

May 14, 2018



Mobivity Announces Q1 2018 Results, Reports Revenues of \$3.7M

PHOENIX, May 14, 2018 (GLOBE NEWSWIRE) -- Mobivity Holdings Corp. (OTCQB:MFON), maker 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 first quarter ended March 31st, 2018 (“Q1 2018”).

First Quarter Highlights:

- Under the new accounting standard, ASC606, new customer wins largely contributed to increasing total revenue to \$3.7 million, representing a 75% increase over first quarter 2017 revenue of \$2.1 million.
- Total minimum contract values increased to more than \$21 million.
- Gross margins climbed to 79% under the new ASC606 accounting standard.
- Deferred revenue increased to \$1.6 million as of March 31, 2018, compared to \$1.4 million as of March 31, 2017.
- A major Consumer Packaged Goods (“CPG”) brand contributed to a large contract win during the quarter and this growing partnership has begun joint selling Mobivity’s re•currency platform to its more than 700 restaurant brand clients.

Dennis Becker, Mobivity Chairman and CEO, commented, “I’m pleased to report that during the first quarter of this year we drove strong growth in our sales pipeline that is now bearing fruit and accelerating topline revenue performance. Our mission all along has been to empower brick and mortar brands with the ability to leverage data in driving consumer behavior to improve business performance – and the market is starting to take notice like never before. Current events, including Facebook’s CEO Mark Zuckerberg’s testimony to Congress, highlight just how powerful data is in shaping consumer behavior. The fact that the outcome of a presidential election may have been swayed by leveraging consumer data to target information speaks volumes as to the immense power data can have on influencing the behavior of people. High profile events, such as Facebook’s implication in the 2016 presidential election, are creating an awakening to the power of data across all industries and we’re now well positioned to lead in the transformation of brick and mortar commerce to a data driven world.”

First Quarter 2018 Financial Results:

| | March 31, 2018 (Unaudited) | December 31, 2017 (Audited) |
|--|----------------------------------|-----------------------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 419,373 | \$ 460,059 |
| Accounts receivable, net of allowance for doubtful accounts of \$1,189 and \$2,280, respectively | 1,457,634 | 885,743 |
| Other current assets | 202,412 | 209,536 |
| Total current assets | 2,079,419 | 1,555,338 |
| Goodwill | 803,118 | 803,118 |
| Intangible assets, net | 600,296 | 676,436 |
| Accounts receivable, long term | 824,272 | - |
| Other assets | 91,124 | 88,916 |
| TOTAL ASSETS | \$ 4,398,229 | \$ 3,123,808 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable | \$ 1,148,953 | \$ 1,096,003 |
| Accrued interest | 15,083 | 1,168 |
| Accrued and deferred personnel compensation | 761,805 | 590,500 |
| Deferred revenue and customer deposits | 1,602,711 | 1,429,266 |
| Notes payable, net - current maturities | 170,592 | 2,236,224 |
| Other current liabilities | 429,789 | 226,355 |
| Total current liabilities | 4,128,933 | 5,579,516 |
| Non-current liabilities | | |
| Notes payable, net - long term | 1,423,495 | 180,810 |
| Other long term liabilities | 582,626 | - |
| Total non-current liabilities | 2,006,121 | 180,810 |
| Total liabilities | 6,135,054 | 5,760,326 |
| Commitments and Contingencies | | |
| Stockholders' equity | | |
| Common stock, \$0.001 par value; 100,000,000 shares authorized; 39,057,573 and 37,025,140, shares issued and outstanding | 39,058 | 37,025 |
| Equity payable | 100,862 | 100,862 |
| Additional paid-in capital | 80,325,094 | 77,910,842 |
| Accumulated other comprehensive loss | (78,379) | (65,764) |
| Accumulated deficit | (82,123,460) | (80,619,483) |
| Total stockholders' equity | (1,736,825) | (2,636,518) |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 4,398,229 | \$ 3,123,808 |

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

| | Three Months Ended March 31, | |
|----------------------------|---------------------------------|------------------|
| | 2018 | 2017 |
| Revenues | | |
| Revenues | \$ 3,693,328 | \$ 2,113,283 |
| Cost of revenues | 793,389 | 557,388 |
| Gross profit | 2,899,939 | 1,555,895 |
| Operating expenses | | |
| General and administrative | 1,248,343 | 1,015,418 |

| | | |
|--|------------------------|------------------------|
| Sales and marketing | 1,461,580 | 1,208,785 |
| Engineering, research, and development | 1,531,598 | 589,322 |
| Depreciation and amortization | 96,970 | 68,746 |
| Total operating expenses | 4,338,491 | 2,882,271 |
| Loss from operations | (1,438,552) | (1,326,376) |
| Other income/(expense) | | |
| Interest income | 456 | 904 |
| Interest expense | (57,489) | (21,106) |
| Gain on sale of fixed assets | (8,722) | - |
| Foreign currency (loss) gain | 330 | (2,648) |
| Total other income/(expense) | (65,425) | (22,850) |
| Loss before income taxes | (1,503,977) | (1,349,226) |
| Income tax expense | - | - |
| Net loss | (1,503,977) | (1,349,226) |
| Other comprehensive loss, net of income tax | | |
| Foreign currency translation adjustments | (12,615) | (5,221) |
| Comprehensive loss | \$ (1,516,592) | \$ (1,354,447) |
| | | |
| Net loss per share - basic and diluted | \$ (0.04) | \$ (0.04) |
| | | |
| Weighted average number of shares during the period - basic and diluted | 38,018,733 | 36,388,997 |

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 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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The logo for Mobivity, featuring the word "mobivity" in a lowercase, rounded, green sans-serif font.

Source: Mobivity Holdings Corp.