Cautionary Note Regarding Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding ShotSpotter, Inc. (the “company”) and its overall business, market leadership, total addressable market, expectations regarding product development milestones, future marketing initiatives, future sales and expenses, and revenue and profit guidance for 2019 and 2020. These forward-looking statements are made as of the date of this presentation and are based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," "strategy", "opportunity" and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the company’s control. The company’s actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the company’s ability to maintain and increase sales; the availability of funding for the company’s customers to purchase the company’s solutions; the complexity, expense and time associated with contracting with government entities; the company’s ability to maintain and expand coverage of existing public safety customer accounts and further penetrate the public safety market; the company’s ability to sell its solutions into new markets; the lengthy sales cycle for the company’s solutions; changes in federal funding available to support local law enforcement; the company’s ability to innovate and expand its product development, the company’s ability to deploy and deliver its solutions; and the company’s ability to maintain and enhance its brand. In addition, other factors that could impact actual results to differ from the forward-looking statements the company makes are described in the reports the company files with the Securities and Exchange Commission (the “SEC”) (available at www.sec.gov), particularly in the Risk Factors section of the company’s latest Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Except as required by law, the company assumes no obligation to update these forward-looking statements publicly, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.
**Key Statistics**

- **Over 16,000** sensors deployed in
- **Over 100** Municipalities and cities, as of September 30, 2019
- **>140K** Gunshot Alerts Published in 2019
- **~720** square miles under contract as of September 30, 2019

**CAGR Revenue Growth (2015-2019 (est.))**

- **38%**
Gun Violence Problem

Many urban communities are under siege due to gun violence.

Yet, residents call police less than 20% of the time.¹

When they do call, the information is usually late, inaccurate and incomplete.

Often 3-5 minutes before the first 911 call is received.

Rapid law enforcement and EMT response can save lives.

¹The Brookings Institute, 2016
A gun is fired. The sound impulse radiates outwards in a sphere.

Multiple sensors in the coverage area are triggered by the sound impulse and time stamped.

The location of the gunfire is triangulated within seconds. ShotSpotter experts review and qualify data as gunfire.

An alert is sent to subscribers and video management systems.

Officers arrive quickly to precise gunshot location with greater situational awareness and preparation.

Post-incident data is provided in a court accepted Detailed Forensic Report.
ShotSpotter Alerts
Total Addressable Market (TAM)

TAM: $1 Billion+

Core Domestic Market Opportunity

- Live in ~100 cities and municipalities representing over ~700 square miles as of September 30, 2019.

- Estimated Opportunity: 1,400 cities x $400k/year = $560m annually


- Targets: Philadelphia - Los Angeles - Dallas - Puerto Rico - Seattle - Houston - Charlotte

International Opportunity

- 200 cities in LATAM - South Africa – Europe
  $1 million/year x 200 cities = $200 million annually

SecureCampus Opportunity

- 5,000 campuses
  5,000 x $50,000/campus = $250 million annually

ShotSpotter Missions Opportunity

- Precision Policing / Patrol Management – 1,500 cities
  1,500 cities @ $50,000/city = $75 million annually
Defensible Competitive Moat

- Inaccurate perception of the TAM and its size
- 100 law enforcement agencies
- 20 years corporate knowledge
- 34 patents

Total Addressable Market

Net Promoters

Experience Curve

Strong IP
Growth Strategies
Go To Market Strategy

**Tier 1 City (Chicago, IL) Live Mile Increase**

- Initial miles at deployment: 13.5
- Phase 2: 30.8
- Phase 3: 46.8
- Phase 4: >110

*36x increase in coverage*

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**Tier 2 City (Fresno, CA) Live Mile Increase**

- Phase 1: 0
- Phase 2: 18
- Phase 3: >4

*>4x increase in coverage*
Market Segmentation

- **Tier 1**: Executive level ownership
- **Tier 2**: Regional Sales Director and SDR focus
- **Tier 3**: 
- **Tier 4**: Telemarketing focus
ShotSpotter Impact on Healthcare

Hospital Executives

Trauma Surgeons

>50% of GSW patients that are uninsured

$2.8 Billion

Annual financial burden of gun violence to US hospitals

Fewer GSW patients lead to lower costs for hospitals

4 minutes

Time saved transporting GSW victims to hospital from ShotSpotter coverage area

"ShotSpotter has developed technology that allows the trauma patient who has been shot to get to me faster, so I have a greater chance of saving their lives."

John Porter, M.D. Chief of Surgery Cooper Health

1. Emergency Department Visits for Firearm-Related Injuries in the US” Johns Hopkins, Health Affairs, October 2017
Patrol Management Software for More Precise and Effective Policing

Crime Forecasting and Mission Planning
Dosage and Tactics Guidance
Insights into Patrol Activity
Expanding the Platform to Better Serve Police

**ShotSpotter® Missions™**
- Crime forecasting and patrol management to deploy patrols efficiently and help deter crime
- Patrol activity reports help optimize patrol resources

**ShotSpotter® Flex™**
- ShotSpotter Respond and Dispatch get cops to the crime scene faster
- Tactical intelligence helps protect officers as they approach the scene

**Forensic Reports**
- Improve evidence recovery and support witness/suspect interviewing
- Court-admissible evidence with exact location and timing of shots fired to help prosecution
LATAM Opportunity and Progress

• Overview: LATAM Averages 24 Homicides Per 100k People
  – 9% Of World Population And 40% Of All Murders

• Progress: Visited 10 Countries In 18 Months (Multiple Times)

• Key Focus Countries: All With Active Proposals
  - Mexico
  - Colombia
  - Brazil
  - Panama

• Newly Elected Presidents Mexico & Brazil That Ran On Law & Order
Business Model / Financials and KPI’s
Revenues in millions of dollars

Nearly 100% of revenue is subscription based.

(1) Includes $170K in revenue from USVI related to Hurricane Irma
Customer Growth By Commencement Year

- FY 18
- FY 17
- FY 16
- FY 15 and Prior

YE 2015: ~$10M
YE 2016: ~$10M
YE 2017: ~$15M
YE 2018: ~$25M
Strong Revenue Growth & Operating Leverage

CAGR Revenue Growth | 43%

- 2015: $11.8
- 2016: $15.5
- 2017: $23.8
- 2018: $34.8

Revenue Growth QoQ | 8%

- Q3 2018: $9.2, 55%
- Q3 2019: $5.0, 60%
Attractive Customer Economics

In 2018 the company spent **30¢** to generate **$1** of new annualized revenue*.

While achieving **139%** revenue retention.

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1. Calculated as total sales and marketing expense during the year divided by the first 12 months of contract value for contracts entered into during the same year.
Strong Deferred Revenue Growth

Total Deferred Revenue in Millions of Dollars

Long-term Deferred Revenue
Short-term Deferred Revenue

Strong Balance Sheet ~$26.1 million in Cash
Untapped $10M Line of Credit

12/31/16 12/31/17 12/31/18 9/30/19
<table>
<thead>
<tr>
<th></th>
<th>YEAR ENDED 12/31</th>
<th>PERCENTAGE</th>
<th>QUARTER ENDED 9/30</th>
<th>PERCENTAGE YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2018</td>
<td>2017</td>
<td>2018</td>
</tr>
<tr>
<td>Revenue</td>
<td>$23,763</td>
<td>34,753</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>11,600</td>
<td>19,221</td>
<td>48.8%</td>
<td>55.3%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>6,179</td>
<td>8,377</td>
<td>26.0%</td>
<td>24.3%</td>
</tr>
<tr>
<td>Research &amp; development</td>
<td>4,159</td>
<td>4,987</td>
<td>17.5%</td>
<td>14.3%</td>
</tr>
<tr>
<td>General &amp; administrative</td>
<td>5,595</td>
<td>8,425</td>
<td>23.5%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>15,933</td>
<td>21,789</td>
<td>67.0%</td>
<td>62.7%</td>
</tr>
<tr>
<td>Operating (loss) / profit</td>
<td>$(4,333)</td>
<td>$(2,568)</td>
<td>(18.2%)</td>
<td>(7.4%)</td>
</tr>
<tr>
<td>Revenue retention rate</td>
<td>141.0%</td>
<td>139.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing spend per $1.00 of new annualized contract value**</td>
<td>$0.34</td>
<td>$0.30</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Financial Highlights Summary

- Annual subscription-based SaaS revenue
- High margin and low variable costs
- Significant leverage in every operating expense category

Efficient sales and marketing

- Low customer acquisition costs
- Low customer attrition/churn
- Rapid cash payback of installation costs

Significant leverage in every operating expense category

Goal of cultivating 10+ year relationships = **High lifetime value of a customer**
**Sample of Gun Violence Reduction as Part of Comprehensive Gun Crime Response Strategy**

<table>
<thead>
<tr>
<th>Source</th>
<th>Reduction/Increase</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>66% reductions in shootings per mile</td>
<td>Oakland, CA</td>
</tr>
<tr>
<td>(2)</td>
<td>40% reduction in Englewood shootings</td>
<td>Chicago, IL</td>
</tr>
<tr>
<td>(3)</td>
<td>102 arrests made with the help of ShotSpotter</td>
<td>Denver, CO</td>
</tr>
<tr>
<td>(4)</td>
<td>3,635 positive contacts with the community</td>
<td>Sacramento, CA</td>
</tr>
<tr>
<td>(5)</td>
<td>342 gunfire incidents identified by ShotSpotter with no 911 call in 9 months</td>
<td>Las Vegas, NV</td>
</tr>
<tr>
<td>(6)</td>
<td>46% decrease in homicides by shootings</td>
<td>Camden County, NJ</td>
</tr>
<tr>
<td>(7)</td>
<td>22 arrests in first 9 months of deployment</td>
<td>Bakersfield, CA</td>
</tr>
<tr>
<td>(8)</td>
<td>48% reduction in shooting victims</td>
<td>Cincinnati, OH</td>
</tr>
<tr>
<td>(9)</td>
<td>40% decrease in gunshot incidents</td>
<td>Rochester, NY</td>
</tr>
</tbody>
</table>

Sources (1) – (9) Listed on Following Slide
1. SST gunfire activations per square mile in coverage areas from 2012-2018; SST analysis
3. For period 2015-2018 - ABC7 Denver, April 4, 2018
5. For 9-month period in 2017-2018; LVMPD *ShotSpotter Pilot Assessment* October 24, 2018
6. For period 2013-2014; *Here’s How Camden Reduced Gunfire by Nearly 50 Percent;* Phillymag.com April 2, 2015
7. Arrest from shootings detected by ShotSpotter; *Police, residents seem pleased with ShotSpotter;* Bakersfieldnow.com Nov 2, 2018
8. Avondale neighborhood shootings Q1 2018 vs Q2 2017. WCPO News March 29, 2018
Capital Allocation

• M&A
  - Acquired Hunchlab Technology (Missions)
  - Total Cost Less Than $3M (Including Earnout)
  - Significant Potential Value Creation

• Share Repurchase
  - Sold 250,000 shares in 2019 – Netting >$11.2M
  - Repurchased ~260,000 Shares for Cost of ~$6.5M
    o As of December 17, 2019
## Architecture Benefits / Limitations

<table>
<thead>
<tr>
<th>Comparison</th>
<th>ShotSpotter Wide Area Sensor Array</th>
<th>Proximity Sensor</th>
<th>Multi-Mic Cluster Sensor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>• Wide area coverage</td>
<td>• Perceived low cost</td>
<td>• Supersonic: excellent location; low false positive rate; caliber identification</td>
</tr>
<tr>
<td></td>
<td>• Excellent location</td>
<td>• Fast notification</td>
<td>• Fast notification</td>
</tr>
<tr>
<td></td>
<td>• Low false positive/false negative rates</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Court admissible evidence</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Fast notification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limitations</td>
<td>• No caliber identification</td>
<td>• Very limited coverage</td>
<td>• Supersonic: Very limited coverage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• No location</td>
<td>• Subsonic: poor location, costly high false-positive rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Costly high false positive rate</td>
<td>• Not court admissible evidence</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Not court admissible evidence</td>
<td></td>
</tr>
<tr>
<td>Summary</td>
<td>Proven, patent protected technology deployed in 100 cities, offered as part of a service that includes applications, forensics, expert witness, best practices, etc.</td>
<td>Often delivered as a surveillance camera or smart streetlight feature Delivers unsatisfactory results*</td>
<td>Great solution for sniper protection on the battlefield or for perimeter protection where target is known</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Unsatisfactory solution for public safety when deployed as standalone sensors; unproven with collaborating sensors</td>
</tr>
</tbody>
</table>