SUMMARY OF OPPORTUNITY

Snipp Interactive ("the Company") is a software company that enables leading brands (manufacturers & retailers) to conduct shopper marketing promotions, sales incentive, loyalty and rebate programs on a global basis. It brings together a modular Software-as-a-Service suite and best-in-class marketing expertise to enable its clients to increase sales, retain customers and build robust, proprietary data sets that enable intelligent decision making.

The Company serves a large, repeat customer base of hundreds of blue-chip customers across multiple industries including Consumer Packaged Goods ("CPG"), Pharmaceutical, Retail, and Advertising. With a global footprint, the Company has offices in the United States, Canada, Ireland, Switzerland and India. The Company's customer list includes 8 of the Top 10 largest CPG companies in the world. It powers the loyalty programs for three of the five largest multichannel brand loyalty programs. The Company has executed more purchase-based promotions and processed more receipts for multichannel brands than any other provider in the industry.

Historically, consumer purchasing data has been owned and controlled by retailers since this data is captured in POS devices and tied to in-store promotions. The Company's technology enables consumer brands to (i) capture this rich purchase and behavioral data and (ii) measure the effectiveness of both online and offline marketing campaigns. The Company's mobile-first solution enables multichannel brands to implement omni-channel, objectives led, ROI-driven, data-rich programs spanning from simple one-off reward-based promotions to ongoing loyalty programs and periodic rebates, from a single technology vendor. Unique to this industry, the Company offers its solutions to leading brands with its cloud-based software platform including: a purchase validation and receipt processing engine; a robust rewards platform with suite of offerings; an enterprise scale loyalty engine; and a full suite for its core offerings around promotions, rebates and loyalty.

By implementing and running successful marketing programs, the Company is able to capture extensive first party shopping data that enables smarter advertising and marketing decisions. Advantages of having a unified view of data across a client's own marketing programs are plentiful. These range from disrupting the foundation of the data model used today to target consumers to having a deeper behavioral understanding of shopper profiles by retailer, channel, category and competitors.

In its latest fiscal year, ending December 31, 2018, the Company generated revenue of USD $12.2MM (51% from long-term revenue with recurring components and 49% from campaign based revenue predominantly from repeat customers) with 73% gross margins and positive EBITDA in the 3rd and 4th Quarters. Bookings in 2018 increased by 25% to $15.5 million at 12/31/2018. And while total revenues declined 6% in 2018, SaaS-style revenues increased 9% as the Company continues to shift more towards revenue with recurring components.

INDUSTRY

Software-as-a Service for Shopper Marketing, Promotions and Loyalty

COMPANY SNAPSHOT

Founded: 2012
Employees: 85 (44% engineers)
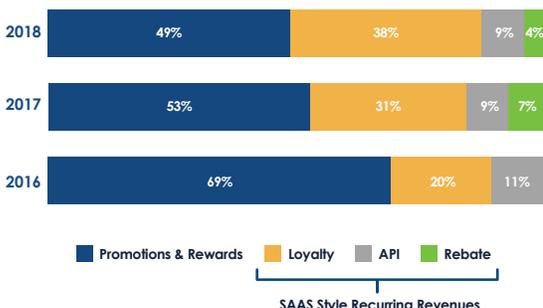Locations: USA, Canada, Ireland, Switzerland & India

FINANCIAL HIGHLIGHTS

2016 Revenue: $11.2MM
2016 Bookings: $12.7MM
2017 Revenue: $12.9MM
2017 Bookings: $12.4MM
2018 Revenue: $12.2MM
2018 Bookings: $15.5MM
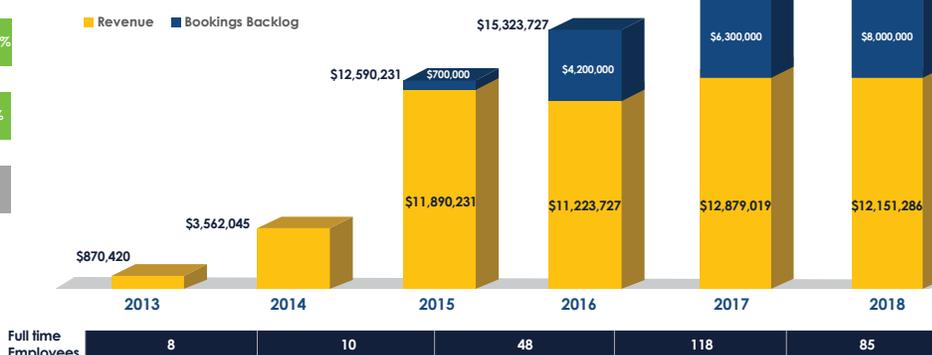
Q3 & Q4 2018 EBITDA Positive

SAMPLE CUSTOMERS/PARTNERS

Kellogg's · L'ORÉAL · Pfizer · Starbucks · P&G · gsk · ESTĒE LAUDER COMPANIES · Nestlé · newell BRANDS · PEPSICO · Energizer · ABInBev · Kimberly-Clark · Beam SUNTORY

REVENUE BY PRODUCT TYPE FY2018

Transitioning Revenue Mix

	Promotions & Rewards	Loyalty	API	Rebate
2018	49%	38%	9%	4%
2017	53%	31%	9%	7%
2016	69%	20%	11%	

SAAS Style Recurring Revenues

REVENUE + BOOKINGS BACKLOG

USD Revenue & Bookings Backlog

Revenue ■ Bookings Backlog

	2013	2014	2015	2016	2017	2018
Total			$12,590,231	$15,323,727	$19,179,019	$20,151,286
Bookings Backlog			$700,000	$4,200,000	$6,300,000	$8,000,000
Revenue	$870,420	$3,562,045	$11,890,231	$11,223,727	$12,879,019	$12,151,286

Full time Employees	8	10	48	118	85

INVESTMENT HIGHLIGHTS

Fast Growth Market with Favorable Industry Trends:	Loyalty and personalized promotion programs are increasingly important for brands, with the majority (79%) of consumers looking for brands to demonstrate that they understand and care about them before considering a purchase. • The Loyalty industry is big - $323B is the estimated value of the customer ecosystem. 69% of C-Suite executives also reported that their loyalty investments have grown in the past two years, and over half (55%) report that their investments will continue to grow in the next two years. (Loyalty Big Picture 2019 – LoyaltyOne). • On average, loyalty program members contribute almost half (43%) of companies' annual sales. 95% of companies reported that their loyalty program members spend more than their non-members annually and 60% report loyalty customers spend 2-3X more. (Loyalty Big Picture 2019 – LoyaltyOne).
Repeat Blue-Chip Customer Base:	The Company's customer base is comprised of hundreds of blue-chip customers across several industries including CPG, Pharmaceutical, Retail, Telecom, Advertising and Marketing. Customers include Fortune 100 Companies such as Kellogg's, Starbucks, Georgia Pacific, Energizer, Nestle and Kimberly Clark, as well as leading agencies such as Catalina, Catapult, Integer and Geometry Global. An increasing number of these customers are entering recurring long-term contracts or are repeat customers. • 71% of the Company's Bookings in 2018 came from direct brand relationships • 64% of the Company's Bookings on an average in 2018 came from repeat customers that netted the company about $7.5MM dollars in recurring revenue2017
Visionary Management Building Next-Generation Offering:	Today the Company provides brands with a complete Software-as-a-Service suite to manage their promotions, rebates, and cross-channel loyalty programs. Continuing its position as a provider of next-generation software product offerings, the Company's management and engineering teams are launching a newly created platform that will serve as a single customer engagement hub to enable advanced analytics and insights with a unified view of purchase data across a brand, category or corporate portfolio irrespective of sales channel. In the future they will add a media placement element, that will enable a complete view that spans the Awareness to Attribution journey of a user.
Predictable Revenue Model:	The Company has a growing segment of long-term recurring SaaS-style revenue that now exceeds over half of total revenue and a long track record of repeat customers that generate consistent, campaign-style revenues. As a result, the company has sticky and highly-predictable revenue streams resulting in committed or contracted revenues. Accordingly, the Company's Bookings backlog continues to increase year over year, growing from $700K at the start of 2016 to $8MM at the end of 2018. • Long-term revenue with recurring components grew to 58% of total revenue in Q4 2018 • Revenue + Bookings Backlog increased from $19.2MM in 2017 to $20.2MM in 2018
High Margin Operating Structure:	The Company continues to demonstrate improving gross margins by increasing the concentration of more profitable revenue components. As a result, gross margins improved from 66% in Q4 2017 to 69% in Q4 2018. In addition, the Company achieved the position of being EBITDA positive in Q3 2018 and Q4 2018.
Deep and wide set of Platforms and Technology:	Unlike a lot of companies in the space, the Company has a rich set of technology and competencies in-house. In addition to its industry-leading purchase validation system, the company has an enterprise strength loyalty platform, its own rewards platform with unique/proprietary reward offerings, a rebates management system and valuable analytics/datasets of consumer purchase behavior.

ADDITIONAL INFORMATION

- Additional information, including a model, management presentation and data room are available upon execution of non-disclosure agreement with the Company.
- To discuss the opportunity in more detail and/or to receive a NDA, please contact
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