

June 22, 2020



# Surge Holdings Revenues Increase Four-Fold to \$15.8 Million for the First Quarter of Fiscal 2020

## Annualized revenue run rate in excess of \$60 million and growing

Memphis, TN, June 22, 2020 (GLOBE NEWSWIRE) -- [Surge Holdings, Inc.](#) (OTCQB: SURG), a holding company with diverse business operations in FinTech, Telecommunications and Media, today reported financial results for the first quarter ended March 31, 2020. As previously reported, revenue for the first quarter of 2020 increased to \$15.8 million, versus \$3.9 million for the same period last year. The complete financial results are available in the Company's Form 10-Q, which has been filed with the Securities and Exchange Commission and is available on the Company's [website](#).

Brian Cox, Chairman and CEO of Surge Holdings, commented, "We continue to gain traction as evidenced by our strong revenue growth. As noted previously, we have invested millions of dollars into our infrastructure, software development, new product creation and development, along with the addition of ECS, which we acquired in 2019. We are now seeing the results of these initiatives and anticipate not only improved revenue growth, but also improved cash flow."

Mr. Cox continued, "Despite the ongoing COVID-19 pandemic, we are gaining momentum as travel and other restrictions beginning to lift, allowing our independent sales reps (ISOs) to aggressively hit the street around the country. Our fintech platform provides local retailers the ability to purchase merchandise directly from regional manufacturers, eliminating the middleman. We are also rolling out our own proprietary brands through this network, including LocoRabbit Wireless, Max CBD and other essential products."

"At the same time, development of the Surge Logistics Intake software and the infrastructure at CenterCom BPO have enabled us to rapidly scale these businesses, as evidenced by our Surge Logics sales growth. We have also enhanced and consolidated operations across the organization, which provides us the financial and operational infrastructure to more rapidly and cost effectively scale the business. Looking ahead, we remain extremely encouraged by the outlook for the business, and believe we are well positioned to continue our rapid growth and believe we are on track to begin generating positive cash flow later this year," concluded Mr. Cox.

### **About Surge Holdings, Inc.**

Surge Holdings, Inc. and its subsidiaries engage in diverse business activities in FinTech, Telecommunications and Media. For more information on Surge Holdings, its brands or subsidiaries, please visit: <https://surgeholdings.com>.

### **Forward Looking Statements**

*This press release contains information that constitutes forward-looking statements made*

*pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking terminology such as “believes”, “expects”, “may”, “will”, “should”, “anticipates”, “plans”, or similar expressions or the negative of these terms and similar expressions are intended to identify forward-looking statements. Any such forward-looking statements involve risk and uncertainties that could cause actual results to differ materially from any future results described by the forward-looking statements. Risk factors that could contribute to such differences include those matters more fully disclosed in the Company's reports filed with the U.S. Securities and Exchange Commission. The forward-looking information provided herein represents the Company's estimates as of the date of the press release, and subsequent events and developments may cause the Company's estimates to change. The Company specifically disclaims any obligation to update the forward-looking information in the future. Therefore, this forward-looking information should not be relied upon as representing the Company's estimates of its future financial performance as of any date subsequent to the date of this press release.*

**Investor Contact:**

Crescendo Communications, LLC

Tel: 212-671-1020

Email: [SURG@crescendo-ir.com](mailto:SURG@crescendo-ir.com)



Source: Surge Holdings, Inc.