



Fiscal 2023 (FY23) Results Presentation

(ASX: TNY; OTCQB: TNYYF)

Approved by the Board of Tinybeans Group Ltd

Unless otherwise noted, amounts are in **USD** and are unaudited.



Tinybeans Offering

Tinybeans is trusted by parents

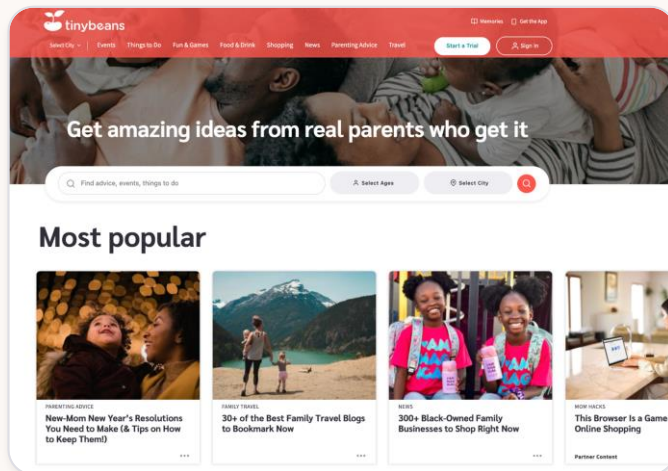
Tinybeans engages **with millions of parents every month through the leading and trusted private photo sharing app and website** dedicated to fun things to do with your kids.

Tinybeans enjoys over 150,000 5-star reviews in the Apple App and Google Play stores and has been recognized by Apple for excellence for both content and utility—**twice being named U.S. app of the day.**

With an email database of 2.1M engaged users, the opportunity is big for Tinybeans to further monetise and grow its user base.

MAKE MEMORIES

on Tinybeans.com



INSPIRATION

SAVE MEMORIES

on the Tinybeans app

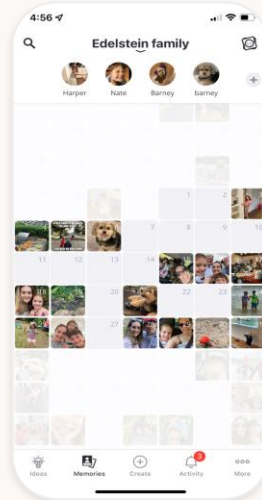


PHOTO SHARING

Tinybeans is well positioned to drive growth after changes in H2 FY23

- **Refreshed leadership**

- Zsofi Paterson started as new CEO on 17 July 23, an experienced digital growth leader
- Board renewed in February 23
- Updated go-forward strategy to be presented at the AGM in November 23

- **User momentum**

- Privacy & “sharenting” more important to families than ever
- 90% of monthly subscribers renewed subscription post price increase in May 23
- Continues to be 3m monthly users across web and app platforms

- **Product enhancements complete with more to come**

- New product launches of Tinybeans Free & Tinybeans+ in April 23
- Further user enhancements initiatives to flow during FY24
- New Android app due to launch in September 23

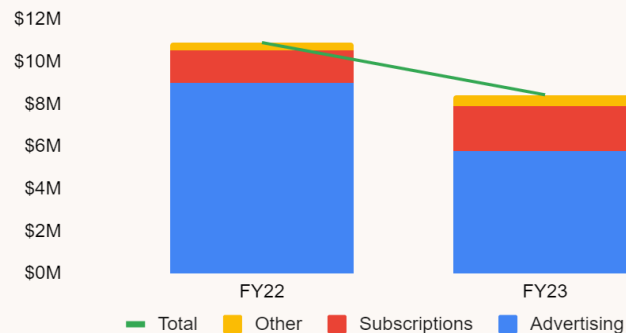
- **Strengthened financial position**

- Pro forma cash position of US\$3.9M at 30 June 23, post the recent Equity Raising
- Supportive key shareholders

A year of transition

- FY23 revenue decreased 23% pcp to US\$8.4M with economic headwinds in US continuing. Adjusted EBITDA improved 22% to a loss of (US\$2.1M) after an operational review led to a re-set of the cost-base with US\$4M of annualised cost savings achieved in FY23. A sharp focus on costs will continue in FY24.
- The revenue decrease was largely attributable to a 36% decrease in advertising revenue from US\$9.0M in FY22 to US\$5.8M in FY23. A new sales strategy is being executed with further recruitment and refinement being done
- Paid Subscription revenue grew 39% pcp to US\$2.1M supported by an increase in new users and a price increase in May 23
- The new Board and CEO made the prudent decision to write down the remaining US\$3.7M of goodwill from the acquisition of Red Tricycle in March 20. The intangible assets purchased as part of this transaction remain on the balance sheet at US\$1.6M as they are still being used to generate income.
- The management team's current focus is improving its product, content and marketing initiatives to increase the functionality, usability and visibility of the platforms.

FY23 Revenue US\$8.4M



FY23 Adjusted EBITDA -US\$2.1M

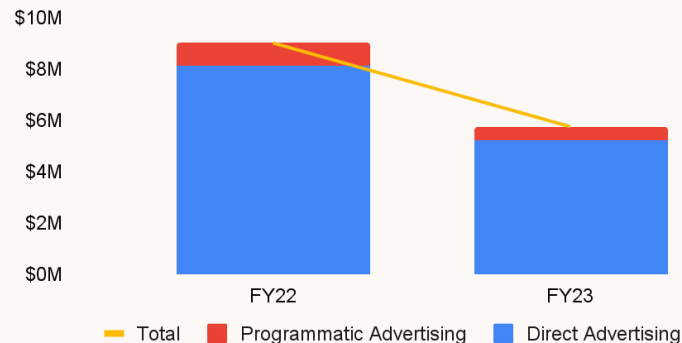


ADVERTISING REVENUES

Advertising revenue impacted by economic headwinds in FY23

- Advertising revenues of US\$5.8M, down 36% pcp, with revenues impacted by economic conditions.
- Advertising revenues were also impacted by some large customers not renewing their contracts, due to poor return on investment.
- A softer than expected pipeline to finish FY23 may impact H1 FY24 revenues, with new sales initiatives & people being implemented to stabilise and then grow direct advertising revenue.
- A new strategy has been implemented with a focus on its Electronic Direct Mail (EDM's) to its 2.1m engaged email databases. These EDM's have an open rate of between 25-45% leading to a better ROI for customers & renewable business.
- New business won recently with Paramount Pictures for Paw Patrol and ByHeart baby formula which are on brand and in line with new strategy.
- In July 23, Freestar was implemented as a new digital ad tech partner to maximise monetisation efforts across a larger audience & gain access bigger customers.

FY23 Advertising Revenue US\$5.8M



Growth Drivers

- Further monetise the 2.1M engaged users on email database with better content and messaging.
- Expanding the marketable audience with the use of talent and partnerships, once content and product are ready.
- Investment in content, new strategic B2B partnerships.
- Categories of focus for the Ad Sales team remains Travel, Entertainment, Tech, Toys, CPG (Beauty & Personal Care, and Food & Bev), and Health.

SUBSCRIPTION REVENUES

39% increase in subscription revenue

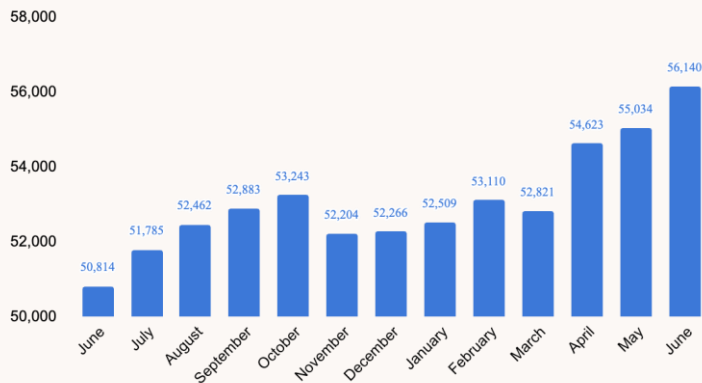
- Subscription revenues of US\$2.1M, up 39% pcp, underpinned by an increase in paid users since the launch of Tinybeans Free and Tinybeans+ in April 23 and the new pricing implemented in May 2023
- Total paid subscribers grew 10.4% in FY23
- The new pricing for App subscriptions increased from US\$4.99 to US\$7.99 per month or US\$39.99 to US\$74.99 per annum, which has resulted in an increase of 22% in Monthly Recurring Revenue (MRR) from US\$166k at the end of FY22 to US\$203k by the end of FY23
- A large subscription renewal due in Q2 FY24 with approximately 50% of paid subscribers on an annual plan to roll onto the increased pricing. New features being rolled out to keep renewal rates high & maximise revenue.
- Renewal rate remains high at approx 90% for subscribers on a monthly plan, even after the price increase. Renewal rates for subscribers on an annual plan have historically been strong, but are not as high as monthly subscribers. We will have a better picture of the renewal rate for annual subscribers over the next few months.
- Tinybeans is investing in its product to enhance the customer experience with new features and updated content to ensure we delight customers



FY23 Subscription Revenue US\$2.1M



Paid subscribers FY23



KEY SUBSCRIPTION METRICS

Scalable platform to grow marketable user base and conversion to paid subscribers

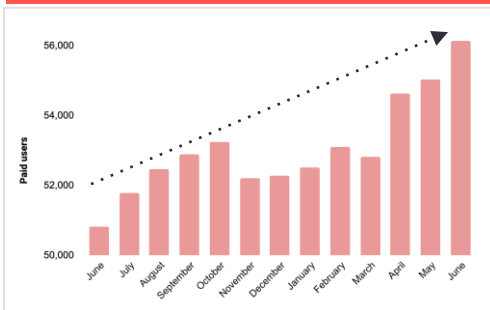
- As of 30 June 2023, the **Tinybeans app is installed on 2 million+ mobile devices**
- Launch of Tinybeans Free and Tinybeans+ in April 2023**, with 39k new Free users (at 31 July 23) registering since April 2023, with very limited marketing spend to date
- App renewal rate for monthly paid subscribers remained at a strong 89% in June 2023, increasing to 92% in July, post the price increase**, proving the stickiness of the product.
- Impact of Tinybeans Free launch on Key subscription metrics:**
 - +18% increase in our Monthly Recurring Revenue (MRR) since launch** from \$172k MRR in April to \$203k MRR in June and increasing further to \$218k in July
 - New iOS free user continues to grow**, with weekly average increasing by 21% since April 2023



Impact of Tinybeans Free launch on Key Subscription metrics

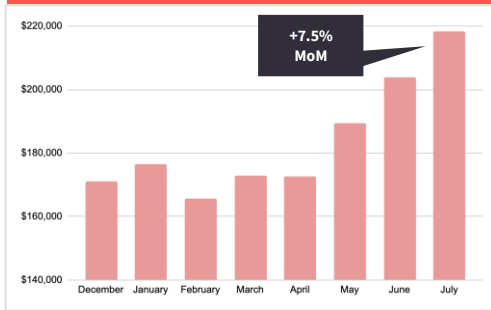
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Growth in paid users since April '23



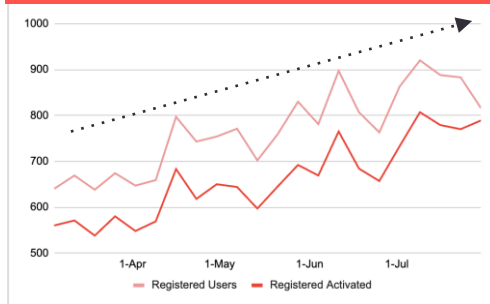
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Faster growth on MRR due to April 23 price increase



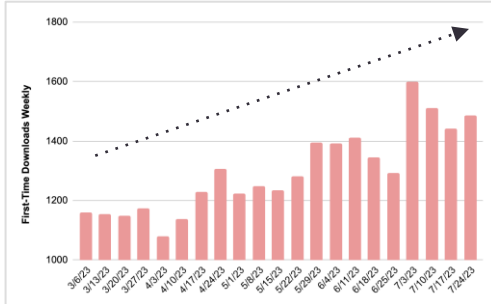
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New iOS user acquisition weekly



04

New iOS first time download weekly



FINANCIAL RESULTS (in USD)

Profit & Loss Summary

Key points:

- Revenue decreased 23% vs prior year to US\$8.44m, driven by advertising sales decreasing by 36% partially offset by subscription revenue increasing by 39%
- Gross margin % improved slightly to 93%
- Operating Expenses in FY23 were US\$10.00m vs prior year of US\$12.73m, despite a number of one-off costs due to the change in leadership and increased investment in technology in Q4 FY23 to support future growth
- Total expenses decreased by US\$4m in FY23 pcip
- Operating Expenses as a percentage of revenue increased slightly over FY23 due to the lower revenue base
- FY24 will continue to see a focus on costs, whilst strategically investing in areas for growth

USD (\$M)	FY23	FY22	% Chg
Total Revenue	8.44	10.90	-23%
Cost of Goods Sold	(0.58)	(0.91)	36%
Gross Margin	7.86	9.99	-21%
Gross Margin %	93%	92%	
Operating Expenses	(10.00)	(12.73)	21%
Adjusted EBITDA¹	(2.14)	(2.74)	22%

1. Adjusted EBITDA defined as reported EBITDA excluding share-based payments expense, goodwill write-off & other non-operating income.

FINANCIAL RESULTS (in USD)

Balance Sheet

Highlights

- Available cash balance at 30 June 2023 was US\$1.55M, with US\$302k of June 23 debtors received in early July 23. Pro forma cash balance at 30 June 2023, including capital raise was US\$3.9M
- Accounts Receivable decreased by 23% over FY23 due to better collection but also lower advertising revenues
- Non-Current Assets decreased 71% due to the US\$3.7M write-down of goodwill relating to the Red Tricycle asset acquired in March 2020. The intangible assets from the acquisition of US\$1.67M remain in the balance sheet, as they are still generating income.
- Current Liabilities decreased year over year to US\$1.88M from \$2.46M due to lower costs and better payable management.

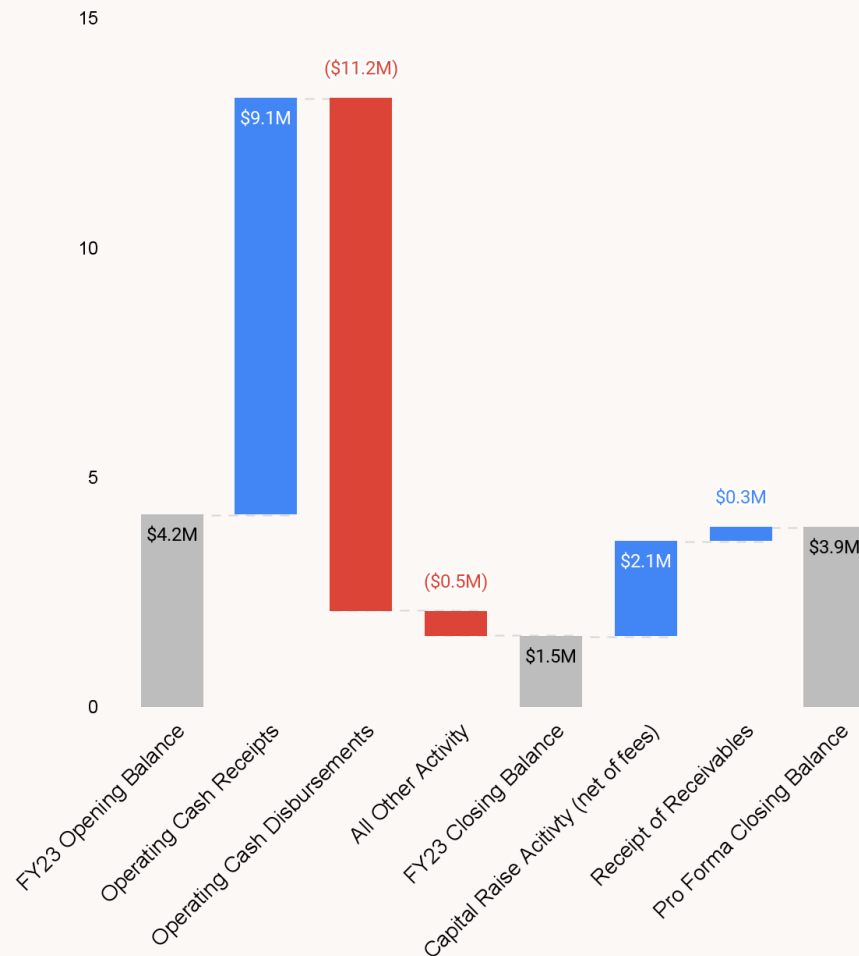
USD (\$M)	30 Jun 23	30 Jun 22
Cash	1.55	4.21
Accounts Receivable	1.16	1.51
Other Current Assets	0.42	0.72
Total Current Assets	3.13	6.45
Total Non-Current Assets	1.63	5.56
Total Assets	4.76	12.01
Total Current Liabilities	1.88	2.46
Total Non-Current Liabilities	0.04	0.12
Total Liabilities	1.91	2.58
Total Equity	2.85	9.42
Total Liabilities and Equity	4.76	12.01

FINANCIAL RESULTS (in USD)

Cash Waterfall

Highlights

- Operating cash flow was -US\$2.1M, versus -US\$2.8M in FY22
- Cash receipts for FY23 were US\$9.1M, 19% less than the same period prior year, due to ad sales revenue decline and timing of collections
- US\$302k of June 23 receivables and proceeds from the capital raise (net) of approximately US\$2.1M received in July 23, giving a pro-forma cash balance at 30 June 2023 of US\$3.9M
- A disciplined approach to cash management continues whilst the business deploys funds received from the Equity Raising into the targeted growth initiatives



SUBSCRIPTION PRODUCT

Subscribers **Love Us** - rating increases to 4.8 Stars on App Store!

Why we do what we do - this is what our users say!

Love the app

"Since the day our child was born, we have pretty much added a photo each day. We love sharing them with close friends and family in a private secure way. Our child often asks to look at the photos and enjoys the videos. We would 100 % recommend the app".

Best thing ever... easier than a baby book!

"This is the best app ever. I don't ever have time (or think to) to do a baby book, but it's so easy to just upload all your pictures to tinybeans. It's also nice to be able to share pictures with family members and not have to always post to social media! We have extended family that feels very close to our children even though they are far away in miles. I also love that I can quickly find a picture with the search function if I have written a comment! Best app ever! Would recommend times 1000!"

Tinybeans is a godsend

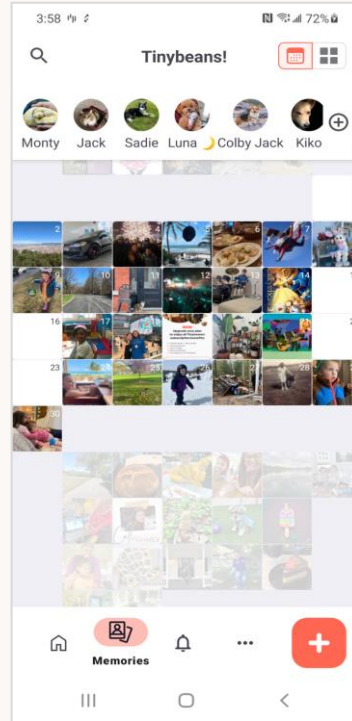
"Tinybeans is a godsend, especially for us family members who live farther away! We've been able to watch our granddaughter growing up through the use of regular photos."

Our everything!!

"This app is our everything!! I was so concerned when my son was born about not exposing his life on social media, but really wanted our family and friends who lived all over the world to feel connected to him. Tinybeans has been that solution! It quite literally has brought our family together in unexpected ways, and brings all of us joy to see my son's daily milestones or relive past memories in secure way. I ADORE scrolling through the calendar feature and seeing day by day, the growth of my family. What a JOY this app is!! THANK YOU!!!"

Launch of Tinybeans Android App

- The Tinybeans Android App has been rebuilt and has been in private and public beta testing across July and August 23. It is expected to be launched to the broader market in September 23.
- Android accounts for 50% of all smartphone users in the US but represents around 10% of Tinybeans subscribers. The launch of the Tinybeans Android App presents a large opportunity to expand the user base and increase total downloads and paid subscribers.
- The response to the new Android App from the private and public testing has been very positive, with feedback on improved performance and usability.
- In parallel with final beta testing, the focus will be on lifting the Google Play Store rating (currently 2.1 stars) to enable customer acquisition and inclusion in advertising-sales pitches to further drive revenue.



Android BETA Release August 16

Enhanced features and improved user experience will assist to convert free Android users to subscribers.

- Greater speed and performance
- Improved UX/UI
- Core feature improvement
- Unified photo & video upload
- New photo & video editing tools
- Ad implementation with new ad partner
- Allows for programmatic and sponsored ads in multiple locations

Future releases over H1 FY24 will include additional features to bring on-par with iOS

Opportunity to grow across multiple points



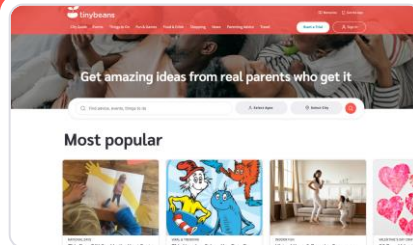
Addressable Market

The parenting market is large and the trust Tinybeans has with its core customers creates a significant opportunity to grow lifetime value and its share of the market



Secure & Private

Privacy is increasingly important to parents & Tinybeans is trusted by parents to store and share photos of their kids with loved ones. It makes lives richer, connecting families every day with its photo sharing.
With certain countries considering legislation to ban “sharenting” on social media, Tinybeans becomes even more relevant



Content & Advice

Tinybeans.com provides content, advice & newsletters for parents to make their parenting journey easier. Opportunity to better monetise these users with our photo sharing app & potential new parenting adjacencies



Multiple Revenue Streams

Opportunity to improve platform for advertisers with better brand strategy and content, while accelerating consumer revenues to build a sustainable commercial model.

Business reset underway to unlock the Tinybeans opportunity

Management

- Business well capitalised after completion of A\$3.4M capital raise (before costs) July 23
- Board refresh in February 23 & Zsofi Paterson started as the new CEO 17 July 23
- First 4 weeks spent in the US learning the business, assessing the team, capabilities & opportunities
- H1 FY24 will see a full business re-set, setting the business up for future growth
- Focus on improving product & technology, customer experience, content & stabilising advertising revenue

Operations

- Soft advertising revenue pipeline coming into H1 FY24 being addressed, but may impact H1 FY24 revenue
- Re-focus advertising sales team and sales strategy to stabilise ad revenue
- Full launch of new Android App in September 23 to increase addressable market & paid subscribers
- Roll out of new App enhancements & features for IOS & Android prior to large renewal event Q2 FY24
- Assessment of team & any operational changes required for go forward strategy

Strategy

- Full business reset required H1 FY24 inc a review of brand, content & customer experience
- Re-focus whole of business to better serve the core Tinybeans customer, creating sales & subscription growth opportunities
- Marketing to be upweighted in line with new strategy, technology & content once ready
- FY24 to focus on creating growth in the core product, with new parenting adjacencies & opportunities assessed for future years
- Go forward strategy update at AGM in November

Thank you

This announcement has been approved for release by the Board of Directors

For More Information

E: investors@tinybeans.com | www.tinybeans.com

Tinybeans Group Limited (ASX:TNY, OTCQB:TNYF) is a product-led company that is built by parents, for parents. We are parent obsessed. We start with serving new families and continue through all the stages of the parenting journey. Parents today are hyper focused on spending time with their kids, and Tinybeans is uniquely positioned to serve their needs by inspiring them to create meaningful memories and privately sharing them through our high-trust photo-sharing app. Spending time with their amazing kids is parents' top priority. Helping them make that happen is ours.

Tinybeans engages 28 million Millennial and Gen Z parents every month through the #1 most trusted private photo sharing app and the #1 local and national website dedicated to fun things to do with your kids. Tinybeans enjoys over 150,000 5-star reviews in the Apple App and Google Play stores and has been recognized by Apple for excellence for both content-top 3 most viewed and exclusive parenting partner for Apple Guides, and utility-twice being named U.S. app of the day.

For more information, visit Tinybeans.com, download the Tinybeans app from the Apple App Store and the Google Play store, or follow along with [@tinybeanskids](https://twitter.com/tinybeanskids) on social media.

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