



Tinybeans Group Ltd

Growth strategy delivers record results

(ASX: TNY; OTCQX: TNYF)

FY21 Preliminary Results and Q4-FY21 Quarterly Activity Report

Approved by the board of Tinybeans Group Ltd

July 28 (27th in the US), 2021

Unless otherwise noted, amounts are in USD and are yet to be audited

Best Quarter in Tinybeans History!

Strategies to strengthen sales and marketing, product and technology are delivering record results – with significant growth ahead

Eddie Geller, Chief Executive Officer, said,

"We are delighted to report Tinybeans is performing strongly as U.S. advertising rebounds - with key industries like local and travel increasing spend after pulling back in 2020 - and growth in recurring subscription revenues increases.

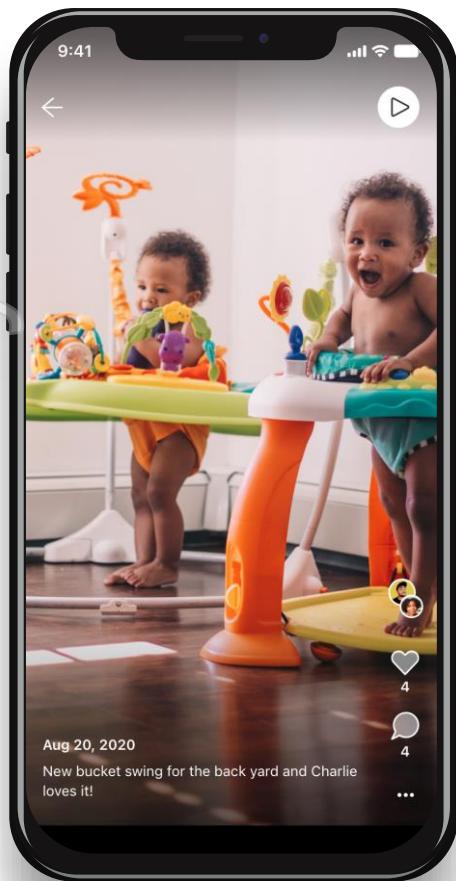
*In FY21, we delivered **revenue growth of 108%** over the pcp, **the highest in our history**. Our growth during the year was driven by strength in **advertising, up 130%** pcp, and **e-commerce, up 465%** pcp.*

*We also generated **record quarterly revenue** in the fourth quarter, with **advertising revenue up 79%** pcp and substantial growth across all other revenue lines compared to the prior-year-period.*

*The results highlight the appeal of our **value proposition** to advertising partners who seek to engage with the young families on our platform, as well as the level of **trust** our subscribers have in our commitment to protecting their **privacy**.*

*During the pandemic, we purposefully set out to **strengthen our sales and marketing capabilities, enhance our appeal** to brand partners and subscribers, **upgrade product development** and ensure our **technology platform is robust and highly scalable**. These strategic initiatives are delivering accelerated growth, while laying the foundations for **ongoing progress** in the coming fiscal year and beyond.*

*FY22 promises to be our most successful year yet. We are launching an array of new **product upgrades** that should support acceleration in our consumer revenues, and we aim to drive continued growth in advertising revenues. We see our photos and sharing platform expanding as we double down on **new areas of engagement** that align with our vision of content, community, commerce and related services."*



Tinybeans at a Glance!

THE GO-TO-RESOURCE FOR ALL THINGS PARENTING

- Company strategy is to grow recurring subscription revenues, complemented by increasing advertising revenues from brands
- Tinybeans is the leading app and web platform enabling parents to capture their children's everyday memories, and share them with families everywhere with the utmost trust and privacy
- The platform also provides rich recommendations that spark everyday family inspiration for what to do, what to buy and which services to use for their children's needs
- Being twice named Apple's App of the Day in the U.S., puts Tinybeans in the elite company of the best apps in the world! Plus, we became Apple's #1 content partner and exclusive parenting partner for one of their newest products, Apple Guides. With over 80+ partners and 1,000+ Guides on the platform, Tinybeans is the 5th most read on the platform (total views of Guides content)



24.4k Paying Subscribers



88% 12-month Subscriber Retention



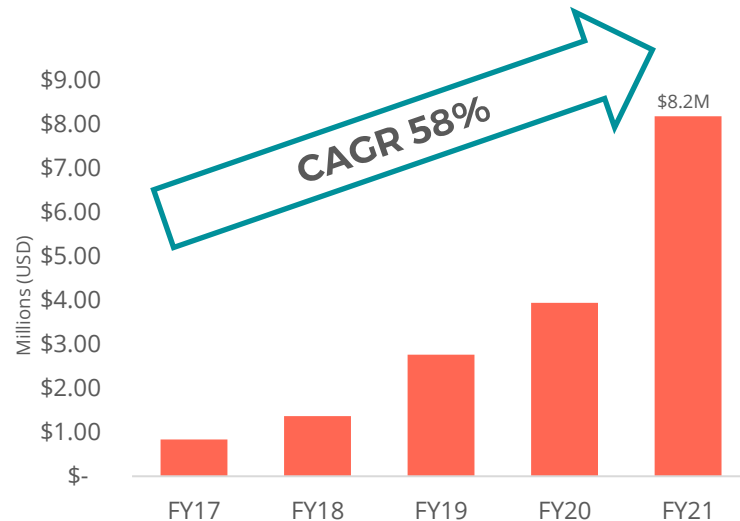
Over 130k+ 5 Star reviews across iOS and Android App Stores



#1 Parenting App in the U.S.*



* As defined by being a parenting app (advertising and subscriptions based) in the top sites in the U.S. from ComScore.com
NOTE: Results include financial data and metrics from Red Tricycle, acquired by Tinybeans on Feb, 27th, 2020



MAJOR GROWTH DRIVERS

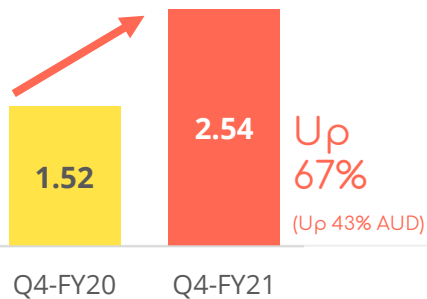
BOOMING \$100BN+ DIGITAL ADVERTISING MARKET

GROWING SUBSCRIPTION BASE GENERATING RECURRING REVENUES

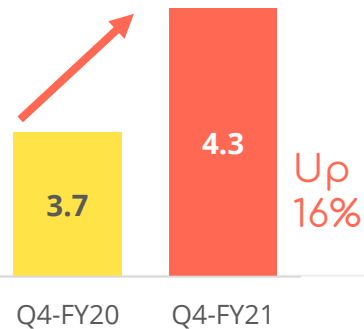
STRONG BRAND TRUST WITH PARENTS

Q4 - Record Growth and Momentum (\$USM)

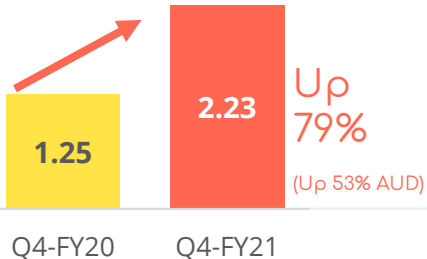
Total Revenue



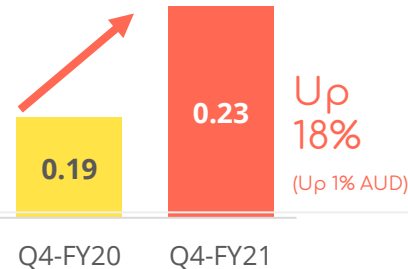
Monthly Active Users



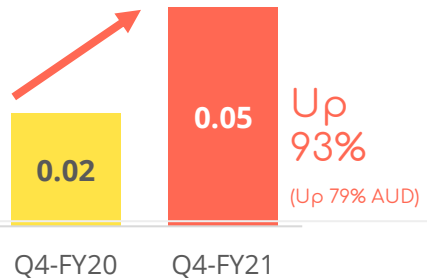
Advertising Revenue



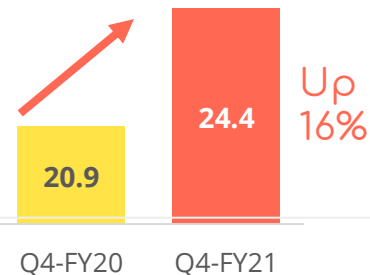
Subscription Revenue



E-commerce Revenue



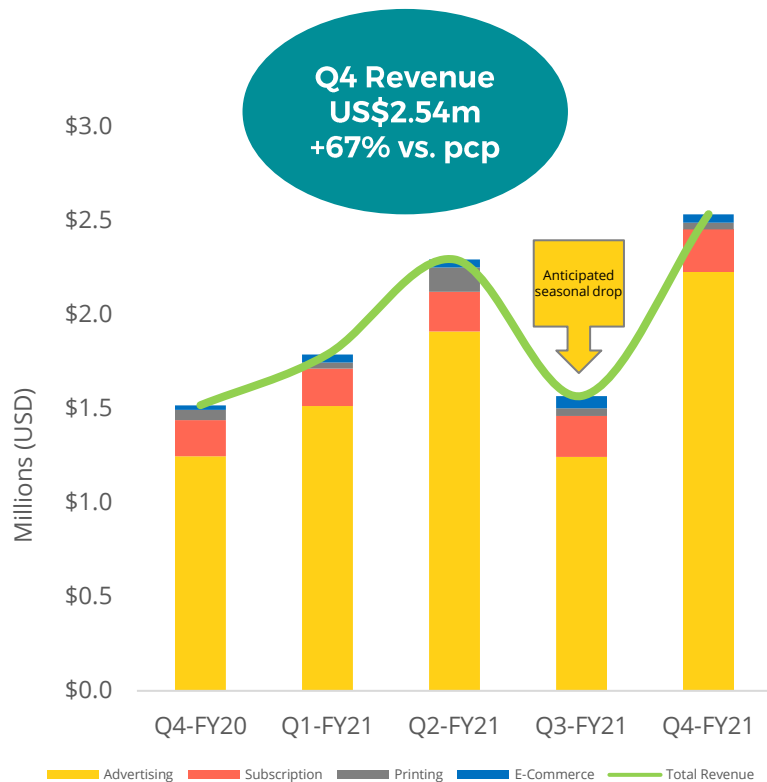
Subscription Customers (K)



Q4 - Quarterly Momentum

ALL RESULTS DRIVEN BY ORGANIC GROWTH ONLY

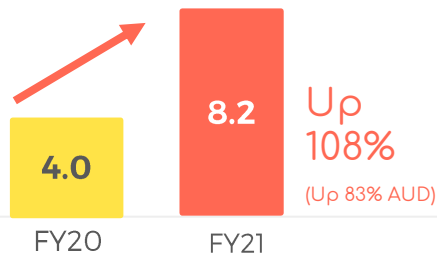
- Q4 Revenue hit a record **US\$2.54m** (\$3.3m AUD), up 67% pcp - all organic
- Advertising revenue hit a record US\$2.23m (\$2.9m AUD), up 79% pcp - capitalizing on the broader rebound in US advertising with a growing number of brand partners and larger average campaign sizes
- Advertising wins from both new and existing partners, including Google, Church & Dwight, Enfamil, Visit Florida, Hills Pet Nutrition & Amazon.
- Subscription revenue hit a record US\$228k, up 18% pcp (\$296k AUD) - converting users to paying subscribers with recurring revenue
- Monthly Active Users (MAU) hit 4.33m, up 16% pcp - driving appeal to brand partners
- Cash burn for Q4 was approximately US\$330k. Cash balance end of quarter was over US\$2.16m (\$2.85m AUD)
- Forward booked contracts (advertising and subscriptions) hit a record US\$3.3m for the rest of calendar 2021, up 65% pcp.



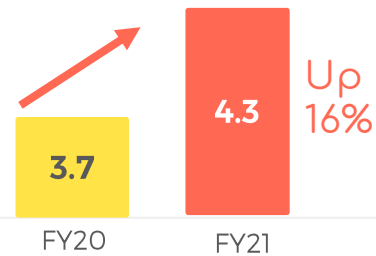
Tinybeans expects in a typical year to generate around 60% of annual revenues in the seasonally strong Q2 and Q4 periods. Results subject to audit completion.

FY21 Record Growth and Momentum (US\$M)

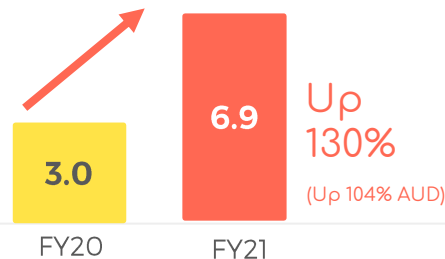
Total Revenue



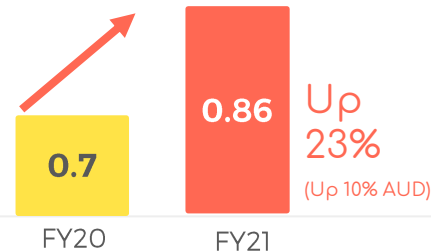
Monthly Active Users



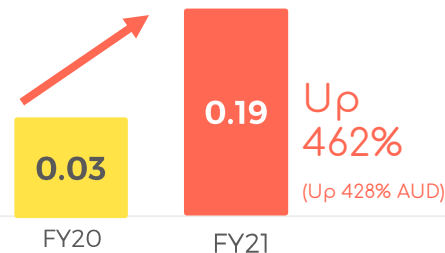
Advertising Revenue



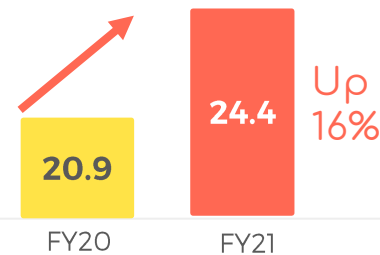
Subscription Revenue



E-commerce Revenue



Subscription Customers (K)

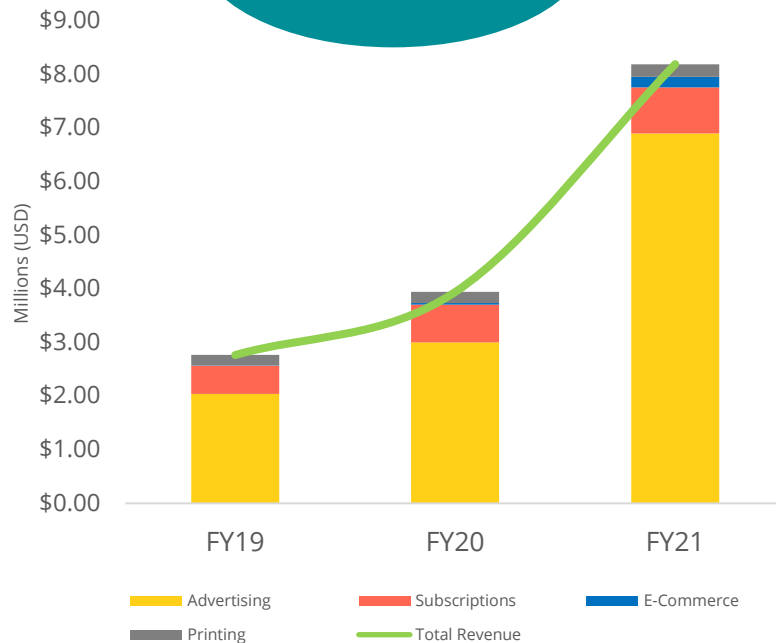


FY21 - Biggest Year Ever

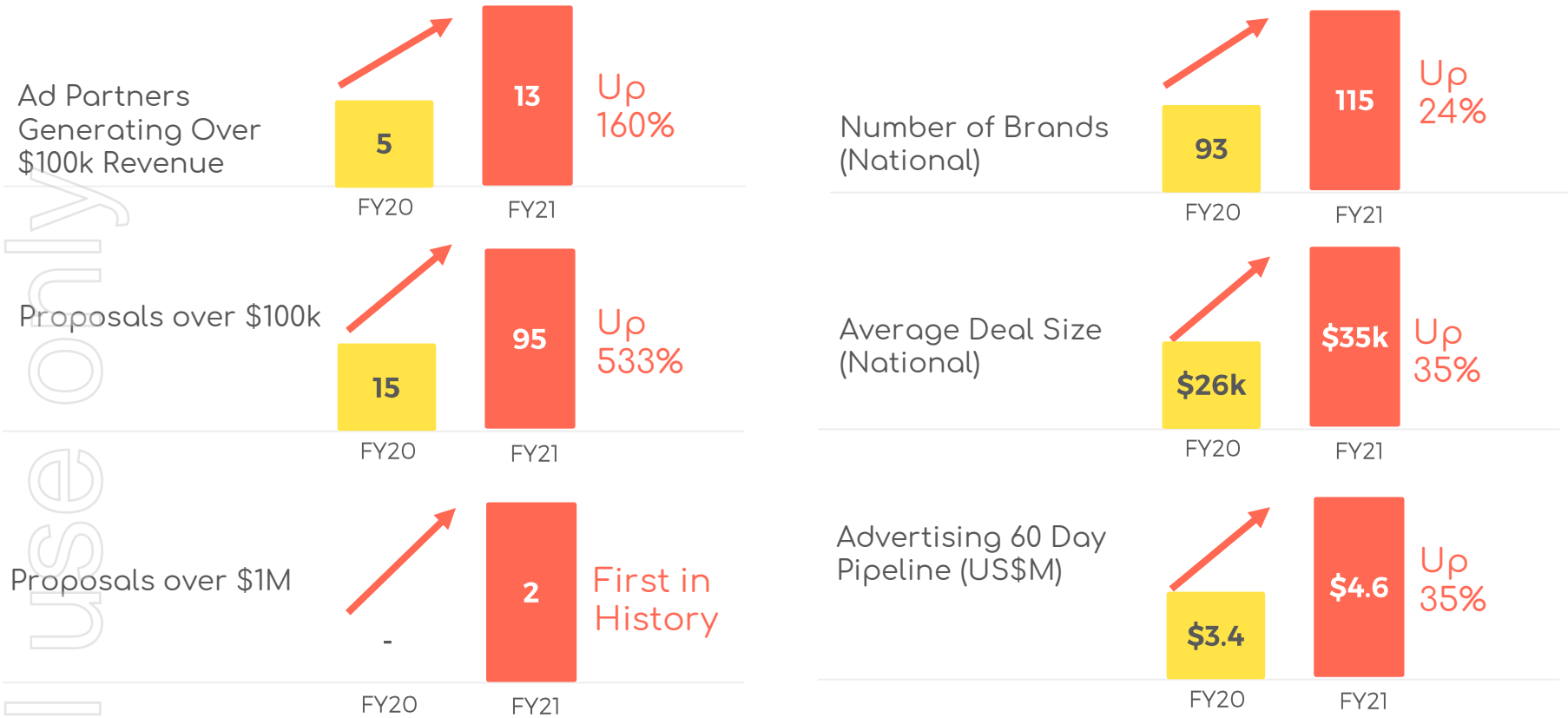
RECORD REVENUES AND REVENUE GROWTH

- Strategies to strengthen sales & marketing, product and technology through the pandemic are delivering record results - with significant growth ahead
- Revenue hit a record **US\$8.2m**, up 108% pcp (\$11m AUD)
- Advertising revenue hit a record US\$6.9m, up 130% pcp (\$9.24m AUD)
- Subscription revenue hit a record US\$860k, up 23% pcp (\$1.15m AUD)
- Over US\$2.5m has been invested in product growth initiatives, which has begun to materialize, with the bulk of the return expected in FY22 and beyond

USD\$m	FY19	FY20	FY21	% Growth
Advertising	\$ 2.04	\$ 3.01	\$ 6.90	130%
Subscriptions	\$ 0.53	\$ 0.70	\$ 0.86	23%
E-Commerce	\$ 0.00	\$ 0.03	\$ 0.19	462%
Printing	\$ 0.20	\$ 0.21	\$ 0.24	14%
Total Revenue	\$ 2.77	\$ 3.95	\$ 8.19	108%



FY21 Key Metrics Dashboard (\$USD)



Red Tricycle acquired on Feb 27, 2020. Q4 FY21 is the first quarter result that includes the full contribution of the acquisition in the prior corresponding period. Results are unaudited and will be finalized and released as part of the 4C later in July.

FY21 - EBITDA

BUILDING FOR SUSTAINED GROWTH AND SCALE

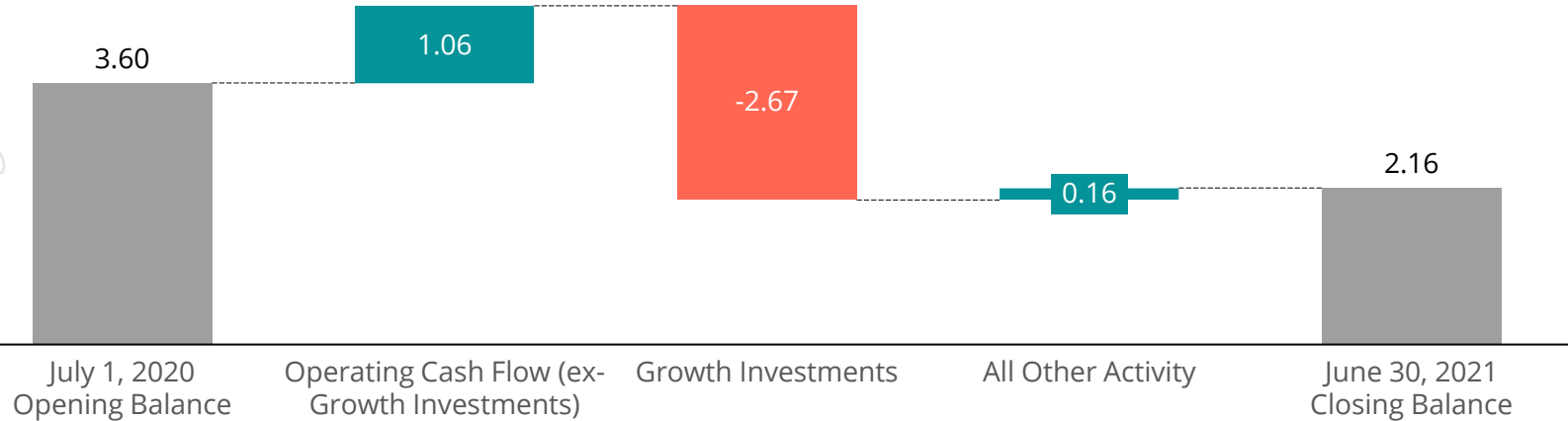
- Tinybeans EBITDA (excluding discretionary growth investments) of \$213k.
- \$817k spend on growth initiatives ramped up in Q4 as we move toward increasing our product offerings with a single subscription product and launching of a new web site/app platform in calendar Q4 amongst a new brand launch.
- Launching an upgraded advertising platform in FY22, which will utilize several new offerings, including first-party data and video.



	Q4-FY20	Q1-FY21	Q2-FY21	Q3-FY21	Q4-FY21
Revenue	\$ 1,520,076	\$ 1,790,663	\$ 2,296,137	\$ 1,569,189	\$ 2,536,984
Operating Costs	\$ 1,987,602	\$ 1,500,224	\$ 1,996,808	\$ 1,609,918	\$ 2,319,796
Growth Investments	\$ 256,071	\$ 553,856	\$ 682,868	\$ 699,272	\$ 816,926
EBITDA (net Growth Inv.)	\$ (174,786)	\$ 317,548	\$ 586,579	\$ 225,418	\$ 213,629

12-Month - Cash Waterfall

In USD Millions



Highlights:

- Cash flow generally tracking with income statement activity
- Fiscal year end balance of approximately \$2.16m USD
- Average operating burn rate per quarter of approximately \$0.4m during fiscal 2020-21
- Growth investments include both allocation of internal resources and external spend

FY21 Key Execution Priorities

SUCCESS IN KEY AREAS SETS STRONG FOUNDATION FOR CONTINUED PROGRESS IN FY22

SUCCESS IN KEY AREAS SETS STRONG FOUNDATION FOR CONTINUED PROGRESS IN FY22				
	World Class Sales	<ul style="list-style-type: none">A record year in performance across all advertising types. National, local and programmatic all had record growth rates.Team delivered outstanding growth with big client brands. Now, Tinybeans serves 13 \$100k+ partners, up from 5 in FY20. Plus 33 \$100k+ (requested) proposals out in Q4 – a record!Launched Add a Pet feature, with a six-month \$500k sponsorship by Hills Pet Nutrition, Inc.		Success Metrics: Ad Revenue Partner Retention & Growth
	Marketing	<ul style="list-style-type: none">The platforms generated a 16% increase in active users year-over-year.Our Free Trial subscription offering will launch later in 2021, and will include an upgrade of memories, targeted content based on age of child and location, and our new video-first parenting community.In FY21, social follower count (across FB, IG, TW and PI) was over 555k, with the content being viewed > 235 million times.	In Progress	Recurring Subscription Revenues
	Product	<ul style="list-style-type: none">Platform user experience continued to develop well, with 12-month retention hitting 74% overall and 88% for premium customers. Two-year retention overall was 53%, in the top echelon of platformsReleased an overhauled onboarding experience in mobile apps that improved completion rate to 60%.Released a new Grid design in Memories that provides users with a more visual browsing experience. Increased engagement by 20%. Introduced new content experiences, like the "Today" screen.	In Progress	User Growth and Retention
	Technology	<ul style="list-style-type: none">Using machine learning to automate content tagging for recommending articles.Major leaps in server optimization and scaling, dropping data transfer costs by over 30%		Operation Margin and Scalability
	People	<ul style="list-style-type: none">With vaccinations being rolled out across the U.S., the Company began to formally transition to a hybrid work environment. The Company's head office in NY is currently supported with remote work.Completed several key hires in FY21. Optimized marketing organization and implemented several changes to other teams in anticipation of accelerated growth.		Employee Engagement

Scaling Multiple Revenue Streams

Advertising revenues

Industry Leading 1st Party Data
100% Brand Safe Quality Content
Local to National Community

Subscription revenues

One subscription with
memories, content and
community
+ Future e-commerce
offerings

■ Advertising
■ Consumer

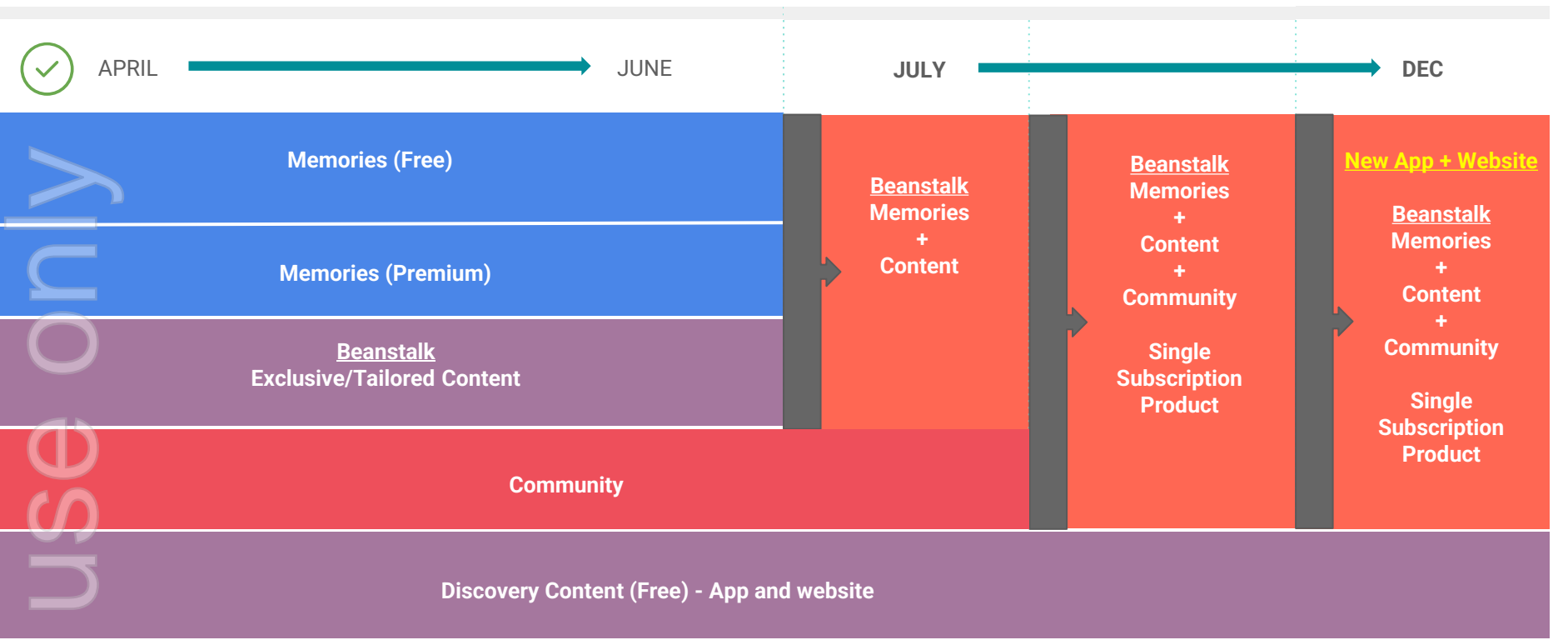
2020

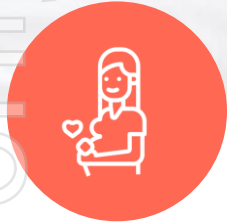
Revenues

2024

Future Subscription Revenues

RAMPING TOWARDS SINGLE SUBSCRIPTION INCORPORATING MEMORIES, CONTENT AND COMMUNITY





TRUSTED BRAND

Tinybeans and Red Tricycle are much loved parenting brands with trust and loyalty driving YoY retention. World class Net Promoter Score of over 70.



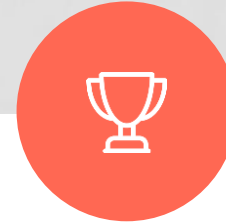
GROWING AUDIENCE

Value proposition for the platform broader than just photo sharing or generic content. Organic user growth will scale as more tailored features get enabled for parents.



MARKET LEADING PLATFORM

Clear and robust product strategy that addresses many unmet needs for parents across community, content and commerce. Integrated into a single subscription product for parents.



SCALING DIVERSIFIED REVENUE STREAMS

Combining our trusted brands, enriched value proposition, world class technology and deep domain expertise places us in the winning position to drive accelerated growth.



Other

Item 6.1 (in 4C below) pertain to salary and fee payments to the executive and non-executive directors of \$81k.

This announcement is authorised by the TNY Board.

For More Information

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Tinybeans Group Limited (ASX:TNY, OTCQX:TNYFF) is a leading app and web platform enabling parents to capture their children's everyday memories and share them privately with families everywhere. The platform provides rich recommendations that spark everyday family inspiration for what to do, what to buy, and which services to use for their children's needs.

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Tinybeans serves a deeply engaged user base in over 100 countries/territories and enjoys over 130,000 5-star reviews in the Apple App Store and the Google Play stores.

ASX RELEASE

28 July 2021

+Rule 4.7B

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

TINYBEANS GROUP LIMITED

ABN

46 168 481 614

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		2,501	9,747
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(53)	(280)
(c) advertising and marketing		(142)	(699)
(d) leased assets		-	-
(e) staff costs		(2,260)	(8,413)
(f) administration and corporate costs		(537)	(2,911)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	7
1.5 Interest and other costs of finance paid		(4)	(16)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		21	363
1.8 Other (provide details if material)		-	51
1.9 Net cash from / (used in) operating activities		(474)	(2,151)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(14)	(34)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(23)	(75)
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	3
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(37)	(106)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	64	250
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3.6	Repayment of borrowings	(42)	(292)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	22	(42)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,313	5,220
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(474)	(2,151)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(37)	(106)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	22	(42)
4.5	Effect of movement in exchange rates on cash held	51	(46)
4.6	Cash and cash equivalents at end of period	2,875	2,875

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,875	3,313
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,875	3,313

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

81

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1 pertain to salary and retainer fee payments to the executive and non-executive directors.

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

**Total facility
amount at
quarter end
\$A'000**

**Amount drawn
at quarter end
\$A'000**

-

-

-

-

-

-

-

-

7.5 Unused financing facilities available at quarter end

-

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(474)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,875
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	2,875
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	6

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:July 28, 2021.....

Authorised by: Edward Geller, Executive Director and CEO.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.