



Snipp Interactive 4Q/ FY24 Earnings Conference Call

Speaker: Atul Sabharwal, Founder and CEO

Good morning, and welcome to the Snipp Interactive Fourth Quarter and Full Fiscal Year 2024 Earnings Conference Call. At this time, all participants are in listen-only mode. Following the Company's prepared remarks, we will open the call for questions. Please note that today's call is being recorded.

Before we begin, I would like to remind everyone that today's call contains forward-looking statements. These statements are based on our current expectations and involve risks and uncertainties that could cause actual results to differ materially. For a discussion of these risks and uncertainties, please refer to our public filings available on our investor relations website. We undertake no obligation to update any forward-looking statements made during this call.

Good morning, everyone, and thank you for joining us.

2024 was a pivotal year for Snipp. We continued to transform our business, focusing on high-margin, platform-based offerings, and I'm proud to share that we delivered the highest annual and quarterly EBITDA in our Company's history.

We also made strong progress on several strategic initiatives:

We signed the first major contract for our Financial Media Network.

We grew our SnippCARE and OFFERS product with large consumer brands.

And we continued expanding internationally, particularly across Europe.

All of this is happening at a time when brands are urgently seeking measurable, data-driven ways to engage consumers directly. Snipp is uniquely positioned at that intersection, and we are just getting started.

Let's first take a quick look at the broader market environment driving our momentum.

The digital coupons market was valued at \$85.3 billion in 2023 and is expected to exceed \$200 billion by 2032, growing at a CAGR of 7.84%.

Over 80% of marketers now prioritize first-party data strategies amid evolving privacy standards. Private-label growth is putting pressure on national brands, increasing the need for targeted promotions.

76% of U.S. consumers are actively seeking discounts and loyalty rewards due to inflationary pressures.

Retail and financial media networks are on track to surpass \$100 billion in ad spend by 2028, with a CAGR of 17.2%.

These trends highlight just how well-positioned Snipp is to help brands adapt and thrive.

Before I move to our financials, I'd like to discuss an important change made to our leadership team recently. Malcolm Davidson has been appointed as our new interim Chief Financial Officer, replacing Richard Pistilli. We thank Richard for his contributions during a critical period and wish him well in his future endeavors. Malcolm brings nearly 20 years of experience operating, financing, and developing both TSX- and NYSE-listed companies. His expertise in public company operations and capital markets will be instrumental as we enter this next phase of growth. Strengthening our leadership team is a key part of our broader investment in scaling the business for long-term success.

We look forward to introducing Malcolm on our next call. I will now discuss our financials.

Revenue for fiscal 2024 was \$22.89 million, down 25% from 2023. Revenue for Q4 totaled \$6.83 million, down 14% from Q4 last year. This decline was anticipated following the planned exit of a single, and I repeat a SINGLE low-margin legacy contract that we inherited at the time of our last acquisition.

Investors should note that our core revenue grew year over year quite nicely and at a sustained 28% CAGR over the last three years.

With record backlog, improving profitability, and strengthened leadership, Snipp is entering 2025 with renewed momentum and a compelling foundation for sustained, profitable growth.

More importantly, our revenue mix continued to improve significantly:

Gross margin for the year expanded to 61%, up from 31% in 2023. Gross margin in Q4 was 62%, up from 39% in Q4 last year. EBITDA for 2024 was \$703,000, a major improvement from a (\$1.91 million) loss in 2023. Q4 EBITDA was \$582,000.

Our bookings backlog at year-end stood at \$17.3 million, up 30% compared to the end of 2023. This represents very healthy pipeline growth and gives us strong visibility heading into 2025.

We ended the year with \$3.7 million in cash and remain debt-free.

As mentioned in our earnings release, the Company intends to promptly submit an application to have the Failure to File Cease Trade Order ("FFCTO") removed as a result of the delayed filing of the Company's audited financial statements for the fiscal year ended December 31, 2024. The Company expects to resume trading on Tuesday May 20, 2025. Our audit filing was delayed simply because of an IT systems test that the auditor decided to carry out at the last minute. Going forward we have instructed our auditors to please meet with us quarterly to inform of us of any new standards or changes in their audit procedures and to definitely initiate their audit earlier than March. We recognize the disruption this causes our investors and apologize for any inconvenience it has caused our investors trading strategies.

Let me now touch on some of our recent strategic achievements.

First, our SnippMEDIA and our new OFFERS platform continues to scale meaningfully. In January, we announced our first major contract — a seven-figure agreement with one of the world's largest food and beverage companies — delivered through our OFFERS platform with media delivered via our Financial Media Network in partnership with - Bank of America.

We continue to build awareness with consumer brands across our network on these new tactics, while continuing to build our audience reach. Our total audience access is expected to approach 150 million consumers as new financial institution and publisher partners go live in 2025. Our platform is already engaging over 30 million monthly users, and we've seen strong conversion rates for SKU-level grocery offers. This level of engagement not only validates the consumer appetite for bank-tied promotional incentives but also reinforces SnippMEDIA's role as a new channel for brands to drive purchase activity and collect actionable first-party data — all within a privacy-compliant environment. We are also in discussions with leading marketing technology vendors on partnerships and distribution opportunities as an initiative to increase the volume of offers and brands

Second, our SnippCARE offering has continued to expand within existing client relationships, supporting brands across new verticals and new geographies.

In Europe, we made meaningful strides as well. We expanded our team with new hires focused on Western Europe — and we're already seeing results:

a new "Smile" promotion with Colgate-Palmolive in the region, renewed multi-country work with Koki Group across the Netherlands, Spain, Portugal, and Poland; an expanded B2B program with Solventum across five EU countries;

and extended business with Draka / Prysmian Group in the Netherlands.

All of these illustrate both the synergies of our US based clients expanding our footprint within their organizations globally but also a new set of clients that we have not previously worked for, in industries outside of our CPG core.

In addition to geographic expansion, we've continued to build bench strength across the company. We're investing in our future — as previously mentioned, we've hired a new Chief Financial Officer, invested for the first time in formal Product Management as well as brought on a full time Human Resource professional. My goal is to build a world class team that can enable Snipp to scale to new heights in the coming years while also cultivating a new generation of leaders to take Snipp into the back half of the 2020's.

As we look ahead to 2025, I'd like to leave you with three takeaways:

First, Snipp has achieved profitability — both for the year and the last quarter — with gross margins and EBITDA at record levels.

Second, our client momentum and pipeline remain strong, supported by expanding programs globally.

Third, we continue to invest in the business, through platform innovation, new talent, and deeper customer relationships — all of which position us for sustainable long-term growth.

Thank you all for your continued support. I am excited about the road ahead and look forward to sharing more in the coming quarters.

Sources:

Digital Coupons Market Growth

- The digital coupons market was valued at **\$85.3 billion in 2023** and is projected to reach **\$200 billion by 2032**, with a CAGR of 7.84%.
- Source: [Market Research Future](#)

Importance of First-Party Data

- Marketers are increasingly prioritizing first-party data strategies to enhance personalization and comply with privacy regulations.
- Source: [Salesforce](#)

Private Label Grocery Market Share

- Private-label grocery market share expanded from **20% in 2023** to **24% in 2024**, indicating a significant shift towards store brands.
- Source: [New Hope](#)

Consumer Behavior Amid Inflation

- A McKinsey report highlights that **76% of U.S. consumers** are actively seeking discounts and promotions to manage rising costs.
- Source: [McKinsey & Company](#)

Retail Media Ad Spending Forecast

- Retail media ad spending is expected to grow at a **17.2% CAGR between 2024 and 2028**, reaching over \$100 billion globally.
- Source: [EMARKETER](#)[Lisa Goller Marketing+14](#)[EMARKETER+14](#)