



PINCHme.com Inc.
(ASX: PIN)

ASX ANNOUNCEMENT
15 January 2020

PINCHme SIGNS FIRST CANNABIS MARKET CLIENT; BOARD CHANGES

PINCHme.com Inc. (**ASX: PIN**, “**PINCHme**” or the “**Company**”), the New York based product sampling and digital promotions platform, is pleased to announce that it has signed up its first cannabis market client - Canopy Growth, one of the industry leaders – and received the first sampling order from this client.

In 2018, the US Farm Bill legalised the cultivation of hemp, which allowed for the creation of the new CBD (cannabidiol) industry. Over 2018, the industry grew by 562%, and is forecasted to reach sales of nearly US\$25 billion by 2025, which will make it one of the fastest growing industries in the US over the next 5 years.¹ Leading retailers, including CVS and Walgreens, and FMCG brands, are becoming materially involved in the CBD industry via new brands and funding product innovation.

Canopy Growth (NYSE:CGC, TSX:WEED) is a world-leading diversified cannabis, hemp and cannabis device company, offering distinct brands and curated cannabis varieties in dried, oil and Softgel capsule forms, as well as medical devices. It has operations in over a dozen countries across five continents.

Pursuant to a Master Services Agreement that will operate for 12 months, Canopy Growth will be utilising the PINCHme platform to support its first hemp-derived CBD launch in the US market. PINCHme will be conducting consumer research, seeding ratings and reviews, engaging influencers to build brand awareness, and launching a sampling activation to drive sales and reach new consumers for Canopy’s latest product innovation. PINCHme intends to distribute Canopy Growth’s CBD products to certain members and only in those US States and jurisdictions where it is legally permissible to do so. The total revenue to be generated by this agreement cannot be quantified at this stage as it is dependent on future orders that will be received pursuant to the agreement, with the level of revenue from the first order received not material.

Commenting on this growth initiative, Jeremy Reid said: “We are super excited to extend our capabilities to the cannabidiol industry. PINCHme, now with nearly 6 million members in the US, has profiled its audience and identified nearly 2 million members that are using cannabidiols or are interested in trying them for the first time. This large community of interested members makes PINCHme’s platform very attractive for cannabidiol brands as they are not allowed to advertise online or via social media.

“Our attractive member base enabled us to attract Canopy Growth for our first cannabidiol client, who is without a doubt one of the market leaders and innovators, and we are looking forward to partnering with them for their US market launch. We welcome Canopy Growth joining other leading companies

¹ Source: <https://content.brightfieldgroup.com/2019-us-cbd-market>

utilising PINCHme's unique consumer platform including L'Oreal, Procter & Gamble, 3M, KraftHeinz, Purina, Johnson & Johnson, and many others."

As a result of PINCHme's foray into the CBD market, Non-Executive Director Wal Pisciotta, needs to step down from the board to avoid a breach of his other obligations that prohibit him from being involved in any company that operates in the cannabis space. Mr. Patrick Peters, a 45-year veteran in the US FMCG industry, most notably holding the position of Unilever's Senior Vice President for North America during his 33-year tenure at Unilever, has been appointed to the Board. Both changes are effective immediately.

Remarking on the Board changes, Mr Reid stated: "Wal has been an amazing mentor to me and our business. I look forward to maintaining our very close relationship, and he will continue to be a source of guidance and advice as PINCHme matures and develops over the next several years. I have known Pat for six years and am thrilled that he has decided to join our Board. He brings with him an extensive knowledge, network and understanding of the industry, which will prove to be an invaluable asset to the business."

Commenting on his resignation from the Board, Mr Pisciotta said: "I am disappointed to leave PINCHme's Board when the company is so well positioned in several important ways to accelerate its growth to reach its potential. I have worked closely with Jeremy over the past 6 years, admire his relentless pursuit of innovation, and look forward to continuing our very close relationship going forward. My time on the Board of PINCHme, has allowed me to work with some great people on the Company's Board, management and staff. I'm very impressed with Pat Peters and am delighted to see him join the Board. PINCHme is in the strongest position it's ever been in to deliver on its growth potential, and having taken up my full entitlement under the recently completed Entitlement Offer, I look forward to continuing to be a supportive and well rewarded shareholder."

Commenting on his appointment, Mr Peters said: "I am delighted to have the opportunity of joining PINCHme's Board of Directors. Over the past six years I've got to know Jeremy, his team and the platform well given my experiences in senior level executive positions with Unilever. With nearly 6 million engaged members, PINCHme provides a unique platform for brands to engage with consumers. I'm excited by the growth potential I see for this business and look forward to being part of the Board."

- ENDS -

This ASX announcement was approved for release by the Board.

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ABOUT PINCHme.com

PINCHme.com is a New York based company that operates a leading product sampling and data monetisation platform.

PINCHme’s platform intelligently matches large FMCG brands with PINCHme’s own members, who are consumers that have provided PINCHme with comprehensive personal data about themselves and their spending habits. In return for the data they provide, PINCHme’s members receive free samples of products already available in-store or access to products ahead of their store release, while the FMCG brands receive detailed insights, product reviews and feedback and social media engagement, all of which assist in driving sales uplift.

In addition to revenues derived from the FMCG brands for providing these services, PINCHme is able to further ‘monetise’ its member audience through performance-based online advertising (which involves PINCHme promoting third party advertisements on its website or to its members) and survey-based revenue streams (which involve PINCHme members completing third party online surveys).

For more information, please visit: <https://investors.pinchme.com/investor-centre/>