

March 30, 2022



# Mobivity Announces Fourth Quarter and Full Year 2021 Financial Results

PHOENIX, March 30, 2022 (GLOBE NEWSWIRE) -- Mobivity Holdings Corp. (OTCQB:MFON), maker of the award-winning Recurrency platform that increases customer engagement through mobile messaging and personalized digital offers, and drives digital transformation for brands, today announced financial results for the fourth quarter ("Q4") and full year ending December 31, 2021.

Dennis Becker, Mobivity Chairman and CEO, commented, "2021 was a year of change in the digital marketing industry with the implementation of stringent privacy regulations, particularly with regards to tracking advertising to mobile phones. At Mobivity, we are uniquely positioned to take advantage of these changes and expand to exciting new verticals where the value we can drive results in far higher transactional revenues and margins than our legacy model delivering simple SMS text messages from brands to consumer phones. These efforts got underway in the fourth quarter and in the past few months we've already forged partnerships with gaming operators reaching millions of gamers across mobile, PC and console platforms – all of which are now counting on Mobivity to help bring those gamers to the food and convenience brands they love and vice versa! We believe we are powering a whole new approach to advertising, and we're excited to play a key role in building a valuable intersection between online and offline audiences. Together with our partners we are pioneering a revolutionary way to connect digital with brick-and-mortar consumers in an environment of privacy protected commerce. We've never been more energized by the expanded opportunities to grow our business and improve our financial results that this shift in our focus represents."

## Full Year 2021 Financial Highlights

- Revenues of \$8.2 million in 2021 compared to \$13.3 million in 2020.
- Gross margin of 47% compared to 64% in 2020.
- Operating expenses for 2021 increased by 22% to \$12.8 million compared to \$10.5 million in 2020.
- Net loss was \$8.3 million compared to \$3.0 million in 2020.
- Cash and cash equivalents totalled \$735,000 compared to \$3.3 million at December 31, 2020.

## Consolidated Financial Summaries

(In thousands)	Three months ended December 31,				12 months ended December 31,			
	2021	2020	\$	%	2021	2020	\$	%
Revenue	\$613	\$2,759	(\$2,146)	(77.8%)	\$8,175	\$13,256	(\$5,081)	(38.3%)
Gross profit	(\$367)	\$1,753	(\$2,120)	(120.9%)	\$3,873	\$8,507	(\$4,635)	(54.5%)
Gross margin	N/M	63.5%	N/A	N/M	47.4%	64.2%	N/A	(1,680) bps
Operating Expenses	\$3,658	\$2,216	\$1,441	+65.0%	\$12,746	\$10,463	\$2,283	+21.8%
Income (loss) from Operations	(\$4,024)	(\$463)	(\$3,561)	(768.9%)	(\$8,873)	(\$1,956)	(\$6,918)	(353.7%)
Net income (loss)	(\$4,150)	(\$1,213)	(\$2,937)	(242.1%)	(\$8,260)	(\$2,918)	(\$5,341)	(183.0%)
Adjusted EBITDA *	(\$3,618)	(\$733)	(\$2,885)	(393.6%)	(\$6,287)	(\$1,184)	(\$5,104)	(431.0%)

## Conference Call

Date: Wednesday, March 30, 2022

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: 13727854

The call will also be accompanied live by webcast over the Internet and accessible at [https://viaavid.webcasts.com/starthere.jsp?ei=1536240&tp\\_key=79df0bd073](https://viaavid.webcasts.com/starthere.jsp?ei=1536240&tp_key=79df0bd073).

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, 2022 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 13727854. 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 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 net income 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

Brick and mortar stores struggle to manage customer connections in a digital world. Mobivity provides a platform to connect national restaurants, retailers, personal care brands, and their partners with customers to increase retention, visits, and spend. Mobivity's Recurrency platform increases customer engagement and frequency by capturing detailed POS transaction data, analyzing customer habits, and motivating customers and employees through data-driven messaging applications and rewards. For more information about Mobivity, visit [mobivity.com](http://mobivity.com) or call (877) 282-7660.

### Forward Looking Statement

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 in Mobivity Holdings Corp.'s annual report on Form 10-K for the year ended December 31, 2020 filed with the SEC on March 30, 2021 and subsequently filed quarterly reports on Form 10-Q. Mobivity Holdings Corp. cautions readers not to place undue reliance on any forward-looking statements. 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](mailto:brett@haydenir.com) • (646) 536-7331

### Mobivity Holdings Corp. Condensed Consolidated Balance Sheets

	December 31, 2021	December 31, 2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 735,424	\$ 3,282,820
Accounts receivable, net of allowance for doubtful accounts of \$56,340 and \$33,848, respectively	578,303	305,693

Contracts receivable, current	—	943,904
Other current assets	227,458	272,736
<b>Total current assets</b>	<b>1,541,185</b>	<b>4,805,153</b>
Goodwill	411,183	496,352
Right to use lease assets	1,187,537	57,482
Intangible assets, net	1,124,720	1,368,329
Contracts receivable, long term	—	1,415,856
Other assets	173,325	25,230
<b>TOTAL ASSETS</b>	<b>\$ 4,437,950</b>	<b>\$ 8,168,402</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 3,823,909	\$ 1,935,411
Accrued interest	172,239	47,316
Accrued and deferred personnel compensation	495,533	224,881
Deferred revenue and customer deposits	377,170	606,597
Related party notes payable, net - current maturities	819,531	80,000
Notes payable, net - current maturities	69,052	561,676
Operating lease liability	229,240	58,173
Other current liabilities	9,071	566,303
<b>Total current liabilities</b>	<b>5,995,745</b>	<b>4,080,357</b>
<b>Non-current liabilities</b>		
Related party notes payable, net - long-term	2,498,711	500,000
Notes payable, net - long-term	39,086	999,001
Operating lease liability	1,188,589	13,296
Other long-term liabilities	—	831,535
<b>Total non-current liabilities</b>	<b>3,726,386</b>	<b>2,343,832</b>
<b>Total liabilities</b>	<b>9,722,131</b>	<b>6,424,189</b>
<b>Commitments and Contingencies (See Note 13)</b>		
<b>Stockholders' equity (deficit)</b>		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 55,410,695 and 55,410,695, shares issued and outstanding	55,411	55,411
Equity payable	100,862	100,862
Additional paid-in capital	102,446,921	101,186,889
Accumulated other comprehensive income (loss)	(52,088)	(23,446)
Accumulated deficit	(107,835,287)	(99,575,503)
<b>Total stockholders' equity (deficit)</b>	<b>(5,284,181)</b>	<b>1,744,213</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b>\$ 4,437,950</b>	<b>\$ 8,168,402</b>

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

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2021	2020	2021	2020
<b>Revenues</b>				
Revenues	\$ 612,918	\$ 2,759,060	\$ 8,174,884	\$ 13,255,887
Cost of revenues	979,731	1,005,835	4,302,370	4,748,444
<b>Gross profit</b>	(366,813)	1,753,225	3,872,514	8,507,443
<b>Operating expenses</b>				
General and administrative	952,347	778,963	4,444,202	3,917,935
Sales and marketing	1,015,154	576,821	4,002,565	2,325,709
Engineering, research, and development	1,507,579	715,261	3,583,773	3,535,742
Intangible asset impairment	-	5,405	8,286	8,886
Depreciation and amortization	182,599	139,960	707,073	674,942
<b>Total operating expenses</b>	3,657,679	2,216,410	12,745,899	10,463,214
<b>Income (loss) from operations</b>	<b>(4,024,492)</b>	<b>(463,185)</b>	<b>(8,873,385)</b>	<b>(1,955,771)</b>
<b>Other income/(expense)</b>				
Interest income	-	(1)	5	1,221
Gain on Extinguishment of Debt	-	-	891,103	-
Interest expense	(123,252)	(78,998)	(267,966)	(286,896)
Impairment of Intangibles	-	3,481	-	-
Loss on disposal of fixed assets	-	(4,873)	(880)	(8,808)
Loss on settlement of debt	-	(668,260)	-	(668,260)
Foreign currency (loss) gain	(2,084)	(1,233)	(8,661)	117
<b>Total other income/(expense)</b>	<b>(125,336)</b>	<b>(749,884)</b>	<b>613,601</b>	<b>(962,626)</b>
<b>Income (loss) before income taxes</b>	<b>(4,149,828)</b>	<b>(1,213,069)</b>	<b>(8,259,784)</b>	<b>(2,918,397)</b>
Income tax expense	-	-	-	-
<b>Net Income (loss)</b>	<b>(4,149,828)</b>	<b>(1,213,069)</b>	<b>(8,259,784)</b>	<b>(2,918,397)</b>
<b>Other comprehensive income (loss), net of income tax</b>				
Foreign currency translation adjustments	3,427	(23,154)	(28,642)	(32,226)
<b>Comprehensive income (loss)</b>	<b>\$ (4,146,401)</b>	<b>\$ (1,236,223)</b>	<b>\$ (8,288,426)</b>	<b>\$ (2,950,623)</b>

**Net income (loss) per share:**

Basic	\$	(0.07)	\$	(0.02)	\$	(0.15)	\$	(0.06)
Diluted	\$	(0.07)	\$	(0.02)	\$	(0.15)	\$	(0.06)

**Weighted average number of shares:**

Basic	55,410,695	51,575,454	55,410,695	51,575,454
Diluted	55,410,695	51,575,454	55,410,695	51,575,454

**Reconciliation of net (loss) to adjusted EBITDA**

Net (loss)	\$	(4,149,828)	\$	(1,216,550)	\$	(8,259,784)	\$	(2,918,397)
Stock based compensation		226,417		264,725		997,274		773,938
Depreciation and amortization		182,599		139,960		707,073		674,942
Interest expense, net		123,252		78,999		267,961		285,675
Adjusted EBITDA	\$	(3,617,560)	\$	(732,866)	\$	(6,287,476)	\$	(1,183,842)



Source: Mobivity Holdings Corp.