

May 13, 2021



Mobivity Announces First Quarter 2021 Financial Results

PHOENIX, May 13, 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 restaurants, retail and personal care brands, today announced financial results for the first quarter ("Q1") ending March 31, 2021.

Summary of Fiscal 2021 First Quarter

- Revenues of \$2.5 million compared to \$4.6 million in Q1 2020.
- Gross margin of 58% compared to 65% in Q1 2020.
- Operating expenses decreased to \$3 million compared to \$3.9 million during the same period reported in 2020.
- Cash and cash equivalents totalled \$1 million compared to \$200,000 in Q1 of 2020.
- Net loss was \$1.7 million compared to a net loss of \$1.0 million in Q1 2020.

2021 Business Highlights

- Launched a nationwide SMS messaging program for the world's second largest convenience store brand and grew their program over 480% since January, 2021
- Sales pipeline growth of more than 500% since February 2021
- Appointed Hypergrowth SaaS Veteran Al West as Chief Revenue Officer to accelerate Mobivity's sales expansion
- Signed a partnership with a leading cryptocurrency to enable digital payments across the Belly loyalty network of more than 5 million loyalty accounts

Dennis Becker, Mobivity Chairman and CEO, commented, "We continue to support our customers with creative, innovative digital solutions and services despite macro environment conditions that were an overhang on the first quarter when the pandemic reached its peak. Since that time, our sales pipeline has grown exponentially signaling improving market conditions and pent-up demand for our loyalty and messaging solutions as our customers seek ways to drive customer engagement and reinvigorate sales."

"We are increasingly optimistic about the opportunities for our business, particularly in light of a recent Supreme Court decision that reduces the legal risk in operating SMS marketing programs and moves by technology leaders to protect consumers' privacy from third party advertisers by limiting third-party cookies and device identifiers," added Mr. Becker. "Each of these market developments significantly expands our addressable market and creates the opportunity for us to deliver a record setting year. We accelerated our sales and marketing operations in the first quarter in anticipation of these changes. These efforts increased awareness of our platforms and have driven more than a five-fold increase in our sales pipeline since February. We are working diligently to convert the pipeline and deliver

stronger results in the coming quarters.”

Consolidated Financial Summaries

(In thousands)	Three months ended March 31,	
	2021	2020
Revenue	\$ 2,458	\$ 4,550
Gross profit	\$ 1,416	\$ 2,966
Gross margin	58%	65%
Operating Expenses	\$ 3,077	\$ 3,906
Income (loss) from Operations	\$ (1,661)	\$ (941)
Net income (loss)	\$ (1,694)	\$ (1,016)
Adjusted EBITDA *	\$ (1,274)	\$ (566)

* Non-GAAP measures

Conference Call

Mobivity will host a conference call at 4:30 p.m. ET on May 13, 2021.

Date: Thursday, May 13, 2021
 Time: 4:30 P.M. Eastern Time (ET)
 U.S. Callers: 1-800-954-0627
 International: 1-212-271-4657
 Callers:
 Conference ID: 21994184

The call will also be accompanied live by webcast over the Internet and accessible at <http://public.viavid.com/index.php?id=144892>.

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 May 13, 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 21994184. The replay will also be available on the Company’s website under the [investor relations section](#).

Mobivity Holdings Corp. Consolidated Balance Sheets

	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS		
Current assets		
Cash	\$ 1,027,208	\$ 3,282,820
Accounts receivable, net of allowance for doubtful accounts of \$31,432 and \$33,848, respectively	1,365,755	305,693
Contracts receivable, current	943,904	943,904
Right to use lease assets	218,161	47,038
Other current assets	342,355	272,736
Total current assets	3,897,383	4,852,191
Goodwill	496,352	496,352

Right to use lease assets	1,132,317	10,444
Intangible assets, net	1,275,418	1,368,329
Contracts receivable, long term	1,179,880	1,415,856
Other assets	314,705	25,230
TOTAL ASSETS	\$ 8,296,055	\$ 8,168,402
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 2,243,811	\$ 1,935,411
Accrued interest	31,541	47,316
Accrued and deferred personnel compensation	473,921	224,881
Deferred revenue and customer deposits	640,181	606,597
Related party notes payable	-	80,000
Notes payable, net - current maturities	432,237	561,676
Operating lease liability	125,670	58,173
Other current liabilities	530,174	566,303
Total current liabilities	4,477,535	4,080,357
Non-current liabilities		
Related party notes payable, net - long term	500,000	-
Notes payable, net - long term	990,759	1,499,001
Operating lease liability	1,365,431	13,296
Other long term liabilities	692,945	831,535
Total non-current liabilities	3,549,135	2,343,832
Total liabilities	8,026,670	6,424,189
Commitments and Contingencies		
Stockholders' equity		
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	101,415,512	101,186,889
Accumulated other comprehensive income	(33,124)	(23,446)
Accumulated deficit	(101,269,276)	(99,575,503)
Total stockholders' equity	269,385	1,744,213
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 8,296,055	\$ 8,168,402

Mobivity Holdings Corp. Consolidated Statements of Operations

	Three Months Ended March 31	
	2021	2020
Revenues		
Revenues	\$ 2,457,590	\$ 4,549,992
Cost of revenues	1,041,795	1,584,402
Gross profit	1,415,795	2,965,590
Operating expenses		
General and administrative	1,289,370	1,246,794
Sales and marketing	896,750	807,999
Engineering, research, and development	723,950	1,677,442
Impairment of intangible asset	8,286	-
Depreciation and amortization	158,227	173,937
Total operating expenses	3,076,583	3,906,172
Income (loss) from operations	(1,660,788)	(940,582)

Other income/(expense)		
Interest income	5	837
Interest expense	(32,516)	(77,189)
Foreign currency (loss) gain	(474)	1,155
Total other income/(expense)	(32,985)	(75,197)
Income (loss) before income taxes	(1,693,773)	(1,015,779)
Income tax expense	-	-
Net Income (loss)	(1,693,773)	(1,015,779)
Other comprehensive income (loss), net of income tax		
Foreign currency translation adjustments	(9,678)	(13,081)
Comprehensive income (loss)	\$ (1,703,451)	\$ (1,028,860)
Net income (loss) per share:		
Basic and Diluted	\$ (0.03)	\$ (0.02)
Weighted average number of shares:		
Basic and Diluted	55,410,695	51,435,084

Mobivity Holdings Corp. Reconciliation of GAAP to Non-GAAP Measures

	Three Months Ended March 31	
	2021	2020
Reconciliation of net (loss) to adjusted EBITDA		
Net (loss)	(1,693,773)	(1,015,779)
Stock based compensation	228,623	199,212
Depreciation and amortization	158,227	173,937
Interest expense	32,511	76,352
Adjusted EBITDA	\$ (1,274,412)	\$ (566,278)

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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Source: Mobivity Holdings Corp.