

# SPRINGBIG

the cannabis industry's leading customer experience platform

OTCQX: SBIG



# Forward Looking Statements



## Forward Looking Statements

Certain statements contained in this presentation constitute “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “outlook,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would,” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release, including but not limited to the risks and uncertainties described under “Risk Factors” on Form 10-K of SpringBig Holdings, Inc. (“springbig” or the “Company”) for the year ended December 31, 2022 filed with the Securities and Exchange Commission (“SEC”) on March 28, 2023. These forward-looking statements involve a number of risks and uncertainties (some of which are beyond the control of springbig), and other assumptions, which may cause the actual results or performance to be materially different from those expressed or implied by these forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and the Company assumes no obligation and does not intend to update or revise these forward-looking statements other than as required by applicable law. The Company does not give any assurance that it will achieve its expectations.

## Use of Non-GAAP Financial Measures





In addition to the results reported in accordance with accounting principles generally accepted in the United States (“GAAP”) included throughout this press release, we have disclosed EBITDA and Adjusted EBITDA, both of which are non-GAAP financial measures that we calculate as net income before interest, taxes, depreciation and amortization, in the case of EBITDA, and further adjustments to exclude unusual and/or infrequent costs, in the case of Adjusted EBITDA, in order to provide investors with additional information regarding our financial results. Net loss is the most directly comparable GAAP financial measure to EBITDA and Adjusted EBITDA.

We present EBITDA and Adjusted EBITDA because these metrics are a key measure used by our management to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of investment capacity. Accordingly, we believe that EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management. Management also believes that these measures provide improved comparability between fiscal periods.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are as follows: (i) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and neither EBITDA nor Adjusted EBITDA reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements; (ii) EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs; and (iii) EBITDA and Adjusted EBITDA do not reflect tax payments that may represent a reduction in cash available to us. Because of these limitations, you should consider EBITDA and Adjusted EBITDA alongside other financial performance measures, including net loss and our other GAAP results. Also, these non-GAAP financial measures, as determined and presented by the Company, may not be comparable to related or similarly titled measures reported by other companies.

# springbig at a Glance

Founded in 2016 | HQ in Boca Raton, FL | ~115 Employees | ~1,400 clients<sup>(1)</sup>

-  Scaled software platform providing leading loyalty and marketing communication solutions to the cannabis industry
-  Differentiated loyalty marketing, digital communications, and text/email marketing solutions
-  B2B2C strategy delivering significant value to cannabis retailers and brands
-  SaaS recurring revenue model  
80%+ subscription based, annual contracts



2B client messages annually<sup>(2)</sup>



\$7.5B in GMV<sup>(3)</sup>



100% net retention<sup>(4)</sup>



>3,000 retail locations



Revenue: 2021 \$23M +58% YoY growth  
2022 \$27M +14% YoY growth

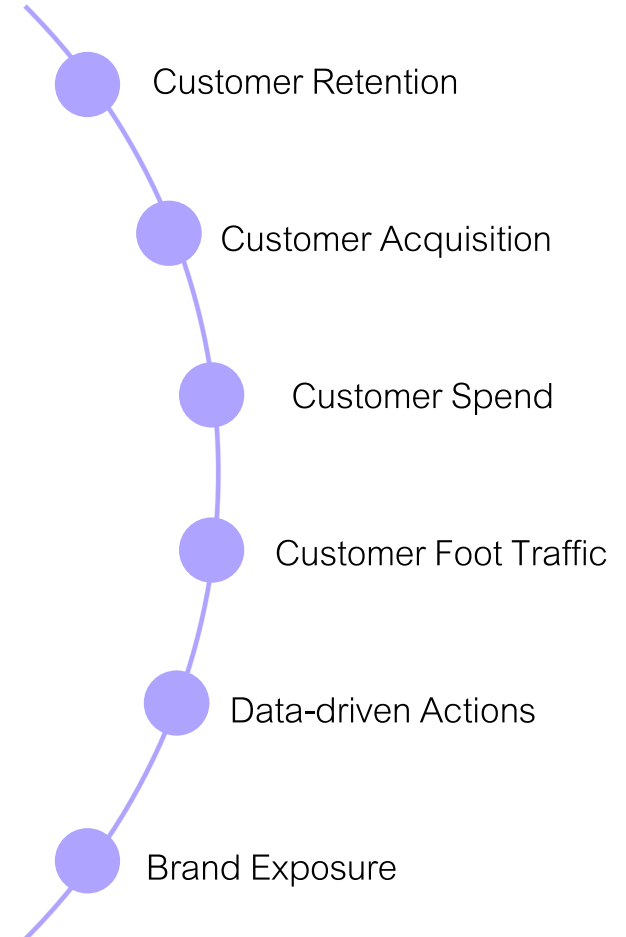
2023 Revenue Guidance: \$29M – \$31M

1) At 6/30/23 2) Based on trailing 12-months to 6/30/23 and standardized message size 3) Gross merchandise Value based on trailing 12-months 4) Based on average monthly recurring subscription revenue adjusted for upgrades, losses, and downgrades, and divided such amount by the average monthly recurring revenue for the 12 months to 6/30/23. Net revenue retention does not have a standardized meaning and is therefore unlikely to be comparable to similarly titled measures presented by other companies, and further, investors should not consider it in isolation.

## Solutions





## Benefits

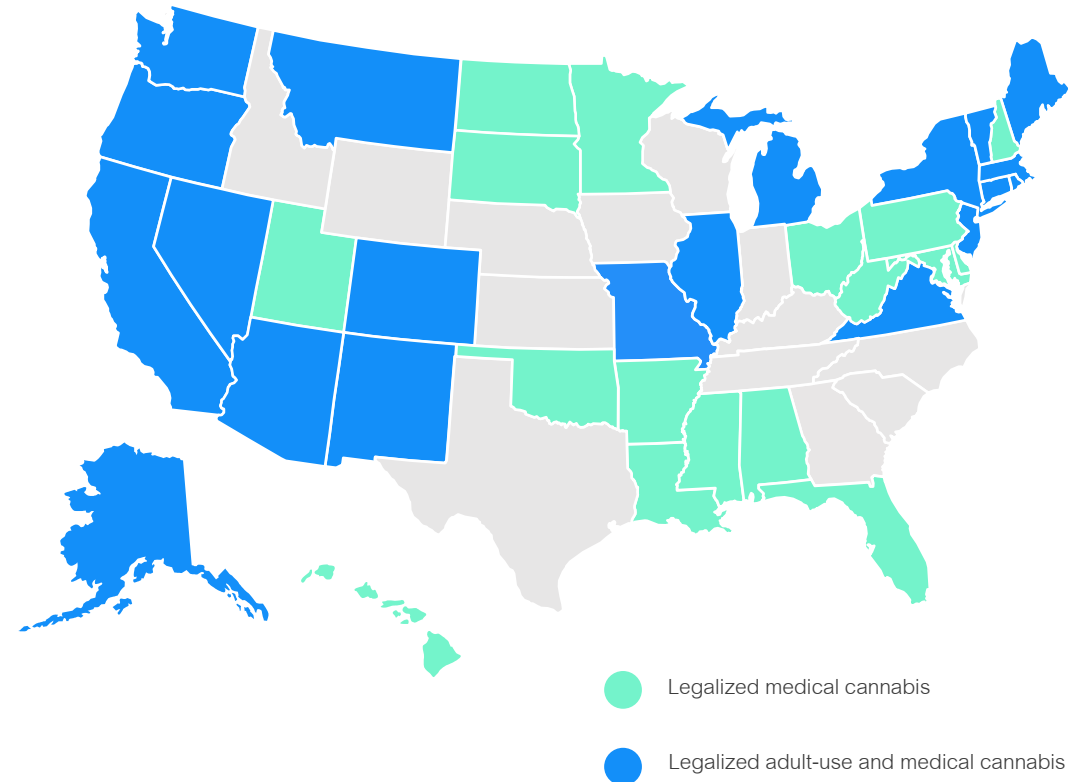


# Large, expanding cannabis market...

...supported by strong industry tailwinds

-  One of the fastest growing end markets in the U.S.
-  Recent East Coast market legalization (NY, NJ, CT) presents incremental upside opportunity
-  Tech offerings remain rudimentary, and competition is fragmented
-  Growth in marketing spend is expected to exceed growth of the end market
-  Tailwinds from legislative change momentum

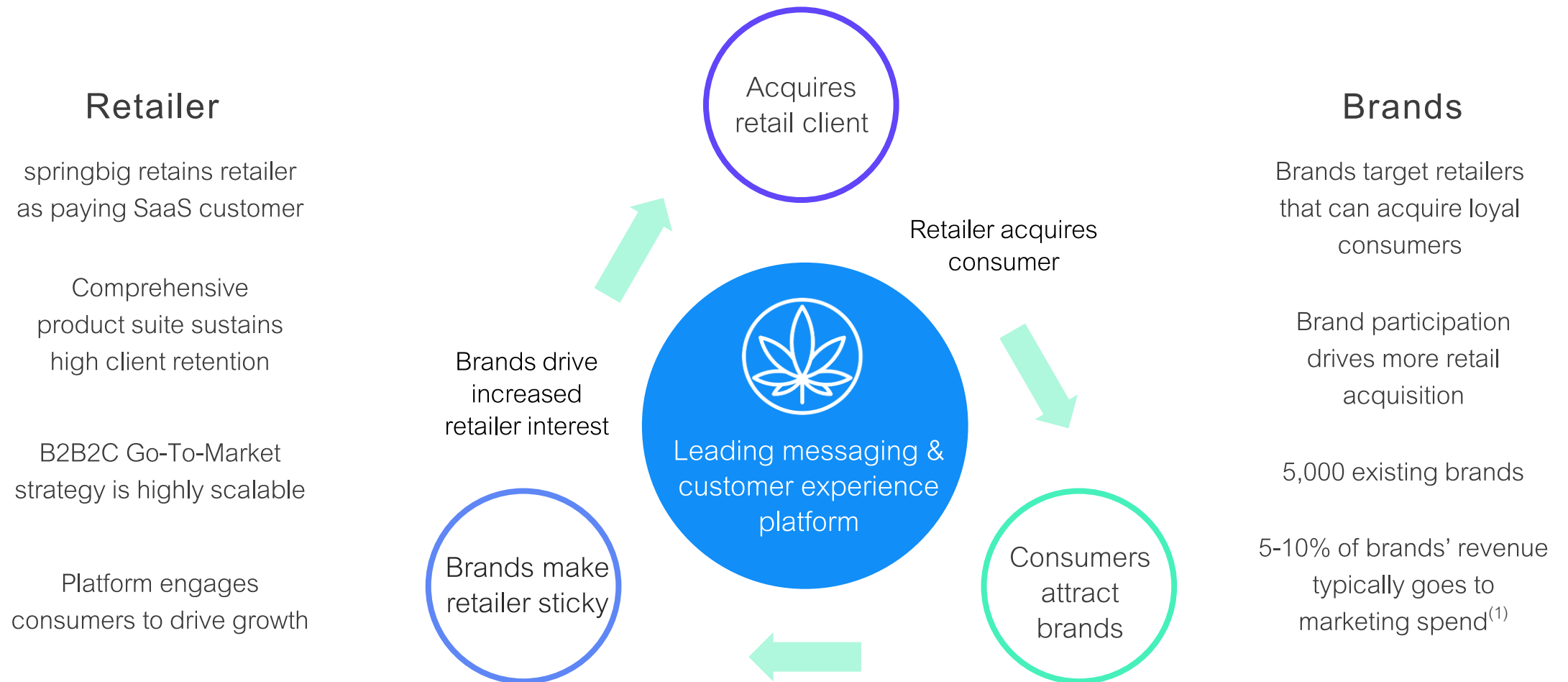
Current State of Cannabis Legalization



Cost of raw product expected to decrease | Value expected to accrue to brands | Marketing spend expected to increase

# Proven B2B2C Platform with Powerful Network Effects

A virtuous cycle is created as each side of the marketplace scales, expected to widen springbig's competitive advantage



1) Estimate based on average marketing spend in similar industries

# Industry-leading, Ecosystem-Wide Integrations

Driving large data assets and product innovation

springbig is ideally positioned with the full cannabis tech ecosystem



Wealth of data assets drives proprietary insights to monetize a large and growing user base

**36M+**  
Marketable consumers

**19**  
Active point of sale integrations

**110M+**  
Total transactions processed through springbig<sup>(1)</sup>

1) Based on trailing 12 months.

# Full Package Offerings

Powerful data insight dashboards | Suite of elegant consumer facing products

## Retail platform

Robust loyalty technology offering


Advanced customer segmentation toolset

Robust analytics and insights for retailers


Customer acquisition made simple




## Consumer view




**enrollment:** proven enrollment process to ensure compliance



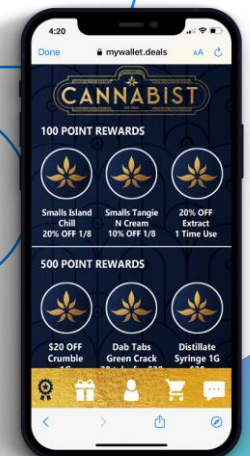
**rewards wallet app:** white label app offers the ability to create a unique app icon, name, layout, color scheme, and more for brand consistency and a better customer experience



**stashboard:** did or did not click retargeting, multi-method sending with push notifications, intuitive message sequencing, and A/B testing tools with the ability to add multiple images, videos, and links



**feedback by springbig:** analyzing customer feedback made simple with robust dashboards that track key survey performance indicators





# Empowering Brands with Direct Access to Customers

Driving impactful results and accelerate growth with insightful, actionable data points



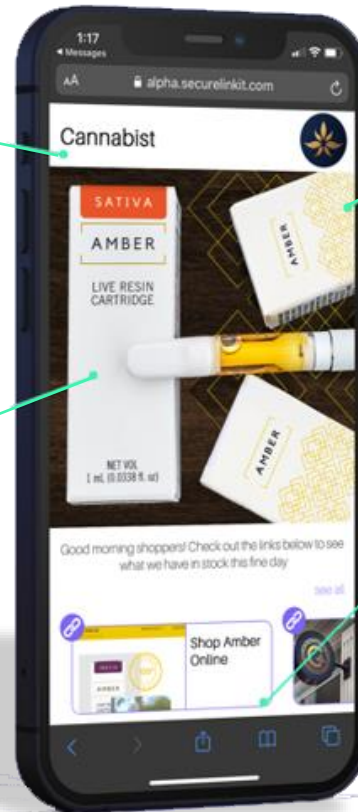
### Start conversations

Advertise to very engaged cannabis consumers in a way that doesn't feel like just an ad to them



### Increase Awareness

Create powerful impressions that can lead to a significant increase in brand awareness across the market with repetition and investment



### Expand your impact

Potential to acquire many VIP consumers with high lifetime value and a surplus of crucial consumer data

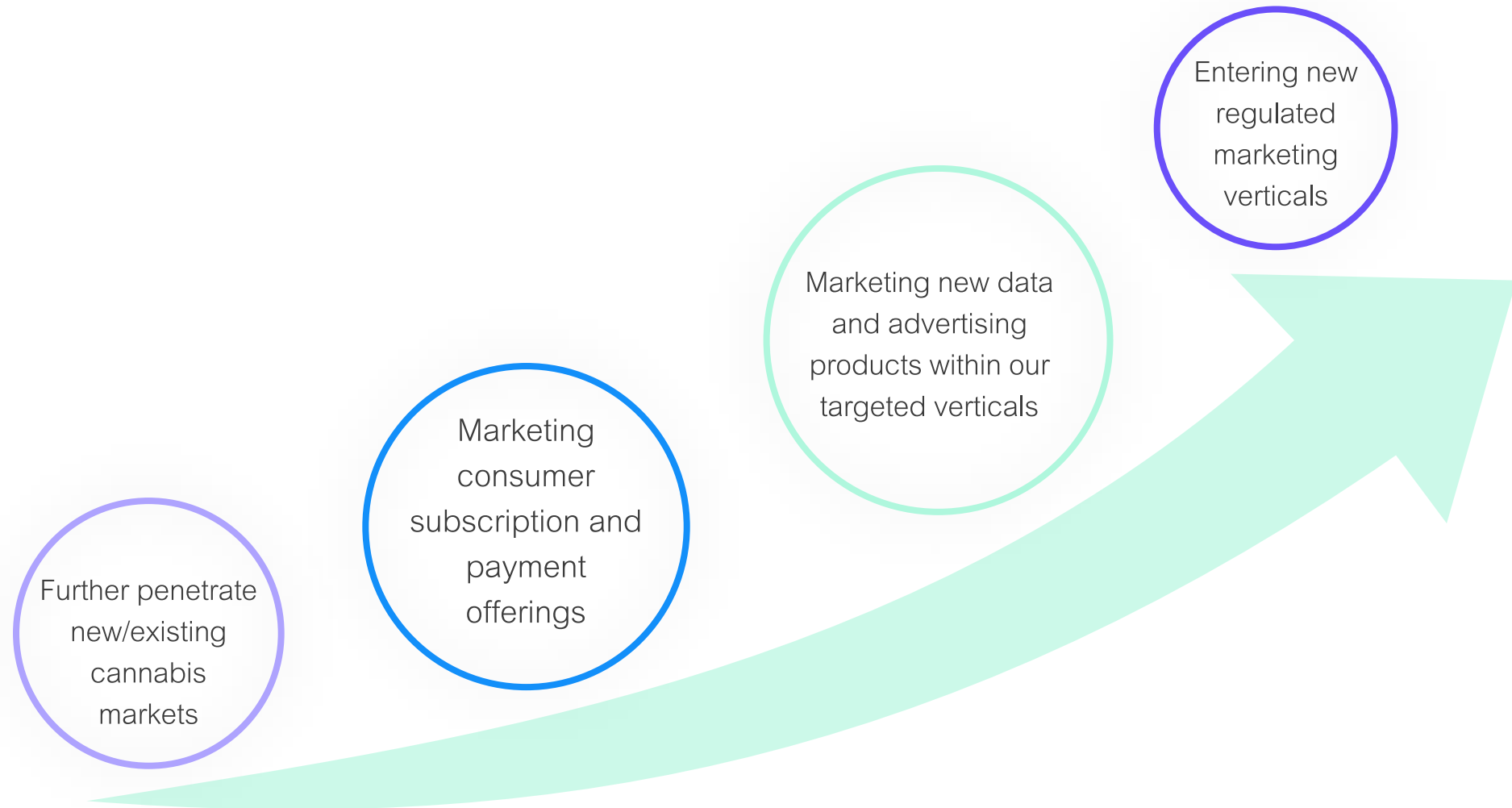


### Attribution data

For the first time in the cannabis industry access detailed reporting that gives your brand insight into essential campaign attribution metrics

# Substantial Opportunities to Potentially Fuel Organic Growth

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# M&A Growth Strategy Driven by Customer Needs




## M&A strategic focus

- Segment consolidation
- Vertical integration
- Retail intelligence / data
- Customer acquisition (AdTech)
- Fintech / payments


## Strategic rationale

- Expanding product and service offerings
- Expanding geographic reach
- Increasing scale
- Realizing revenue and cost synergies


# Attractive Financial Profile




**SaaS recurring revenue model**  
80% subscription based, annual contracts




**Strong revenue growth**  
58% in 2021; 14% in 2022; 14% H1 in 2023  
Accelerating growth trajectory moving forward




**High gross profit margins**  
75% in 2022 and expanding (H1 '23 80%)




**Category-leading net retention**  
Consistently in 100% to 110% range (2022: 105%)



**High operating leverage provides strong EBITDA <sup>(1)</sup> margin potential in medium-term**



**Low capital expenditure requirement**



**Clear line-of-sign to operating cash breakeven during 2023**

# Financial Highlights & Guidance

## 2022 Highlights



**\$26.6M revenue**

+14% year-on-year growth including subscription revenue growth of 38%



**75% gross margin**



**105% net revenue retention**

## 2023 H1 Highlights



**\$14.4M revenue**

+14% year-on-year growth



**\$11.5M gross profit**

+26% year-on-year growth  
80% margin (vs. 72% H1 '22)



**\$(2.5)M adj. EBITDA**

vs. \$(5.9)M in H1 '22

**Sequential improvement**

Q2 '23 \$(1.1)M; Q1 '23 \$(1.3)M; Q4 '22 \$(3.3)M .

## 2023 Financial Guidance



### 2023 Full Year guidance

Revenue **\$29M - \$31M**  
+13% growth at mid-point

Adj. EBITDA. **\$(1.5)M - \$(2.5)M**



### 2023 Q3 guidance


Revenue **\$7.2M - \$7.5M**


Adj. EBITDA. **\$(0.3)M - \$(0.7)M**


# Key Investment Highlights





 Category-leading customer loyalty & marketing automation for the cannabis end market

 Software-as-a-Service (SaaS) business model that is “sticky” and high-growth

 Powerful flywheel network effect to fuel multiple channels of organic growth

 Platform of choice to consolidate a highly fragmented cannabis technology ecosystem

 Highly attractive financial profile – cash generative and high EBITDA<sup>(1)</sup> margin potential

 Exceptional management team to execute on strategy

1) EBITDA is a non-GAAP metric, and the closest GAAP metric is Net profit.