



# GROM SOCIAL™

## CORPORATE HEADQUARTERS

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### Industry:

Social Media, Animation and Technology

### Revenue:

8.6 million (audited 2018)

### Share Distribution:

Outstanding: 149.9 million  
Insider Ownership: 27%

### Stock Symbol:

Symbol: OTCQB: GRMM  
Price: (As of 8/12/19) \$0.16  
Market Cap: (8/12/19) \$23 million

### Management Team:

**Zach Marks**  
*Founder*

**Darren Marks**  
*Chairman & Chief Executive Officer*

**Melvin Leiner**  
*Vice-Chairman & Executive Vice President  
& Secretary*

**Wayne Dearing**  
*Vice President of Global Finance*

**Dr. Thomas J. Rutherford**  
*Independent Director*

**Norman Rosenthal**  
*Independent Director*

**Robert Stevens**  
*Independent Director*

# Grom Social Enterprises, Inc.

**OTCQB: GRMM**

Grom Social Enterprises, Inc. (OTCQB:GRMM) is a media, technology and entertainment company that focuses on delivering content to children under the age of 13 years in a safe secure COPPA compliant platform that can be monitored by parents or guardians. The company delivers its exclusive short form content (1280 hrs) through mobile and desktop environments that entertain children, allowing kids to interact with their peers while educating how to be good digital citizens, all within a kidSAFE+ COPPA platform. By offering our proprietary digital citizenship course, parental monitoring via our safe parenting app Mama Bear, content filtering and live monitoring 24/7, Groms platform offers a distinct competitive advantage in today's kids market. The app offers features that are similar to Facebook, Snapchat and YouTube in a safe child friendly environment. Once a child signs up for Grom, their parent or guardian will receive an email instructing them to download our safe parenting app, MamaBear. (A leading edge family communications hub that communicates, locates and protects). "As pioneers in the kids social media space, we are the first and only company to create a platform for kids by kids that is monitored 24/7 and requires parental or guardian approval to participate.

The name "Grom," is derived from Australian surfing slang, and is defined by us to mean "a promising young individual who is quick to learn."

## Investment Highlights & Milestones

- Grom Social reaches 17 million aggregate users - 9 million child users and 8 million parent users since inception (August 2019)
- Reported consolidated sales as of December 31st 2018 of \$8.6 million, + 12.37% over 2017 levels
- MamaBear app surpasses one million downloads (October 2018)
- Grom Social Enterprises, Inc. started trading under the Symbol "GRMM" (August 2017)

## Company Portfolio

- **Grom Social** – Grom Social is a safe COPPA compliant social media children's platform catering to the under 13 year old demographic, with over 1280 hours of short form content, Grom is available on desk top, IOS & android.
- **Top Draw Animation** – Grom also owns and operates Top Draw Animation, Inc., is an award-winning Manila, Philippines based animation company which produces 2D animated content. TDA is recognized by producers and broadcasters as a provider of quality television animation and currently provides services to many high-profile properties, including Tom and Jerry, My Little Pony, Disney Animation's Penn Zero: Part-Time Hero and The Hollow currently on Netflix. TDA has also now entered the lucrative 3D animation market.
- **Grom Educational Services** – Provides scalable networking and monitoring for schools, government and private business, through its NetSpective WebFilter product.
- **MamaBear** – Mama Bear is a leading-edge, mobile, all-in one parenting app that creates a private communication hub.
- **Grom Nutritional Services** – Just Brilliant is a nutritional supplement formulated to provide dietary supplementation of selected nutrients focusing on cognitive development. The product is expected to roll out during late fourth quarter 2019.

## The Importance of Grom's Proprietary Content

Grom creates its own content consisting of animated characters, interactive chats, videos, blogs, games and five live action shows released weekly. The Company has over 500 live action shows in its content library. This exclusive content is only available on Grom platforms and its YouTube channel.

High-quality content is crucial to the success of any website in order to retain visitors. Leading search engines like Google are very particular when it comes to the content of a website. If a website does not have enough quality content, then it simply will not rank highly. The key to success and monetization is content, content, and content.

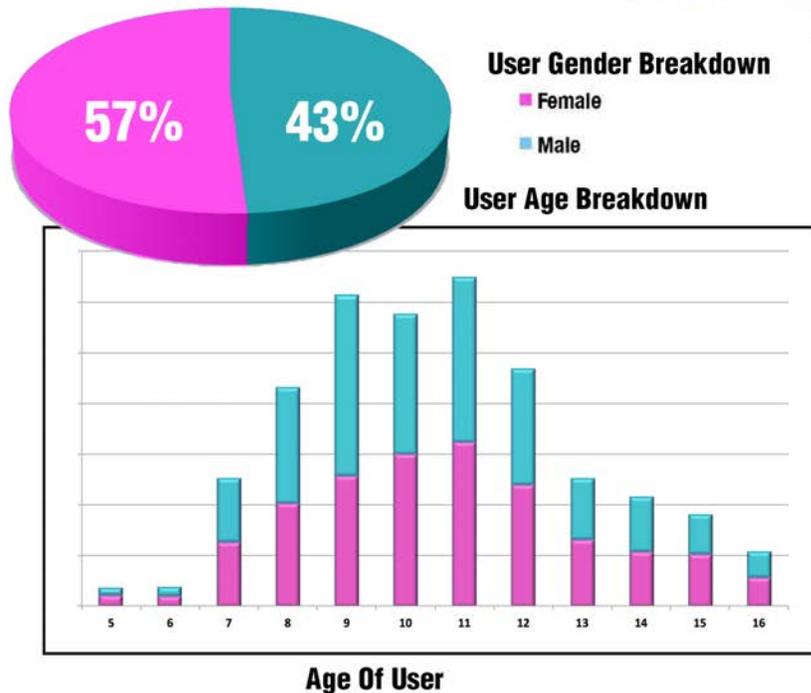
# Grom Social Enterprises Company Portfolio

## Grom Social

- New children's social media destination for the 21st century, "Kids for Kids".
- Users are children between the ages of 0-13 years old.
- Surpassed aggregate of 17 million users as of August 2018. – (since inception)
- Average user spends 52 minutes on the site vs. Facebook where average session is 21 minutes.

# Grom Users: 17 Million

Including Parents "since inception" (all platforms)



## Online Duration:

Kids **50.3 Mins\***  
Parents **3.1 Mins** \*Average

## Top Draw Animation

- Award winning producer of top-quality animation and is one of the leading producers of 2D animation for television markets around the world. Has entered the 3D animation market Q3 2019.
- Acquired by Grom Social in July of 2016.
- Founded in 1999 in Manila, Philippines
- Currently outputs over 200 half hours segments of television annually.
- Currently employees over 600 employees in the Manila office.
- Will help to transform Grom into a major player in digital media and has been a focal point of Grom's growth strategy.
- Provides services for Tom & Jerry, My Little Pony, Disney's animation's Penn Zero: Part Time Hero and The Hollow currently on Netflix, DreamWorks and nickelodeon



## Grom Educational Services

- Provides web filtering services through NetSpective Web filter.
- NetSpective Webfilter provides scalable monitoring and security solutions.
- Has serviced approximately 2 million school aged children in approximately 400 school districts in the U.S.



## MamaBear

- MamaBear is the leading edge, mobile, all-in-one parenting app that creates a private family communication hub. Families communicate, locate, organize and protect their children with a complete piece of mind. Surpassed over 1 million downloads in 2018.



# Grom Social Enterprises Company Portfolio (continued)

## Grom Nutritional Services

- Just Brilliant- Is a nutritional supplement formulated to provide selected nutrients for children.
- Rather than providing energy for normal body development, these nutrients are metabolized as “brain food” to support the healthy development of neurological structure and intellectual development of cognitive skills.



## Are Kids Safe Online?

Many parents worry about the content of what their young children are consuming online, and how they can efficiently monitor this activity to keep kids safe.

- Who are they communicating with? Is the media content age appropriate? Is the media content consistent with the parents' values?



More than 100 child advocates, civil society groups, medical experts and other individuals are urging Facebook to discontinue its Messenger app for kids, alleging that the software poses health and development risks to children.  
*(Courtesy of Facebook via AP)*

## Current & Future Revenue Streams



## Management Team

### **Zach Marks, Founder**

Zach Marks is the creator of Grom Social. Early on, Zach developed a strong interest in computers, technology and business, and often attended his father's business meetings and marketing events. At the age of 12, Zach's parents repeatedly denied him access to Facebook because of their concerns about security and suitability. As a result, Zach put all of his energy, knowledge and creativity into the development of Grom Social. Zach is the second oldest of Sarah and Darren Marks' six children.

### **Darren Marks, Chairman & Chief Executive Officer**

Darren Marks has served as our Chief Executive Officer and Chairman of our Board since June 2012. From January 2011 to February 2016, Mr. Marks was the President of DNA Brands, Inc., a beverage distributor and formerly a public company quoted on the OTCBB. During the period from August 2014 to August 2017, Mr. Marks was a Director of Illumination America, Inc., a publicly traded LED lighting company. Mr. Marks has more than 20 years of executive management experience. In 1991 Mr. Marks co-founded and served as Vice-President of Sims Communications, Inc. a telecommunications company that formerly traded on the NASDAQ, where he was responsible for the creation, design, and funding of a national telecommunications program for clients such as Alamo Rental Car and the American Automobile Association. Mr. Marks attended the University of Florida/Santa Fe Community College from 1986 to 1988.

### **Melvin Leiner, Vice Chairman and Executive Vice President & Secretary**

Melvin Leiner has served as our Vice Chairman, Executive Vice President, Chief Financial Officer and Secretary since December 2012. Mr. Leiner was the co-founder of DNA Brands, Inc., a beverage distributor and formerly a public company quoted on the OTCBB, where, from January 2011 to February 2016, he served as Executive-Vice President, and Director. During the period from August 2014 to August 2017, Mr. Leiner was a Director of Illumination America, Inc., a publicly traded LED lighting company. Mr. Leiner co-founded Sims Communications, Inc., a telecommunications company in 1991 that went public with an IPO on NASDAQ in 1995. Mr. Leiner served as its Chairman, President, and CEO until his resignation in 1997. Mr. Leiner has 50 years of entrepreneurial domestic and international business experience ranging from product creation, development to sales and marketing for public and private companies. He attended Marshall College where he studied business.

### **Wayne Dearing, Executive Vice President of Global Finance**

Wayne Dearing has served as our Executive Vice President of Global Finance since July 1, 2016. He has served as managing Director of TD Holdings LTD the parent company of Top Draw animation a company he founded in November 2002, Managing Director of Top Draw Animation, Inc. since November 1999 and Managing Director of Mango Distribution Ltd since June 2006. During Mr. Dearing's long career he has also served as financial and operations leader of Hanna-Barbera Australia and Hanna-Barbera Asia. He was previously General Manager of multiple division of Broadcom Australia, which at the time was one of Australia's largest independent media companies.

### **Dr. Thomas J Rutherford, Independent Director**

Dr. Thomas J. Rutherford has served as a director on our Board of Directors since July, 2015. Mr. Rutherford is a highly- respected and world-renowned oncologist and a national expert in cancer, with more than 30 years of surgical and clinical expertise in gynecologic cancer with in excess of 200 published articles and case reports. In January 2017, Dr. Rutherford was appointed the Director of Oncology for South Florida University and Tampa General Hospital. In addition to his medical background, Dr. Rutherford has extensive leadership, operational and organizational experience, having headed a team of more than 100 physician sub-specialists, including surgeons and medical and radiation oncologists, that annually treated more than 2,000 newly diagnosed cancer patients as Director of Oncology for Connecticut Oncology, a Division of Women's Health of Connecticut and director of Cancer Services for Western Connecticut Health Network. Dr. Rutherford previously practiced at Yale Oncology and served as Professor of Oncology and Director of Oncology Fellowship at Yale University School of Medicine.

### **Robert Stevens, Independent Director**

Robert Stevens, founded Somerset Capital Ltd in 2001, a private capital firm that employs industry-specific skillsets to make strategic investments in distressed and turnaround situations as well as merger and direct investments in private and pre-public companies, where he serves as president and managing director. Mr. Stevens also serves as a court appointed receiver. Prior to founding Somerset Capital Ltd, Mr. Stevens was Managing Director of Technology Partners, a private equity and M&A firm from 2010 to 2013.

### **Norman Rosenthal, Independent Director**

Norman Rosenthal, founded Tempest Systems Inc. in 1986, a leading technology consultancy offering a wide range of services, from traditional business development to relationship management and competitive intelligence, and has served as CEO from 1986 to the present. Mr. Rosenthal has also served in senior management/advisory positions at Micro Focus and Computer Associates.

This fact sheet may contain forward looking statements which are based on current expectations, forecasts, and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially from those anticipated or expected, including statements related to the amount and timing of expected revenues and any payment of dividends on our common stock, statements related to our financial performance, expected income, distributions, and future growth for upcoming quarterly and annual periods. Actual results and the timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors. Among other matters, the Company may not be able to sustain growth or achieve profitability based upon many factors including, but not limited to general stock market conditions. We have incurred and will continue to incur significant expenses in our expansion of our existing and new service lines, noting there is no assurance that we will generate enough revenues to offset those costs in both the near and long term. Additional service offerings may expose us to additional legal and regulatory costs and unknown exposure(s) based upon the various geopolitical locations where we will be providing services, the impact of which cannot be predicted at this time. All forward-looking statements speak only as of the date of this press release. We undertake no obligation to update any forward-looking statements or other information contained herein. Stockholders and potential investors should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements in this report are reasonable, we cannot assure stockholders and potential investors that these plans, intentions or expectations will be achieved. Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.