

# SurgePays, Inc. Provides Strategic Update in Letter to Shareholders

Bartlett, TN, February 24, 2021 (GLOBE NEWSWIRE) – SurgePays, Inc. (OTCQB: SURG) (“SurgePays” or the “Company”), a FinTech company building a next generation supply chain network that can offer wholesale goods and financial services for the underbanked more cost efficiently than traditional distribution models, today provides a strategic update on the Company in a Letter to Shareholders from CEO Brian Cox.

To Our Valued Shareholders:

Following months of under-the-radar execution, I am proud to provide an update to you on our progress and our path forward.

As you know, Surge Holdings was a conglomeration of multiple business lines that were loosely affiliated with the common denominator of developing software solutions for what we determined were lucrative opportunities. Our corporate name change from Surge Holdings to SurgePays underscores that focus as we consolidated our FinTech, prepaid wireless, financial services for the underbanked, and wholesale merchandise marketplace into a single blockchain-driven platform that can provide convenience stores, bodegas, and mini-marts throughout the country direct access to these services and pass on this access and added security layer to the underbanked population.

Over the last several months, we have expanded our capabilities in these areas. We created a more robust inventory of gift card offerings, widened the scope of our financial services to include gaming and other recreational services, and consolidated our direct store delivery (DSD) merchandise marketplace portal to facilitate the purchase of goods more easily by convenience stores at wholesale prices. As we have enhanced our offering to now include a comprehensive suite of value-driven products, our competitive advantage for not only adding stores, but growing market share, has significantly increased.

Our management team is focused on corporate revenue growth and profitability through the “deep and wide” philosophy of increasing the number of retail stores on our network while also increasing the volume of products and services sold per store. I believe we have reached the stage in the country’s “re-opening” that allows our salespeople to more freely travel and add additional stores to our platform while visiting current customer stores to cultivate up-sell opportunities. Our plan is to increase our sales efforts utilizing a nationwide traveling sales team, an outbound calling sales rep team and through our continued use of independent sales organizations (ISOs) to sign up new stores while driving additional sales per store. Simultaneously, we will continue to increase the adoption of new wholesale product offerings (think phone accessories, bagged snacks, dry foods, herbal stimulants, CBD products, sunglasses, t-shirts, etc.) sold at our networked stores through our wholesale platform while increasing the variety of wireless top-ups, gift cards, phones, and prepaid SIM kits, all of which are in high demand by our targeted underserved end-markets.

One of the ways we have identified to maximize our shareholder value has been to up-list the SurgePays stock to a major exchange, and we have been diligently working behind the scenes to make this goal a reality. Among the final pieces to the puzzle has been to ensure that our Board of Directors has sufficient independent members in order to meet Nasdaq’s criteria. We recently announced two new Board members, David May and Jay Jones, each of whom are leaders in their fields and are great fits for our business strategy. David May is a financial professional with significant experience in providing solutions to convenience stores, while Jay Jones has been involved in all facets of the wireless business, including network engineering, application development, corporate development, management of mid-size organizations, product development, business operations, and strategy. Their appointments have now brought our Board to an appropriate standard of independence, and the process is now underway to complete our up-list.

Our Surge Logics business is an enterprise software development company providing marketing business intelligence (“BI”), mass tort (i.e., large class-action lawsuits) legal action client generation, and case load management solutions for law firms. Intake Logics is our proprietary cloud-based customer relationship management (CRM) software built on our years of data tracking and analysis to deliver optimal results. Our advanced platform helps law firms generate prospective leads for their mass litigation cases, qualifies and transitions these leads into robust cases, handles the extensive intake and case management processes - including data analytics for each case or campaign - and has generated over 200,000 leads for law firms and significant revenue and revenue growth since its introduction.

While the business of Surge Logics is not like that of SurgePays, we have been able to apply our solution-oriented principles using software development and efficiency to grow them side by side. I believe it is important that a public microcap do what it does well and have a single focus under its own umbrella in order to more successfully tell the story when creating awareness among prospective shareholders. Thus, it is management’s goal in the near-term to determine how to best position the Surge Logics company strategically so that we can capitalize on its successful growth and leverage its inherent strengths while also maximizing shareholder value for SurgePays.

I am very excited about the future of both companies and believe they are each ideally poised for success. In the coming months, I expect to increase our communication with our shareholders to provide details about how we are evolving both

businesses and what those evolutions mean to SurgePays shareholders. I hope you are as excited by the coming days as I am, and I look forward to sharing the many successes we anticipate with you all very soon.

Wishing you the best,

K. Brian Cox

Chairman, CEO

SurgePays

**About SurgePays, Inc.**

SurgePays, Inc. utilizes its blockchain software platform to offer a comprehensive suite of prepaid, financial services and wholesale products to independently owned convenience stores, mini-marts, tiendas and bodegas more cost efficiently than existing wholesale distribution models. Please visit [www.SurgePays.com](http://www.SurgePays.com) for more information.

**Cautionary Note Regarding Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "forecasts," "forecasting," "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "could," "target," "potential," "is likely," "will," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements primarily on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include continued demand for professional hiring, the accuracy of the Recruiter Index® survey, the impact of the COVID-19 pandemic on the job market and the economy as virus levels are again rising in many states, and the Risk Factors contained within our filings with the Securities and Exchange Commission ("SEC"), including on our Form S-1/A filed with the SEC on February 16, 2021. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update any forward-looking statements publicly, whether as a result of new information, future developments, or otherwise, except as may be required by law.

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