

# Phunware Engages Regulation SHO Compliance Firm

AUSTIN, Texas--(BUSINESS WIRE)-- [Phunware, Inc. \(NASDAQ: PHUN\)](#) (the “Company”), a fully-integrated [enterprise cloud platform](#) for mobile that provides products, solutions, data and services for brands worldwide, today announced that it has engaged a leading provider of Regulation SHO compliance monitoring, short sale trading statistics and market integrity surveillance to review the trading irregularities in its stock and to properly report parties to regulators where violations of law have occurred.

Phunware is concerned that the Company and its shareholders are being victimized by manipulative trading practices and abusive naked short selling with the objective of systematically lowering the PHUN share price.

Last July, Phunware engaged [ShareIntel – Shareholder Intelligence Services](#) to track market participants and analyze share ownership data on Nasdaq for Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA) market compliance. Since then, Phunware has been compiling data and evidence on offending parties in order to enforce compliance by not only filing formal complaints with Nasdaq, the SEC and FINRA, but also by exploring direct legal action.

“Unrestricted short selling can exacerbate a declining market in a security by increasing pressure from the sell-side, eliminating bids [by executing against them] and causing a further reduction in the price of a security by creating an appearance that the security price is falling for fundamental reasons even where there is no fundamental basis for a price decline,” according to an [SEC release](#).

The steps taken by the Company at this time to ensure short positions are covered include, but are not limited to:

- Analyzing Non-Objecting Beneficial Owner (NOBO) lists to calculate share imbalances
- Identifying trading institutions with gross share imbalances
- Sending notices of imbalances to institutional compliance officers
- Sending notices of imbalances to the Nasdaq’s Investigation and Enforcement Team

The Company has also engaged the Nasdaq’s Investigation and Enforcement Team, the SEC and FINRA to coordinate next steps in compliance enforcement.

“We will not tolerate value being stolen from our shareholders by well-organized groups engaging in what we believe is potentially illegal activity,” said [Matt Aune](#), CFO of Phunware. “We are in the process of addressing these issues and exploring all available options including bringing direct legal action against any offending parties.”

Phunware has begun to register complaints related to these activities with Nasdaq, the SEC and FINRA. The Company encourages PHUN shareholders who believe they have been

harmed by their trading institutions and market manipulation to file formal complaints as well:

- [File a complaint with Nasdaq](#)
- [File a complaint with the SEC](#)
- [File a complaint with FINRA](#)

## **Safe Harbor Clause and Forward-Looking Statements**

This press release includes forward-looking statements. All statements other than statements of historical facts contained in this press release, including statements regarding our future results of operations and financial position, business strategy and plans, and our objectives for future operations, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “expose,” “intend,” “may,” “might,” “opportunity,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “will,” “would” and similar expressions that convey uncertainty of future events or outcomes are intended to identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained in this press release are based on our current expectations and beliefs concerning future developments and their potential effects on us. Future developments affecting us may not be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) and other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under the heading “Risk Factors” in our filings with the Securities and Exchange Commission (SEC), including our reports on Forms 10-K, 10-Q, 8-K and other filings that we make with the SEC from time to time. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. These risks and others described under “Risk Factors” in our SEC filings may not be exhaustive.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and developments in the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this press release. In addition, even if our results or operations, financial condition and liquidity, and developments in the industry in which we operate are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

## **About Phunware, Inc.**

Everything You Need to Succeed on Mobile — Transforming Digital Human Experience

[Phunware, Inc. \(NASDAQ: PHUN\)](#), is the pioneer of [Multiscreen-as-a-Service \(MaaS\)](#), an [award-winning](#), fully integrated enterprise cloud platform for mobile that provides companies the products, [solutions](#), [data](#) and [services](#) necessary to engage, manage and [monetize](#) their mobile application portfolios and audiences globally at scale. Phunware's [Software Development Kits \(SDKs\)](#) include [location-based services](#), [mobile engagement](#), [content management](#), messaging, [advertising](#), loyalty ([PhunCoin & Phun](#)) and [analytics](#), as well as a mobile application framework of pre-integrated iOS and Android software modules for building in-house or channel-based mobile application and vertical solutions. Phunware helps the world's most respected brands create category-defining mobile experiences, with more than [one billion active devices touching its platform each month](#). For more information about how Phunware is transforming the way consumers and brands interact with mobile in the virtual and physical worlds, visit <https://www.phunware.com>, <https://www.phuncoin.com>, <https://www.phuntoken.com>, and follow @phunware, @phuncoin and @phuntoken on all social media platforms.

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