

August 14, 2018



Mobivity Announces Q2 2018 Results, Expects Third Quarter Revenues Between \$5M and \$7M

PHOENIX, Aug. 14, 2018 (GLOBE NEWSWIRE) -- Mobivity Holdings Corp. (OTCQB:MFON), maker of the award-winning recurrency platform that increases customer visits and spend in restaurants, retail, and personal care brands today announced financial results for the Second quarter ended June 30th, 2018 ("Q2 2018").

Second Quarter Highlights:

- Mobivity Holding Corp. ("The Company") was awarded a global expansion contract with a large customer on June 30th that will propel Q3 2018 revenues between \$5M and \$7M.
- For the Company's first half of 2018, total revenue under the new revenue standard, ASC 606, was \$5M, representing a 16% increase over the first half of 2017 revenue of \$4.4M.
- Operating expenses were \$2.1M for Q2 2018, compared to \$2.9M for Q2 2017, a year-over-year quarterly reduction of 28%.
- A successful financing of \$6.8M was concluded July 3rd, consisting of restricted common stock, which resulted in reducing debt by \$1M and contributing \$5.8M of cash to the balance sheet. Additionally, expiration of certain employee stock options and warrants during the quarter resulted in a net dilution from the financing of only 4.5%.
- Stockholder's equity swung positive to \$2M from a deficit of \$2.6M as reported December 31st, 2017.
- Cash on hand as of June 30th, 2018 was \$4.2M.

Dennis Becker, Mobivity Chairman and CEO, commented, "The Company continued to accelerate growth in the second quarter with several key achievements. Our biggest accomplishment during the second quarter was a new multi-year contract with a major customer to expand their license of our receipt technology globally. Given the new contract was executed June 30th, we felt it more appropriate to recognize the financial impact of the contract in the third quarter of this year rather than considering it on the last day of Q2. Additionally, we made huge strides improving our balance sheet by completing a financing of \$6.8M along with material improvements in reducing operating expenses. With at least \$5M to \$7M in projected revenues for the upcoming third quarter, we're now on pace to exceed

2017 revenues in just the first nine months of this year. Our growing momentum in the marketplace has also attracted several multi-million dollar opportunities to our sales pipeline, and we're excited to expand our growing leadership position as a proven technology partner to world class brands."

Second Quarter 2018 Financial Results:

Mobivity Holdings Corp. Consolidated Balance Sheets

	June 30, 2018 (Unaudited)	December 31, 2017 (Audited)
ASSETS		
Current assets		
Cash	\$ 4,242,884	\$ 460,059
Accounts receivable, net of allowance for doubtful accounts of \$6,966 and \$2,280, respectively	1,485,850	885,743
Other current assets	221,535	209,536
Total current assets	5,950,269	1,555,338
Goodwill	803,118	803,118
Intangible assets, net	670,636	676,436
Accounts receivable, long term	618,157	-
Other assets	89,532	88,916
TOTAL ASSETS	\$ 8,131,712	\$ 3,123,808
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 950,490	\$ 1,096,003
Accrued interest	54,967	1,168
Accrued and deferred personnel compensation	713,695	590,500
Deferred revenue and customer deposits	2,248,449	1,429,266
Notes payable, net - current maturities	1,140,133	2,236,224
Other current liabilities	344,331	226,355
Total current liabilities	5,452,065	5,579,516
Non-current liabilities		
Notes payable, net - long term	214,260	180,810
Other long term liabilities	473,684	-
Total non-current liabilities	687,944	180,810
Total liabilities	6,140,009	5,760,326
Commitments and Contingencies		
Stockholders' equity		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 44,105,156 and 37,025,140, shares issued and outstanding	44,105	37,025
Equity payable	100,862	100,862
Additional paid-in capital	85,564,435	77,910,842
Accumulated other comprehensive loss	(8,667)	(65,764)
Accumulated deficit	(83,709,032)	(80,619,483)
Total stockholders' equity	1,991,703	(2,636,518)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 8,131,712	\$ 3,123,808

Mobivity Holdings Corp.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Revenues				
Revenues	\$ 1,366,239	\$ 2,238,680	\$ 5,059,567	\$ 4,351,984
Cost of revenues	756,130	599,736	1,549,519	1,157,126
Gross profit	610,109	1,638,944	3,510,048	3,194,858
Operating expenses				
General and administrative	770,591	845,928	2,018,934	1,863,893
Sales and marketing	792,263	868,473	2,253,843	1,836,185
Engineering, research, and development	422,660	1,073,189	1,954,258	1,901,234
Depreciation and amortization	98,728	99,458	195,698	168,203
Total operating expenses	2,084,242	2,887,048	6,422,733	5,769,515
Loss from operations	(1,474,133)	(1,248,104)	(2,912,685)	(2,574,657)
Other income/(expense)				
Interest income	146	1,012	602	1,916
Interest expense	(109,635)	(31,501)	(167,124)	(52,607)
Gain on sale of fixed assets	-	-	(8,722)	-
Foreign currency (loss) gain	(1,290)	(528)	(1,620)	(3,158)
Total other income/(expense)	(110,779)	(31,017)	(176,864)	(53,849)
Loss before income taxes	(1,584,912)	(1,279,121)	(3,089,549)	(2,628,506)
Income tax expense	-	-	-	-
Net loss	(1,584,912)	(1,279,121)	(3,089,549)	(2,628,506)
Other comprehensive loss, net of income tax				
Foreign currency translation adjustments	69,710	(10,643)	57,097	(15,864)
Comprehensive loss	\$ (1,515,202)	\$ (1,289,764)	\$ (3,032,452)	\$ (2,644,370)
Net loss per share - basic and diluted	\$ (0.04)	\$ (0.04)	\$ (0.08)	\$ (0.07)
Weighted average number of shares during the period - basic and diluted	38,018,733	36,391,063	37,952,427	36,390,030

Non-GAAP Measurements

This press release includes certain financial information which constitutes "non-GAAP financial measures" as defined by the SEC. A full reconciliation of the non-GAAP measures to GAAP can be found in the tables of today's press release. Non-GAAP adjusted net income is supplemental to results presented under accounting principles generally accepted in the United States of America ("GAAP") and may not be comparable to similarly titled measures presented by other companies. These non-GAAP measures are used by management to facilitate period-to-period comparisons and analysis of Mobivity's operating performance and liquidity. Management believes these non-GAAP measures are useful to investors in trending, analyzing and benchmarking the performance and value of Mobivity's business. These non-GAAP measures should be considered in addition to, but not as a substitute for, other similar measures reported in accordance with GAAP.

About Mobivity

Brick and mortar stores struggle to manage customer connections in a digital world. Mobivity provides a platform to connect national restaurants, retailers, personal care brands, and their

partners with customers to increase retention, visits, and spend. Mobivity's recurrency suite of products increases customer engagement and frequency by capturing detailed POS transaction records, analyzing customer habits, and motivating customers and employees through data-driven messaging applications and rewards. For more information about Mobivity, visit mobivity.com or call (877) 282-7660.

Forward Looking Statement

This press release contains forward-looking statements concerning Mobivity Holdings Corp. within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Those forward-looking statements include statements regarding the benefits of recent additions to the Company's management team; the Company's expectations for the growth of the Company's operations and revenue; and the advantages and growth prospects of the mobile marketing industry. Such statements are subject to certain risks and uncertainties, and actual circumstances, events or results may differ materially from those projected in such forward-looking statements. Factors that could cause or contribute to differences include, but are not limited to, our ability to successfully integrate our recent additions to management; our ability to develop the sales force required to achieve our development and revenue goals; our ability to raise additional working capital as and when needed; changes in the laws and regulations affecting the mobile marketing industry and those other risks set forth in Mobivity Holdings Corp.'s annual report on Form 10-K for the year ended December 31, 2017 filed with the SEC on April 11th, 2018 and subsequently filed quarterly reports on Form 10-Q. Mobivity Holdings Corp. cautions readers not to place undue reliance on any forward-looking statements. Mobivity Holdings Corp. does not undertake, and specifically disclaims any obligation to update or revise such statements to reflect new circumstances or unanticipated events as they occur.

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Source: Mobivity Holdings Corp.