

May 15, 2019



Mobivity Announces Q1 2019 Results, Recurring Revenue Accelerates

Annual recurring revenue climbs 24% compared to Q1, 2018

PHOENIX, May 15, 2019 (GLOBE NEWSWIRE) -- [Mobivity Holdings Corp.](#) (OTCQB: MFON), creators of the award-winning customer personalization platform, [Recurrency](#), today announced financial results for the first quarter ending March 31, 2019 ("Q1 2019").

Q1 2019 Highlights

- Recurring revenues climbed to more than \$2.54 million for the quarter, a 24% increase compared to \$2 million for Q1, 2018
- Executed a five-year contract to power digital offer management solutions to a multi-billion-dollar brand
- Added several new brands to an accelerating sales pipeline totalling more than \$10 million in annually recurring revenue
- Closed partnership deals with two multi-billion-dollar Consumer Packaged Goods ("CPG") brands to resell Recurrency and the newly acquired Belly loyalty platform
- Entered into a new partnership with a large technology investment bank to begin market trials in thousands of locations across Japan
- Net loss increased 21% to \$1.8 million, from \$1.5 million
- Adjusted EBITDA loss decreased 31% from \$1.8 million to \$1.2 million

Dennis Becker, Mobivity Chairman and CEO, commented, "Overall market demand is increasing for the full suite of Mobivity solutions as evidenced by the continued acceleration of our recurring revenue from new and existing customers. We're also seeing great progress towards our goal of hundreds of thousands of locations licensing our solutions on per location annual terms. In the first quarter we added more than \$10 million in annual recurring revenues to our sales pipeline, an important indicator of our future revenue growth potential. This pipeline includes more than 10,000 locations across several well-known brands. The exceptional acceleration in our sales pipeline is the direct result of our partnerships with two key CPG brands. Additionally, our team did an amazing job winning a five-year deal with one of our largest customers to power digital offer management, putting us on track to achieve our third straight year of double-digit growth in recurring licensing fees. 2019 is shaping up to be an inflection point for Mobivity. Our focus for the remainder of the year is to convert a significant percentage of our sales pipeline to new revenue, continue building our

pipeline, increase contract terms to five years where possible, and leveraging our growing list of logos through our global CPG partnerships. I'm pleased with our continued progress towards our goal of reaching 100,000 locations producing average annual revenue of \$1,500."

Consolidated Financial Summaries

First Quarter 2019

(In thousands)	Three months ended March 31,	
	2019	2018
Revenue	\$ 2,417	\$ 3,693
Revenue excluding ASC 606 *	\$ 2,543	\$ 2,045
Gross profit	\$ 1,245	\$ 2,900
Gross margin	52 %	79 %
Operating Expenses	\$ 3,024	\$ 4,338
Income (loss) from Operations	\$ (1,780)	\$ (1,439)
Net income (loss)	\$ (1,822)	\$ (1,504)
Adjusted EBITDA *	\$ (1,254)	\$ (1,810)

* Non-GAAP measures

Mobivity Holdings Corp. Consolidated Balance Sheets

	March 31, 2019	December 31, 2018
ASSETS		
Current assets		
Cash	\$ 283,411	\$ 554,255
Accounts receivable, net of allowance for doubtful accounts of \$8,122 and \$10,104, respectively	1,072,985	601,658
Contracts receivable, current	941,154	578,869
Other current assets	834,344	736,309
Total current assets	3,131,894	2,471,091
Goodwill	537,550	537,550
Right to use lease assets	480,370	-
Intangible assets, net	1,771,976	1,781,448
Contracts receivable, long term	1,625,201	2,113,823
Other assets	396,397	527,146
TOTAL ASSETS	\$ 7,943,388	\$ 7,431,058
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 2,375,059	\$ 1,731,628
Accrued interest	22,792	9,167
Accrued and deferred personnel compensation	238,823	350,311
Deferred revenue and customer deposits	1,743,532	1,956,938
Notes payable, net - current maturities	617,140	1,279,590
Other current liabilities	705,570	723,636
Total current liabilities	5,702,916	6,051,270
Non-current liabilities		
Notes payable, net - long term	772,985	194,328
Notes payable, net - long term - related party	1,580,000	

Other long term liabilities	1,231,874	860,500
Total non-current liabilities	3,584,859	1,054,828
Total liabilities	9,287,775	7,106,098
Commitments and Contingencies		
Stockholders' equity		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 45,998,053 and 45,998,053, shares issued and outstanding	45,998	45,998
Equity payable	100,862	100,862
Additional paid-in capital	88,189,222	88,008,473
Accumulated other comprehensive loss	(23,690)	4,759
Accumulated deficit	(89,656,779)	(87,835,132)
Total stockholders' equity	(1,344,387)	324,960
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 7,943,388	\$ 7,431,058

Mobivity Holdings Corp.
Consolidated Statements of Operations

	Three Months Ended March 31,	
	2019	2018
Revenues		
Revenues	2,416,617	3,693,328
Cost of revenues	1,171,909	793,389
Gross profit	1,244,708	2,899,939
Operating expenses		
General and administrative	1,323,935	1,248,343
Sales and marketing	838,567	1,461,580
Engineering, research, and development	577,733	1,531,598
Depreciation and amortization	284,094	96,970
Total operating expenses	3,024,329	4,338,491
Income (loss) from operations	(1,779,621)	(1,438,552)
Other income/(expense)		
Interest income	17	456
Interest expense	(41,905)	(57,489)
Gain on sale of fixed assets	-	(8,722)
Foreign currency (loss) gain	(138)	330
Total other income/(expense)	(42,026)	(65,425)
Income (loss) before income taxes	(1,821,647)	(1,503,977)
Income tax expense	-	-
Net Income (loss)	(1,821,647)	(1,503,977)
Other comprehensive income (loss), net of income tax		
Foreign currency translation adjustments	(28,449)	(12,615)
Comprehensive income (loss)	\$ (1,850,096)	\$ (1,516,592)
Net income (loss) per share:		
Basic	\$ (0.04)	\$ (0.04)
Weighted average number of shares:		
Basic	45,998,053	38,018,733
Reconciliation of net (loss) to adjusted EBITDA		
Net (loss)	\$ (1,821,647)	\$ (1,503,977)
Impact of ASC606	60,583	(713,568)
Stock based compensation	180,750	252,842
Depreciation and amortization	284,094	96,970

Interest expense
Adjusted EBITDA

41,905	57,489
\$ (1,254,315)	\$ (1,810,244)

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.

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, 2018 filed with the SEC on April 15, 2019 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.

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 point-of-sale 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.

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Source: Mobivity Holdings Corp.