SNIPP INTERACTIVE INC.

SNIPP INTERACTIVE REPORTS FINANCIAL RESULTS FOR Q4 2019 AND FISCAL 2019

April 29, 2020

TORONTO, ON, CANADA - Snipp Interactive Inc. ("Snipp" or the “Company”) (TSX-V: SPN; OTCPK: SNIPF), a global provider of digital marketing promotions, rebates and loyalty solutions, announces its financial results for Q4 2019 and the year ended December 31, 2019 (“Fiscal 2019”). All results are reported under International Financial Reporting Standards ("IFRS") and in US dollars. A copy of the complete audited financial statements and management's discussion and analysis are available on SEDAR (www.sedar.com).

Q4 2019 and Fiscal 2019 Highlights
(Refer to Non-GAAP Measures, Gross Margin, EBITDA and Bookings Backlog discussion below)

- Revenue for Q4 2019 decreased by 59% compared to Q4 2018. Revenue for Q4 2019 was $1,349,685 compared to $3,315,196 for Q4 2018.
- Revenue for the year ended December 31, 2019 decreased by 29% compared to the year ended December 31, 2018. Revenue for the year ended December 31, 2019 was $8,643,755 compared to revenue for the year ended December 31, 2018 of $12,151,286.
- The Company has provided a detailed revenue analysis in its management's discussion and analysis available on SEDAR (www.sedar.com), describing the reasons behind the significant decreases in revenue for Q4 2019 and Fiscal 2019,
- Gross margin in Q4 2019 was 60% compared to 69% in Q4 2018.
- Gross margin in Fiscal 2019 was 73% compared to 65% in Fiscal 2018.
- EBITDA in Q4 2019 decreased by 1179% compared to Q4 2018, an EBITDA deterioration of $1,108,682. Q4 2019 EBITDA loss was $1,014,667 vs Q4 2018 positive EBITDA of $94,015.
- EBITDA in Fiscal 2019 decreased by 54% compared to Fiscal 2018, an EBITDA deterioration of $432,131. Fiscal 2019 EBITDA loss was $1,229,756 vs Fiscal 2018 EBITDA loss of $797,625.
- Net loss in Q4 2019 was $5,011,293 compared to net loss in Q4 2018 of $503,508.
- Net loss in Fiscal 2019 was $7,021,772 compared to net loss in Fiscal 2018 of $3,096,169.
- The net loss in both Q4 2019 and Fiscal 2019 were significantly impacted by an impairment charge of $3,420,858.
- Bookings Backlog (programs that have been sold, but whose revenues have not yet been recognized) stood at $4.5MM at December 31, 2019, a decrease of 44% compared to December 31, 2018 of $8.0MM.
- The Company continued to focus on cost improvements from its integration efforts, resulting in the following Q4 2019 cost savings compared to Q4 2018:
    - Salaries and compensation expenses decreased by approximately US $286k or 17%;
    - General and administrative expenses decreased by approximately US $47k or 20%;
    - Marketing and investor relations decreased by approximately US $112k or 63%;
    - Travel decreased by approximately US $5k or 20%;
- The following are cost savings recognized in the year ended December 31, 2019 compared to the year ended December 31, 2018:
    - Salaries and compensation expenses decreased by approximately US $1,120k or 16%;
    - General and administrative expenses decreased by approximately US $140k or 15%;
    - Marketing and investor relations decreased by approximately US $41k or 14%;
    - Travel decreased by approximately US $19k or 17%;

“2019 was a tale of two cities. The first half ended on a positive note with positive EBITDA across both Q1 and Q2 but the second half reversed this trend as the investments we made in selling longer term recurring contracts to new and existing clients necessitated putting short term deals on the back burner. Shorter term deals represent 50% of our book so any slow down in this type of deal flow will impact our revenue adversely. As previously explained we are in the throes of transitioning our revenue from shorter term (four to twelve weeks), low margin (50-60%) to longer term (twelve months to evergreen), higher margin deals (70-8-0%). This enables us to not only have greater future visibility and stickiness with our clientele but also support this same revenue with a lower cost base. This transition is well under way and we continue to grow our long term recurring revenue. It will however impact our future quarters negatively and this will unfortunately be amplified over the next few quarters given the impact of the pandemic on retail and on some of our clients businesses.

Non-GAAP Measures

Snipp uses certain performance measures throughout this document that are not recognizable under Canadian generally accepted accounting principles or IFRS ("GAAP"). These performance measures include Gross Margin and EBITDA. Management believes that these measures provide supplemental financial information that is useful in the evaluation of the Company's operations.

Investors should be cautioned, however, that these measures should not be construed as alternatives to measures determined in accordance with GAAP and IFRS as an indicator of Snipp's performance. The Company's method of calculating these measures may differ from that of other organizations, and accordingly, these may not be comparable.

EBITDA

Snipp defines earnings before interest, taxes, depreciation and amortization (“EBITDA”) as revenue minus operating expenses excluding non-cash operating expenses of stock-based compensation, depreciation and amortization (interest and taxes are not included in the Company’s operating expenses).

Gross Margin

Snipp defines Gross Margin as revenue less campaign infrastructure. The Company's calculation of Gross Margin is not a financial measure that is recognized under GAAP. Investors should be cautioned that the Company's defined Gross Margin should not be construed as an alternative measure to other measures determined in accordance with GAAP.

Bookings Backlog

Snipp defines Bookings Backlog as future revenue from existing customer contracts to be recognized in future quarters. Bookings get translated into revenues based on IFRS principles and the Bookings Backlog reflects how revenues in future quarters are steadily being booked today.

The Following are calculations of EBITDA:

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
	USD	**USD**	**USD**	**USD**
Net loss before interest, foreign exchange, impairment and taxes	(1,594,836)	(478,302)	(3,568,909)	(3,038,214)
Amortization of intangibles	552,424	518,976	2,160,987	1,952,641
Depreciation of equipment	6,005	8,247	26,273	30,635
Stock-based compensation	21,740	45,094	151,893	257,313
EBITDA	(1,014,667)	94,015	(1,229,756)	(797,625)

The Following are calculations of Gross Margin:

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
	USD	**USD**	**USD**	**USD**
Revenue	1,349,685	3,315,196	8,643,755	12,151,286
Less:				
Campaign infrastructure	544,286	1,029,736	2,292,970	4,240,261
Gross Margin	805,399	2,285,460	6,350,785	7,911,025

About Snipp:
Snipp is a global loyalty and promotions company with a singular focus: to develop disruptive engagement platforms that generate insights and drive sales. Our solutions include shopper marketing promotions, loyalty, rewards, rebates and data analytics, all of which are seamlessly integrated to provide a one-stop marketing technology platform. We also provide the services and expertise to design, execute and promote client programs. SnippCheck, our receipt processing engine, is the market leader for receipt-based purchase validation; SnippLoyalty is the only unified loyalty solution in the market for CPG brands. Snipp has powered hundreds of programs for Fortune 1000 brands and world-class agencies and partners.

Snipp is headquartered in Toronto, Canada with offices across the United States, Canada, Ireland, Europe, and India. The company is publicly listed on the Toronto Stock Venture Exchange (TSX-V) in Canada and is also quoted on the OTC Pink marketplace under the symbol SNIPF.

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Cautionary Note Regarding Forward-Looking Statements
This press release contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as changes in demand for and prices for the products of the company or the materials required to produce those products, labour relations problems, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. The reader is cautioned not to put undue reliance on such forward-looking statements.

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