

SurgePays Expands MVNO Customers and Revenue

EBB Revenue from first four months is over \$4.2M as rollout plans are accelerated and projections are increased.

BARTLETT, Tenn., December 09, 2021 -- SurgePays, Inc. (Nasdaq: SURG) (“SurgePays” or the “Company”), a fintech company providing a complete suite of financial services and prepaid products to convenience and neighborhood stores serving the underbanked market provides update on the Emergency Broadband Benefit Program (“EBB Program”) rollout through the Company’s wholly owned subsidiary, SurgePhone Wireless LLC (“SurgePhone”).

As of November 30, 2021, EBB Program enrollments were over 19,000 with total revenue of over \$4.2 million since launching the program in late August 2021. These enrollments were generated primarily in western Tennessee and northern Mississippi. SurgePhone has begun activating additional teams in California, Illinois and Missouri and plans to ramp sales aggressively in these markets before the end of the year.

“At the time of this announcement, we have surpassed the 22,000 customers goal, representing over \$1,100,000 in relatively higher-margin recurring revenue every month. This is extremely exciting and thrusts SurgePays daily operations to positive cash flow. Having available capital from our recent up-list to the Nasdaq Capital Market will allow us to continue to accelerate enrollments nationwide and I expect to double our customer base in the next 60 days. We have revised our internal model from 5,000 monthly enrollments to 15,000 in January and 20,000 enrollments in February,” commented SurgePays CEO Brian Cox.

The EBB Program provides SurgePhone up to a \$90 reimbursement for the cost of each tablet distributed and a \$50 per customer, per month (i.e., recurring) subsidy for data services. Additionally, the EBB Program allows one monthly service discount plan and one device discount per household. Eligible consumers need to enroll in the EBB Program through their participating retailer offering the connected devices. SurgePhone has received approval to offer customers these discounted services in California, Colorado, Florida, Illinois, Maryland, Mississippi, Missouri, Nevada, New Jersey, Ohio, Oklahoma, Rhode Island, Tennessee, and Texas. SurgePhone is a mobile virtual network operator (MVNO) and operates both the SurgePhone wireless and Loco Rabbit wireless brands.

The preliminary EBB Program revenues are estimates prior to the completion of the Company’s financial closing procedures and review procedures by its external auditors and, therefore, may be subject to adjustment when the actual results are available.

About SurgePays, Inc.

SurgePays, Inc. is a B2B fintech with other verticals in the underbanked and software development space. SurgePays utilizes its blockchain software platform to offer a comprehensive suite of essential financial services and prepaid products for the underbanked, along with top selling consumable products to convenience stores, community stores, mini-marts, tiendas, and bodegas. Please visit www.SurgePays.com for more information.

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Cautionary Note Regarding Forward-Looking Statements

This press release includes express or implied statements that are not historical facts and are considered forward-looking within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. Forward-looking statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and may contain projections of our future results of operations or of our financial information or state other forward-looking information. In some cases, you can identify forward-looking statements by the following words: “may,” “will,” “could,” “would,” “should,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “project,” “potential,” “continue,” “ongoing,” or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future operational or financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control, including, without limitation, statements about our future financial performance, including our revenue, cash flows, costs of revenue and operating expenses; our anticipated growth; our predictions about our industry; the impact of the COVID-19 pandemic on our business and our ability to attract, retain and cross-sell to clients. The forward-looking statements contained in this release are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission (“SEC”), including in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020. The forward-looking statements in this press release speak only as of the date on which the statements are made. We undertake no obligation to update, and expressly disclaim the obligation to update, any forward-looking statements made in this press release to reflect events or circumstances after the date of this press release or to reflect new information or the occurrence of unanticipated events, except as required by law.
