

May 30, 2018



# **MOBI724 Global Solutions Announces Q1 2018 Results – First Sale of CLO Product, Commercial Launch of Asian Payments Business and new COO to Drive Revenues**

MONTREAL, May 30, 2018 (GLOBE NEWSWIRE) -- MOBI724 Global Solutions Inc. ("MOBI724" or the "Company") (TSX-V:MOS) (OTCQB:MOBIF), a global Fintech company offering a fully integrated suite of multiple EMV payment Card-Linked, Digital Marketing and Business Intelligence Solutions today reported its financial results for Q1 2018 ending March 31, 2018.

Q1 2018 was a significant quarter for MOBI724 in many areas including the first Visa Offers Platform (VOP) agreement with a bank in Latin America, launch of the commercial payment processing business in the Philippines, and substantial growth in the sales pipeline for all three business segments: Card Linked Offers (CLO), Digital Marketing (DM) and Payments.

After quarter end, the Company welcomed Sylvain Tassé, a leading technology executive as Chief Operating Officer to its management team to accelerate growth and revenues. Sylvain's focus will be to increase revenues, optimize and expedite product implementation once contracts are signed, and oversee the launch of new products as well as the implementation of new ventures. Sylvain will ensure the Company drives revenues quickly from sales while ensuring superior delivery of our multiple products.

The sales pipeline continues to grow in new and existing markets:

- Shortening of the sales cycle from 15 months to approximately 12 months due to substantial investment in advancing sales relationships;
- Entered new markets in Panama and the Philippines;
- 50% growth in cards under management to 12M at the end of Q1 vs 8M at the end of 2017.

MOBI724 announced that revenues for the three months ended March 31, 2018 decreased 20% to \$519,907 from \$646,393 in Q1 2017. The decrease was expected and previously disclosed, and was related primarily to lower revenues in the digital marketing segment due to delays in the launch of certain projects and lower activity from existing clients which is expected to pick up in the second half of 2018.

Operating expenses decreased by 9% in Q1 2018 to \$2.18 million compared to \$2.39

million in Q1 2017. The decrease is due to lower contract labour expenses, lower expenses for amortization and share based payments, and a gain on settlement of liabilities (vs. a loss in 2017) partially offset by an increase in salaries expense.

The Company reduced by 5% its operating loss to \$1.66 million in Q1 2018 vs. an operating loss of \$1.75 million in the prior quarter as reduced expenses more than offset lower revenues.

Net loss decreased 78% to \$1.6 million in Q1 2018 vs. a net loss of \$7.4 million in Q1 2017. The lower net loss is primarily related to sharply lower net financial expenses in Q1 2018 as Q1 2017 contained a significant one time, non-cash charge for the fair value adjustment on liability for the acquisition of Mobi724 Solutions, which is absent in Q1 2018.

The Company continues to vigorously seek opportunities to enhance efficiencies to reduce costs and improve cash flow going forward.

The Company ended March 31, 2018 with \$2.1 million of cash. This amount does not include cash of \$930K from the April 2018 Warrant Incentive Program and \$536K received in early May from the settlement of litigation. Including these two amounts, cash at the beginning of May was \$3.1 million.

Marcel Vienneau, MOBI724's CEO, said, "In Q1 2018, MOBI724 made significant progress in commercializing its business by closing its first VOP deal and launching commercial operations in the Philippines. Equally important, we made significant strides to develop our sales pipeline for all 3 business segments that will lead to sales contracts in the coming weeks and months. The addition of an experienced COO will greatly help MOBI724 to increase sales, expedite product implementation once contracts are signed, and oversee the launch of new products as well as the implementation of new ventures. With the increasing activity generated by our Visa partnership and other initiatives, we characterize 2018 as our first year of full commercialization. We expect that in the second half of 2018 MOBI724 will show substantially more growth than ever before.

The Company announces that on May 28<sup>th</sup>, 2018, it granted to 225,000 stock options to employees and 150,000 stock options to an officer for an aggregate total of 375,000 stock options under its stock option plan (the "Plan"). All stock options will vest gradually over a period of three years (the first 1/3 vesting on the granting date, 1/3 twelve months after the granting date and the balance, twenty-four months from the granting date), and will allow the holder of the stock option to acquire one common share of the Company per option granted at a price of \$0.35 until May 28<sup>th</sup>, 2021. The Company has reserved the aggregate total of 375,000 common shares for issuance in connection with the grant of stock options under the Plan.

#### **About Mobi724 Global Solutions Inc.**

"We enable smart transactions anywhere"

MOBI724, a global Fintech company, offers a fully integrated suite of multiple Payment Card-linked, Digital Marketing and Business Intelligence Solutions, which work with any payment card, on any mobile device and at any Point of Sale; and a mobile EMV

compliant payment platform. MOBI724 provides turn-key solutions for card associations, card issuers, banks, retailers, manufacturers, offer providers, to create, manage, deliver and track and measure incentive campaigns worldwide in real time. The company captures value from big data to deliver seamless and personalized user experiences for the benefits of all parties in the ecosystem. MOBI724 headquarters are in Montreal, Canada, and the company presently has operations in North and Latin America, the Caribbean and Asia Pacific.

### *Legal Disclaimer*

*Certain statements in this document, including those which express management's expectations or estimations with regard to the Company's future performance, constitute "forward-looking statements" as understood by applicable securities laws. Forward-looking statements are, of necessity, based on a certain number of estimates and hypotheses; while management considers these to be accurate at the time they are expressed, they are inherently subject to significant uncertainties and risks on the commercial, economic and competitive levels. We advise readers that these forward-looking statements are subject to risks, uncertainties, and other known and unknown factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Investors are advised to not rely unduly on the forward-looking statements. This advisory applies to all forward-looking statements, whether expressed orally or in writing, attributed to the Company or to any individual expressing them in the name of the Company. Unless required by law, the Company is under no obligation to publicly update these forward-looking statements, whether to reflect new information, future events, or other circumstances.*

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For further information, please visit [www.MOBI724.com](http://www.MOBI724.com) or contact:

#### **Investor Relations:**

Mr. Andreas Curkovic  
Proconsul Capital Ltd.  
T: 416-577-9927; E: [andreascurkovic@sympatico.ca](mailto:andreascurkovic@sympatico.ca)

Mr. Derek Lindsay  
MOBI724 Global Solutions Inc.  
Chief Financial Officer  
T: 514-394-5200; E: [derek.lindsay@mobi724.com](mailto:derek.lindsay@mobi724.com)



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