

# ProntoForms Reports Q2 2018 Financial Results

*Continues Momentum with Over 5% Sequential Growth in Recurring Revenue*

**OTTAWA, Ont. - August 23, 2018** - ProntoForms Corporation (TSXV: PFM), the global leader in smart mobile forms for enterprise, today announced its second quarter (Q2) financial results for the three and six months ended June 30, 2018.

PLEASE NOTE THAT THE PRESENTATION CURRENCY HAS CHANGED FROM CANADIAN TO U.S. DOLLARS COMMENCING THIS FISCAL YEAR.

"The 5% sequential growth we recorded in Q2 extended the rebound in our revenue growth to 20% over prior year," said Alvaro Pombo, CEO of ProntoForms. "The accelerating growth rate in recurring revenue is a result of stronger sales execution in accounts of all sizes combined with reduced overall churn. Our enterprise strategy continues to be focused at engaging larger enterprises who can provide continued growth and longer committed contract length."

"Our platform has the key attributes that major global enterprises require, including scalability, security, and cloud integrations. Our Annual Recurring Revenue ("ARR") base now includes 12 customers that contribute more than \$100,000 of ARR each, representing 23% of the base, up from 4 customers representing 9% a year ago. This growth comes from both new enterprise customers and significant expansion from existing customers. We have also formalized arrangements with important channel partners and this is bringing us to opportunities where enterprise grade cloud-based mobile workflows are needed."

## Financial Highlights - 2018 Second Quarter

Presented in US dollars

- Recurring revenue in Q2 2018 increased by 19% to \$2,624,680, compared to \$2,204,412 in Q2 2017, and increased by 5% compared to \$2,495,068 in Q1 2018
- Recurring revenue consisted of non-operator channel recurring revenue of \$1,891,488 (35% growth vs. Q2 2017 and 7% growth vs. Q1 2018) and operator channel recurring revenue of \$733,192 (8% decrease vs. Q2 2017 and effectively flat vs Q1 2018)
- Total revenue for Q2 2018 increased by 20% to \$2,906,166 compared to \$2,422,369 in Q2 2017, and increased by 6% compared to \$2,748,548, in Q1 2018
- Gross margin for Q2 2018 was 83% of total revenue compared to 82% in Q2 2017 and 82% in Q1 2018. Gross margin on recurring revenue was 88% for Q2 2018 compared to 91% for Q2 2017 and 89% in Q1 2018
- Operating loss for Q2 2018 was \$627,069, down from a loss of \$706,239 in Q2 2017, and down from a loss of \$776,701 in Q1 2018

- Net loss for Q2 2018 was \$673,814, down from a net loss of \$895,675 in Q2 2017, and down from a net loss of \$775,163 in Q1 2018
- Comprehensive loss for Q2 2018 was \$707,809, down from a comprehensive loss of \$822,687 in Q2 2017, and \$822,823 in Q1 2018
- As at June 30, 2018, the Company's cash and net working capital balances were \$3,759,137 and \$3,045,513 respectively

### Recent Operational Highlights

- ProntoForms added deep integrations with four leading enterprise business platforms and marketplaces:
  - The Salesforce App Exchange - the world's leading enterprise cloud marketplace.
  - Predix ServiceMax by GE - the leading application development platform for the Industrial Internet
  - Geotab Marketplace - leading technology platform for telematics & fleet management
  - Box Relay - an enterprise workflow tool that automates and standardizes digital business processes. Box is a leading Cloud service provider

[View a summary](#) of the Q2, 2018 Financial Statements.

### About ProntoForms Corporation

ProntoForms is a leading provider of smart mobile forms for enterprise. The Company's solution is used to collect and analyze field data with smartphones and tablets - either as a standalone solution or as a mobile front-end to corporate systems of record.

The Company's 100,000+ subscribers harness the intuitive, secure, and scalable solution to increase productivity, improve quality of service, and mitigate risks. The Company is based in Ottawa, Canada, and 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.*