UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2024

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to __________

Commission file number 000-53851

Mobivity Holdings Corp.
(Exact Name of Registrant as Specified in Its Charter)

Nevada	**26-3439095**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

3133 West Frye Road, # 215
Chandler, Arizona 85226
(Address of Principal Executive Offices)

(877) 282-7660
(Registrant's Telephone Number, including Area Code)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 12 2024, the registrant had 67,949,709 shares of common stock, par value $0.001 per share, issued and outstanding.

MOBIVITY HOLDINGS CORP.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Mobivity Holdings Corp.
Condensed Consolidated Balance Sheets

	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash	$ 186,782	$ 416,395
Accounts receivable, net of allowance for doubtful accounts $60,265 and $16,107, respectively	839,187	876,465
Other current assets	209,345	135,916
Total current assets	1,235,314	1,428,776
Right to use lease assets	715,106	770,623
Intangible assets and software development costs, net	55,082	65,916
Other assets	97,490	69,036
TOTAL ASSETS	**$ 2,102,992**	**$ 2,334,351**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 3,120,057	$ 3,372,141
Accrued interest	320,655	21,474
Accrued and deferred personnel compensation	113,048	272,247
Deferred revenue and customer deposits	110,292	155,472
Related party notes payable, net - current maturities	2,304,375	3,072,500
Notes payable, net - current maturities	—	7,154
Operating lease liability, current	282,435	276,072
Other current liabilities	45,941	248,434
Total current liabilities	6,296,803	7,425,494
Non-current liabilities		
Related party notes payable, net - long term	6,807,399	4,413,987
Notes payable, net - long term	218,918	265,959
Operating lease liability	587,622	660,852
Total non-current liabilities	7,613,939	5,340,798
Total liabilities	13,910,742	12,766,292
Stockholders' deficit		
Common stock, $0.001 par value; 100,000,000 shares authorized; 67,949,709 and 61,311,155, shares issued and outstanding	67,950	67,950
Equity payable	989,947	989,947
Additional paid-in capital	119,285,105	118,624,601
Accumulated other comprehensive loss	64,098	(153,831)
Accumulated deficit	(132,214,850)	(129,960,608)
Total stockholders' deficit	(11,807,750)	(10,431,941)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	**$ 2,102,992**	**$ 2,334,351**

See accompanying notes to consolidated financial statements.

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

	Three Months Ended March 31,	
	2024	**2023**
Revenues		
Revenues	$ 1,600,905	$ 1,881,482
Cost of revenues	964,411	1,066,575
Gross profit	636,494	814,907
Operating expenses		
Bad Debt Expense	49,109	(10,576)
General and administrative	644,729	1,554,682
Sales and marketing	763,099	691,220
Engineering, research, and development	1,026,418	734,375
Depreciation and amortization	9,909	63,902
Total operating expenses	2,493,264	3,033,603
Loss from operations	**(1,856,770)**	**(2,218,696)**
Other income/(expense)		
Loss of settlement of debt	—	(10,857)
Interest expense	(397,472)	(238,446)
Settlement Losses	—	(10,000)
Foreign currency gain	—	(176)
Total other income/(expense)	**(397,472)**	**(259,479)**
Loss before income taxes	**(2,254,242)**	**(2,478,175)**
Income tax expense	—	—
Net loss	**(2,254,242)**	**(2,478,175)**
Other comprehensive loss, net of income tax		
Foreign currency translation adjustments	217,929	31,502
Comprehensive loss	**$ (2,036,313)**	**$ (2,446,673)**
Basic and Diluted	**$ (0.03)**	**$ (0.04)**
Weighted average number of shares:		
Basic and Diluted	67,949,340	62,078,218

See accompanying notes to consolidated financial statements (unaudited).

Mobivity Holdings Corp.
Condensed Consolidated Statement of Stockholders' Deficit
(Unaudited)

	Common Stock		Equity	Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders' Equity
	Shares	Dollars	Payable	Capital	Loss	Deficit	(Deficit)
Balance, December 31, 2022	**61,311,155**	**$ 61,311**	**$ 324,799**	**$ 108,806,353**	**$ (100,963)**	**$ (117,896,409)**	**$ (8,804,909)**
Issuance of common stock for warrant exercise	3,587,487	3,587	—	3,583,900	—	—	3,587,487
Issuance of common stock for settlement of interest payable on related party debt	163,757	164	(7,713)	223,773	—	—	216,224
RSU's issued - termintaiton of director's service	545,012	545		(545)			—
Stock based compensation	—	—	—	810,157	—	—	810,157
Foreign currency translation adjustment	—	—	—	—	31,502	—	31,502
Net loss	—	—	—	—	—	(2,478,175)	(2,478,175)
Balance, March 31, 2023	**65,607,411**	**$ 65,607**	**$ 317,086**	**$ 113,423,638**	**$ (69,461)**	**$ (120,374,584)**	**$ (6,637,714)**

	Common Stock		Equity	Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders' Equity
	Shares	Dollars	Payable	Capital	Loss	Deficit	(Deficit)
Balance, December 31, 2023	**67,949,709**	**$ 67,950**	**$ 989,947**	**$ 118,624,601**	**$ (153,831)**	**$ (129,960,608)**	**$ (10,431,941)**
Fair value of options issued with related party debt		—	—	466,594	—	—	466,594
Stock based compensation - Employees	—	—	—	112,660	—	—	112,660
Stock Based Compensation - Directors				81,250	—	—	81,250
Foreign currency translation adjustment	—	—	—	—	217,929	—	217,929
Net loss	—	—	—	—	—	$ (2,254,242)	(2,254,242)
Balance, March 31, 2024	**67,949,709**	**$ 67,950**	**$ 989,947**	**$ 119,285,105**	**$ 64,098**	**$ (132,214,850)**	**$ (11,807,750)**

See accompanying notes to consolidated financial statements (unaudited).

Mobivity Holdings Corp.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three Months Ended March 31,	
	2024	**2023**
OPERATING ACTIVITIES		
Net loss	$ (2,254,242)	$ (2,478,175)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on Settlement of Debt - related party	—	10,857
Bad debt expense	49,109	(10,576)
Stock-based compensation	193,910	810,157
Intangible Asset Impariment	—	—
Depreciation and amortization expense	21,257	63,902
Amortization of Debt Discount	94,840	31,567
Increase (decrease) in cash resulting from changes in:		
Accounts receivable	(11,831)	341,773
Other current assets	—	(17,891)
Operating lease assets/liabilities	—	(9,680)
Other assets	(10)	(3,423)
Accounts payable	(252,084)	(76,695)
Prepaid Expenses	(66,563)	—
Accrued interest	299,181	204,188
Accrued and deferred personnel compensation	(159,051)	(77,402)
Other liabilities - current	(28,276)	(34,079)
Lease Operating Assets	(11,350)	—
Deferred revenue and customer deposits	(45,180)	(197,987)
Net cash used in operating activities	**$ (2,170,290)**	**$ (1,443,464)**
INVESTING ACTIVITIES		
Purchases of equipment	—	(14,111)
Net cash used in investing activities	—	**(14,111)**
FINANCING ACTIVITIES		
Payments on notes payable	(8,658)	(9,978)
Proceeds from Related Party Debt	1,950,000	—
Proceeds from conversion of common stock warrants	—	3,587,487
Net cash provided by (used in) financing activities	**1,941,342**	**3,577,509**
Effect of foreign currency translation on cash flow	(665)	34,923
Net Change in cash	**(229,613)**	**2,154,857**
Cash at beginning of period	**$ 416,395**	**$ 426,740**
Cash at end of period	**186,782**	**2,581,597**
Supplemental disclosure		
Cash paid during period for:		
Interest Paid	$ —	$ —
Fair Value of Options issued with related party debt	$ 466,594	$ —
Shares issued for settlement of debt - related party	$ —	$ 205,367
Shares issued for stock payable for settlement of debt - related party	$ —	$ 223,937
Par Value pf RSU's issued - termination of director's service	$ —	$ 545

See accompanying notes to consolidated financial statements.

Mobivity Holdings Corp.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Nature of Operations and Basis of Presentation

Mobivity Holdings Corp. (the "Company" or "we") is in the business of developing and operating proprietary platforms over which brands and enterprises can conduct national and localized, data-driven mobile marketing campaigns. Our proprietary platforms, consisting of software available to phones, tablets, PCs, and Point of Sale ("POS") systems, allow resellers, brands, and enterprises to market their products and services to consumers through text messages sent directly to consumers via mobile phones, mobile smartphone applications, and dynamically printed receipt content. On November 14, 2018, we completed the acquisition of certain operating assets relating to Belly, Inc.'s proprietary digital customer loyalty platform, including client contracts, accounts receivable, and intellectual property. We generate revenue by charging the resellers, brands, and enterprises a per-message transactional fee, through fixed or variable software licensing fees, or via advertising fees.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X promulgated by the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and disclosures required by GAAP for annual financial statements. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on April 16, 2024.

In the opinion of management, such statements include all adjustments (consisting only of normal recurring items) which are considered necessary for a fair presentation of our condensed consolidated financial statements as of March 31, 2024, and for the three months ended March 31, 2024 and 2023. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the operating results for the full year ending December 31, 2024.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Management believes that these estimates are reasonable; however, actual results may differ from these estimates.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year's presentation. The reclassifications did not affect previously reported net losses.

Acquisitions

We account for acquired businesses using the purchase method of accounting. Under the purchase method, our consolidated financial statements reflect the operations of an acquired business starting from the completion of the acquisition. In addition, the assets acquired and liabilities assumed are recorded at the date of acquisition at their respective estimated fair values, with any excess of the purchase price over the estimated fair values of the net assets acquired recorded as goodwill.

Cash

We minimize our credit risk associated with cash by periodically evaluating the credit quality of our primary financial institution. Our balances at times may exceed federally insured limits. We have not experienced any losses on our cash accounts.

Accounts Receivable, Allowance for Doubtful Accounts and Concentrations

Accounts receivable are carried at their estimated collectible amounts. We grant unsecured credit to substantially all of our customers. Ongoing credit evaluations are performed, and potential credit losses are charged to operations at the time the account receivable is estimated to be uncollectible. Since we cannot necessarily predict future changes in the financial stability of our customers, we cannot guarantee that our reserves will continue to be adequate.

As of March 31, 2024, and December 31, 2023 we recorded an allowance for doubtful accounts of $60,265 and $16,107, respectively.

Goodwill and Intangible Assets

Goodwill is tested for impairment at a minimum on an annual basis. Goodwill is tested for impairment at the reporting unit level by first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. If the reporting unit does not pass the qualitative assessment, then the reporting unit's carrying value is compared to its fair value. The fair values of the reporting units are estimated using market and discounted cash flow approaches. Goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value. The discounted cash flow approach uses expected future operating results. Failure to achieve these expected results may cause a future impairment of goodwill at the reporting unit.

We conducted our annual impairment tests of goodwill as of December 31, 2023. As a result of these tests, we had a total impairment charge of $0.

Intangible assets consist of patents and trademarks, purchased customer contracts, purchased customer and merchant relationships, purchased trade names, purchased technology, non-compete agreements, and software development costs. Intangible assets are amortized over the period of estimated benefit using the straight-line method and estimated useful lives ranging from one year to twenty years. No significant residual value is estimated for intangible assets.

The Company's evaluation of its goodwill and intangible assets resulted in no impairment charges for the three months ended March 31, 2024 and 2023, respectively.

Software Development Costs

Software development costs include direct costs incurred for internally developed products and payments made to independent software developers and/or contract engineers. The Company accounts for software development costs in accordance with the Financial Accounting Standards Board ("FASB") guidance for the costs of computer software to be sold, leased, or otherwise marketed (Accounting Standards Codification subtopic 985-20, Costs of Software to Be Sold, Leased, or Marketed, or "ASC Subtopic 985-20"). Software development costs are capitalized once the technological feasibility of a product is established, and such costs are determined to be recoverable. The technological feasibility of a product encompasses technical design documentation and integration documentation, or the completed and tested product design and working model. Software development costs are capitalized once the technological feasibility of a product is established and such costs are determined to be recoverable against future revenues. Technological feasibility is evaluated on a project-by-project basis. Amounts related to software development that are not capitalized are charged immediately to the appropriate expense account. Amounts that are considered "research and development" that are not capitalized are immediately charged to engineering, research, and development expense.

Capitalized costs for those products that are canceled or abandoned are charged to product development expenses in the period of cancellation. Commencing upon product release, capitalized software development costs are amortized to "Amortization Expense - Development" based on the straight-line method over a twenty-four-month period.

The Company evaluates the future recoverability of capitalized software development costs on an annual basis. For products that have been released in prior years, the primary evaluation criterion is ongoing relations with the customer. The Company's evaluation of its capitalized software development assets resulted in no impairment charges for the three months ended March 31, 2024 and 2023, respectively.

Impairment of Long-Lived Assets

We evaluate long-lived assets (including intangible assets) for impairment whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset may not be recoverable. An asset is considered impaired if its carrying amount exceeds the undiscounted future net cash flow the asset is expected to generate.

Foreign Currency Translation

The Company translates the financial statements of its foreign subsidiary from the local (functional) currency into US Dollars using the year or reporting period end or average exchange rates in accordance with the requirements of ASC subtopic 830-10, *Foreign Currency Matters* ("ASC 830-10"). Assets and liabilities of these subsidiaries were translated at exchange rates as of the balance sheet date. Revenues and expenses are translated at average rates in effect for the periods presented. The cumulative translation adjustment is included in the accumulated other comprehensive gain (loss) within shareholders' equity. Foreign currency transaction gains and losses arising from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the unaudited Condensed Consolidated Statements of Income and Comprehensive Income.

Revenue Recognition and Concentrations

Our Recurrency platform is a hosted solution. We generate revenue from licensing our software to clients in our software as a service model, per-message and per-minute transactional fees, and customized professional services. We recognize license/subscription fees over the period of the contract, service fees as the services are performed, and per-message or per-minute transaction revenue when the transaction takes place. Under ASC 606, revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We consider authoritative guidance on multiple deliverables in determining whether each deliverable represents a separate unit of accounting. Some customers are billed on a month-to-month basis with no contractual term and fees are collected by credit card. Revenue is recognized at the time that the services are rendered, and the selling price is fixed with a set range of plans. Cash received in advance of the performance of services is recorded as deferred revenue.

Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers ("ASC 606"), is a comprehensive revenue recognition standard that superseded nearly all existing revenue recognition guidance. The Company adopted this standard effective January 1, 2018, applying the modified retrospective method. Upon adoption, the Company discontinued revenue deferral under the sell-through model and commenced recording revenue upon delivery to distributors, net of estimated returns. Generally, the new standard results in earlier recognition of revenues.

We determine revenue recognition under ASC 606 through the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- identification of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, we satisfy a performance obligation.

During the three months ended March 31, 2024 and 2023, two customers accounted for 59% and 51% of our revenues, respectively.

Comprehensive Loss

Comprehensive loss is defined as the change in equity during a period from transactions and other events and circumstances from non-owner sources. We are required to record all components of comprehensive loss in the consolidated financial statements in the period in which they are recognized. Net loss and other comprehensive loss, including foreign currency translation adjustments and unrealized gains and losses on investments, are reported, net of their related tax effect, to arrive at a comprehensive loss. For the three months ended March 31, 2024 and 2023, the comprehensive loss was $2,036,313, and $2,446,673 respectively.

Stock-based Compensation

We primarily issue stock-based awards to employees in the form of stock options. We determine compensation expense associated with stock options based on the estimated grant date fair value method using the Black-Scholes valuation model. We recognize compensation expense using a straight-line amortization method over the respective vesting period.

Research and Development Expenditures

Research and development expenditures are expensed as incurred, and consist primarily of compensation costs, outside services, and expensed materials. There were no research and development costs for the periods ending March 31, 2024 and March 31, 2023.

Advertising Expense

Direct advertising costs are expensed as incurred and consist primarily of trade shows, sales enablement, content creation, paid engagement and other direct costs. Advertising expense was $93,430 and $54,248 for the three months ended March 31, 2024 and 2023, respectively.

Income Taxes

We account for income taxes using the assets and liability method, which recognizes deferred tax assets and liabilities determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to affect taxable income. Valuation allowances are established to reduce deferred tax assets when, based on available objective evidence, it is more likely than not that the benefit of such assets will not be realized. We recognize in the consolidated financial statements only those tax positions determined to be more likely than not of being sustained.

Net Loss Per Common Share

Basic net loss per share excludes any dilutive effects of options, shares subject to repurchase, and warrants. Diluted net loss per share includes the impact of potentially dilutive securities. During the three months ended March 31, 2024 and 2023, we had securities outstanding which could potentially dilute basic earnings per share in the future. Stock-based compensation, stock options and warrants were excluded from the computation of diluted net loss per share when their effect would have been anti-dilutive.

Recent Accounting Pronouncements

Accounting standards promulgated by the FASB are subject to change. Changes in such standards may have an impact on the Company’s future financial statements. The following is a summary of recent accounting developments.

In August 2020, the FASB issued ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity (“ASU 2020-06”). ASU 2020-06 requires that the if-converted method of computing diluted Earnings per Share. The Company adopted ASU 2020-06 on January 1, 2022.

3. Going Concern

We had $186,782 of cash as of March 31, 2024. We had a net loss of $2,254,242 for the three months ended March 31, 2024, and we used $2,170,290 of cash in our operating activities during that time. In the three months ended March 31, 2023 we had a net loss of $2,478,175 and used $1,443,464 of cash in our operating expenses. We raised $3.6 million in cash from the exercise of warrants in February of 2023. There is substantial doubt that our additional cash from our warrant conversion along with our expected cash flow from operations, will be sufficient to fund our 12-month plan of operations, and there can be no assurance that we will not require significant additional capital within 12 months.

As shown in the accompanying financial statements, the Company has incurred net losses from operations resulting in an accumulated deficit of $132.2 million as of March 31, 2024. Further losses are anticipated in the development of the Company’s business raising substantial doubt about the Company’s ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next 12 months with proceeds from the sale of securities, and/or revenues from operations. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

4. Purchased Intangibles

Intangible assets

The following table presents details of our purchased intangible assets as of March 31, 2024 and December 31, 2023:

	Balance at December 31, 2023	Additions	Impairments	Amortization	Foreign Exchange and Other	Balance at March 31, 2024
Patents and trademarks	$ 53,663	$ —	$ —	$ (1,445)	$ —	$ 52,218
Customer and merchant relationships	6,138	—	—	$ (6,138)	—	—
Trade names	1,609	—	—	$ (1,609)	—	—
	$ 61,410	$ —	$ —	$ (9,192)	$ —	$ 52,218

The intangible assets are being amortized on a straight-line basis over their estimated useful lives of one year to twenty years.

Amortization expense for intangible assets was $9,192 and $8,970 for the three months ended March 31, 2024 and 2023, respectively, and is included in depreciation and amortization on the accompanying unaudited condensed consolidated statements of operations and comprehensive loss.

The estimated future amortization expense of our intangible assets as of March 31, 2024 was as follows:

Year ending December 31,	Amount
2024	$ 4,334
2025	$ 5,778
2026	$ 5,778
2027	$ 5,778
2028	$ 5,778
Thereafter	$ 24,772
Total	$ 52,218

5. Software Development Costs

The Company has capitalized certain costs for software developed or obtained for internal use during the application development stage as it relates to specific contracts. The amounts capitalized include external direct costs of services used in developing internal-use software and for payroll and payroll-related costs of employees directly associated with the development activities.

The following table presents details of our software development costs as of March 31, 2024 and December 31, 2023:

	Balance at December 31, 2023	Additions	Amortization	Balance at March 31, 2024
Software Development Costs	$ 4,506	$ —	$ (1,642)	$ 2,864
	$ 4,506	$ —	$ (1,642)	$ 2,864

Software development costs are being amortized on a straight-line basis over their estimated useful life of two years.

Amortization expense for software development costs was $1,642 and $41,945 for the three months ended March 31, 2024 and 2023, respectively, and is included in depreciation and amortization on the accompanying unaudited condensed consolidated statements of operations and comprehensive loss.

The estimated future amortization expense of software development costs as of March 31, 2024 is as follows:

Year ending December 31,	Amount
2024	$ 2,864
2025	—
2026	—
2027	—
2028	—
Thereafter	—
Total	$ 2,864

6. Operating Lease Assets

The Company entered into a lease agreement on February 1, 2021, for 8,898 square feet, for its office facilities in Chandler, AZ through January 2027. Monthly rental payments, excluding common area maintenance charges, are $25,953 to $28,733. The first twelve months of the lease included a 50% abatement period and a deposit of $110,000 was required. The lessor contributed $110,000 towards the purchase of office furniture as part of the lease agreement. As of March 31, 2024, we have an operating lease asset balance of $715,106 and an operating lease liability balance of $870,057 recorded in accordance with ASC 842, Leases (ASC "842").

The Company entered in to a sublease on March 1, 2024 for its office facilities in Chandler, AZ through February 28, 2025. Monthly rental payments including rental of office furniture and excluding taxes, are $24,470.

The following are additional details related to leases recorded on our balance sheet as of March 31, 2024:

Leases	Classification	Balance at March 31, 2024
Assets		
Current		
Operating lease assets	Operating lease assets	$ —
Noncurrent		
Operating lease assets	Noncurrent operating lease assets	$ 715,106
Total lease assets		$ 715,106
Liabilities		
Current		
Operating lease liabilities	Operating lease liabilities	$ 282,435
Noncurrent		
Operating lease liabilities	Noncurrent operating lease liabilities	$ 587,622
Total lease liabilities		$ 870,057

The maturity analysis below summarizes the remaining future undiscounted cash flows for our operating leases, a reconciliation to operating lease liabilities reported on the Condensed Consolidated Balance Sheet, our weighted-average remaining lease term, and weighted average discount rate:

Year ending December 31,		
2024	$	248,588
2025		337,568
2026		344,241
2027		28,733
2028		—
Thereafter		—
Total future lease payments		959,130
Less: imputed interest		(89,073)
Total	$	870,057
Weighted Average Remaining Lease Term (years)		
Operating leases		2.88
Weighted Average Discount Rate		
Operating leases		6.75%

7. Notes Payable and Interest Expense

The following table presents details of our notes payable as of March 31, 2024 and December 31, 2023:

Facility	**Maturity**	**Interest Rate**	**Balance at March 31, 2024**	**Balance at December 31, 2023**
ACOA Note	February 1, 2024	—	—	7,154
Convertible Notes Payable	various	8%	218,918	215,959
Related Party Note	various	15%	9,092,516	7,536,487
Total Debt			9,311,434	7,759,600
Less current portion			(2,304,375)	(3,079,654)
Long-term debt, net of current portion			$ 7,007,059	$ 4,679,946

ACOA Note

On November 6, 2017, Livelenz (a wholly owned subsidiary of the Company), entered into an amendment of the original agreement dated December 2, 2014, with the Atlantic Canada Opportunities Agency ("ACOA"). Under this agreement, the note will mature, and the commitments will terminate, on February 1, 2024. The monthly principal payment amount of $3,000 CAD increased to $3,500 CAD beginning on November 1, 2019, $4,000 CAD on August 1, 2021, $4,500 CAD on August 1, 2022, and $2,215 CAD during the remaining term of the agreement. Payments from April-December of 2020 were voluntarily deferred by ACOA due to COVID-19.

During the three months ended March 31, 2024 we repaid $7,035 USD of principal. The final payment was made on February 28, 2024 and the loan is paid in full.

TD Bank Loan

On April 22, 2020, we entered into a commitment loan with TD Bank under the Canadian Emergency Business Account ("CEBA"), in the principal aggregate amount of $40,000 CAD, which is due and payable on December 31, 2023. This note bears interest on the unpaid balance at the rate of zero percent (0%) per annum during the initial term. Under this note, no interest or principal payments are due until December 31, 2023. It was determined that no the Company was not eligible for partial forgiveness. The loan was paid in full on December 31, 2024.

Related Party Notes

Secured Promissory Notes

On June 30, 2021, we entered into a Credit Facility Agreement (the "Credit Agreement") with Thomas Akin, one of the Company's directors (the "Lender"). The Credit Agreement was amended on November 11, 2022. The Company can borrow up to $6,000,000 under the Credit Agreement ("the "Credit Facility").

The Credit Facility is secured by all of our tangible and intangible assets including intellectual property. This loan bears interest on the unpaid balance at the rate of fifteen percent (15%) per annum. The Company may prepay this loan without notice, penalty, or charge. In consideration of the Lender's agreement to provide the Credit Facility, the Company issued warrants to purchase shares of its common stock at an exercise price of $1.67 per share in connection with the issuance of funds under the Credit Agreement. The warrants are exercisable for a period commencing upon issuance of the corresponding notes and ending 36 months after issuance of the financing. In addition, the Company has agreed to issue to the Lender additional warrants entitling the Lender to purchase a number of shares of the Company's common stock equal to twenty percent (20%) of the amount of the advances made divided by the volume-weighted average price over the 30 trading days preceding the advance (the "VWAP"). Each warrant will be exercisable over a three-year period at an exercise price equal to the VWAP.

Under the original terms of the Credit Agreement, the Company was to begin repaying the principal amount, plus accrued interest, in 24 equal monthly installments commencing on June 30, 2022, and ending on June 30, 2024. On November 11, 2022, an amendment to the Credit Agreement was signed. The amendment updated the payment terms to the following: "Without limiting the foregoing Section 2.3(a), Borrower shall repay the principal amount of all Advances, plus accrued interest thereon, in 24 equal monthly installments commencing on January 31, 2023 and continuing thereafter on the last day of each month (or, if such last day is not a Business Day, on the Business Day immediately preceding such last day. Interest on the unpaid Advances will accrue from the date of each Advance at a rate equal to fifteen percent (15%) per annum. Interest will be calculated on the basis of 365 days in a year." The amendment raised the maximum amount of the Credit Facility to $6,000,000. In addition, the interest which is accrued monthly between July 1, 2022, and December 31, 2022, will be settled into equity. Common Stock will be issued at the end of each month at a rate of $1.08 per share of common stock in the amount of the interest accrued for each month.

On January 31, 2023, the Company then entered into Amendment No. 1 (the "Amendment"), which amends our existing Credit Facility Agreement[1], dated as of November 11, 2022, between the Company and Thomas B. Akin, and any convertible notes issued thereunder. The Amendment amends the existing Credit Facility Agreement to extend the maturity of the agreement and related convertible notes thereunder until December 1, 2025. Principal payments have been deferred to a period beginning on January 1, 2024 and ending December 1, 2025, and further provides that any accrued interest on unpaid advances under the agreement is to be paid quarterly in shares of our common stock, at a price per share equal to the volume-weighted average price of our common stock quoted on the Over-The Counter Venture Market operated by OTC Markets Group Inc. ("OTCQB®") over the ninety (90) trading days immediately preceding such date. The Amendment provides for corresponding amendments to the form of convertible notes to be issued under the Credit Agreement in the future and any outstanding convertible notes issued under the existing Credit Facility Agreement. The Amendment was considered a debt modification as the cash flows under the amended terms do not differ by at least 10% from the cash flows under the original agreement.

On January 31, 2024 amended terms were agreed upon and the Company then entered into Amendment No. 2 (the "Amendment") signed on May 3, 2024, which amends the terms of the Credit Facility Agreement, between the Company and Thomas B. Akin, and any convertible notes issued thereunder. The Amendment amends the existing Credit Facility Agreement to extend the maturity of the agreement and related convertible notes thereunder until June 30, 2026. Principal payments have been deferred to a period beginning on July 31, 2024 and ending June 30, 2026.

During the three months ended March 31, 2024, a total of $226,289 of interest was accrued by the company. The company recorded amortized discount expense of $22,868.

As of March 31, 2024, the Company had drawn a total of $5,873,125, has equity payable balance of $812,711 of accrued interest and a discount balance of $169,485.

Unsecured Promissory Note

On July 1, 2021, we entered into UP Notes in the aggregate principal amount of $271,875 with Talkot Fund, LP and investor in the Company. Each UP Note bears interest on the unpaid balance at the rate of fifteen percent (15%) per annum and the principal and accrued interest are due and payable no later than December 31, 2023. We may prepay any of the UP Notes without notice, subject to a two percent (2%) pre-payment penalty. The UP Note offer was conducted by our management and there were no commissions paid by us in connection with the solicitation. The Company issued to Talkot Fund LP warrants to purchase an aggregate of 33,017 shares of its common stock at the stated exercise price per share in connection with the issuance of funds under this UP Note.

On January 31, 2023, the Lender agreed to postpone the 24-month repayment period to a later period commencing on January 31, 2024, and further agreed that interest accrued on the loan between July 1, 2022 and December 1, 2025 is to be settled in shares of the Company's common stock quarterly.

During the three months ended March 31, 2024, a total of $10,309 of interest was accrued by the company.

As of March 31, 2024, the Company had an outstanding principal balance of $271,875, an equity payable balance of $76,374 and accrued interest of $10,309.

Related Party Convertible Notes

During fourth quarter 2023 the Company issued 8 Convertible Notes payable to related parties for $2,000,000. As an inducement we issued 3,333,332 warrants to purchase shares of our common stock at $.60 per share. Simple interest on the unpaid principal balance of this Note will accrue at the rate of 8.0% per annum. Accrual of interest will commence on the date of this Note, will continue until this Note is fully paid, and will be payable in a single installment at maturity three years from the date the Convertible Note was issued.

The Convertible Note and all accrued interest thereon are convertible into shares of our common stock, from time to time, at the option of the holder thereof, at a conversion price per share equal to the larger of either $0.50 or of the volume-weighted average price of our common stock quoted on the OTCQB ® Venture Market operated by OTC Markets Group Inc. over the thirty (30) trading days immediately preceding such date (the “Conversion Price”).

During first quarter 2024 the Company 8 Convertible Notes payable to related parties for $1,950,000. As an inducement we issued 3,249,997 warrants to purchase shares of our common stock at $.60 per share. Simple interest on the unpaid principal balance of this Note will accrue at the rate of 8.0% per annum. Accrual of interest will commence on the date of this Note, will continue until this Note is fully paid, and will be payable in a single installment at maturity three years from the date the Convertible Note was issued.

During the three months ended March 31, 2024 accrued interest of $61,172 was recorded in connection with the related party convertible notes. The Company recorded $28,943 in amortized debt discount in connections with related party convertible notes.

As of March 31, 2024 the Convertible Notes issued to related parties had a principal balance of $3,950,000 and accrued interest of $82,416.

Convertible Notes

During fourth quarter 2023 the Company issued 10 Convertible Notes payable to related parties for $250,000. As an inducement we issued 416,667 warrants to purchase shares of our common stock at $.60 per share. Simple interest on the unpaid principal balance of this Note will accrue at the rate of 8.0% per annum. Accrual of interest will commence on the date of this Note, will continue until this Note is fully paid, and will be payable in a single installment at maturity three years from the date the Convertible Note was issued.

The Convertible Note and all accrued interest thereon are convertible into shares of our common stock, from time to time, at the option of the holder thereof, at a conversion price per share equal to the larger of either $0.50 or of the volume-weighted average price of our common stock quoted on the OTCQB ® Venture Market operated by OTC Markets Group Inc. over the thirty (30) trading days immediately preceding such date (the “Conversion Price”)

During the three months ended March 31, 2024 accrued interest of $5,056 was recorded in connection with the related party convertible notes. The Company recorded $2,959 in amortized debt discount in connections with related party convertible notes.

As of March 31, 2023 the Convertible Notes had a principal balance of $250,000 and accrued interest of $6,400.

Interest Expense

Interest expense was $397,472 and $238,446 during the three months ended March 31, 2024 and 2023, respectively.

8. Stockholders' Equity

Common Stock and Equity Payable

2023

On January 31, 2023 a total of 545,012 shares were issued to John Harris, a former director. The shares were issued based on the total Restricted Stock Units earned by Mr. Harris as director compensation that were fully vested as of March 29, 2022. Restricted stock expense is recorded on the date it vests and no expense was recognized during the three months ended March 31, 2023.

On March 27, 2023 a total of 154,106 shares of common stock were granted from equity payable to Thomas Akin as settlement of $166,432 of interest payable. The Company recorded a loss on settlement of interest payable of $44,325 on December 31, 2022.

On March 27, 2023 a total of 9,651 shares of common stock were granted from equity payable to Talkot Fund LP as settlement of $10,423 of interest payable. The Company recorded a loss on settlement of interest payable of $2,757 on December 31, 2022.

On March 31, 2023 a total of $195,171 of interest was accrued and settled to equity payable for the issuance of 180,715 shares of common stock. The company recorded a loss of settlement of interest payable of $10,315.

On March 31, 2023 a total of $10,196 of interest was accrued and settled to equity payable for the issuance of 9,441 shares of common stock. The company recorded a loss of settlement of interest payable of $542.

During March of 2023, 15 warrant holders exercised their common stock purchase warrant for 3,587,487 shares at the exercise price of $1.00 per share, resulting in additional capital of $3,587,487. As an inducement for the holder's exercise of the warrants, we issued the holders' 1,792,745 new warrants to purchase common stock at $2.00 per share over a three-year period expiring in March 2026. The Company recorded $577,000 of stock-based expense related to warrants issued during the warrant conversion offer on February 14, 2023. The total estimated value of the warrants using the Black-Scholes Model is based on a volatility rate of 63% and an option fair value of $0.3216.

On June 30, 2023 a total of $196,148 of interest was accrued and settled to equity payable for the issuance of 181,620 shares of common stock.

On June 30, 2023 a total of $10,309 of interest was accrued and settled to equity payable for the issuance of 9,546 shares of common stock.

During August and September of 2023, 18 warrant holders exercised their common stock purchase warrant for 1,960,976 shares at the exercise price of $.82 per share, resulting in additional capital of $1,608,000. As an inducement for the holder's exercise of the warrants, we issued the holders' 3,921,952 new warrants to purchase common stock at $.82 per share over a one and three-year period expiring between August and September 2026. The Company recorded $1,146,562 of stock-based expense related to warrants issued during the warrant conversion offer on September 6, 2023. The total estimated value of the warrants using the Black-Scholes Model is based on an average volatility rate of 63% and 73% and an option fair value of between $0.21 and $0.40.

During the three months ended March 31, 2023 a total of 163,757 shares were issued from stock payable related to related party accrued interest settled during the fourth quarter of 2022.

As of the March 31, 2023 we had an equity payable balance of $317,086.

2024

During the three months ended March 31, 2024 no shares were issued and no equity payable was recorded.

As of the three months ended March 31, 2024 we had an equity payable balance of $989,947

Stock-based Plans

Stock Option Activity

The following table summarizes stock option activity for the three months ended March 31, 2024.

		Options
Outstanding at December 31, 2022		6,691,216
Granted		2,678,500
Exercised		—
Forfeited/canceled		(329,893)
Expired		(1,742,468)
Outstanding at December 31, 2023		7,297,355
Granted		—
Exercised		—
Forfeited/canceled		(730,520)
Expired		(2,009,688)
Outstanding at March 31, 2024		4,557,147
Expected to vest at March 31, 2024		1,599,696
Vested at March 31, 2024		1,599,696
Unvested at March 31, 2024		2,957,451
Unrecognized expense at March 31, 2024	$	1,646,644

2023

On May 11, 2023 the Company granted three employees 295,000 options to purchase shares of the Company's common stock at the closing price as of May 11, 2023 of $0.98 per share. The option shares will vest 25% on the first anniversary of the grant, then equally in 36 monthly installments thereafter, and are exercisable until May 16, 2033. The total estimated value using the Black-Scholes Model, based on a volatility rate of 75.76% and an option fair value of $0.705183 was $208,029.

On July 14, 2023 the Company granted one employees 1,000,000 options to purchase shares of the Company's common stock at the closing price as of July 14, 2023 of $0.85 per share. The option shares will vest 25% on the first anniversary of the grant, then equally in 36 monthly installments thereafter, and are exercisable until July 14, 2033. The total estimated value using the Black-Scholes Model, based on a volatility rate of 74.55% and an option fair value of $0.5590 was $605,383.

On July 17, 2023 the Company granted one employees 700,000 options to purchase shares of the Company's common stock at the closing price as of July 17, 2023 of $0.79 per share. The option shares will vest 25% on the first anniversary of the grant, then equally in 36 monthly installments thereafter, and are exercisable until July 17, 2033. The total estimated value using the Black-Scholes Model, based on a volatility rate of 74.57% and an option fair value of $0.5713 was $396,441.

On August 25, 2023 he Company granted four employees 650,000 options to purchase shares of the Company's common stock at the closing price as of August 25, 2023 of $0.65 per share. The option shares will vest 25% on the first anniversary of the grant, then equally in 36 monthly installments thereafter, and are exercisable until August 25, 2033. The total estimated value using the Black-Scholes Model, based on a volatility rate of 64.81% and an option fair value of $0.4257 was $285,773.

On November 30, 2023, the Company granted five employees 33,500 options to purchase shares of the Company's common stock at the closing price as of November 30, 2023 of $0.3505 per share. The option shares will vest 25% on the first anniversary of the grant, then equally in 36 monthly installments thereafter, and are exercisable until November 30, 2033. The total estimated value using the Black-Scholes Model, based on a volatility rate of 83.03% and an option fair value of $0.295407 was $9,896.

2024

During the three months ended March 31, 2024 no employee stock options were issued.

Stock-Based Compensation Expense from Stock Options and Warrants

The impact on our results of operations of recording stock-based compensation expense for the three months ended March 31, 2024 and 2023 were as follows:

	Three Months Ended March 31,	
	2024	2023
General and administrative	$ (42,327)	$ 65,032
Sales and marketing	107,862	68,646
Engineering, research, and development	47,125	34,475
	$ 112,660	$ 168,153

Restricted stock units

The following table summarizes restricted stock unit activity under our stock-based plans for the year ended December 31, 2023 and for the three months ended March 31, 2024:

	Shares
Outstanding at December 31, 2022	1,929,933
Awarded	414,104
Released	(545,012)
Canceled/forfeited/expired	—
Outstanding at December 31, 2023	1,799,025
Awarded	162,500
Released	—
Canceled/forfeited/expired	—
Outstanding at March 31, 2024	1,961,525
Expected to vest at March 31, 2024	1,961,525
Vested at March 31, 2024	1,961,525
Unvested at March 31, 2024	—
Unrecognized expense at March 31, 2024	$ —

2023

On March 31, 2023, the Company granted four independent directors a total of 61,342 restricted stock units. The units were valued at $65,002 or $1.05 per share, based on the closing stock price on the date of the grant. All units vested immediately. The shares of common stock associated with the restricted stock units will be issued to each director upon the earliest to occur of (A) March 31, 2026, (B) a change in control of the Company, and (C) the termination of the director's service with the Company.

On June 30, 2023, the Company granted four independent directors a total of 80,160 restricted stock units. The units were valued at $65,003 or $0.81 per share, based on the closing stock price on the date of the grant. All units vest immediately. The shares of common stock associated with the restricted stock units will be issued to each director upon the earliest to occur of (A) June 30, 2026, (B) a change in control of the Company, and (C) the termination of the director's service with the Company.

On September 30, 2023, the Company granted four independent directors a total of 101,564 restricted stock units. The units were valued at $65,001 or $.64 per share, based on the closing stock price on the date of the grant. All units vest immediately. The shares of common stock associated with the restricted stock units will be issued to each director upon the earliest to occur of (A) September 30, 2026, (B) a change in control of the Company, and (C) the termination of the director's service with the Company.

On December 31, 2023 the Company granted four independent directors a total of 171,056 restricted stock units. The units were valued at $65,001 or $.38 per share, based on the closing stock price on the date of the grant. All units vested immediately. The shares of common stock associated with the restricted stock units will be issued to each director upon the earliest to occur of (A) December 31, 2025, (B) a change in control of the Company, and (C) the termination of the director's service with the Company.

In the three months ended March 31, 2023 the Company recorded $65,003 in restricted stock expense as board compensation.

2024

On March 31, 2024 the company grated granted five independent directors a total of 162,500 restricted stock units. The units were valued at $81,250 or $.50 per share, based on the closing stock price on the date of the grant. All units vested immediately. The shares of common stock associated with the restricted stock units will be issued to each director upon the earliest to occur of (A) March 31, 2026, (B) a change in control of the Company, and (C) the termination of the director's service with the Company.

In the three months ended March 31, 2024, the Company recorded $81,250 in restricted stock expense as board compensation.

Stock Based Compensation from Restricted Stock

The impact on our results of operations of recording stock-based compensation expense for restricted stock units for the three months ended March 31, 2024 and 2023 was as follows:

	Three Months Ended March 31,	
	2024	2023
General and administrative	$ 81,250	$ 65,003
	$ 81,250	$ 65,003

As of March 31, 2024, there was no unearned restricted stock unit compensation.

Warrants

The following table summarizes investor warrants as of March 31, 2024 and the years ended December 31, 2023 and 2022:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
Outstanding at December 31, 2022	6,147,898	$ 1.45	2.27
Granted	9,563,787	$ —	—
Exercised	(5,548,463)	$ —	—
Canceled/forfeited/expired	—	$ —	—
Outstanding at December 31, 2023	10,163,222	$ 0.94	2.48
Granted	3,249,997	$ —	—
Exercised	—	$ —	—
Canceled/forfeited/expired	—	$ —	—
Outstanding at March 31, 2024	13,413,219	$ 0.85	2.39

2023

During March 2023, 15 warrant holders exercised their common stock purchase warrant for 3,587,487 shares at the exercise price of $1.00 per share, resulting in additional capital of $3,557,487. As an inducement for the holder's exercise of the warrants, we issued the holders' 3,921,952 new warrants to purchase common stock at $2.00 per share over a three-year period expiring in February 2025. The Company recorded $577,000 of stock-based expense related to warrants issued during the warrant conversion offer on February 14, 2023. The total estimated value of the warrants using the Black-Scholes Model is based on a volatility rate of 63% and an option fair value of $0.3216.

During August and September of 2023, 18 warrant holders exercised their common stock purchase warrant for 1,906,976 shares at the exercise price of $.82 per share, resulting in additional capital of $3,557,487. As an inducement for the holder's exercise of the warrants, we issued the holders' 1,793,745 new warrants to purchase common stock at $.82 per share over a three-year period expiring between August and September 2026. The Company recorded $1,146,047 of stock-based expense related to warrants issued during the warrant conversion offer on September 6, 2023. The total estimated value of the warrants using the Black-Scholes Model is based on an average volatility rate of 72% and an option fair value of $0.2922.

During the fourth quarter, 15 warrant holders were issued 3,749,999 warrants as an inducement for Convertible Notes issued at the exercise price of $.60 per share, resulting in additional capital of $2,250,000. The Company recorded $471,425 of stock-based expense related to warrants issued with issuance of convertible notes. The total estimated value of the warrants using the Black-Scholes Model is based on an average volatility rate of 72% and an option fair value of $0.2922.

2024

During the first quarter of 2024, one warrant holders was issued 3,249,997 warrants as an inducement for Convertible Notes issued at the exercise price of $.60 per share, resulting in additional capital of $2,250,000. The Company recorded $466,594 of stock-based expense related to warrants issued with issuance of convertible notes. The total estimated value of the warrants using the Black-Scholes Model is based on an average volatility rate of 93% and an option fair value of $0.1418.

9. Fair Value Measurements

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the authoritative guidance establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs other than the quoted prices in active markets that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which requires us to develop our own assumptions. This hierarchy requires companies to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. On a recurring basis, we measure certain financial assets and liabilities at fair value.

The following table presents assets that are measured and recognized at fair value as of March 31, 2024 on a recurring and non-recurring basis:

Description	**Level 1**	**Level 2**	**Level 3**	**Gains (Losses)**
Goodwill (non-recurring)	$ —	$ —	$ —	$ —
Intangibles, net (non-recurring)	$ —	$ —	$ 55,082	$ —

The following table presents assets that are measured and recognized at fair value as of December 31, 2023 on a recurring and non-recurring basis:

Description	**Level 1**	**Level 2**	**Level 3**	**Gains (Losses)**
Goodwill (non-recurring)	$ —	$ —	$ —	$ —
Intangibles, net (non-recurring)	$ —	$ —	$ 65,916	$ —

10. Commitments and Contingencies

Litigation

Marina Soliman v. Subway Franchisee Advertising Fund Trust, LTD, Second Circuit Court of Appeals, Case No. 22-1726 – this is putative class action alleging that Defendant initiated telephone solicitations through text messages in violation of the Telephone Consumer Protection Act, 47 U.S.C § 227 et al. ("TCPA"). The district court granted Defendant's motion to dismiss. The matter has been under submission with the Court since October 24, 2023. In the event that the Court reverses and remands the matter, the Company intends to seek an individual settlement of the matter, and if one cannot be reached, the Company intends to vigorously defend the matter

Operating Lease

As of March 31, 2024, we have an operating lease asset balance for this lease of $715,106 and an operating lease liability balance for this lease of $870,057 recorded in accordance with ASC 842.

11. Related Party Transactions

Secured Promissory Notes

On June 30, 2021, we entered into a Credit Facility Agreement with Thomas Akin, one of the Company's directors (the "Lender"). The Credit Facility Agreement was amended on November 11, 2022 to allow the Company to borrow up to $6,000,000. The Credit Facility Agreement was amended again on January 31, 2023 to extend the maturity of the agreement and related convertible notes thereunder until December 1, 2025. Principal payments have been deferred to a period beginning on July 31, 2024 and ending June 30, 2026.

As of March 31, 2024, the Company had drawn a total of $5,873,125, has equity payable balance $812,711 of accrued interest and a discount balance of $169,485.

Unsecured Promissory Note

On July 1, 2021, we entered into UP Notes in the aggregate principal amount of $271,875 with Talkot Fund, LP and investor in the Company. Each UP Note bears interest on the unpaid balance at the rate of fifteen percent (15%) per annum and principal payments have been deferred to a period beginning on July 31, 2024 and ending June 30, 2026.

Convertible Notes

During first quarter of 2024, the Company 8 Convertible Notes payable to related parties for $1,950,000. As an inducement we issued 3,249,997 warrants to purchase shares of our common stock at $.60 per share. Simple interest on the unpaid principal balance of this Note will accrue at the rate of 8.0% per annum. Accrual of interest will commence on the date of this Note, will continue until this Note is fully paid, and will be payable in a single installment at maturity three years from the date the Convertible Note was issued.

For more details regarding the three related party transactions totaling $8,095,000, please refer to Note 7 - Notes Payable and Interest Expense.

12. Subsequent Events

Secured Promissary Notes

The Company entered into Amendment No. 2 (the "Amendment") to Amended and Restated Credit Facility Agreement and Convertible Notes (the Credit Facility Agreement), signed on May 3, 2024, which amends the terms of the Credit Facility Agreement, between the Company and Thomas B. Akin, and any convertible notes issued thereunder. The Amendment amends the existing Credit Facility Agreement to extend the maturity of the agreement and related convertible notes thereunder until June 30, 2026. Principal payments have been deferred to a period beginning on July 31, 2024 and ending June 30, 2026.

Convertible Notes

During April 2024, the Company issued three Convertible Notes to Thomas B. Akin for a total amount of $900,000.

During May 2024, the Company issued one Convertible Note to Thomas B. Akin for a total amount of $250,000.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Quarterly Report on Form 10-Q contains "forward-looking statements" as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, in connection with the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially and adversely from those expressed or implied by such forward-looking statements Such forward-looking statements include statements about our expectations, beliefs or intentions regarding our potential product offerings, business, financial condition, results of operations, strategies or prospects. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends, or results as of the date they are made and are often identified by the use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," or "will," and similar expressions or variations. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those risks disclosed under the caption "Risk Factors" included in our 2020 annual report on Form 10-K filed with the Securities and Exchange Commission, or the SEC, on March 30, 2021, and in our subsequent filings with the SEC. Furthermore, such forward-looking statements speak only as of the date of this report. We undertake no obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Overview

Mobivity Holdings Corp. (the "Company" or "us", "our", or we") develops and operates proprietary platforms over which brick and mortar brands and digital first enterprises can conduct national and localized, data-driven marketing campaigns with unique targeting, incentivization and promotion to drive customer acquisition and loyalty. The company's core technology platorm, RecurrencyTM, enables

- Transformation of messy point-of-sale (POS) data collected from thousands of locations and digital environments into usable intelligence.
- Measurement, prediction, and ability to boost guest frequency and spend by channel.
- Deployment and management of one-time use offer codes and attribution of sales accurately across every channel, promotion and media program.
- Delivery of uniquely attributable 1:1 offers that power incentivized actions in digital environments like user acquisition, continued monetization, and activities taken in a digital environment.

Our recurrency platform generates revenue in 2 ways. First, delivered as a Software-as-a-Service ("SaaS") platform used by leading convenience and quick service restaurant brands to build and engage with their loyal customers. Second, through our Connected RewardsTM business, our platform enables and powers unique incentivized programs in digital environments. Through our Connected Rewards platform, we enable businesses to reward their users and customers with products in the real world for actions taken in a digital environment. Our customers include some of the largest mobile casual game publishers in the world and some of the largest convenience and quick service restaurant brands in the world. The programs we run for our customers include incentivized user acquisition where users are rewarded with a real-world product, like a free or discounted burger, for downloading a mobile game, and rewarded play where users receive real world products for accomplishing activities in game, like achieving a certain level or winning enough points. We charge our customers for each unique action where our rewards are delivered, these include a per install or per individual engagement fee.

The Recurrency Platform

The Recurrency™ platform unlocks valuable POS and mobile data to help transform customer transactions into actionable and attributable marketing insights and power Connected Rewards interactions. Our technology analyzes transaction data to provide insights, delivers mobile rewards and powers redemption at all potential points of sale (i.e., mobile, in-store, in-app), and provides 100% attribution of the transaction. In Connected Rewards applications, Recurrency is integrated into mobile gaming platforms and mobile attribution partners to deliver the necessary data to deliver rewards for in-game actions.

Company Strategy

Our objective is to build an industry-leading mobile marketing technology product that bridges between in-person and digital environments powering a unique and defensible alternative for digital-first businesses to engage and retain their customers by rewarding them with real-world products and offers. The key elements to our strategy are:

- *Exploit the competitive advantages and operating leverage of our technology platform.* The core of our business is our ability to integrate our Recurrency platform into digital environments and deliver rewards based on activities taken in a digital environment. Because of our long history operating as a loyalty marketing solution we believe we have a defensible head start and ability to continue building products and features that will retain our competitive advantage.
- *Evolve our sales and customer support infrastructure to uniquely meet the needs of the quickly evolving digital marketing universe.* We have quickly evolved our organization and business to fill a gap in the digital marketing landscape. Through continued innovation and emphasis on automation and predictive analytics we believe we will expand our niche and create further value for our Connected Rewards Customers.
- *Acquire complementary businesses and technologies.* We will continue to search and identify unique opportunities which we believe will enhance our product features and functionality, revenue goals, and technology. We intend to target companies with some or all of the following characteristics: (1) an established revenue base; (2) strong and defensible technology services that further build out and differentiate our platform; (3) opportunities for substantial expense reductions through integration into our platform; and (4) strong sales teams. Our acquisitions have historically been consummated through the issuance of a combination of our common stock and cash.
- *Build our intellectual property portfolio*. We currently have nine issued patents that we believe have significant potential application in the technology industry. We plan to continue our investment in building a strong intellectual property portfolio.

While these are the key elements of our current strategy, there can be no guarantees that our strategy will not change or that our strategy will be successful or implemented al all.

Recent Events

2024 Convertible Notes

During the first quarter of 2024 the Company issued 8 Convertible Notes payable to related parties for $1,950,000. As an inducement we issued 3,249,997 warrants to purchase shares of our common stock at $.60 per share. Simple interest on the unpaid principal balance of this Note will accrue at the rate of 8.0% per annum. Accrual of interest will commence on the date of this Note, will continue until this Note is fully paid, and will be payable in a single installment at maturity three years from the date the Convertible Note was issued.

2024 Related Party Notes Payable

The Company entered into Amendment No. 2 (the "Amendment") to Amended and Restated Credit Facility Agreement and Convertible Notes (the Credit Facility Agreement), signed on May 3, 2024, which amends the terms of the Credit Facility Agreement, between the Company and Thomas B. Akin, and any convertible notes issued thereunder. The Amendment amends the existing Credit Facility Agreement to extend the maturity of the agreement and related convertible notes thereunder until June 30, 2026. Principal payments have been deferred to a period beginning on July 31, 2024 and ending June 30, 2026.

Results of Operations

Revenues

Revenues consist primarily of those generated by a suite of products under the Recurrency platform. The Recurrency platform is comprised of POS Data Capture, Analytics, Offers and Promotions, Predictive Offers, Personalized Receipt Promotions, Customized Mobile Messaging, Belly Loyalty, and other revenues.

Revenues for the three months ended March 31, 2024, were $1,600,905 a decrease of $280,577 compared to $1,881,482 for the same period in 2023.

This decrease is primarily due to a decrease of in subscription revenue.

Cost of Revenues

Cost of revenues consists primarily of cloud-based software licensing fees, short code maintenance expenses, messaging-related expenses, and other expenses.

Cost of revenues for the three months ended March 31, 2024, was $964,411, a decrease of $102,164, or 10%, compared to $1,066,575 for the same period in 2023.

This increase is primarily due to an decrease in SMS/MMS Messaging costs.

General and Administrative

General and administrative expenses consist primarily of salaries and personnel-related expenses, consulting costs, and other expenses.

General and administrative expenses decreased $909,953, or 59%, to $644,729, during the three months ended March 31, 2024, compared to $1,554,682 for the same period in 2023. The increase in general and administrative expenses was primarily due to a decrease in stock related expense for the warrant exercise that occurred during the same period in 2023.

Sales and Marketing

Sales and marketing expenses consist primarily of salaries and personnel-related expenses, stock-based compensation expenses, consulting costs, and other expenses.

Sales and marketing expenses increased $71,879, or 10%, to $763,099 during the three months ended March 31, 2024, compared to $691,220 for the same period in 2023. The increase is primarily due to an increase in travel and tradeshow expenses.

Engineering, Research & Development

Engineering, research & development costs include salaries, stock-based compensation expenses, travel, consulting costs, and other expenses.

Engineering, research & development expenses increased $292,043, or 40%, to $1,026,418 during the three months ended March 31, 2024, compared to $734,375 for the same period in 2023. This decrease is primarily due to an increase in payroll expenses.

Depreciation and Amortization

Depreciation and amortization expenses consist of depreciation on our equipment and amortization of our intangible assets.

Depreciation and amortization expense decreased $53,993, or 84%, to $9,909 during the three months ended March 31, 2024 compared to $63,902 for the same period in 2023.This decrease is primarily due to decrease in intangible assets due to impairment at the end of 2023.

Interest Expense

Interest expense increased $159,026, or 67%, to $397,472 during the three months ended March 31, 2024, compared to $238,446 in the same period in 2023. This increase in interest expense is primarily related to the increased balance on related party notes payable and the issuance of Convertible Notes.

Settlement Losses

Settlement losses consist of legal settlement for TCPA settlements.

Settlement losses for the three months ended March 31, 2024 were $0 and $10,000, respectively. There were no settlement losses for the three months ended March 31, 2023.

Loss on Settlement of Debt

Loss on Settlement of debt consists of the expense from the settlement of notes payable when they are settled into shares.

Loss on settlement of debt for the three months ended March 31, 2024 was $0 and $10,857, respectively. There was no loss on settlement of debt for the three months ended March 31, 2023.

Foreign Currency

The Company's financial results are impacted by volatility in the Canadian/U.S. Dollar exchange rate. The average U.S. Dollar exchange rate for the three months ended March 31, 2024, was $1 Canadian equals $0.74 U.S. Dollars, respectively. This compares to an average rate of $1 Canadian equals $0.74 during the same period in 2023. The Company's functional or measurement currency is the U.S. Dollar. Based on a U.S. Dollar functional currency, the following are the key areas impacted by foreign currency volatility:

- The Company sells products primarily in U.S. Dollars; therefore, reported revenues are not highly impacted by foreign currency volatility.
- A portion of the Company's expenses are incurred in Canadian Dollars and therefore fluctuate in U.S. Dollars as the U.S. Dollar varies. A weaker U.S. Dollar results in an increase in translated expenses, and a stronger U.S. Dollar results in a decrease.
- Changes in foreign currency rates also impact the translated value of the Company's working capital that is held in Canadian Dollars. Foreign exchange rate fluctuations result in foreign exchange gains or losses based upon movement in the translated value of Canadian working capital into U.S. Dollars.

The change in foreign currency was a gain of $217,929 and a gain of $31,502 for the three months ended March 31, 2024 and 2023, respectively.

Liquidity and Capital Resources

As of March 31, 2024, we had current assets of $1,235,314, including $186,782 in cash, and current liabilities of $6,296,803, resulting in a working capital deficit of $5,061,489.

We believe as of the date of this report, we do not have the working capital on hand, along with our expected cash flow from operations and budget reductions, to sufficiently fund our current level of operations through the end of the next 12 months or beyond. We will require additional capital and will seek to obtain additional working capital through the sale of our securities and, if available, bank lines of credit. There can be no assurance we will be able to obtain access to capital as and when needed, or that the terms of any available financing will be commercially reasonable.

The Company entered in to a sublease on March 1, 2024 for its office facilities in Chandler, AZ through February 28, 2025. Monthly rental payments including rental of office furniture and excluding taxes, are $24,470. The Company has transition to a 100% remote work force and this has resulted in a decrease in monthly rental expense.

Cash Flows

	Three Months Ended March 31,	
	2024	2023
Net cash provided by (used in):		
Operating activities	$ (2,170,290)	$ (1,443,464)
Investing activities	—	(14,111)
Financing activities	1,941,342	3,577,509
Effect of foreign currency translation on cash flow	(665)	34,923
Net change in cash	$ (229,613)	$ 2,154,857

Operating Activities

We used cash in operating activities totaling $2,170,290 during the three months ended March 31, 2024 and used cash in operating activities totaling $1,443,464 during the three months ended March 31, 2023. Key drivers of the cash used in operating activities are the net loss of $2,254,242 and changes to accounts receivable of $683,060, accrued interest of $11,831, accrued and deferred personnel compensation of $159,051, and deferred revenue and customer deposits of $45,180.

Investing Activities

Investing activities during the three months ended March 31, 2024, consisted of $0 of equipment purchases compared to $14,111 in the three months ended March 31, 2023.

Financing Activities

Financing activities during the three months ended March 31, 2024 consisted of $1,950,000 of proceeds from related party convertible notes compared to $0 in the three months ended March 31, 2023 In addition, there was $0 proceeds from conversion of warrants compared to $3,587,487 additional paid in capital from a warrant conversation to common stock in the three months ended March 31, 2023. In the three months ended March 31, 2024, payments of $8,658 were made on notes payable compared to $9,978 in the same period in 2023.

Critical Accounting Estimates

We have adopted various accounting policies to prepare the our condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of these financial statements requires us to make estimates, judgments, and assumptions. Our significant accounting policies and estimates are disclosed in Note 2 to the accompanying notes to the condensed consolidated financial statements. There were no material changes to our critical accounting policies and estimates during the three months ended March 31, 2024.

Refer to Note 2, “Summary of Significant Accounting Policies,” in the accompanying notes to the condensed consolidated financial statements for a discussion of recent accounting pronouncements.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We are a smaller reporting company as defined by Item 10(f)(1) of Regulation S-K. As such, we are not required to provide the information set forth in this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), our management, with the participation of our Principal Executive Officer and Interim Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e), as of the end of the period covered by this report. “Disclosure controls and procedures,” as defined in Exchange Act Rule 13a-15(e), are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Principal Executive Officer and Interim Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Based on this evaluation, our management, including our Principal Executive Officer and Interim Chief Financial Officer, concluded that as of March 31, 2024 our disclosure controls and procedures were not effective.

As a small company with limited resources that are mainly focused on the development and sales of software products and services, the Company does not employ a sufficient number of staff in its finance department to possess an optimal segregation of duties or to provide optimal levels of oversight. This has resulted in certain audit adjustments and management believes that there may be a possibility for a material misstatement to occur in future periods while it employs the current number of personnel in its finance department.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that occurred during the three months ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

Marina Soliman v. Subway Franchisee Advertising Fund Trust, LTD, Second Circuit Court of Appeals, Case No. 22-1726 – this is putative class action alleging that Defendant initiated telephone solicitations through text messages in violation of the Telephone Consumer Protection Act, 47 U.S.C § 227 et al. ("TCPA"). The district court granted Defendant's motion to dismiss. The matter has been under submission with the Court since October 24, 2023. In the event that the Court reverses and remands the matter, the Company intends to seek an individual settlement of the matter, and if one cannot be reached, the Company intends to vigorously defend the matter.

Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "Form 10-K"), which could materially affect our business, financial condition or future results. There have been no material changes in the risk factors disclosed in the Form 10-K

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits

Exhibit No.	Description
10.1	Amendment No. 2 to Amended and Restated Credit Facility Agreement and Convertible Notes, dated as of May 3, 2024, between Mobivity Holdings Corp. and Thomas B. Akin(1)
31.1	Certification by Principal Executive Officer pursuant to Section 302 of Sarbanes Oxley Act of 2002 *
31.2	Certification by Principal Financial Officer pursuant to Section 302 of Sarbanes Oxley Act of 2002 *
32.1	Certification Pursuant to 18 U.S.C. Section 1350 *
101.INS	Inline XBRL Instance Document *
101.SCH	Inline XBRL Taxonomy Schema Document
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document *
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document *
101.LAB	Inline XBRL Taxonomy Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document *
104	Cover Page Interactive Data File (embedded within the Inline XBRL and contained in Exhibit 101)

* Filed electronically herewith
(1) Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 9, 2024

SIGNATURES

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

	Mobivity Holdings Corp.
Date: May 15, 2024	By: */s/ Thomas B. Akin* Thomas B. Akin Chairman of the Board of Directors *(Principal Executive Officer)*
Date: May 15, 2024	By: */s/ Skye Fossey-Tomaske* Skye Fossey-Tomaske Interim Chief Financial Officer *(Principal Accounting Officer)*

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

Pursuant to Rule 13a-14(a) adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas B. Akin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Mobivity Holdings Corp. for the quarter ended March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's first fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2024

By: */s/ Thomas B. Akin*
Thomas B. Akin
Chairman of the Board of Directors
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
Pursuant to Rule 13a-14(a) adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Skye Fossey-Tomaske, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Mobivity Holdings Corp. for the quarter ended March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's first fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2024

By: */s/ Skye Fossey-Tomaske*
Skye Fossey-Tomaske
Principal Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Mobivity Holdings Corp., a Nevada corporation (the "Company"), for the period ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Thomas B. Akin, Principal Executive Officer of the Company, and Skye Fossey-Tomaske, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: May 15, 2024

/s/ Thomas B. Akin
Thomas B. Akin
Chairman of the Board of Directors
(Principal Executive Officer)

/s/ Will Sanchez
Will Sanchez
Interim Chief Financial Officer
(Principal Financial and Accounting Officer)