

May 15, 2023



# Mobivity Announces First Quarter 2023 Financial Results, Promotes Kim Carlson to Chief Operating Officer

PHOENIX, May 15, 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 first quarter ("Q1") ending March 31, 2023.

## Q1 2023 Financial Highlights

- Revenues grew to \$1.9 million in the first quarter of 2023 compared to Q4 2022 revenues of \$1.7 million. Revenues were \$2.0 million in the first quarter of 2022.
- Gross profit margin of 43% in the first quarter of 2023, a 23% increase over the fourth quarter of 2022, which was 35%. Gross profit margin improved 1% from 42% in the first quarter of 2022.
- \$2.6 million of cash at the end of Q1 2023 compared to \$427,000 as of December 31, 2022.

## Recent Business Highlights

- Promoted Kim Carlson to Chief Operating Officer to enhance leadership structure towards capitalizing on the substantial business opportunity in our Connected Rewards Business.
- Connected Rewards game install volume increased more than 900% since January.
- Since March of this year, game publisher demand has more than doubled for Mobivity's Connected Rewards due to continued positive returns on ad spend through cross promotion with leading convenience store and restaurant brands.

"We are encouraged by the accelerated growth achieved in Q1 2023, with revenues climbing sequentially over Q4 2022, and a substantial improvement in our gross profit margin, which rose 23% compared to the previous quarter," stated Dennis Becker, CEO of Mobivity. "This momentum is fueled by the exceptional performance of our Connected Rewards platform, which has now surpassed 20 million impressions, and encouraged game publishers to more than double their user acquisition budgets for Connected Rewards. Our daily game installs soared by over 900% since January, emphasizing the value that Connected Rewards delivers to our clients and driving the company's ongoing success. I am also pleased to report the promotion of Kim Carlson to Chief Operating Officer to lead our operations, product and sales and marketing teams. Since joining Mobivity as our Chief Revenue Officer, Kim has been instrumental in driving adoption of our ground-breaking Connected Rewards platform by game publishers and brands. My heartfelt congratulations and appreciation go out to the dedicated and hardworking team at Mobivity for their relentless efforts in achieving these remarkable results."

## Consolidated Financial Summaries

(In thousands)	Three months ended March 31,			
	2023	2022	\$\$	%
Revenue	\$1,881	\$2,030	(\$148)	-7.3%
Gross profit	\$815	\$855	(\$40)	-4.7%
Gross margin	43.3%	42.1%	1.2%	
Operating Expenses	\$3,034	\$2,631	\$402	15.3%
Income (loss) from Operations	(\$2,219)	(\$1,777)	\$442	24.9%
Net income (loss)	(\$2,447)	(\$1,946)	(\$501)	-25.7%
Adjusted EBITDA *	(\$1,366)	(\$1,314)	(\$51)	3.9%

### Conference Call Information:

Date: Monday, May 15, 2023

Time: 4:30 p.m. Eastern Time (ET)

Dial in Number for U.S. Callers: 1-800-920-2905

Dial in Number for International Callers: 1-212-231-2921

Please Reference Conference ID: 22026993

The call will also be accompanied live by webcast over the Internet and accessible at [https://viaavid.webcasts.com/starthere.jsp?ei=1614969&tp\\_key=3763c0bb0e](https://viaavid.webcasts.com/starthere.jsp?ei=1614969&tp_key=3763c0bb0e).

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 15, 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 22026993. 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:

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### Mobivity Holdings Corp. Condensed Consolidated Balance Sheets

	<b>March 31, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 2,581,597	\$ 426,740
Accounts receivable, net of allowance for doubtful accounts \$10,820 and \$34,446, respectively	749,986	1,081,183
Other current assets	212,939	195,017
<b>Total current assets</b>	<b>3,544,522</b>	<b>1,702,940</b>
Right to use lease assets	930,658	981,896
Intangible assets, net	143,857	194,772
Other assets	142,464	137,917
<b>TOTAL ASSETS</b>	<b>\$ 4,761,501</b>	<b>\$ 3,017,525</b>

**LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)****Current liabilities**

Accounts payable	\$ 3,335,917	\$ 3,412,612
Accrued interest	442,269	443,448
Accrued and deferred personnel compensation	495,209	569,347
Deferred revenue and customer deposits	704,740	902,727
Related party notes payable, net - current maturities	1,327,265	2,711,171
Notes payable, net - current maturities	24,354	32,617
Operating lease liability, noncurrent	257,614	251,665
Other current liabilities	15,462	49,541
<b>Total current liabilities</b>	<b>6,602,830</b>	<b>8,373,128</b>

**Non-current liabilities**

Related party notes payable, net - long term	3,896,763	2,481,290
Notes payable, net - long term	29,565	31,092
Operating lease liability	870,057	936,924
<b>Total non-current liabilities</b>	<b>4,796,385</b>	<b>3,449,306</b>
<b>Total liabilities</b>	<b>11,399,215</b>	<b>11,822,434</b>

**Stockholders' equity (deficit)**

Common stock, \$0.001 par value; 100,000,000 shares authorized; 65,607,411 and 61,311,155, shares issued and outstanding	65,607	61,311
Equity payable	317,086	324,799
Additional paid-in capital	113,423,638	108,806,353
Accumulated other comprehensive income (loss)	(69,461)	(100,963)
Accumulated deficit	(120,374,584)	(117,896,409)
<b>Total stockholders' equity (deficit)</b>	<b>(6,637,714)</b>	<b>(8,804,909)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b>\$ 4,761,501</b>	<b>\$ 3,017,525</b>

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

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
Revenues	\$ 1,881,482	\$ 2,029,569
Cost of revenues	1,066,575	1,174,948
<b>Gross profit</b>	<b>814,907</b>	<b>854,621</b>
<b>Operating expenses</b>		
General and administrative	1,544,106	1,207,176
Sales and marketing	691,220	597,501
Engineering, research, and development	734,375	702,223
Depreciation and amortization	63,902	124,312
<b>Total operating expenses</b>	<b>3,033,603</b>	<b>2,631,212</b>
<b>Loss from operations</b>	<b>(2,218,696)</b>	<b>(1,776,591)</b>
<b>Other income/(expense)</b>		
Loss of settlement of debt	(10,857)	—
Interest expense	(238,446)	(159,827)
Settlement Losses	(10,000)	—

Foreign currency gain	(176)	3,319
<b>Total other income/(expense)</b>	<b>(259,479)</b>	<b>(156,508)</b>
<b>Loss before income taxes</b>	<b>(2,478,175)</b>	<b>(1,933,099)</b>
Income tax expense	—	—
<b>Net loss</b>	<b>(2,478,175)</b>	<b>(1,933,099)</b>
<b>Other comprehensive loss, net of income tax</b>		
Foreign currency translation adjustments	31,502	(12,895)
<b>Comprehensive loss</b>	<b>\$ (2,446,673)</b>	<b>\$ (1,945,994)</b>
<b>Net loss per share:</b>		
<b>Basic and Diluted</b>	<b>(0.04)</b>	<b>(0.03)</b>
<b>Weighted average number of shares:</b>		
<b>Basic and Diluted</b>	<b>62,078,218</b>	<b>57,233,309</b>

**Mobivity Holdings Corp.**  
**Reconciliation of GAAP Measure to Non-GAAP Measure**

(In thousands)	Three months ended March 31,	
	2023	2022
Net Loss	(\$2,478)	(\$1,933)
Stock Based Compensation	\$810	\$335
Depreciation and Amortization	\$64	\$124
Interest Expenses Net	\$238	\$160
Adjusted EBITDA	(\$1,366)	(\$1,314)



Source: Mobivity Holdings Corp.