

November 15, 2021



Mobivity Announces Third Quarter 2021 Financial Results

PHOENIX, Nov. 15, 2021 (GLOBE NEWSWIRE) -- Mobivity Holdings Corp. (OTCQB:MFON), maker of the award-winning Recurrency platform that increases customer engagement through mobile messaging and personalized digital offers, and drives digital transformation for brands, today announced financial results for the third quarter ("Q3") ending September 30th, 2021.

Summary of Fiscal 2021 Third Quarter

- Revenues of \$2.3 million in Q3 2021 compared to \$3.18 million in Q3 2020.
- Gross margin of 56% compared to 70% in Q3 2020.
- Operating expenses for the third quarter of 2021 increased by 45% to \$3.1 million compared to \$2.1 million in the same period in 2020.
- Cash and cash equivalents totalled \$569 thousand compared to \$505 thousand in Q3 of 2020.
- Net loss was \$1.8 million compared to a net gain of \$105 thousand in Q3 2020.

Third Quarter 2021 Business Highlights

- Excluding one-time, non-recurring development revenue during Q3 2020, comparable recurring revenue increased 38% and comparable gross profit increased 77%.
- Added a second C-Store brand, which operates more than 350 locations across 11 western states and is the largest independent fuel marketer in the Intermountain West.
- Expanded restaurant client base with three new brands operating more than 200 locations.
- Strong sales pipeline includes brands operating more than 13,000 convenience store locations.
- Launched an online-to-offline consumer acquisition marketplace leveraging Mobivity's reach to millions of consumers, and tens of thousands of brick-and-mortar locations, to drive customer acquisition for cryptocurrency platforms, gaming operators, streaming video and more.

Dennis Becker, Mobivity Chairman and CEO, commented, "The restaurant vertical has been impacted tremendously by the COVID pandemic, and those headwinds continue to linger. These issues have hindered the restaurant industry's adoption of the digital transition. Thanks to our success winning major brands we are uniquely positioned to monetize the intersection of millions of consumers, billions of transactions, and the digital businesses who must have efficient and effective access to customers. In just the past few months we've already developed new sales pipeline opportunities with digital customers including crypto, streaming video, and gaming operators where our loyalty, perfect attribution, and unique offer code solutions bring compelling value to digital acquisition and retention challenges. We've also seen overwhelming demand from our restaurant, CPG and C store customers

who seek quick access to a highly relevant and large digital audience to drive sales. I applaud our team for their relentless pursuit of a new digital future where the customer and technology assets we've built are perfectly positioned to capitalize on the multi-billion dollar intersection of digital and real-world audiences."

Consolidated Financial Summaries

(In thousands)	Three months ended September 30				Nine months ended September 30,			
	2021	2020	\$\$	%	2021	2020	\$\$	%
Revenue	\$2,312	\$3,180	(\$868)	-27%	\$7,561	\$10,496	(\$2,935)	-28%
Gross profit	\$1,303	\$2,237	(\$934)	-42%	\$4,239	\$6,754	(\$2,515)	-37%
Gross margin	56%	70%	-14%		56%	62%	-6%	
Operating Expenses	\$3,085	\$2,132	\$953	33%	\$9,088	\$8,243	\$845	10%
Income (loss) from Operations	(\$1,782)	\$105	(\$1,887)	-1,797%	(\$4,849)	(\$1,489)	(\$3,360)	226%
Net income (loss)	(\$984)	\$39	(\$1,023)	-2,623%	(\$4,110)	(\$1,702)	(\$1,385)	81%
Adjusted EBITDA *	\$(465)	\$464	\$(929)	-200%	\$(2,825)	\$(451)	\$(2,374)	526%

Conference Call

Date: Monday, November 15, 2021

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

Dial in Number for U.S. Callers: 1-800-584-1507

Dial in Number for International Callers: 1-212-231-2909

Please Reference Conference ID: 21999103

The call will also be accompanied live by webcast over the Internet and accessible at https://viavid.webcasts.com/starthere.jsp?ei=1512728&tp_key=a323dd40db.

Participating on the call will be Mobivity's Chairman and Chief Executive Officer, Dennis Becker, and Chief Financial Officer, Lisa Brennan. To join the live conference call, please dial in to the above referenced telephone numbers five to ten minutes prior to the scheduled conference call time.

A replay will be available for two weeks starting on November 15, 2021 at approximately 7:30 P.M. ET. To access the replay, please dial 1-844-512-2921 in the U.S. and 1-412-317-6671 for international callers. The conference ID# is 21999103. The replay will also be available on the Company's website under the [investor relations section](#).

Non-GAAP Measurements

This press release includes certain financial information which constitutes "non-GAAP financial measures" as defined by the SEC. A full reconciliation of the non-GAAP measures to GAAP can be found in the tables of today's press release. Non-GAAP adjusted net income is supplemental to results presented under accounting principles generally accepted in the United States of America ("GAAP") and may not be comparable to similarly titled measures presented by other companies. These non-GAAP measures are used by management to facilitate period-to-period comparisons and analysis of Mobivity's operating performance and liquidity. Management believes these non-GAAP measures are useful to investors in trending, analyzing and benchmarking the performance and value of Mobivity's business. These non-GAAP measures should be considered in addition to, but not as a substitute for, other similar measures reported in accordance with GAAP.

About Mobivity

Brick and mortar stores struggle to manage customer connections in a digital world. Mobivity provides a platform to connect national restaurants, retailers, personal care brands, and their partners with customers to increase retention, visits, and spend. Mobivity's Recurrency platform increases customer engagement and frequency by capturing detailed POS transaction data, analyzing customer habits, and motivating customers and employees through data-driven messaging applications and rewards. For more information about Mobivity, visit mobivity.com or call (877) 282-7660.

Forward Looking Statement

This press release contains forward-looking statements concerning Mobivity Holdings Corp. within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Those forward-looking statements include statements regarding the benefits of recent additions to the Company's management team; the Company's expectations for the growth of the Company's operations and revenue; and the advantages and growth prospects of the mobile marketing industry. Such statements are subject to certain risks and uncertainties, and actual circumstances, events or results may differ materially from those projected in such forward-looking statements. Factors that could cause or contribute to differences include, but are not limited to, our ability to successfully integrate our recent additions to management; our ability to develop the sales force required to achieve our development and revenue goals; our ability to raise additional working capital as and when needed; changes in the laws and regulations affecting the mobile marketing industry and those other risks set forth in Mobivity Holdings Corp.'s annual report on Form 10-K for the year ended December 31, 2020 filed with the SEC on March 30, 2021 and subsequently filed quarterly reports on Form 10-Q. Mobivity Holdings Corp. cautions readers not to place undue reliance on any forward-looking statements. Mobivity Holdings Corp. does not undertake, and specifically disclaims any obligation to update or revise such statements to reflect new circumstances or unanticipated events as they occur.

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Mobivity Holdings Corp. Condensed Consolidated Balance Sheets

	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS		
Current assets		
Cash	\$ 568,896	\$ 3,282,820
Accounts receivable, net of allowance for doubtful accounts of \$44,386 and \$33,848, respectively	1,635,438	305,693
Contracts receivable, current	943,904	943,904
Other current assets	168,685	272,736

Total current assets	3,316,923	4,805,153
Goodwill	496,352	496,352
Right to use lease assets	1,242,264	57,482
Intangible assets, net	1,253,496	1,368,329
Contracts receivable, long term	707,928	1,415,856
Other assets	181,602	25,230
TOTAL ASSETS	\$ 7,198,565	\$ 8,168,402
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	\$ 3,303,438	\$ 1,935,411
Accrued interest	72,896	47,316
Accrued and deferred personnel compensation	483,804	224,881
Deferred revenue and customer deposits	495,287	606,597
Related party notes payable	333,333	80,000
Notes payable, net - current maturities	101,481	561,676
Operating lease liability	195,270	58,173
Other current liabilities	431,027	566,303
Total current liabilities	5,416,536	4,080,357
Non-current liabilities		
Related party notes payable, net - long term	1,552,112	—
Notes payable, net - long term	78,623	1,499,001
Operating lease liability	1,247,395	13,296
Other long term liabilities	415,767	831,535
Total non-current liabilities	3,293,897	2,343,832
Total liabilities	8,710,433	6,424,189
Stockholders' equity (deficit)		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 55,410,695 and 55,410,695, shares issued and outstanding	55,411	55,411
Equity payable	100,862	100,862
Additional paid-in capital	102,063,155	101,186,889
Accumulated other comprehensive income (loss)	(45,837)	(23,446)
Accumulated deficit	(103,685,459)	(99,575,503)
Total stockholders' equity (deficit)	(1,511,868)	1,744,213
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 7,198,565	\$ 8,168,402

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Revenues				
Revenues	\$ 2,311,548	\$ 3,180,173	\$ 7,561,966	\$ 10,496,827
Cost of revenues	1,008,703	943,292	3,322,639	3,742,615
Gross profit	1,302,845	2,236,881	4,239,327	6,754,212
Operating expenses				
General and administrative	1,245,085	889,032	3,491,855	3,138,744
Sales and marketing	978,968	445,273	2,987,411	1,748,892

Engineering, research, and development	678,209	621,442	2,076,194	2,820,525
Impairment of intangible asset	—	—	8,286	—
Depreciation and amortization	182,663	176,127	524,474	534,972
Total operating expenses	3,084,925	2,131,874	9,088,220	8,243,133
Income (loss) from operations	(1,782,080)	105,007	(4,848,893)	(1,488,921)
Other income/(expense)				
Interest income	—	309	5	1,220
Other Income	891,103	—	891,103	—
Interest expense	(88,331)	(62,621)	(144,714)	(207,899)
Impairment of intangible assets	—	(3,481)	—	(3,481)
Loss on disposal of fixed assets	—	—	(880)	(3,935)
Foreign currency gain (loss)	(4,329)	247	(6,577)	1,345
Total other income/(expense)	798,443	(65,546)	738,937	(212,750)
Income (loss) before income taxes	(983,637)	39,461	(4,109,956)	(1,701,671)
Income tax expense	—	—	—	—
Net income (loss)	(983,637)	39,461	(4,109,956)	(1,701,671)
Other comprehensive Income (loss), net of income tax				
Foreign currency translation adjustments	(13,150)	30,145	(22,391)	(9,072)
Comprehensive Income (loss)	\$ (996,787)	\$ 69,606	\$ (4,132,347)	\$ (1,710,743)
Net loss per share:				
Basic	\$ (0.02)	\$ —	\$ (0.07)	\$ (0.03)
Diluted	\$ (0.02)	\$ —	\$ (0.07)	\$ (0.03)
Weighted average number of shares:				
Basic	55,410,695	51,617,612	55,410,695	51,555,837
Diluted	55,410,695	61,106,633	55,410,695	51,555,837



Source: Mobivity Holdings Corp.