canada	102,190	132,287
Mexico	116,139	112,403
Europe ⁽¹⁾	492,285	558,796
Asia ⁽²⁾	306,316	438,263
Total net sales	<u>\$ 5,433,807</u>	<u>\$ 6,923,338</u>

⁽¹⁾ Europe consists of United Kingdom, Ireland, France, Germany, Austria, and the Netherlands.

⁽²⁾ Asia consists of Philippines and Malaysia.

We classify our net sales into three categories of sales products, plus freight income, and other revenue:

	Three months ended March 31	
	2024	2023
Net sales by product category		
Nutritional and dietary supplements	\$ 4,916,229	\$ 6,059,070
Other supplements	51,462	122,599
Sales aids, membership fees, and other	130,764	160,318
Freight income	335,352	372,491
Other revenue	-	208,860
Total net sales	<u>\$ 5,433,807</u>	<u>\$ 6,923,338</u>

7. Leases

Lessee

Effective upon the completion of the April 10, 2023 sale of our headquarters building and land, we have entered into a lease agreement with the Buyer to continue our headquarters office in its current location. The lease is for a term of ten years with a lessee mid-term option to reduce the rental space after five years. Annual lease payments range from approximately \$25,000 to \$36,000 per month plus operating expenses and common area maintenance charges. The lease also includes various provisions for our obligation to fund certain building repairs over the term of the lease.

Reliv' International, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

7. Leases (continued)

In addition to the lease of our headquarters building, we lease certain other office and storage facilities, and equipment. These leases have varying terms, are generally one to five years in length, and certain real estate leases have options to extend or early terminate. Several of our operating leases are subject to annual changes in the Consumer Price or similar indexes (CPI). The changes to the lease payment due to CPI changes are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred.

Operating lease expense:	Three months ended	
	March 31	
	2024	2023
Fixed	\$ 122,996	\$ 35,406
Variable	59,825	3,375
Short-term	15,078	16,994
Total	<u>\$ 197,899</u>	<u>\$ 55,775</u>

The following represents the maturity of our operating lease liabilities as of March 31, 2024:

Remainder of 2024	\$ 274,084
2025	361,956
2026	340,876
2027	354,148
2028	369,060
Thereafter	1,740,918
Total operating lease payments	<u>3,441,042</u>
Less: imputed interest	<u>(806,735)</u>
Total operating lease liabilities	<u>\$ 2,634,307</u>

As of March 31, 2024, our right-to-use operating leases have a weighted-average remaining lease term of 8.8 years and a weighted-average discount rate of 5.91%. Cash paid for amounts included in the measurement of operating lease liabilities was approximately \$63,000 and \$27,800 for the three months ended March 31, 2024 and 2023, respectively.