

March 30, 2023



# Mobivity Announces Fourth Quarter and Full Year 2022 Financial Results

PHOENIX, March 30, 2023 (GLOBE NEWSWIRE) -- Mobivity Holdings Corp. (OTCQB:MFON), a global provider of personalized reward solutions that drive customer acquisition, frequency, and spend, today announced financial results for the fourth quarter ("Q4") and full year ending December 31, 2022.

## Q4 2022 Financial Highlights

- Revenue growth of 185% from \$613,000 in the fourth quarter of 2021 to \$1.7 million in the fourth quarter of 2022.
- Gross profit improved from a loss of \$367,000 in the fourth quarter of 2021 to a gross profit of \$602,000 in the fourth quarter of 2022, representing a 264% improvement.
- Operating expenses decreased 3% from \$3.7 million in the fourth quarter of 2021 to \$3.5 million in the fourth quarter of 2022.
- Net operating loss improved by 23% from \$4 million in the fourth quarter of 2021 to \$2.9 million in the fourth quarter of 2022.

## Recent Business Highlights

- Mobivity has executed more than five million Connected Rewards impressions rewarding consumers with a variety of rewards for playing mobile games.
- Total gaming publishers executing Connected Rewards programs has quadrupled to a total of eight publishers marketing a dozen popular mobile game titles in the past 12 months.
- More than 14 brands, across a variety of verticals including restaurants, convenience stores and salons, participating in Connected Rewards campaigns.
- Gaming industry veteran Kim Carlson appointed as Chief Revenue Officer in September 2022.
- Completed a \$3.5 million financing in March 2023.

Dennis Becker, Mobivity Chairman and CEO, commented, "This year we made significant progress in our transformation to focus on Connected Rewards, a platform that has shown great potential for growth, particularly in the multi-billion-dollar gaming industry. This platform brings brands and digital businesses together in a unique way to cross-promote services with everyday incentives, creating a win-win-win scenario for game publishers, popular restaurant and convenience store brands and consumers. Our new team members, including our Chief Revenue Officer, Kim Carlson, bring a wealth of experience from the gaming industry, and we are confident that Connected Rewards will drive our business growth in the future. While we remain committed to our legacy business, we believe that Connected Rewards is the future of our business and we will capitalize on the vast potential of our technology in the mobile gaming industry and create long-term value for our shareholders."

## Consolidated Financial Summaries

(In thousands)	Three months ended December 31				12 months ended December 31,			
	2022	2021	\$\$	%	2022	2021	\$\$	%
Revenue	\$1,747	\$613	\$1,134	185%	\$7,534	\$8,175	(\$641)	(8%)
Gross profit	\$602	(\$367)	\$969	264%	\$2,205	\$3,873	(\$1,668)	(43%)
Gross margin	34.5%	NM			29.3%	47.4%		(1,810) bps
Operating Expenses	\$3,545	\$3,658	(\$113)	(3%)	\$11,364	\$12,746	(\$1,382)	(11%)
Income (loss) from Operations	(\$2,943)	(\$4,024)	\$1,081	NM	(\$9,159)	(\$8,873)	(\$286)	(3%)
Net income (loss)	(\$3,210)	(\$4,150)	\$886	23%	(\$9,997)	(\$8,260)	(\$1,737)	(21%)
Adjusted EBITDA *	(\$1,740)	(\$3,618)	\$1,878	52%	(\$6,421)	(\$6,287)	(\$134)	(2%)

### Conference Call

Date: Thursday, March 30, 2023

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

Dial in Number for U.S. Callers: 1-877-407-0789

Dial in Number for International Callers: 1-201-689-8562

Please Reference Conference ID: 13737006

The call will also be accompanied live by webcast over the Internet and accessible at [https://viaavid.webcasts.com/starthere.jsp?ei=1603820&tp\\_key=c5dee851d4](https://viaavid.webcasts.com/starthere.jsp?ei=1603820&tp_key=c5dee851d4).

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 March 30, 2023 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 13737006. 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 United States Securities and Exchange Commission ("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 EBITDA 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

Mobivity's cloud-based Connected Rewards™ technology delivers billions of offers and promotions, building large, owned audiences for some of the world's biggest brands. Through its partnerships with leading game publishers, digital operators, and ad networks,

Mobivity connects a massive universe of consumers to its broad network of brands. As a result, digital consumers download and play more games, and earn real-world rewards that are redeemed in-store, driving acquisition, frequency, and retention for brands and game publishers. For more information about Mobivity, visit or call (877) 282-7660.

### Forward Looking Statements

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 from time to time in Mobivity Holdings Corp.’s reports filed with the SEC, including, but not limited to, Mobivity Holdings Corp.’s most recent annual report on Form 10-K , quarterly reports on Form 10-Q, and current reports on Form 8-K. Mobivity Holdings Corp. cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the date of this announcement. 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.

#### Investor Relations Contact:

Lisa Brennan • Chief Financial Officer, Mobivity  
(877) 282-7660

Brett Maas • Managing Partner, Hayden IR  
brett@haydenir.com • (646) 536-7331

### Mobivity Holdings Corp. Condensed Consolidated Balance Sheets

	December 31, 2022 (Audited)	December 31, 2021 (Audited)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 426,740	\$ 735,424
Accounts receivable, net of allowance for doubtful accounts of \$34,446 and \$56,340, respectively	1,081,183	578,303
Contracts receivable, current	—	—
Other current assets	195,017	227,458
<b>Total current assets</b>	1,702,940	1,541,185
Right to use lease assets	981,896	1,187,537
Intangible assets, net	194,772	1,124,720
Contracts receivable, long term	—	—
Other assets	137,917	173,325
	1,926,525	2,926,742

<b>TOTAL ASSETS</b>	<b>\$ 3,017,525</b>	<b>\$ 4,437,950</b>
<b>Current liabilities</b>		
Accounts payable	\$ 3,412,612	\$ 3,823,909
Accrued interest	443,448	172,239
Accrued and deferred personnel compensation	569,347	495,533
Deferred revenue and customer deposits	902,727	377,170
Related party notes payable, net - current maturities	2,711,171	819,531
Notes payable, net - current maturities	32,617	69,052
Operating lease liability	251,665	229,240
Other current liabilities	49,541	9,071
<b>Total current liabilities</b>	<b>8,373,128</b>	<b>5,995,745</b>
<b>Non-current liabilities</b>		
Related party notes payable, net - long-term	2,481,290	2,498,711
Notes payable, net - long-term	31,092	39,086
Operating lease liability	936,924	1,188,589
Other long-term liabilities	—	—
<b>Total non-current liabilities</b>	<b>3,449,306</b>	<b>3,726,386</b>
<b>Total liabilities</b>	<b>11,822,434</b>	<b>9,722,131</b>
Common stock, \$0.001 par value; 100,000,000 shares authorized; 55,410,695 and 55,410,695, shares issued and outstanding	61,311	55,411
Equity payable	324,799	100,862
Additional paid-in capital	108,806,353	102,446,921
Accumulated other comprehensive income (loss)	(100,963)	(52,088)
Accumulated deficit	(117,896,409)	(107,835,287)
<b>Total stockholders' equity (deficit)</b>	<b>(8,804,909)</b>	<b>(5,284,181)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b>\$ 3,017,525</b>	<b>\$ 4,437,950</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 3,017,525</b>	<b>\$ 4,437,950</b>

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

	<b>Three Months Ended</b>		<b>Year Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Revenues</b>				
Revenues	\$ 1,746,744	\$ 612,918	\$ 7,533,912	\$ 8,174,884
Cost of revenues	1,144,764	979,731	5,328,483	4,302,370
<b>Gross profit</b>	<b>601,980</b>	<b>(366,813)</b>	<b>2,205,429</b>	<b>3,872,514</b>
<b>Operating expenses</b>				
Bad Debt	40,383	774,312	40,383	774,312
General and administrative	1,177,504	92,866	4,266,092	3,584,721
Sales and marketing	838,225	1,015,154	2,616,596	4,002,565
Engineering, research, and development	699,166	1,507,579	3,060,029	3,583,773
Goodwill Impairment	552,476	-	552,476	8,286
Intangible asset impairment	173,040	85,169	411,183	85,169
Depreciation and amortization	64,208	182,599	417,258	707,073
<b>Total operating expenses</b>	<b>3,545,002</b>	<b>3,657,679</b>	<b>11,364,017</b>	<b>12,745,899</b>
<b>Loss from operations</b>	<b>(2,943,022)</b>	<b>(4,024,492)</b>	<b>(9,158,588)</b>	<b>(8,873,385)</b>

<b>Other income/(expense)</b>				
Interest income	-	-	-	5
Gain on Extinguishment of Debt	-	-	-	891,103
Interest expense	(217,291)	(123,252)	(737,745)	(267,966)
Loss on disposal of fixed assets	-	-	-	(880)
Loss on settlement of debt	(49,503)	-	(49,503)	-
Settlement Losses	-	-	(53,500)	-
Foreign currency gain (loss)	(351)	(2,084)	2,119	(8,661)
<b>Total other income (expense)</b>	<b>(267,145)</b>	<b>(125,336)</b>	<b>(838,629)</b>	<b>613,601</b>
<b>Loss before income taxes</b>	<b>(3,210,167)</b>	<b>(4,149,828)</b>	<b>(9,997,217)</b>	<b>(8,259,784)</b>
Income tax expense	-	-	-	-
<b>Net Loss</b>	<b>(3,210,167)</b>	<b>(4,149,828)</b>	<b>(9,997,217)</b>	<b>(8,259,784)</b>
<b>Other comprehensive income (loss), net of income tax</b>				
Foreign currency translation adjustments	27,987	3,427	(48,875)	(28,642)
<b>Comprehensive loss</b>	<b>\$ (3,182,180)</b>	<b>\$ (4,146,401)</b>	<b>\$ (10,046,092)</b>	<b>(8,288,426)</b>
<b>Net loss per share:</b>				
				\$
<b>Basic and Diluted</b>	<b>\$ (0.05)</b>	<b>\$ (0.09)</b>	<b>\$ (0.16)</b>	<b>(0.15)</b>
	<b>\$ (0.05)</b>	<b>\$ (0.09)</b>	<b>\$ (0.16)</b>	<b>\$ (0.15)</b>
<b>Weighted average number of shares:</b>				
<b>Basic and Diluted</b>	<b>61,311,155</b>	<b>47,720,507</b>	<b>61,311,155</b>	<b>55,410,695</b>
<b>Diluted</b>	<b>59,241,798</b>	<b>47,720,507</b>	<b>59,241,798</b>	<b>55,410,695</b>
<b>Reconciliation of net (loss) to adjusted EBITDA</b>				
Net (loss)	(3,210,167)	(4,149,828)	\$(9,997,217)	\$(8,259,784)
Stock based compensation	463,186	226,417	1,457,570	997,274
Depreciation and amortization	789,724	182,599	1,380,917	707,073
Interest expense, net	217,291	123,252	737,745	267,961
Adjusted EBITDA	<u>\$(1,739,966)</u>	<u>\$(3,617,560)</u>	<u>\$(6,420,985)</u>	<u>\$(6,287,476)</u>



Source: Mobivity Holdings Corp.