

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 14, 2019

Mobivity Holdings Corp.

(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction
of Incorporation)

000-53851
(Commission File
Number)

26-3439095
(I.R.S. Employer
Identification Number)

55 N. Arizona Place, Suite 310
Chandler, Arizona 85225
(Address of principal executive offices) (zip code)

(866) 282-7660
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act

None

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Item 2.02 Results of Operations and Financial Condition

On November 14, 2019, we issued a press release announcing our results for the quarter ended September 30, 2019. The full text of the press release is furnished as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Method Filing

The following exhibit is furnished with this report:

Exhibit 99.1	Press release dated November 14, 2019 regarding the Registrant's financial results for its fiscal quarter ended September 30, 2019	Filed Electronically herewith
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SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MOBILITY HOLDINGS CORP.

November 14, 2019

By: /s/ Dennis Becker
Dennis Becker,
Chief Executive Officer

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Mobivity Announces Third Quarter Financial Results

Annual recurring revenue climbs 15.7% compared to Q3 2018

PHOENIX, Nov. 13, 2019 (GLOBE NEWSWIRE) - [Mobivity Holdings Corp.](#) (OTCQB: MFON), creators of the award-winning customer personalization platform, Recurrency, today announced financial results for the third quarter ending September 30, 2019 (“Q3 2019”).

Q3 2019 Highlights

- ① Revenue for the third quarter of 2019 decreased 46% to \$2.5 million compared to \$4.6 million in Q3 2018
- ① Recurring revenues increased to \$2.7 million for the quarter, a 15.7% increase compared to \$2.4 million for Q3 2018
- ① Net loss for Q3, 2019 was \$(1.9) million compared to net income of \$91,000 in Q3 2018
- ① On an adjusted EBITDA basis, excluding non-recurring and non-cash charges, Q3 2019 net loss was (\$1.2 million) compared to an adjusted net loss of (\$529,000) in Q3 2018.
- ① Checkers & Rally’s [selected Mobivity to power its mobile customer engagement programs](#) in over 875 of its U.S. locations. The programs will utilize Mobivity’s Reach to send timely, personalized mobile offers to Checkers & Rally’s customers via SMS text messaging.
- ① [Launched a large-scale Offer and Promotions Management Platform](#) and new recurring revenue stream with a large global brand.
- ① The Company began initiatives to penetrate a second vertical, grocery stores, with its Recurrency platform.

Dennis Becker, Mobivity Chairman and CEO, commented, “We achieved meaningful progress in the third quarter, including growing our recurring revenue through both existing customers and incremental customer wins. Simultaneously, we continued to invest in our technology in collaboration with large customers and name-brand partners, further validating our business model and the upside potential in our financial performance. The recurring license revenue structure of our business provides us with strong operating leverage that we continue to believe will drive improving financial results, despite the revenue impact from our efforts taking longer than we had originally anticipated.”

Mr. Becker continued, “We are making steady progress in our efforts to expand our relationship with existing customers, which will significantly improve our growth rate. Additional revenue from an already onboarded customer disproportionately drops to the bottom line, driving gross margin and operating margin expansion and bringing us closer to cash flow break-even. Over the next few quarters, we expect this progress to become evident in our financial results as the dramatic ROI we provide to customers enables us to capture a greater share of their marketing budgets.”

“Increasingly, brands are recognizing the value of one-to-one marketing, especially compared to lower-value traditional marketing channels which are seeing diminishing ROIs,” added Mr. Becker. “Mobivity has the ability to prove a tangible ROI, as we drive increased frequency and higher spend, two incredibly

valuable metrics for brands in today's competitive environment. Increasingly, we are seeing this translate to a greater share of our customers' marketing spend."

Consolidated Financial Summaries

(In thousands)	Three months ended Sept 30,		Nine months ended Sept 30,	
	2019	2018	2019	2018
Revenue	\$ 2,482	\$ 4,561	\$ 7,333	\$ 9,621
Gross profit	\$ 896	\$ 3,540	\$ 2,948	\$ 7,050
Gross margin	36%	78%	40%	73%
Operating Expenses	\$ 2,554	\$ 3,421	\$ 8,888	\$ 9,844
Income (loss) from Operations	\$ (1,658)	\$ 119	\$ (5,940)	\$ (2,794)
Net income (loss)	\$ (1,915)	\$ 91	\$ (6,328)	\$ (2,998)
Adjusted EBITDA *	\$ (1,155)	\$ (529)	\$ (4,262)	\$ (3,386)

* Non-GAAP measures

(In thousands)	Three months ended Sept 30,		Nine months ended Sept 30,	
	2019	2018	2019	2018
Revenue excluding ASC 606 *	\$ 2,744	\$ 2,373	\$ 7,984	\$ 5,990
Adjusted gross profit *	\$ 1,158	\$ 1,352	\$ 3,599	\$ 3,419
Adjusted gross margin *	42%	57%	45%	57%
Opex excluding ASC 606 *	\$ 2,676	\$ 2,117	\$ 9,207	\$ 7,708
Income (loss) from operations excluding ASC 606 *	\$ (1,518)	\$ (766)	\$ (5,608)	\$ (4,289)

* Non-GAAP measures

Conference Call

Mobivity will host a conference call at 4:30 p.m. ET on November 14, 2019. Conference Call Information:

Date: Thursday, November 14, 2019

Time: 4:30 P.M. Eastern Time (ET)

Dial in Number for U.S. Callers: 1-855-327-6837

Dial in Number for International Callers: 1-631-891-4304

Please Reference Conference ID: 10008076

The call will also be accompanied live by webcast over the Internet and accessible at <http://public.viavid.com/index.php?id=136967>.

A replay will be available for two weeks starting on November 14, 2019 at approximately 7:30 p.m. ET. To access the replay, please dial 1-844-512-2921 in the U.S. and 1-412-317-6671 for international callers. The conference ID# is 10008076. The replay will also be available on the Company's website under the [investor relations section](#).

Mobivity Holdings Corp.
Consolidated Balance Sheets

	September 30, 2019	December 31, 2018
ASSETS		
Current assets		
Cash	\$ 975,669	\$ 554,255
Accounts receivable, net of allowance for doubtful accounts of \$65,306 and \$10,104, respectively	774,669	601,658
Contracts receivable, current	655,574	578,869
Other current assets	751,820	736,309
Total current assets	3,157,732	2,471,091
Goodwill	537,550	537,550
Right to use lease assets	360,709	-
Intangible assets, net	2,200,962	1,781,448
Contracts receivable, long term	1,386,408	2,113,823
Other assets	132,546	527,146
TOTAL ASSETS	\$ 7,775,907	\$ 7,431,058
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 2,739,522	\$ 1,731,628
Accrued interest	18,267	9,167
Accrued and deferred personnel compensation	313,575	350,311
Deferred revenue and customer deposits	1,375,408	1,956,938
Related party notes payable, net - current maturities	90,461	131,392
Notes payable, net - current maturities	528,331	1,148,198
Other current liabilities	618,163	723,636
Total current liabilities	5,683,727	6,051,270
Non-current liabilities		
Notes payable, net - long term	702,072	194,328
Other long term liabilities	940,632	860,500
Total non-current liabilities	1,642,704	1,054,828
Total liabilities	7,326,431	7,106,098
Commitments and Contingencies		
Stockholders' equity		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 51,380,969 and 45,998,053, shares issued and outstanding	51,381	45,998
Equity payable	100,862	100,862
Additional paid-in capital	94,442,771	88,008,473
Accumulated other comprehensive income	17,698	4,759
Accumulated deficit	(94,163,236)	(87,835,132)
Total stockholders' equity	449,476	324,960
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 7,775,907	\$ 7,431,058

MobilityHoldings Corp.
Consolidated Statements of Operations

	Three Months Ended		Nine Months Ended	
	Sept 30,	2018	2019	2018
Revenues				
Revenues	2,481,986	4,561,368	7,333,407	9,620,935
Cost of revenues	1,586,411	1,021,285	4,385,106	2,570,804
Gross profit	895,575	3,540,083	2,948,301	7,050,131
Operating expenses				
General and administrative	1,381,361	857,095	4,101,340	2,876,029
Sales and marketing	636,757	792,678	2,025,055	3,046,521
Engineering, research, and development	380,539	1,683,738	2,298,405	3,637,996
Depreciation and amortization	155,598	87,526	463,086	283,224
Total operating expenses	2,554,255	3,421,037	8,887,886	9,843,770
Income (loss) from operations	(1,658,680)	119,046	(5,939,585)	(2,793,639)
Other income/(expense)				
Interest income	26,636	279	26,654	881
Interest expense	(57,569)	(25,913)	(188,451)	(193,036)
Loss on conversion of debt	(232,462)	-	(232,462)	-
Gain on sale of fixed assets	-	-	-	(8,722)
Foreign currency (loss) gain	6,642	(2,106)	5,740	(3,726)
Total other income/(expense)	(256,753)	(27,740)	(388,519)	(204,603)
Income (loss) before income taxes	(1,915,433)	91,306	(6,328,104)	(2,998,242)
Income tax expense	-	-	-	-
Net Income (loss)	(1,915,433)	91,306	(6,328,104)	(2,998,242)
Other comprehensive income (loss), net of income tax				
Foreign currency translation adjustments	35,252	38,179	12,939	18,918
Comprehensive income (loss)	\$ (1,880,181)	\$ 129,485	\$ (6,315,165)	\$ (2,979,324)
Net income (loss) per share:				
Basic	\$ (0.04)	\$ -	\$ (0.14)	\$ (0.07)
Diluted	\$ (0.04)	\$ -	\$ (0.14)	\$ (0.07)
Weighted average number of shares:				
Basic	47,488,574	45,719,664	465,003,553	413,254,443
Diluted	47,488,574	53,394,242	465,003,553	413,254,443
Reconciliation of net (loss) to adjusted EBITDA				
Net (loss)	\$ (1,915,433)	\$ 91,306	\$ (6,328,104)	\$ (2,998,242)
Loss on conversion of debt	\$ 232,462	\$ -	\$ 232,462	41,903
Impact of ASC606	140,484	(884,929)	331,548	(1,495,135)
Stock based compensation	147,749	150,510	824,303	588,800
Depreciation and amortization	155,598	87,526	463,086	283,224
Interest expense	84,205	26,192	215,105	193,917
Adjusted EBITDA	\$ (1,154,935)	\$ (529,395)	\$ (4,261,600)	\$ (338,553)

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 platform 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, 2018 filed with the SEC on April 1st, 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.

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