

Tuxis Corporation Announces 2020 Financial Results

June 17, 2021 – Tuxis Corporation (Symbol: [TUXS](#)) (the “Company”) today reported its financial results for the year ended December 31, 2020.

The Company recorded a net loss of \$165,407 or \$0.13 per diluted share for the year ended December 31, 2020 compared to net income of \$811,845 or \$0.66 per diluted share for the year ended December 31, 2019.

The Company’s book value per share at December 31, 2020 was \$6.59 (shareholders’ equity of \$8,218,213 divided by 1,246,929 shares issued and outstanding).

The Company’s unaudited balance sheets, statements of comprehensive income (loss), and statements of cash flows as of and for the year ended December 31, 2020 are appended to the copy of this press release on www.tuxis.com.

About Tuxis Corporation

Tuxis Corporation is a holding company that engages through subsidiaries primarily in real estate development and management. To learn more about Tuxis Corporation, including Rule 15c2-11 information, please visit www.tuxis.com.

Cautionary Note Regarding Forward Looking Statements

Certain information presented in this press release may contain “forward-looking statements” within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Forward looking statements include statements concerning the Company’s plans, including its plans as to the use of the proceeds from the sale, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, and other information that is not historical information. In some cases, forward looking statements can be identified by terminology such as “believes,” “expects,” “estimates,” “may,” “will,” “should,” “anticipates” or “intends,” or the negative of such terms or other comparable terminology, or by discussions of strategy. All forward-looking statements by the Company involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the Company’s actual results to be materially different from those expressed or implied by such statements, including the negative impacts from the continued spread of COVID-19 on the economy, the broader financial markets, the Company's financial condition, and results of operations and cash flows. The Company may also make additional forward looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by the Company or on its behalf, are also expressly qualified by these cautionary statements. All forward-looking statements, including without limitation, the Company’s examination of historical operating trends and estimates of future earnings, are based upon the Company’s current expectations and various assumptions. The Company’s expectations, beliefs and projections are expressed in good faith, but there can be no assurance that the Company’s expectations, beliefs and projections will result or be achieved. All forward looking statements apply only as of the date made. The Company undertakes no obligation to publicly update or revise forward looking statements which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events.

The Company views book value per share, a non-GAAP financial measure, as an important indicator of financial performance. Presented in conjunction with other financial information, the combined presentation can enhance an investor's understanding of the Company's underlying financial condition and

results from operations. The definition of book value as presented in this press release is shareholders' equity divided by currently issued and outstanding shares.

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TUXIS CORPORATION
CONSOLIDATED BALANCE SHEET
December 31, 2020
(Unaudited)

Assets	2020	2019
Current assets		
Cash and cash equivalents	\$ 906,255	\$ 1,150,450
Investment in securities	4,489,109	4,390,461
Dividends and interest receivable	10,318	9,741
Due from affiliates	—	26,883
Refundable income taxes	6,003	5,122
Prepaid expenses	5,062	6,585
Total current assets	5,416,747	5,589,242
Property and equipment, net	2,802,744	2,758,898
Other assets	1,380	1,380
	2,804,124	2,760,278
Total assets	\$ 8,220,871	\$ 8,349,520
Liabilities and shareholders' equity		
Current liabilities		
Due to affiliates	\$ 1,470	\$ —
Accounts payable and accrued expenses	1,188	2,739
	2,658	2,739
Death benefit obligation	—	128,784
Total liabilities	2,658	131,523
Shareholders' equity		
Common stock, \$0.01 par value; shares authorized, issued and outstanding at December 31, 2020 and 2019 were: 1,000,000,000 and 1,246,929 and 1,000,100,000 and 1,209,988, respectively	12,470	12,100
Series A participating preferred stock, \$0.01 par value, 100,000 shares authorized, -0- shares issued and outstanding	—	—
Additional paid in capital	10,482,812	10,422,384
Notes receivable for common stock issued	(98,164)	(37,484)
Accumulated comprehensive income	231,872	66,367
Accumulated deficit	(2,410,777)	(2,245,370)
Total shareholders' equity	8,218,213	8,217,997
Total liabilities and shareholders' equity	\$ 8,220,871	\$ 8,349,520

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Years Ended December 31, 2020 and 2019
(Unaudited)

	<u>2020</u>	<u>2019</u>
Revenues	\$ —	\$ —
Expenses		
Compensation and benefits	206,200	198,404
General and administrative	84,874	79,873
Professional services	39,052	28,980
Depreciation	—	30
	<u>330,126</u>	<u>307,287</u>
Other income		
Dividends, interest, and other	144,633	142,794
Gain from removal of death benefit commitment liability / (expense)	109,709	(14,400)
Unrealized gain (loss) on investment securities	(85,318)	106,448
Gain contingency realized	—	900,000
Realized loss on sale of investment securities	—	(5,070)
	<u>169,024</u>	<u>1,129,772</u>
Income (loss) before income taxes	(161,102)	822,485
Income tax expense	4,305	10,640
Net income (loss)	<u>\$ (165,407)</u>	<u>\$ 811,845</u>
Net income (loss) per share		
Basic net income (loss)	\$ (0.13)	\$ 0.67
Diluted net income (loss)	\$ (0.13)	\$ 0.66
Weighted average shares outstanding		
Basic	1,240,370	1,209,988
Diluted	1,240,370	1,229,137
Other comprehensive income (loss)		
Unrealized gain on investment securities	<u>\$ 165,505</u>	<u>\$ 148,630</u>
Comprehensive income	<u>\$ 98</u>	<u>\$ 960,475</u>

TUXIS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019
(Unaudited)

	2020	2019
Cash flows from operating activities		
Net (loss) income	\$ (165,407)	\$ 811,845
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities		
Gain from the removal of the death benefit commitment	(109,709)	—
Unrealized loss (gain) on investment securities	85,318	(106,448)
Purchase of investment securities, trading	(19,751)	(119,999)
Realized loss on sale of investment securities	—	5,070
Amortization of premium of investment securities	1,290	2,117
Depreciation	—	30
(Increase) decrease in dividends and interest receivable	(577)	14,196
Decrease (increase) in due from affiliates	26,883	(26,883)
(Increase) decrease in refundable income taxes	(881)	7,398
Decrease (increase) in prepaid expenses	1,523	(669)
Increase (decrease) in due to affiliates	1,470	(1,176)
(Decrease) increase in accounts payable and accrued expenses	(1,551)	2,739
Decrease in death benefit obligation	(19,075)	(10,891)
Net cash (used in) provided by operating activities	(200,467)	577,329
Cash flows from investing activities		
Real estate development	(43,846)	(40,078)
Proceeds from sale of investment securities, available-for-sale	—	445,861
Net cash (used in) provided by investing activities	(43,846)	405,783
Cash flows from financing activities		
Common stock issued upon exercise of stock options	370	—
Common stock repurchases	(252)	—
Net settlement of cashless stock option exercises	—	(3,000)
Net cash provided by (used in) financing activities	118	(3,000)
Net (decrease) increase in cash and cash equivalents	(244,195)	980,112
Cash and cash equivalents, beginning of period	1,150,450	170,338
Cash and cash equivalents, end of period	\$ 906,255	\$ 1,150,450
Supplemental disclosure:		
Income taxes paid	\$ 6,106	\$ 7,902
Promissory note accepted with exercise of stock options	\$ 60,680	\$ —