

SNK – Market information

3 March 2014

Snakk's Q3 revenues mark record-breaking quarter

62%¹ of last financial year's revenues generated in the quarter, with modest profit made

AUCKLAND, New Zealand, 3 March 2014 - Snakk Media Ltd., (NZAX: SNK) is announcing a record-breaking third quarter, with unaudited revenues from 1 Oct to 31 Dec 2013 at \$2,258,989, representing a 58% increase from the previous year's third quarter revenues.

More than 90% of the company's revenues are generated from its Australian operations; and when the impact of exchange rate fluctuation is removed from quarterly reporting, then year-on-year growth in AUD for the third quarter was 77%.

Notable milestones during this reporting quarter include:

- Snakk's first "million dollar month" (December 2013),
- The biggest revenue-generating quarter in the company's history,
- More than 60% of last financial year's revenues generated in one quarter, and
- The first quarterly operating profit the company has made to date.

Snakk Group CEO Mark Ryan says:

"We saw unprecedented campaign volumes this quarter, with a number of premium brands working with us including Pepsi, MasterCard, McDonalds, Expedia, Samsung, ESPN and Vodafone. We experienced extremely strong year-on-year percentage growth in our first two quarters as the seasonally quieter trading periods picked up significantly.

"We also saw Snakk scaling commercially against the investments we've been making into our people, technologies and operations. This resulted in a modest operating profit during an exceptionally busy quarter. However, as we've indicated previously, growing the business is our priority over making a profit in these early days. For the foreseeable future we will continue to invest further into our longer-term capabilities and expansion plans.

"Our strategy hasn't changed; we see a window of opportunity to build a valuable regional business over the mid-to-long term."

Snakk appoints Group Commercial Manager

The company has also appointed Luke Williams into a new executive position of Group Commercial Manager, responsible for overseeing Snakk's entire sales operations. Prior to joining Snakk, Luke was Digital Manager for News Corp's *The Australian*, and before that led agency sales at Komli Media, which has a strong presence across Asia Pacific.

"Luke is a great talent and a win for Snakk," says Mr Ryan. "He's worked in major agencies and top-tier publishers, and knows our business well. He'll be a strong driver of our ANZ growth, and will take us to the next level of performance with our agency and brand partners.

"It's vital that we get the best people, partnerships and technologies in place locally before we enter new regions where there are hundreds of millions of smartphone users."

Recent NZ mobile ad market spend

A recent report by the Interactive Ad Bureau (IAB) of New Zealand states that mobile ad spend for the fourth quarter of 2013 makes mobile one of the fastest growing categories, with spending on mobile devices jumping from \$2.83 million in 2012 to \$5.6 million in 2013. The report shows the amount spent on mobile advertising in New Zealand represents 1.2% of the total online advertising spend. In countries such as the US, eMarketer reports mobile ads represent nearly 23% of the total online spend.

ENDS

¹ Q3 sales converted to NZD using the 12-month average exchange rate AUD/NZD of 0.8484 .

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About Snakk Media Limited

www.snk.co.nz, www.snakkmedia.com, www.twitter.com/snakkir

NZAX-listed Snakk Media helps brands find and reach consumers using apps, games and social media on their smartphones, tablets and other smart screens. The company generates revenue every time it successfully targets and delivers an ad across its networks of mobile websites, apps and games. The ads are targeted to ensure the right audiences see them at the right time and place.

Snakk is one of the first publicly listed companies in the world that has met the rigorous social and environmental performance standards required to become a certified B Corporation.