

# Phunware Executes Definitive Agreement to Acquire Lyte Technology

AUSTIN, Texas, Sept. 13, 2021 (GLOBE NEWSWIRE) -- [Phunware, Inc. \(NASDAQ: PHUN\)](#) (the "Company"), a fully-integrated [enterprise cloud platform](#) for mobile that provides products, solutions, data and services for brands worldwide, has executed a definitive agreement to acquire [Lyte Technology \("Lyte"\)](#). The accretive transaction contemplates up to a \$10.32M total purchase price in cash and stock, with \$3.32M cash at closing and the remaining \$7.00M subject to both time and financial performance requirements for the one year period post-closing. The maximum amount of stock issuable post closing would constitute \$2.25M over 12 months and an additional \$1.25M contingent upon generating \$12.00M for the one-year period post closing. The Company maintains options against future payments in order to proactively minimize dilution while maximizing financial performance.

"We are extremely excited to announce our first acquisition since going public, adding not only talent and profitable revenue to our P&L, but also a key strategic distribution network for our blockchain initiatives," said [Alan S. Knitowski](#), President, CEO and Co-Founder of Phunware. "Although we just recently launched [PhunCoin](#) and [PhunToken](#), this acquisition is an important first step in achieving our longer-term strategy of activating a worldwide distributed network of high-end computer systems that can serve as decentralized oracles, validators and nodes that efficiently bridge the gap between external data on the existing web and blockchain-based applications on mobile."

Founded only two years ago, Lyte Technology is a profitable, rapidly-growing computer company that specializes in marketing and distributing custom, high-end computer systems off-the-shelf with advanced graphic processing units for gaming, streaming and cryptocurrency mining. Currently located in Illinois, Lyte employs over 25 people and ships thousands of computer systems per month to a unique customer network that has largely been built through word-of-mouth. These customers represent gamers, developers, content creators and crypto enthusiasts alike and will facilitate the early adoption and scale of our innovative new data economy.

"I am looking forward to joining Phunware to further resource and scale my fast-growing business as part of a unique public company with a strategic focus on the global data economy," said Caleb Borgstrom, Founder and CEO of Lyte Technology. "Since inception, our demand has always outpaced our available supply. As a result, I expect that me and my team will be able to materially contribute to Phunware's operational and financial success while leveraging a worldwide network of high-end computer systems to accelerate Phunware's plans for a blockchain-enabled, environmentally-friendly and truly decentralized consumer data platform."

The acquisition is expected to formally close within the next 30 to 45 days when customary closing conditions are fulfilled by both parties. Upon closing, Lyte Technology's operations

and leadership will relocate to Austin, Texas. For more information, please reference the Company's public filings [here](#).

### **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](#) & [PhunToken](#)) 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 approximately [one billion active devices touching its platform each month](#) when operating at scale. For more information about how Phunware is transforming the way consumers and brands interact with mobile in the virtual and physical worlds, visit <https://phunware.com>, <https://phunwallet.com>, <https://phuncoin.com>, <https://phuntoken.com>, and follow @phunware, @phuncoin and @phuntoken on all social media platforms.

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