



SNK – PRESS RELEASE

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**Snakk's half-year result shows 147% year-on-year growth;  
Q2 revenues almost tripled**

AUCKLAND, New Zealand, 2 December 2013 - Snakk Media Ltd., (NZAX: SNK) is announcing its first unaudited half year financial results since becoming a public company in March, reporting 147% year on year revenue growth, and generating \$3,020,596 in the first six months to 30 September 2013.

Second quarter revenues almost tripled, increasing 183% from the previous year's corresponding quarter, when the 'smart screen' start-up generated \$1,800,109 from July-September 2013.

Snakk, which generates revenue when its ads are targeted and delivered to audiences on smartphones and tablets across its networks of apps, sites and games, reported its first quarter revenues for April to July at \$1,220,486. First quarter revenues increased 116% from the previous year's first quarter.

At the half-year point, Snakk has generated 83% of its full year revenues of the previous reporting year, which were \$3,654,346.

Snakk Group CEO Mark Ryan explains the Q2 and HY jump: "We are starting to see an end to the seasonality of smartphone and tablet advertising. In previous years the first two quarters were far quieter, with most brands spending their mobile ad dollars during the lead-up to Christmas and the period after. Now it's an 'always on' media activity.

"The growth seen to 30 September 2013 has been extraordinary, with Snakk delivering results that exceed industry growth rates predicted for the mobile media market in Australia and New Zealand."

Mr Ryan says for the next two quarters, Snakk plans to continue its strategy of outpacing market growth and establishing itself as a dominant local player. He expects to announce the company's next new market entry by the end of March next year, with Asian expansion planning underway currently.

The company is also continuing to evaluate a range of strategic investment opportunities to differentiate and scale its operations.

Highlights from the first six-month reporting period include raising \$6.5m through a Share Purchase Plan supported by over 1,200 shareholders and through private placements, opening a New Zealand sales office, adding new sales and operational staff in Australia, introducing new technologies into the company's fast expanding product portfolio, and being one of the first publicly-listed companies in the world to become a Certified B Corporation (B Corp) for meeting social, environmental and governance standards.

The ads placed across Snakk's networks are highly targeted to ensure the right audiences see them at the right time and place. Geo-locational

targeting and interactive rich media allow marketers to personalise messages and focus on relevant content, while respecting the increasing importance of individual privacy.

"Brands are seeing their customers move to smart screens at an increasingly rapid pace, and marketers want to be part of these moments of convenience, fun and context," says Mr. Ryan. "Our smartphones and tablets are devices so pervasive that we are checking them an average of 150x/day. These screens are becoming the primary customer touchpoint for brands, and we're connecting them for marketers."

Frost & Sullivan's recent report on mobile advertising reveals the Australian market is predicted to grow strongly at a compound annual growth rate of 39% from 2013 to 2018, with expenditure reaching \$AU682 million in 2018.

The report shows that 50% of companies plan to increase their mobile advertising budget substantially compared to the previous year, and says "very high growth" in mobile advertising spend is being fuelled by strong growth in consumer media consumption on smartphones, especially tablets.

These findings correspond to an October update from Edison Investment Research, which noted the rapid adoption of smartphones is dramatically changing media consumption patterns globally, which is not yet reflected in the allocation of marketing dollars into mobiles and tablets.

Edison continues to publish a valuation range for Snakk's share price at 14-17 cents, the same valuation it issued in July 2013.

Snakk's Half Year growth comes two months after being ranked New Zealand's 6th fastest-growing business on the Deloitte Fast 50 index. This ranking was based on the company's audited year-on-year growth from the past three years, calculated at 486.3% from 1 April 2011 to 31 March 2013.

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About Snakk Media Limited

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.