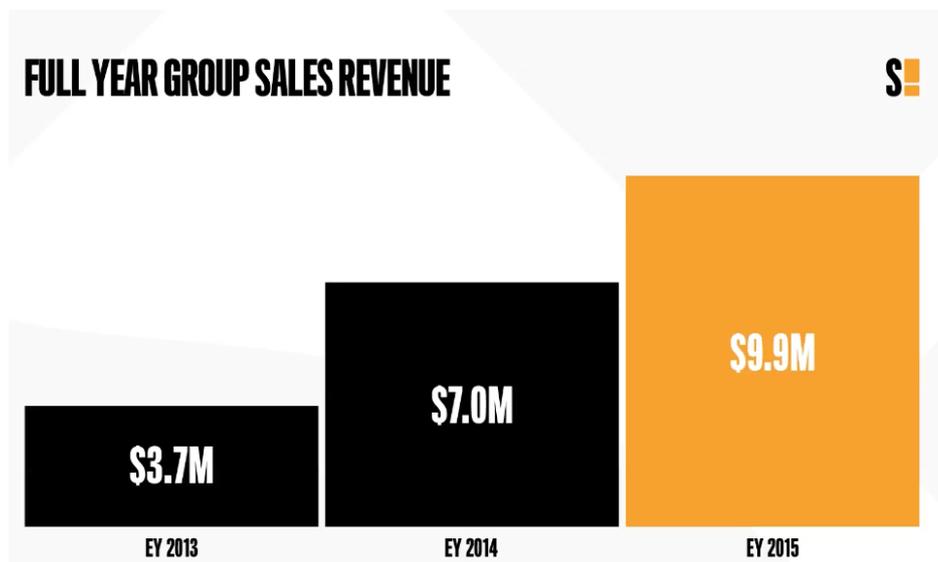


SNK: FLLYR

12 June 2015

Snakk grows annual sales revenue by 40%, spurred on by Asia*Gross margin improves by over 58% in year's second half*

AUCKLAND, New Zealand, 12 June 2015 – Today mobile advertising technology company Snakk Media Ltd., (NZAX: SNK) is announcing its unaudited preliminary financial results, with gross sales revenues from 1 April 2014 to 31 March 2015 increasing 40% year-on-year, from \$7,029,916 to \$9,860,520. The company is pleased to report that, gross sales from the recent market expansion into Southeast Asia grew sixfold from the first half to the second half of the year.

**Fourth quarter - a new million dollar month**

The company's financial year ended strongly, with fourth quarter sales revenues from January to March 2015 at \$2,498,510, up from \$1,750,331 in the previous calendar quarter. The biggest month of the quarter was March, with sales of \$1m, marking the first time the company delivered a million-dollar month outside the third (December) quarter. Notable brands the company worked with in this quarter include Lion Nathan, Fonterra, Disney, ASB and Google.

Rate of cash usage reduced significantly through the year

The net loss after tax for the year ending March 2015 was \$4.2m, up from \$1.8m the previous year; with \$368,000 representing a non-cash expensing of staff options. Of note was the marked decrease in cash usage between the first six months of the year and the second, with a reduction of over \$1.2m between the two halves.

Two thirds of the company's total cash usage fell into the first six months of the year, primarily due to significant investments into a number of key areas of the business. These included the establishment of a Singaporean office and subsequent hiring of personnel there, the launch of the Represent Media division (Snakk's mobile sales arm for publishers), the development of proprietary internal systems to streamline business operations; and the hiring of new executive management in the Technology, Ad Operations and UX/Creative departments.

Gross Margin improves 58% from first to second half of year - from 32% to 51%

The positive commercial impact of the investments made in the first six months of the year were realised in the second six months. Group CEO Mark Ryan cites a dramatic improvement in the business' fundamentals between September 2014 and March 2015.

A comparison between the two six-month periods shows that revenue grew 44% in the second half of the year. More importantly, gross margin grew by over 58% between the year's first and second halves, a highly encouraging result off the back of Snakk's continued commitment to investing in people, technology and systems.

Cash at hand

Snakk began its 2016 financial year with \$NZ2.5m in cash and cash equivalents. As announced in our May Shareholder update, we have also secured a NZ\$1.3m rolling debt facility on favourable terms, and anticipate this facility will scale in size as the business grows. The company is continuing to pursue the optimal mix of capital raising avenues, and expects to release its plans on this in due course. Due to the improved commercial performance in the second half of the year, the ongoing capital requirements of the business have reduced significantly.

Snakk's regions - Southeast Asia revenue accelerating

With strong growth in new regions - including Southeast Asia and New Zealand - over 20% of Snakk's total revenue is now generated outside of Australia, compared to 1% in 2013. The company is pleased to report that revenues from the first year of operations in Southeast Asia increased by nearly sixfold during the latter half of the financial year.

The Singapore-based headquarters ran campaigns for global brands as diverse as Unilever's Paddle Pop and Lux, Visa, Ikea, McDonald's and Airbnb. These campaigns extended into Asian regions as diverse as Korea, Japan, Vietnam, Malaysia, India, Macau, Brazil, Mexico and the United Arab Emirates.

The New Zealand business continues to grow healthily. The appointment of well-known industry figure Niko Toluono has furthered our standing as the mobile advertising partner of choice on Snakk's traditional "home ground". Our recent announcement of the arrival of [TV Sync in NZ](#) has already generated significant interest amongst top-tier brand advertisers in New Zealand.

Group CEO Mark Ryan comments on the year ended March 2015:

"Our business continues to mature and grow quickly. In the first six months of the financial year a number of important foundations were laid. In simple terms, we needed to use our capital to keep evolving. However in the second half of the year we delivered a much improved group performance, strongly growing both revenue and gross margin, validating our market strategy.

"Southeast Asia's revenue is picking up speed rapidly and we are starting to operate like an Asia Pacific business in terms of where we are delivering our advertising for the region's top global brands. It's a tough talent market in Singapore, and we feel very lucky to have the team we do. It's exciting to see them providing mobile advertising in countries within and outside of Southeast Asia.

"Represent Media, which serves as Snakk's mobile sales arm for publishers across Asia, Australia and New Zealand, continues to flourish; regularly adding new high quality mobile titles to its roster. The market reception to this new offering has been enormously positive.

"The March quarter is traditionally a quieter period in the industry. Delivering a million-dollar month in this quarter is a real highlight for us. It proves that marketers are rapidly shifting their budgets to mobile media as they see that consumers are overwhelmingly choosing mobile as their primary online experience. Advertiser interest in our new mobile ad formats and innovative targeting technologies that allow advertisers to go 'beyond the basic banner' rose dramatically in 2015. Industry forecasts make it clear that brands are going to invest more in mobile

ad campaigns than ever before.”

CEO comments on market conditions and the year ahead

“Market conditions have evolved enormously over the past year, with our media agency partners feeling increasingly pressured to prove to their brands that they can present them with the best mobile creative and advertising technology available. This is an incredible opportunity for us.

“We will continue to focus on the great work we did in the second half of the financial year; keeping our costs under control, increasing our gross margins, and continuing to drive strong revenue.

“We’ve had a long pedigree of bringing innovative mobile advertising technologies to market, keeping ourselves a step ahead of the pack. Our reputation for delivering results is second to none in a highly competitive market. We intend to keep producing the results that brands want, and making the most of the fantastic opportunities in front of us over the next year and beyond.”

Strong focus on Asia

Mr Ryan says that Southeast Asia is an extremely important market for Snakk. In the next couple of years, the company can see its centre of gravity shifting there as mobile advertising revenues continue to grow in a region boasting hundreds of millions of smartphone users. Right now, to meet the growing demand in this region, Snakk is looking to employ more staff in markets including Malaysia, the Philippines and Indonesia.

“We intend to grow into more Asian regions and we are looking at a variety of ways to scale the company quickly into this market. Partnerships, joint ventures and merger and acquisition activities are all options available to us. We’re determined to become a truly regional mobile advertising company that brands need to do business with,” says Mr Ryan.

Snakk AGM: 16 September (Wednesday)

Finally, the company’s Annual General Meeting will be held mid-afternoon on 16 September at the Seafarers building in Britomart. That evening the company will host an intimate evening specifically for creative and media agencies, brand advertisers and industry people. Special guests will discuss the impact of mobile on digital publishing, the “mobile only’ consumer dynamic, and why the word mobile might become redundant before we know it. More details will be released closer to the event.

Video

A video featuring Snakk Media Group CEO Mark Ryan commenting on the key highlights from the year ending March 2015 is available for viewing at <http://investors.snakkmedia.com/video/>.

Summary of key highlights from the last Financial Year include:*Revenues*

- The largest sales quarter in the company’s history (Q3, 2014), with more than 47% of last financial year’s total gross revenues generated in just this quarter.
- Two consecutive months in Q3 that exceeded \$1m in sales (November and December) - with December sales of almost \$1.5m achieved.
- Another million-dollar sales revenue month achieved in Q4 (March 2015), the first time this milestone has occurred outside of the peak trading period in Q3.

Footprint & Capability

- Establishing a presence in Southeast Asia, with the opening of a Singapore office and the appointment of a Regional Director to lead Snakk's Southeast Asian operations. The company hired two additional sales people later in the year.
- Southeast Asian revenue growing sixfold from the first half to the second half of the year.
- Launching a new division: Represent Media, which sells advertising space for premium publisher titles appearing on mobile apps and websites, announcing ESPN as launch partner.

Technology

- Introducing market-first mobile technology in the Asia Pacific region; TV Sync, which dynamically matches mobile ads with TV commercials; with a Southern Hemisphere first-to-market launch campaign for Peugeot Australia resulting in a strong uplift in activity across their websites and other digital properties.
- Signing a preferred partnership agreement with Nativo, making its award-winning¹ 'true native' advertising platform available in Australia and New Zealand.

People

- Adding new sales talent to the New Zealand, Sydney, Melbourne and Brisbane offices.
- Expanding the Group Executive leadership team to include new roles, including an Ad Operations Technology Manager and a Group Technology Manager.
- Hiring an internationally award-winning Creative Director.

Recognition:

- Named an 'Official Honoree' in the prestigious 2015 Webby Awards for its campaign creative for one of the world's most popular video game franchises, 'Assassin's Creed Unity' by Ubisoft. The work was recognised in the Mobile Advertising section of the Media & Advertising category, with Snakk one of only five Official Honorees in that global mobile category..
- Earned a spot on a global "Best for Workers" index for creating some of the highest quality jobs in the world among Certified B Corporations. Snakk's Worker Impact score was among the top 10% of all such corporations.
- Named "4th Hottest Emerging Tech Company" on a list compiled by the Technology Investment Network (TIN), which measures the performance of technology exporters with revenues between NZ\$2m and \$14m
- Named 33rd fastest growing company in New Zealand on the Deloitte Fast 50, and placed 186th on the Deloitte Asia Pacific Tech Fast 500 index, both awarded in consecutive years.

ENDS

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¹ <http://finance.yahoo.com/news/nativo-wins-2015-digiday-publishing-194056439.html>

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

About Represent Media

Represent Media is a division of Snakk Media, offering advertisers highly-targeted and engaging mobile ad campaigns that run exclusively across the mobile apps and websites produced by well-known publishing brands with large audience followings. Represent matches a brand's desire to appear on these specific "big name" mobile apps and websites with the publisher's supply of ad space.

About Snakk Media

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 public companies in the world that has met the rigorous social and environmental performance standards required to become a certified B Corporation.