

# ProntoForms Reports Q3 2017 Financial Results

*Achieves 24% in Direct Recurring Revenue Growth Year over Year and 4% Total Recurring Revenue Growth*

**OTTAWA, Ont. – November 9, 2017** – ProntoForms Corporation (TSXV: PFM), the global leader in automating mobile workflows, today announced its third quarter (Q3) financial results for the three and nine months ended September 30, 2017.

"We have built sales teams specialized in new customer acquisition and expansion of existing customers and these motions continue to fuel growth, delivering 24% recurring revenue growth over the comparable 2016 third quarter," said Alvaro Pombo, CEO of ProntoForms. "Of note, our large enterprise customers are expanding their use and we are adding new ones including a US cable company with an initial Q3 deployment of 2,000 subscribers."

"Our partner strategy complements our direct initiatives and we are seeing alignment with our strategic partners that gives us deeper access into key accounts. More data collection, through flexible workflows, is a clear trend in field automation including IoT. Field organizations and IT must deploy tools like ours to satisfy these growing needs," Mr. Pombo continued.

## Financial Highlights – 2017 Third Quarter

- Recurring revenue in Q3 2017 increased by 4% to \$2,813,541, compared to \$2,693,546 in Q3 2016, and decreased by 5% compared to \$2,964,115 in Q2 2017. Approximately 87% of the recurring revenue base is in US dollars and the weakening of the US dollar against the Canadian dollar had a negative impact on 2017 third quarter recurring revenue and caused the decrease from the 2017 second quarter.
- Recurring revenue consisted of non-operator channel recurring revenue of \$1,859,305 (24% growth vs. Q3 2016 and 1% decrease vs. Q2 2017) and operator channel recurring revenue of \$954,236 (20% decrease vs. Q3 2016 and 11% decrease vs Q2 2017). Recurring revenue for the nine months ended September 30, 2017 increased by 11% to \$8,642,263 from \$7,819,153, for the comparable nine months in 2016.
- Total revenue for Q3 2017 increased by 1% to \$3,053,265, compared to \$3,028,860 in Q3 2016, and decreased by 6% compared to \$3,257,185 in Q2 2017. Total revenue for the nine months ended September 30, 2017 increased by 7% to \$9,406,076 from \$8,764,678 for the comparable nine months in 2016.
- Gross margin for Q3 2017 was 81% of total revenue compared to 82% in Q3 2016 and 82% in Q2 2017. Gross margin on recurring revenue was 90% for Q3 2017 compared to 90% for Q3 2016 and 91% in Q2 2017.
- Operating loss for Q3 2017 was \$1,028,127, up from a loss of \$719,717 in Q3 2016, and \$949,628 in Q2 2017. The increase in operating loss from the prior year is attributed to a conscious approach to invest more in operational and sales productivity and product development. Operating loss for the nine months ended September 30, 2017 increased by 22% to \$2,992,359 from \$2,446,003 for the comparable nine months in 2016.
- Net loss and comprehensive loss for Q3 2017 was \$1,300,629, up from a net loss of \$718,904 in Q3 2016, and \$1,204,348 in Q2 2017. Net loss for the nine months ended September 30, 2017 increased by 35% to \$3,656,916 from \$2,711,281 for the comparable nine months in 2016.

- As at September 30, 2017, the Company's cash and net working capital balances were \$7,337,218 and \$5,574,463 respectively.

### **Operational Highlights**

- Closed a Q3 deal with a large US cable company for an initial deployment of 2,000 subscribers
- Launched new ProntoForms tiers, pricing and implementation plan
- Introduced new ProntoForms platform offering for developers and for IT leaders
- Showcased an integrated ProntoForms and ServiceMax solution at Maximize 2017 in Las Vegas
- Box Product team demonstrated on the Keynote Stage at BoxWorks how Pacific Gas and Electric inspect 4.3M gas meters using a ProntoForms and Box workflow

### **About ProntoForms Corporation**

ProntoForms is a global leader in automating mobile workflows. The Company's platform is used to collect and analyze field data with smartphones and tablets, and offers a low total cost of ownership. The Company's 3,000+ customers harness the intuitive, secure and scalable solution to increase productivity, improve quality of service, and mitigate risks.

The Company trades on the TSXV under the symbol PFM. ProntoForms is the registered trademark of ProntoForms Inc., a wholly owned subsidiary of ProntoForms Corporation.

*Certain information in this press release may constitute forward-looking information. For example, statements about the Company's future growth or value are forward-looking information. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to the Company. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*