

November 14, 2018



Mobivity Announces Q3 2018 Results, Reports Net Profit

Year-to-Date Revenues Up 49.5%, Exceeding All of Last Year; Company Generates Positive Net Income

PHOENIX, Nov. 14, 2018 (GLOBE NEWSWIRE) -- [Mobivity Holdings Corp.](#) (OTCQB: MFON), creators of the award-winning re•currency platform that increases customer visits and spend in restaurants, retail, and personal care brands today announced financial results for the third quarter ended September 30th, 2018 (“Q3 2018”).

Third Quarter Highlights:

- Mobivity expanded its footprint with a five-year global expansion contract with a large customer to more than 3,000 international locations during the third quarter.
- Third quarter total revenue of \$4.6M, up 118.9% vs. \$2.1M in Q3 2017.
- Total revenue for the nine months ended September 30, 2018 were \$9.6M, up 49.5% over same period in 2017, and exceeding all of fiscal 2017 revenue by \$1M.
- The Company posted its first profitable quarter with \$91K in net income for the third quarter.
- Cash on hand as of September 30th, 2018 increased to \$5.1M, up more than 10X from December 31, 2017.
- Deferred revenue increased to \$3.4M, an increase of \$2M and accounts receivable increased \$4.0M from the year ended December 31, 2017.

Dennis Becker, Mobivity Chairman and CEO, commented, “2018 is already a record year just nine months in. Beyond the most recent quarter’s record top line revenues and positive net income, our cash position has increased tenfold and our assets have grown 375% since December 31st of 2017. We’ve scaled to tens of thousands of locations, including international deployments, engaged millions of consumers, accumulated billions of full-basket brick and mortar POS transactions, and have attracted large technology partnerships. I want to commend the entire Mobivity team for their hard work. We are increasingly confident that we have something unique and highly valuable, and the progress we are making with very well-known brands and partners is evidence of this.”

Third Quarter 2018 Financial Results:

Mobivity Holdings Corp.
Condensed Consolidated Balance Sheets

	September 30, 2018 (Unaudited)	December 31, 2017 (Audited)
ASSETS		
Current assets		
Cash	\$ 5,119,562	\$ 460,059
Accounts receivable, net of allowance for doubtful accounts of \$9,828 and \$2,280, respectively	2,445,292	885,743
Other current assets	215,699	209,536
Total current assets	7,780,553	1,555,338
Goodwill	803,118	803,118
Intangible assets, net	771,991	676,436
Accounts receivable, long term	2,410,130	-
Other assets	92,179	88,916
TOTAL ASSETS	\$ 11,857,971	\$ 3,123,808
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 1,118,287	\$ 1,096,003
Accrued interest	6,100	1,168
Accrued and deferred personnel compensation	554,137	590,500
Deferred revenue and customer deposits	3,418,025	1,429,266
Notes payable, net - current maturities	332,312	2,236,224
Other current liabilities	731,421	226,355
Total current liabilities	6,160,282	5,579,516
Non-current liabilities		
Notes payable, net - long term	205,786	180,810
Other long term liabilities	1,509,662	-
Total non-current liabilities	1,715,448	180,810
Total liabilities	7,875,730	5,760,326
Commitments and Contingencies (See Note 9)		
Stockholders' equity		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 45,904,948 and 37,025,140, shares issued and outstanding	45,905	37,025
Equity payable	100,862	100,862
Additional paid-in capital	87,500,045	77,910,842
Accumulated other comprehensive loss	(46,846)	(65,764)

Accumulated deficit	(83,617,725)	(80,619,483)
Total stockholders' equity	<u>3,982,241</u>	<u>(2,636,518)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 11,857,971</u>	<u>\$ 3,123,808</u>

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
Revenues				
Revenues	\$ 4,561,368	\$ 2,083,987	\$ 9,620,935	\$ 6,436,072
Cost of revenues	1,021,285	786,385	2,570,804	1,943,534
Gross profit	<u>3,540,083</u>	<u>1,297,602</u>	<u>7,050,131</u>	<u>4,492,538</u>
Operating expenses				
General and administrative	857,095	652,762	2,876,029	2,516,249
Sales and marketing	792,678	836,767	3,046,521	2,673,087
Engineering, research, and development	1,683,738	1,177,318	3,637,996	3,080,037
Depreciation and amortization	87,526	105,510	283,224	273,716
Total operating expenses	<u>3,421,037</u>	<u>2,772,357</u>	<u>9,843,770</u>	<u>8,543,089</u>
Income (loss) from operations	119,046	(1,474,755)	(2,793,639)	(4,050,551)
Other income/(expense)				
Interest income	279	962	881	2,878
Interest expense	(25,913)	(62,748)	(193,036)	(115,363)
Gain on sale of fixed assets	-	-	(8,722)	-
Foreign currency (loss) gain	(2,106)	(931)	(3,726)	(4,120)
Total other income/(expense)	<u>(27,740)</u>	<u>(62,717)</u>	<u>(204,603)</u>	<u>(116,605)</u>
Income (loss) before income taxes	91,306	(1,537,472)	(2,998,242)	(4,167,156)
Income tax expense	-	-	-	-

Net Income (loss)	<u>91,306</u>	<u>(1,537,472)</u>	<u>(2,998,242)</u>	<u>(4,167,156)</u>
Other comprehensive income (loss), net of income tax				
Foreign currency translation adjustments	38,179	(20,294)	18,918	(36,158)
Comprehensive income (loss)	<u>\$ 129,485</u>	<u>\$ (1,557,766)</u>	<u>\$ (2,979,324)</u>	<u>\$ (4,203,314)</u>
Net income (loss) per share:				
Basic	<u>\$ 0.00</u>	<u>\$ (0.04)</u>	<u>\$ (0.07)</u>	<u>\$ (0.11)</u>
Diluted	<u>\$ 0.00</u>	<u>\$ (0.04)</u>	<u>\$ (0.07)</u>	<u>\$ (0.11)</u>
Weighted average number of shares:				
Basic	<u>45,719,664</u>	<u>36,683,122</u>	<u>41,325,443</u>	<u>36,488,448</u>
Diluted	<u>53,394,242</u>	<u>36,683,122</u>	<u>41,325,443</u>	<u>36,488,448</u>

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 re•currency 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.

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.