

LEAF Mobile Reports Second Quarter 2021 Financial Results

written by Raj Shah | August 17, 2021

August 16, 2021 ([Source](#)) –

- **Revenue growth of 28% vs the same period last year**
- **Year to date proforma revenue growth of 38% vs same period last year**
- **Year to date proforma adjusted EBITDA growth of 100% vs same period last year**
- **Total liquidity of \$30.0M vs \$13.0M at year end 2020**
- **Signed 4 new IdleKit platform partners, expanding game pipeline by an additional 9 games**

LEAF Mobile Inc. (TSX: [LEAF](#)) (OTC: LEMLF) (“**LEAF**” or the “**Company**”), Canada’s leading free-to-play mobile game group, today announced financial results for the second quarter ended June 30, 2021. All amounts are stated in Canadian dollars unless otherwise indicated.

“We saw strong results for our second quarter, which is a historically slower quarter across the mobile game industry. This quarter was also unique as we saw global reopening plans and changes to IDFA in Apple’s iOS operating system start to enter the mobile market and evolve conventional marketing practices. In spite of this, our investments in our games continued to pay off, allowing us to continue to outperform the first half of 2020 with good player retention from our existing games,” said Darcy Taylor, CEO of LEAF. “Looking at our IdleKit business, we’ve continued to maintain the momentum we saw at the start of the year, attracting 4 new IdleKit partners including Mighty Kingdom Games, which recently listed on the Australian Stock Exchange. These 4 new partners will add up to an

additional 9 games to our existing pipeline, which will result in the most games in development we've ever had."

Second Quarter 2021 Highlights:

- Revenue was \$22.5 million, a 28% increase vs Q2 2020 revenue of \$17.6 million.
- Proforma YTD revenue was \$47.8 million, an increase of 38% vs same period 2020 revenue of \$34.7 million.
- Proforma YTD Adjusted EBITDA was \$5.6 million, an increase of 100% vs same period 2020 Adjusted EBITDA of \$2.8 million.
- Strengthened balance sheet by approximately \$17 million from 2020 YE with the combination of \$2.0 million in cash from operations and a \$15.0M credit facility provided by a Tier 1 Canadian Bank.
- Signed 4 new IdleKit partners, Big Foot Gaming, Tiny Rex Games, Game Masons, and Mighty Kingdom Games, to develop and publish 9 new game titles.
- Partnered with the Worldwide Asset eXchange Blockchain ("WAX"), on the launch of an NFT-based collectible card game, *Bud Farm Nifty Stash*.
- Recognized as a top Canadian Small & Medium Employers at Canada's Top 100 Employers 2021.
- Secured a US listing on OTCQB under symbol "LEMLF" and obtained DTC eligibility from The Depository Trust Company ("DTC") to facilitate electronic settlement and transfer of LEAF's common shares in the United States.
- Entered into a definitive agreement to acquire Truly Social Games, a developer and publisher of mobile games with studios in Vancouver and Minsk.

"We continue to see the benefits of our investments in key areas that drive long-term revenue and margin growth. We're excited for the back half of the year as we will see multiple game

launches, including *RuPaul's Drag Race Superstar*," continued Mr. Taylor. "We will continue to execute on our 3-pillar strategy of combining accretive acquisitions, organic game growth and distributed growth through our proprietary IdleKit platform licensing."

Events subsequent to Second Quarter 2021:

- Effective August 17, 2021, LEAF will consolidate its issued and outstanding Common Shares on the basis of up to 10 "old" pre-consolidation shares for every 1 "new" post-consolidation share, as approved by its shareholders at LEAF's most recent AGM held on June 29, 2021. The Common Shares will commence trading on the TSX on a post-consolidation basis at the open of markets on August 17, 2021. The post-consolidation Common Shares will continue trading on the TSX under the symbol "LEAF."

"It is clear that our shareholders also see the value in a share consolidation. We feel that the consolidation may attract more institutional investors, open up further opportunities for more senior listings, and better reflect the value of the Company," commented Darcy Taylor.

Certain information provided in this news release is extracted from the unaudited condensed consolidated interim financial statements (the "**Financial Statements**") and Management's Discussion & Analysis ("**MD&A**") of the Company for the three months ended June 30, 2021 and should be read in conjunction with them. It is only in the context of the fulsome information and disclosures contained in the Financial Statements and MD&A that an investor can properly analyze this information. The Financial Statements and MD&A can be found under the Company's profile on SEDAR and EDGAR.

Conference Call Information

The Company will hold a conference call to discuss its performance with the investment community at 2:00 p.m. PT today. Related earnings release materials can be found on LEAF's website

at <https://leafmobile.io/investors/financial-information/>.

Conference Call Details:

Toll Free Dial-In Number: +1 (833) 772-0399

International Dial-In Number: +1 (236) 738-2279

Conference ID: 6266397

A replay will be available starting at 6:30 a.m. PT August 17, 2021 until September 16, 2021 by dialing +1 (800) 585-8367 or +1 (416) 621-4642 and entering the conference ID 6266397.

ABOUT LEAF

LEAF Mobile Inc. (TSX: [LEAF](#), OTC: LEMLF) is a leading free-to-play mobile game group, creating engaging games that produce enduring player loyalty. Our studio groups entrepreneurial culture is anchored in creativity, execution, and growth through a diverse portfolio of original and licensed IP mobile games that include: *Archer: Danger Phone*, *Bud Farm Idle Tycoon*, *Cheech & Chong Bud Farm*, *The Goldbergs: Back to the 80s*, *It's Always Sunny: The Gang Goes Mobile*, *Trailer Park Boys Greasy Money* and the soon to be released, *RuPaul's Drag Race Superstar*.

We are headquartered in Vancouver, Canada and our games are available worldwide on the App Store and Google Play. For further information, please visit: www.leafmobile.io and join our online communities at [LinkedIn](#), [Twitter](#), [Facebook](#), and [Instagram](#).

Additional information about LEAF Mobile Inc. is available at www.sedar.com.

Forward Looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the proposed transactions described herein. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. In particular, the Company cautions that the completion of the proposed transactions cannot be predicted with certainty, and there can be no assurance at this time that all required approvals and consents to effect the proposed transactions will be obtained in the manner noted above or at all. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including factors beyond the Company's control. These forward-looking statements are made as of the date of this news release.

SOURCE Leaf Mobile Inc. 

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