

Leaf Mobile Reports Third Quarter 2021 Financial Results

written by Raj Shah | November 16, 2021

- **Year to date revenue growth of 32.1% vs the same period last year**
- **Q3 revenue increased by 3.7% vs same period last year**
- **Year to date adjusted EBITDA up 16.5% vs same period last year**
- **RuPaul's Drag Race Superstar surpasses 1 million downloads since launch, and reaches Top**
- **100 Grossing Games in 40 countries on iOS**

All figures are as reported under IFRS

November 15, 2021 ([Source](#)) – **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 third quarter ended September 30, 2021. All amounts are stated in Canadian dollars unless otherwise indicated on an as reported basis under IFRS.

“We saw steady results for our third quarter, which is historically our slowest quarter and the slowest for the mobile game industry as a whole. This quarter we also continued to see the global reopening amplify traditional seasonality and Apple’s ATT introduction still working its way through the mobile marketing ecosystem. In response to this transitory period, we maintained our reduced marketing investments in our games to more measured levels until the final month of Q3, as we started to increase user acquisition investments when we started to see positive signs of ecosystem adaption working their way through the industry, while continuing to focus resources on our ramping

pipeline of Q4 game launches,” said Darcy Taylor, CEO of LEAF.

“October 25th marked the first of our Q4 launches, with the worldwide launch of *RuPaul’s Drag Race Superstar*. The game has shown promising early results, surpassing 1 million downloads since launch and reaching the #1 role playing game ranking in 44 countries on iOS, and ranking in the top 10 in 67 countries. The game has averaged 150,000 daily active users since launch, the highest in our portfolio of games, and has reached the top 100 grossing games in 40 countries on iOS. One week after launching *RuPaul’s Drag Race Superstar*, we launched *B-Real Monster Buds* with B-Real of Cypress Hill which will be followed in December by a game based on the critically-acclaimed, Emmy® award-winning comedy, *The Office*, titled *The Office: Somehow We Manage* and 4 additional titles currently in soft launch,” continued Mr. Taylor.

Third Quarter 2021 Highlights as Reported under IFRS:

- Revenue was \$19.0 million, a 3.8% increase vs Q3 2020 revenue of \$18.3 million.
- YTD nine months revenue was \$64.6 million, an increase of 32.1% vs same period 2020 revenue of \$48.9 million.
- YTD nine months Adjusted EBITDA was \$6.3 million, an increase of 16.5% vs same period 2020 Adjusted EBITDA of \$5.4 million.
- Net and comprehensive loss of -\$1.4 million, or (\$0.02) on a per common share basis.
- Announced the collaboration with Universal Games and Digital Platforms to create *The Office: Somehow We Manage*, mobile game based on the critically-acclaimed Emmy® award winning NBC comedy, *The Office*, scheduled to launch this December 2021.

“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 fourth quarter of this year as we will see multiple super marquee IP game launches," 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 Game Kit platform licensing."

Significant events subsequent to Third Quarter 2021:

- *RuPaul's Drag Race Superstar* mobile game launched worldwide on October 25th and has surpassed 1 million downloads and averaged over 150,000 daily active users since launch, achieving the highest daily active users for any of LEAF's active games. As of November 11th, the game was the #1 ranking role playing or simulation game in the iOS App Store in 44 countries and ranked in the top 10 in 67 countries. The game has also reached the top 100 grossing games in 40 countries on iOS.
- *B-Real Monster Buds* in partnership with B-Real of Cypress Hill worldwide launched on November 1st. B-Real has more than 1.3 million followers on Instagram and over 700,000 subscribers to his BREALTV YouTube channel.

"We expect that our "Super Marquee" IP lead game titles in Q4 will deliver a significant step change in our game growth potential. We see this move from North American-centric IP, that has fueled our revenue delivery to date, to global IP with the associated global fandoms of *The Office* and *RuPaul's Drag Race* attracting more players, and opening up further opportunities for future growth," said 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 nine

months ended September 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.

Webcast and 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/>.

Webcast and Conference Call Details:

Webcast

URL: <https://onlinexperiences.com/Launch/QReg/ShowUUID=CF71C51A-FA74-47AB-B87E-FBE3F460DBB0>

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

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

Conference ID: 8692236

A replay will be available starting at 6:30 a.m. PT November 16, 2021 until December 16, 2021 by dialing +1 (800) 585-8367 or +1 (416) 621-4642 and entering the conference ID 8692236.

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 and Trailer Park Boys Greasy Money, RuPaul's Drag Race Superstar and the soon to be released The Office: Somehow We Manage.

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. 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.

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For further information: Media Inquiries: media@leafmobile.io +1 604 288 4417; Investor Relations: leaf@kincommunications.com +1 604 684 6370; Suite 909 – 510 Burrard Street, Vancouver, BC, V6C 3A8