



## ASX RELEASE

29 February 2024

H1 FY24 Results Update

**Tinybeans Group Limited (ASX: TNY) (OTCQB: TNYFF)** (“Tinybeans” or “the Company”), is pleased to provide this update on its business activities for H1 FY24:

### H1 FY24 Key Callouts:

- Company delivered highest ever quarter and half year of paid subscription revenue in H1 FY24 with Monthly Recurring Revenue (MRR) increasing by 36% vs prior comparative period (pcp) to US\$1.39 million
- Operating Expenses reduced by 22% vs pcp demonstrating disciplined cost and cash management
- Total Revenue of US\$2.76 million decreased by 47% vs pcp due to the continued decline in advertising revenue which was down 72% pcp, with plans now in place to address
- Implemented organisational changes, including centralising revenue team under an experienced growth leader and rebuilding sales team, with momentum beginning to show in pipeline & Request for Proposals from major brands
- Launched new Android app in September 2023, resulting in material increase in US Google Play Store ratings for the Android app from 2.1 to 3.8 Stars
- In January 2024, rolled out a refreshed brand across all assets and channels, along with a new Tinybeans website that focuses on driving Tinybeans app subscriptions; making further progress to align product and revenue strategy
- Strong renewals, expense and cash management reduced cash burn to \$1.09m for H1 FY24 vs \$1.51m for H1 FY23, and at 31 Dec 2024 the cash position was US\$2.34m (A\$3.43m)
- Entering H2 FY24, laser focussed on foundational steps required to improve product to drive future growth. We are part way through the Company’s transformation and reset, with expectations of subscriber and revenue growth off the back of the next half.
- Company entered into a Loan Note agreement for up to A\$2.0 million from major shareholder, Thorney Group, to provide the Company with additional financial capacity to support its growth objectives
- Investor Presentation attached to this update for more information about the H1 FY24 results and go forward strategy

### Market call

The Company will be holding a market call at 10.30am (AEDT) today and we hope you can join us. Please find details below:

<https://bellpotter.zoom.us/j/83532005575?pwd=ZvA1wzhm8Wq9cckftCqbRObWZGpKkc.1>

Meeting ID: 835 3200 5575

Passcode: 473041



## Loan Note summary

The Company advises that on 29 February 2024, major shareholder, Thorney Group (**Subscriber**), agreed to subscribe for a total of 2.0 million unsecured loan notes at A\$1.00 per loan note at the discretion of the Company (**Loan Notes**) pursuant to the terms of an At Call Loan Note Subscription Deed (**Note Deed**).

The key terms of the Note Deed are provided below:

- (**Subscription period**) The unsecured Loan Notes must be subscribed for at call by the Company between 29 February 2024 and 30 September 2024, unless otherwise agreed by the Company and the Subscriber.
- (**Interest**) The Loan Notes have an interest rate of 10%, increasing to 14% in the event the shareholder approval (detailed below) is not obtained at the general meeting.
- (**Conversion only subject to shareholder approval**) Once issued, the Loan Notes may be converted into ordinary shares in the Company (**Shares**) subject to receipt of all necessary shareholder approvals.
- (**Redemption**) In the event the Loan Notes are issued and are not converted into Shares on or before 1 September 2025, the Notes will be redeemed for cash.
- (**Establishment fee**) In consideration for entering into the Note Deed, the Company will issue the Subscriber 2.75 million Shares as an establishment fee, subject to receipt of all necessary shareholder approvals.
- (**General Meeting**) Following the issue of the Loan Notes, a general meeting will be convened on or before 30 September 2024. In the event shareholder approval is received for the Loan Notes to be repaid in Shares, the number of Shares will be determined by dividing the aggregate face value of the Loan Notes plus all accrued but unpaid interest by either a 10% discount to the price per share offered under the first capital raise that proceeds following the date of the Note Deed; or, in the event no such raise occurred before the date the shareholder materials were circulated, a 20% discount to the 30-day VWAP.

**This ASX announcement has been approved for release by the TNY Board.**

**All the financial information in this release are in US\$ unless otherwise stated**

**For more information, please contact:**

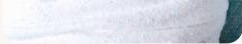
Zsofi Paterson

Chief Executive Officer

E: [investors@tinybeans.com](mailto:investors@tinybeans.com)

### About Tinybeans Group

**Tinybeans Group Limited (ASX:TNY, OTCQB:TNYF)** Tinybeans is a leading global consumer subscription platform, serving millions of Millennial and Gen Z parents and their families monthly. At its core, Tinybeans is a private photo-sharing app and media platform that connects families and turns moments into memories. Tinybeans has been loved and trusted by parents and families around the world since its founding in Australia in 2012, and is an ongoing resource for parents due to its insightful, relatable and credible content written by a team of dedicated parents and experts. Tinybeans enjoys over 150,000 5 star reviews in the Apple App and Google Play stores, and has users in almost every country in the world.



H1 FY24 Results Update (ASX: TNY)



Feb 2024



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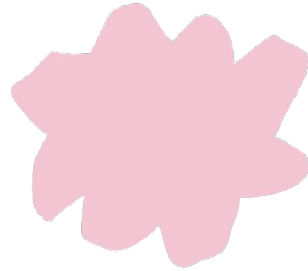
Your daily dose of joy & connection

only

mal use

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# 01

H1 Highlights





Our vision

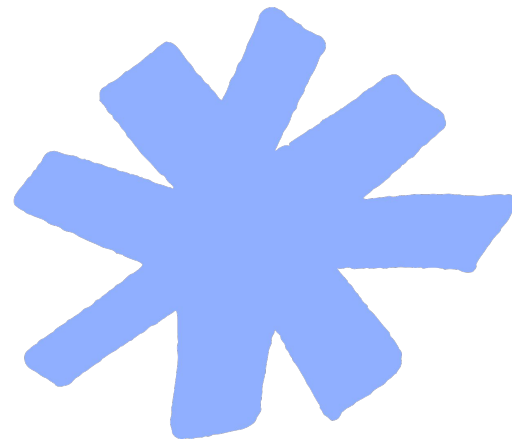
**Make parenting more joyful,  
simple and meaningful**

Our offer

**Daily dose of  
joy and connection**

Our values

**We're a Safe Zone  
Play All Day  
No Filters  
Color Inside the Lines**



Our mission

**Love, not Likes!**

Our audience

**Intentional New Parents (typically mum)**  
*Urban, mid 30's, high HHI, working*

**Chosen inner circle**  
*Grandparents, family & friends*

## Highlights

**Tinybeans has been loved & trusted by thousands of families around the world for over 10 years, demonstrating the strength of the core underlying business**

### Audience Scale

Over 4m parents & families reached every month across the Tinybeans platform

All of these users can be monetized

This scale provides defense against new competitors and value when assessed by prospective partners

### Diversified Revenue

The business has multiple revenue streams including high margin recurring subscription revenue, advertising revenue, affiliate revenue and e-commerce revenue

The highest growth segment is subscription revenue, with 36% year-on-year growth in H1 FY24.

### Daily Use Product

Over 40% of Paid Subscribers use Tinybeans daily, putting Tinybeans usage at the top of the daily-use product industry benchmarks.

The majority of Followers use Tinybeans weekly or monthly, further demonstrating the stickiness and engagement of the product.

### Strong LTV

On average, families use Tinybeans to save and share memories for over 4 years, with engagement remaining high over the entire duration.

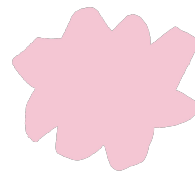
Engagement and retention rates remain strong despite price increases, with over 80% of subscribers renewing after 87% price increase.

## H1 Key Updates

# Doing what we say we will do

## Strong execution in first half, demonstrating strategic clarity, operational rigour and ability to execute

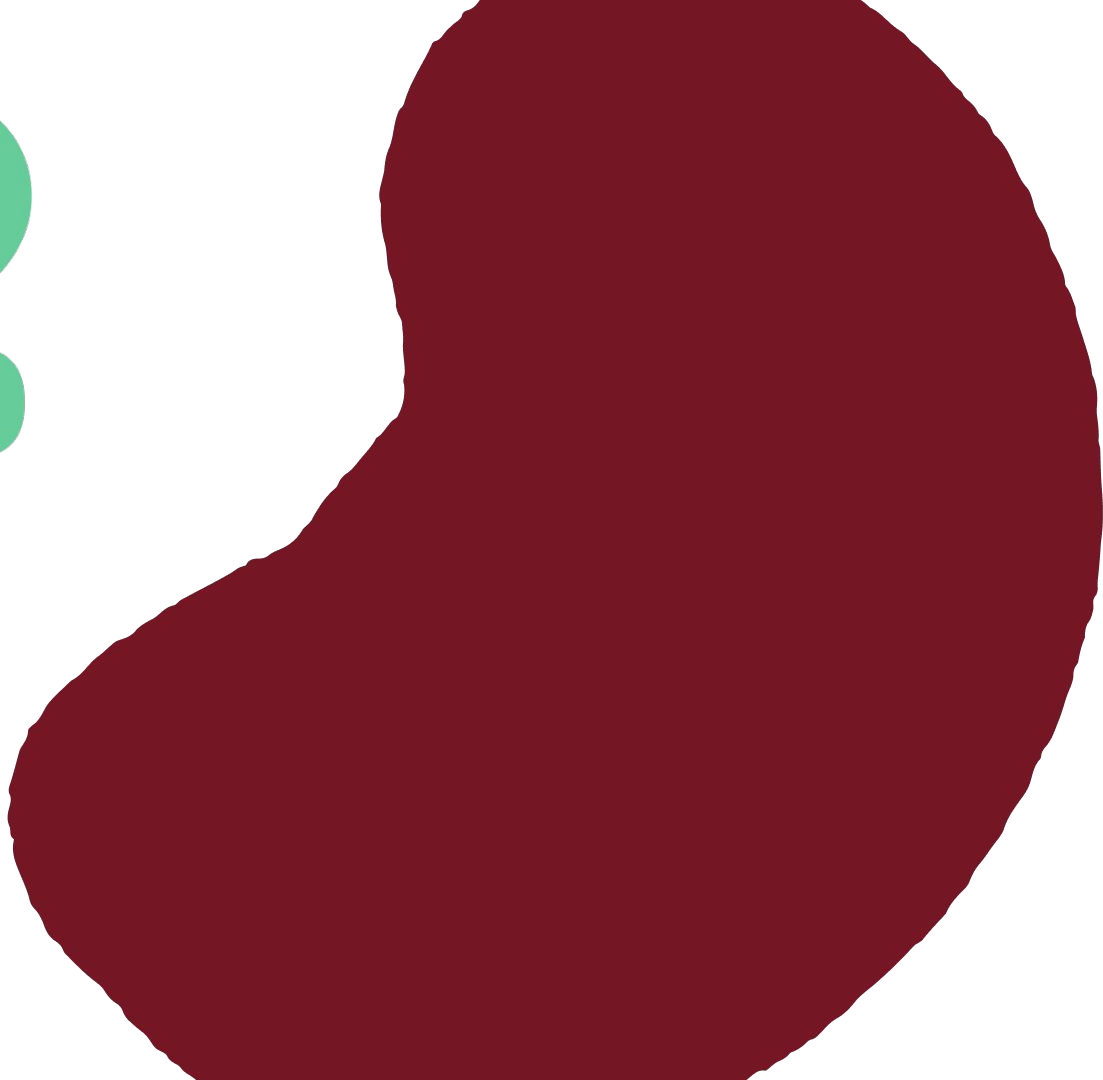
- New CEO joined July 2023, developing a clear strategy focussed on subscription business, where there is unrealised value and greater potential for enterprise value creation
- Unified the team with clear vision for company's future, and streamlined for efficiencies and performance gains; now building operating rhythm to drive momentum
- Company delivered highest quarter and half year of subscription revenue (+36% H1 year-on-year); and reduced cost base quickly & effectively (-22% H1 year-on-year)
- Retained over 80% of Tinybeans+ subscribers despite 87% price increase from launch of Tinybeans+ in May 2023
- Launched new Android app in September 2023, increasing US Google Play Store ratings from 2.1 to 3.8 Stars
- Rebuilt the sales team and offering from a challenged state, with momentum beginning to show in pipeline
- In January 2024, rolled out refreshed brand across all assets and channels, along with new Tinybeans website that focuses on driving Tinybeans app subscriptions
- Redefined key business metrics to drive team performance and better align with consumer subscription businesses
- Pivoted content strategy to build domain authority in 'new parents' category to drive SEO and deliver value to subscribers



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# 02

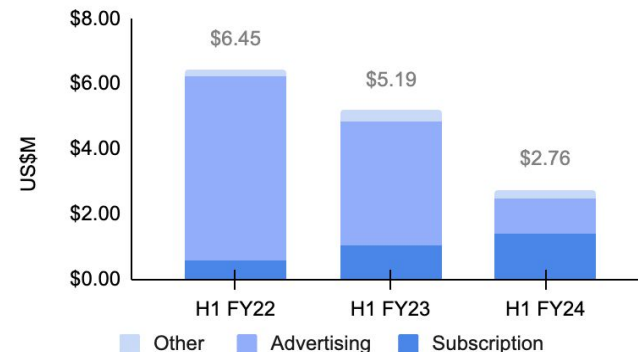
**Financial Results**



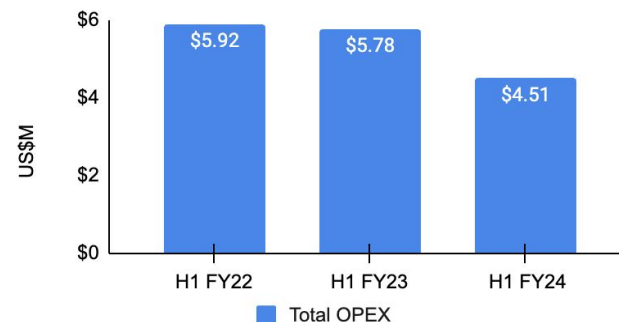
## Operating Performance

- **Total Revenue** of US\$2.76 million decreased by 47% compared to prior comparative period (pcp), due to the continued decline in advertising revenue
- **Advertising revenue** was down 72% pcp from US\$3.83m H1 FY23 to US\$1.08m in H1 FY24 due to minimal pipeline and sales team rebuild required in H1 FY24. Momentum and improvements are now underway and likely to translate to improved performance from Q4 FY24 / H1 FY25
- **Paid subscription revenue** (MRR) increased by 36% pcp to US\$1.39m, reflecting strong renewal rates in the half after roll-out of Tinybeans+ new pricing in April 2023. Plans underway to improve subscriber acquisition per Strategy Update
- **Operating Expenses** reduced by 22% pcp demonstrating disciplined cost and cash management
- **Strong renewals**, expense and cash management reduced **cash burn** to US\$388k for Q2 FY24 and \$1.09m for H1, and at 31 Dec 2024 the cash position was US\$2.34m (A\$3.43m)

### H1 Revenue



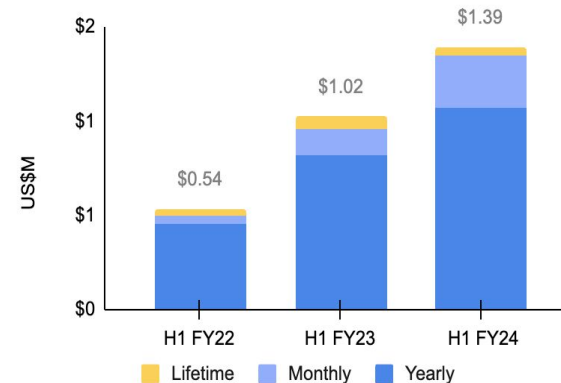
### H1 OPEX



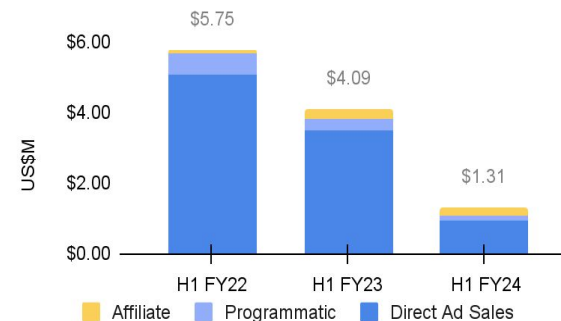
## Subscription & Advertising Revenue

- H1 FY24 achieved the highest **subscription revenue** ever in a half at US\$1.39m, increasing 36% year-on-year, with annual renewal rates strong (>80%) after Tinybeans+ price increase, due to improved product experience and customer communication
- Total Paid Subscribers (52.5k) remained flat year-on-year, after introduction of Tinybeans+ and changes in pricing and subscription product.
- Average Revenue Per User (subscription revenue only) increasing from \$4.50 per month / \$54 per year in July 23 to \$5.30 per month / \$63.60 per year in December 23, and this will continue to increase in H2 FY24 as subscribers roll onto, and are acquired on, Tinybeans+ pricing.
- H1 FY24 **advertising revenue** was down 72% pcp, from US\$3.83m H1 FY23 to US\$1.08m H1 FY24 due to negligible pipeline entering FY24, an underperforming sales team and lack of time to rebuild it for key Q2 FY24 sales
- Initiatives underway to address and improve advertising sales revenue for future quarters, including new team leader with strong track record of growth, recruitment of experienced sellers and revamp of sales packages and collateral
- Sales offering still sits predominantly with Tinybeans website rather than app, so continuing to assess opportunities to improve the in-app ad experience for clients, which would command higher CPMs (see Strategy Update)

### H1 MRR



### H1 Ad Sales



## Profit & Loss Summary

### Key points:

- **Revenue** decreased 47% vs prior year to US\$2.76m, driven by advertising sales decreasing by 72% partially offset by subscription revenue increasing by 36%
- **Gross margin %** decreased slightly to 90% due to product mix
- **Operating Expenses** in H1 FY24 were US\$4.51m vs prior year of US\$5.78m, main driver was decrease in people related expenses as well as other operational efficiencies
- **Total expenses** decreased by US\$1.23m in H1 FY24 pcp
- **Operating Expenses** as a percentage of revenue increased slightly over H1 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)	H1 FY24	H1 FY23	% Chg
<b>Total Revenue</b>	2.76	5.19	-47%
<b>Cost of Goods Sold</b>	(0.27)	(0.44)	39%
<b>Gross Margin</b>	2.49	4.75	-40%
<b>Gross Margin %</b>	90%	92%	
<b>Operating Expenses</b>	(4.51)	(5.78)	22%
<b>Adjusted EBITDA<sup>1</sup></b>	(2.02)	(1.03)	-96%

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

## Balance Sheet

### Key Points:

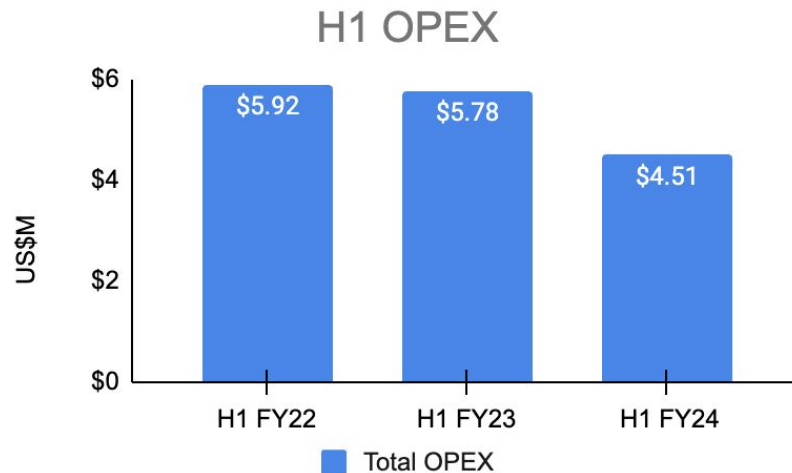
- **Cash balance** as of 31 December 2023 was \$2.34m. This included capital raise of \$2.0M (net of fees) at the beginning of H1 FY24
- **Accounts Receivable** decreased by 25% over prior period due to better collection but also lower advertising revenues
- **Non-Current Assets** decreased 17%. Main drivers were disposal of obsolete computer equipment and standard amortization, offset by capitalization of software development costs.
- **Current Liabilities** increased 40% due to annual subscription collections in November/December being higher than prior period and put to Deferred Revenue for future period recognition

USD (\$M)	31 Dec 23	30 Jun 23
<b>Cash</b>	2.34	1.55
<b>Accounts Receivable</b>	0.86	1.14
<b>Other Current Assets</b>	0.48	0.42
<b>Total Current Assets</b>	<b>3.68</b>	<b>3.12</b>
<b>Total Non-Current Assets</b>	1.33	1.61
<b>Total Assets</b>	<b>5.01</b>	<b>4.73</b>
<b>Total Current Liabilities</b>	2.60	1.86
<b>Total Non-Current Liabilities</b>	0.01	0.04
<b>Total Liabilities</b>	<b>2.61</b>	<b>1.90</b>
<b>Total Equity</b>	2.40	2.83
<b>Total Liabilities and Equity</b>	<b>5.01</b>	<b>4.73</b>



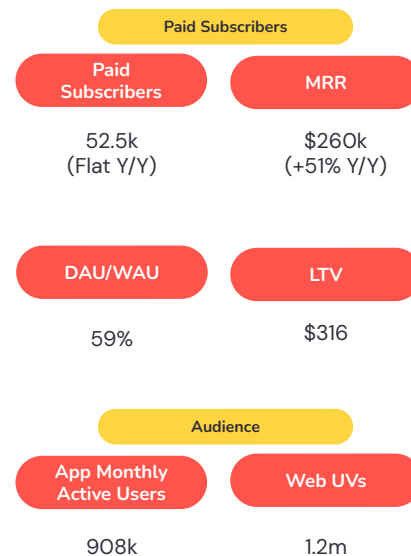
## Cash & Operating Costs

- **Cash balance** at Q2 FY24 was US\$2.34m (A\$3.43 million), increasing from US\$1.55m (A\$2.38 million) at 30 June 2023, following the successful completion of the Company's capital raising in July 2023
- **Operating expenses** for H1 FY24 were reduced by 22% versus pcp demonstrating disciplined cost and cash management
- **Operational cash burn** for H1 FY24 was US\$1.09 million compared to US\$1.51 million for H1 FY23. The lower cash burn reflected focused cost control that saw operating expenses reduce by 22% compared to H1 FY23, offset by lower advertising sales and customer receipts
- The Company expects further cash burn in H2 FY24 and FY25. Q2 FY24 saw the collection of 50%+ annual subscription renewals so future quarters cash burn will be higher dependent upon advertising sales and other revenue sources. OPEX savings will translate into cash savings with a continued focus on cost control.
- **Cash balance** at 31 December 2023 was US\$2.34m (A\$3.43 million). The cash balance at 27 February 2024 was US\$1.94m.



## New Key Metrics - inline with Consumer Subscription Businesses

- Monthly Recurring Revenue (MRR)** predictable recurring subscription revenue generated from Tinybeans+ Paid Subscribers every month.
- Daily Active Users / Weekly Active Users (DAU/WAU)** is an engagement metric used to measure whether a product is used daily. If DAU/WAU is 60% or higher, this means that people use the product more than 4 days a week and the product qualifies as a daily use product.
- Lifetime Value (LTV)** is the average total revenue the Company earns from Paid Subscribers over their lifetime with Tinybeans (MRR only). Often assessed in relation to Cost to Acquire (CAC) where the LTV/CAC ratio compares the value of a customer over their lifetime to the cost of acquiring them.
- App Monthly Active Users** is the number of unique users on the Tinybeans App in the past month, and includes Paid Subscribers, Free Subscribers and Followers. The business has first party data and earns subscription or advertising revenue from these users.
- Web Unique Visits (UVs)** is the number of unique users visiting Tinybeans.com for content every month and measures the effectiveness of our content and audience strategy. The business earns advertising revenue from these users, and is now focussed on converting a percentage into Tinybeans app subscribers.



# 03



**Brand Refresh**

**New Website**

# Tinybeans unveils new brand & website

- In January 2024, the company rolled out its new website, followed by go-to-market (GTM) across our channels announcing the refreshed Tinybeans brand to subscribers, brand partners and shareholders.
- The Tinybeans brand now reflects central principles of joy and connection inline with user feedback, with a visual design that is fresh, compelling and fun.
- The Tinybeans website now offers a clear articulation of who we are, why we exist, with clear calls-to-action. Importantly, has a funnel for the first time and therefore able to use the website and content/SEO to drive Tinybeans subscription business.
- The Tinybeans team was supplemented by Australian talent, ensuring we delivered in time and cost effectively with low overall investment.
- The brand and web refresh was a necessary part of the company's reset / transformation and lays foundation for growth.
- Early positive results of the new Tinybeans brand & website include:

## Acquisition channels are performing better:

- 5x increase in downloads of app from Tinybeans.com
- +7% iOS App Store downloads with refreshed creative
- Highest ever click-thru rates (2.3%) in 'Toddler Daze' newsletters

## Higher quality subscribers acquired:

- +15% in the return rate of new Free Subscribers acquired since relaunch

**tinybeans**

**New look**  
same daily dose of joy

With the New Year sheen starting to fade, it's easy to get lost in the to-dos, the daily routines, the mindless scrolling—and let joy fall by the wayside. But we're not going to let that happen.

We're doubling down on the bright spots in your day; the silly smiles, ridiculous poses, and awestruck expressions of your favorite littles. Helping parents capture and safely share those "blink-and-you'll-miss-them" moments with friends and family near and far is the best job in the world, and it just so happens to be ours.

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That's why we've changed the vibe around here to better match the joy we deliver. Whether you're uploading photos on the Tinybeans app or checking out the latest advice in our newsletters, you'll experience a beautiful new Tinybeans (with more exciting changes to come). While our look is a little more playful, we're more dedicated than ever to the things we believe in:

Love, not likes  
Emotions, not algorithms  
Connections, not clickbait

From first words to first waddles and all the belly laughs in between, life is about those genuine moments and the happiness they bring to the people around us. So go ahead and post your next memory or share a surprising story takeaway—there's nothing like making someone else's day.

We're so excited for what's to come.  
The Tinybeans Team

**tinybeans**

Get the app

GET IT ON Google Play | Download on the App Store

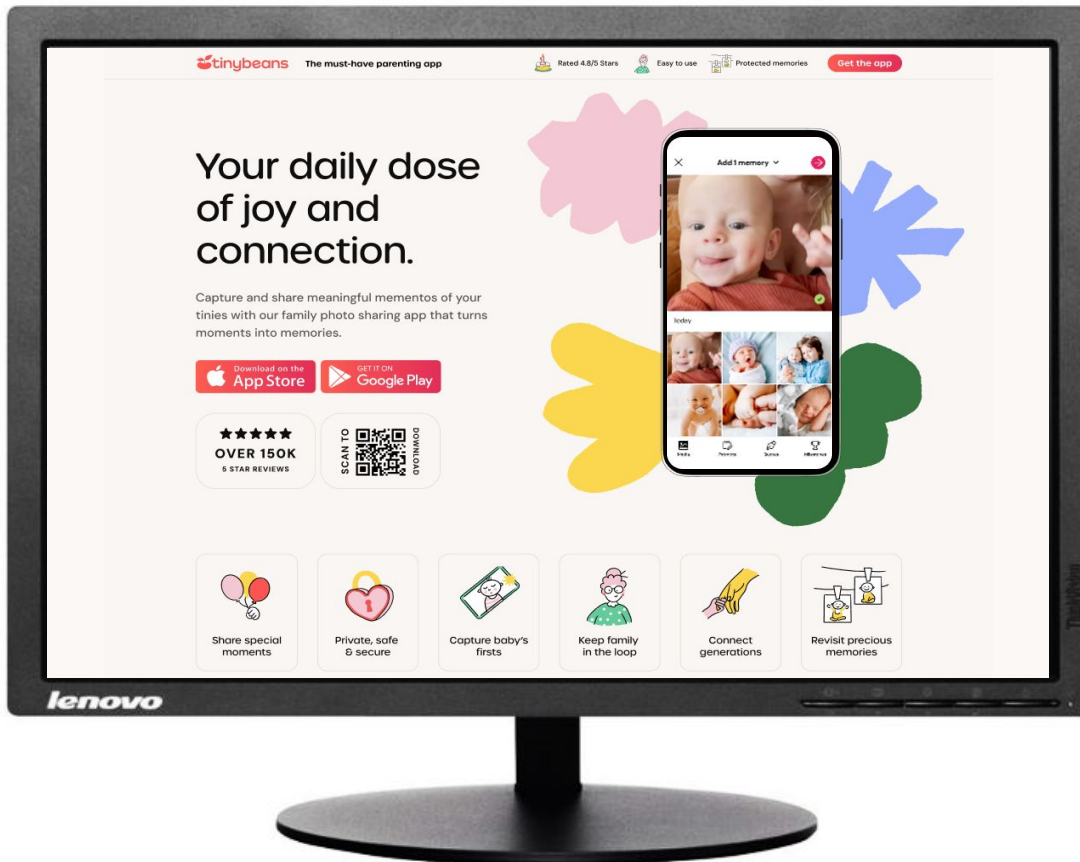
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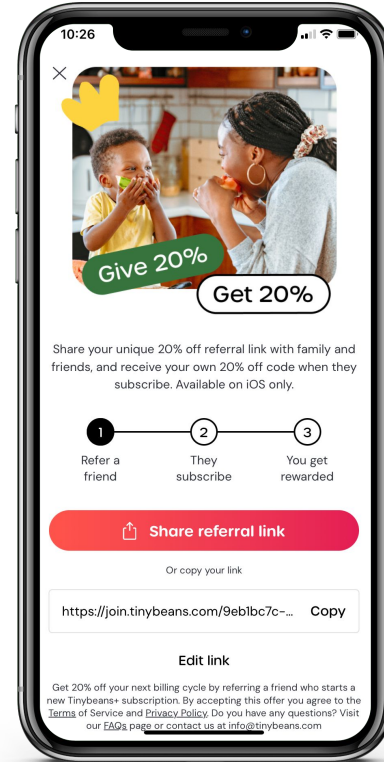
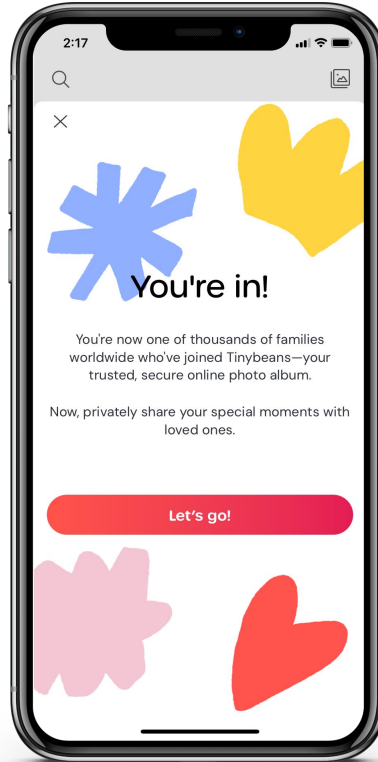
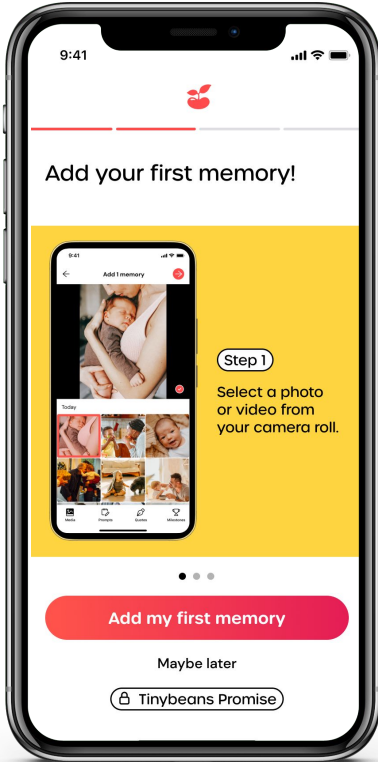
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New landing page design with stronger Tinybeans app messaging and calls-to-action

## Mobile apps



Sample of the uplifted Tinybeans app experience and select screens across Android and iOS mobile apps

## Newsletters

### The First Year

A new parent's survival guide

tinypeans

## First Year

A new parents survival guide

Successful Working Moms Series:  
Things Successful Working Moms  
Refuse to Spend Time On



Teething has turned your sweet

### Elementary My Dear

An action-packed guide to the grade-school years

tinypeans

## Elementary my dear

An action-packed guide to the grade-school years

Parenting advice

Childhood Trauma Therapist  
Shares 5 Ways Parents  
Unintentionally Harm Their Kids



### Toddler Daze

A (mostly) sensible guide to life with littles

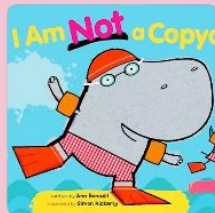
tinypeans

## Toddler Daze

A (mostly) sensible guide to life with littles

Shopping

Summer's Best New Kids' Books



There are several reasons why babies cry in their sleep. From sleep cycles shifts and sleep regressions to hunger and overtiredness.

[Read more](#)

### Tiny Finds

The latest must-haves and how'd-we-ever-live-withouts

tinypeans

## Tiny Finds

The latest must-haves and how'd-we-ever-live-withouts



Shopping

**These Holiday Outfits Are Basically Effortless**

We're here to help you solve that age-old question: "What am I going to wear?"

[Read more](#)

# 04

H2 FY24  
Strategy Update





# Reminder: Reset & grow as product-led consumer subscription business

## 2024 - Foundational Rebuild

## 2025 - Innovation & Growth



### Strategic Reset, Operational Rebuild, Brand Refresh

Reset as consumer paid subscription business, with a focus on sustainable, scalable growth

Pivot advertising revenue channel to a more sustainable model integrated with core product & app experience

Refresh brand strategy and visual identity for cohesive, compelling representation in market



### Improve Core Subscription Product

Invest in core photo-sharing product across mobile & web to lift above competitor set and improve key subscription metrics

This includes improvement in overall app performance, plus areas of the product where we see drop-off of subscribers, as well as investment in data & analytics.

Plans & pricing to be reviewed



### Grow Subscriber Base & MRR

Invest in brand, marketing and growth with new channels and highly aligned partnership focus to grow the subscriber base globally, increasing MRR and enabling future expansion opportunities

LTV/CAC and Paid/Organic mix demonstrates that by investing in marketing, there is a great platform to substantially grow subscriber numbers & drive network effect



### Expand Monetisation of Subscriber Base & LTV

Increase subscriber ARPU/LTV with product innovation & integrated commercial in-app adjacencies:

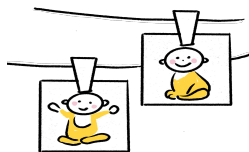
Complementary products: photo albums, smart frames, prints

Enhanced in-app offer: Registry, Loyalty perks & Wish Lists (enabling brand partner/ advertising/ affiliate/ lead-gen revenue) & personalised content (organic & branded)

## Continue laying foundations for growth

North Star company goal is to drive net paid subscriber growth and total app monthly-active-users (MAUs).

Over the next half, the company is laser focussed on foundational steps across Marketing, Product and Monetization needed to drive growth in FY25:



### Acquisition at Scale

Tinybeans has an attractive paid/organic acquisition mix, with only ~20% of subscribers coming from paid channels in any month

However Tinybeans has not been able to meaningfully scale subscriber acquisition for several years, due to lack of investment in and enablement of marketing & growth channels

**Our goal this half is to enable and test new channels to drive efficient acquisition at scale**



### Subscriber Activation

Once families begin to use Tinybeans, they remain active for years. However a big proportion of new Free Subscribers who join (79%) do not take the initial activation steps of uploading a photo or adding family, and never return.

Getting new Free Subscribers in and uploading a memory, creating a profile or inviting family is key to their continued engagement and ultimately converting to paid.

**Our goal this half is to improve the onboarding & activation to increase this metric**



### App Monetisation

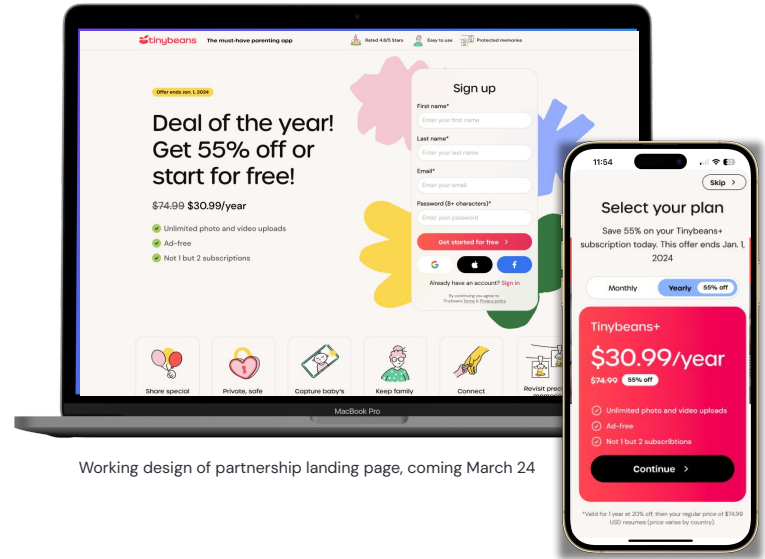
With the introduction of Tinybeans+ in 2023, Tinybeans offers a Freemium layer monetized by in-app advertising

However less than 15% of advertising in H1 FY24 was derived from the Tinybeans app, due to poor ad units, low CPMs and high programmatic in the app

**Our goal this half is to introduce better advertising units in the Tinybeans app that command premium CPMs and attract new partners**

## Implement & test new channels to drive brand awareness & subscriber acquisition

- The focus in H2 FY24 is implementing and testing new marketing channels to drive cost effective subscriber acquisition at scale and grow brand awareness.
- Finding channels that deliver subscribers at scale requires a “test & learn” approach as we increase marketing efforts & understand impact acquisition costs.
- New channels being introduced this half are:
  - **Affiliate marketing:** By setting up as an advertiser on CJ Network – the world’s largest and most established affiliate marketing network – and enabling affiliate marketing, this will help Tinybeans reach new consumers around the world in trusted global publications, and only pay when a user becomes a Tinybeans subscriber.
  - **Partnerships:** With improvement of our website and web sign-up flow, including custom landing pages and coupons for partners, Tinybeans will be in a position to secure partnerships and seek distribution deals with aligned partner & brands, including baby retailers, media and apps.
  - **Sponsorships:** Pursuing niche, cost effective sponsorship opportunities that have high penetration with key demo – expecting or new moms – to increase brand awareness.
  - **Ambassador, Influencer & Creator Marketing (TBD):** Reviewing influencer marketing, ambassador programs or creator/expert initiatives to drive brand awareness and community engagement.



Working design of partnership landing page, coming March 24

## Upweight investment & implement new strategies across existing channels to drive subscriber acquisition

- Deploying new strategies in existing channels, with a stronger focus on brand, creative and performance:
  - **Performance Media:** Final months of H1 FY24 saw gradual increase in investment in performance marketing (primarily Google), with no increase in customer acquisition cost (CAC). Continue to upweight and introduce new channels – including Meta, Pinterest – and play with new brand creative, video and UGC.
  - **Customer Lifecycle Marketing:** Optimising ‘always-on’ journeys to improve core metrics and drive conversion of Free Subscriber to Paid Subscriber. Also includes ‘Win-Backs’ of churned Subscribers and journeys to convert content audience to app subscribers. Bolstered with regular seasonal campaigns, e.g, Cyber Week, Mother’s Day. Behavioural, timely, insight based.
  - **Content & SEO:** Building domain authority for ‘new parents’ and better linking content to Tinybeans app. Focussing on value-add stories for new parents in partnership with experts (e.g, behaviour, nutrition, sleep, development, etc). Also includes content showcasing Tinybeans app in creative ways.
  - **Referral Program:** Tinybeans benefits from strong organic word-of-mouth and recently introduced version one of an in-app referral program on iOS. Enable and expand referral programs in-app to incentivize subscribers to refer their friends, tapping into existing organic referral / word of mouth behaviour.

**Capture and cherish every moment**  
with 15% off your Tinybeans+ subscription

You've been hard at work spreading joy and sharing your most precious moments, both big and small. And as your truly time capsule for all those important memories, we couldn't be more excited to continue to grow with you and your family.

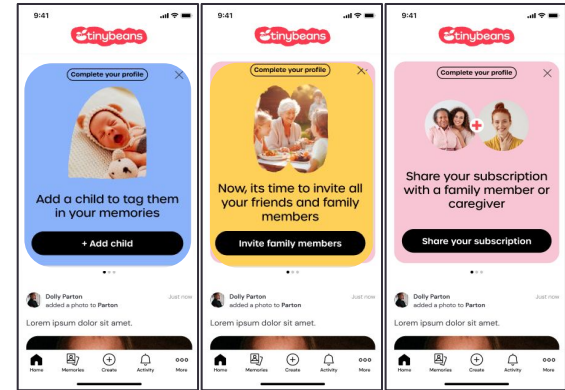
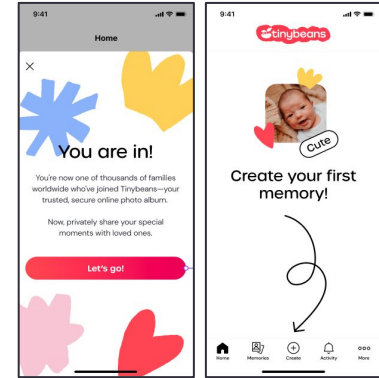
To celebrate the launch of our new look and feel, we want to make it even easier for you to share all the bright spots in your day with the people that matter the most.

Use code **CAPTUREJOY** for 15% off your Tinybeans+ subscription and start sharing without limits or distractions (we're talking no ads 🙌).

[Upgrade to Tinybeans+](#)

# Improving subscriber onboarding & activation to drive early Subscriber engagement

- Once a Tinybeans Subscriber uploads a memory, adds a family member (Follower) or creates a profile for a child, they have a high propensity to convert to a Paid Subscriber or continue to use Tinybeans within its free limits for several months/years.
- However we see a steep drop-off, with many Subscribers failing to take their first action and not returning in subsequent weeks or months after they sign-up. This means we lose the opportunity to convert to Paid Subscribers or monetize them as a Free Subscribers.
- As we increase our marketing efforts, we must ensure the onboarding and early experience in the Tinybeans app is as strong as it can be to avoid a “leaky bucket”.
- To improve this, over H2 FY24 we will be:
  - Optimising onboarding and app welcome screens by testing multiple variants (messaging, imagery, no. of steps)
  - Improving the “first experience” in the app, making it simpler and cleaner and adding incentives & variable rewards (or gamification to increase engagement)
  - Improving customer life-cycle journeys via emails and interstitials – to compliment in-app experience – to bring people back into the app quickly
- Other H2 FY24 product initiatives include addressing legacy performance and stability issues with the Tinybeans app, influencing subscriber acquisition to improve MRR with focus on web acquisition and annual plans, improving product-led growth enablers such as referral programs and the Follower (family & friends) experience.



Add child

Invite family members

Share subscription

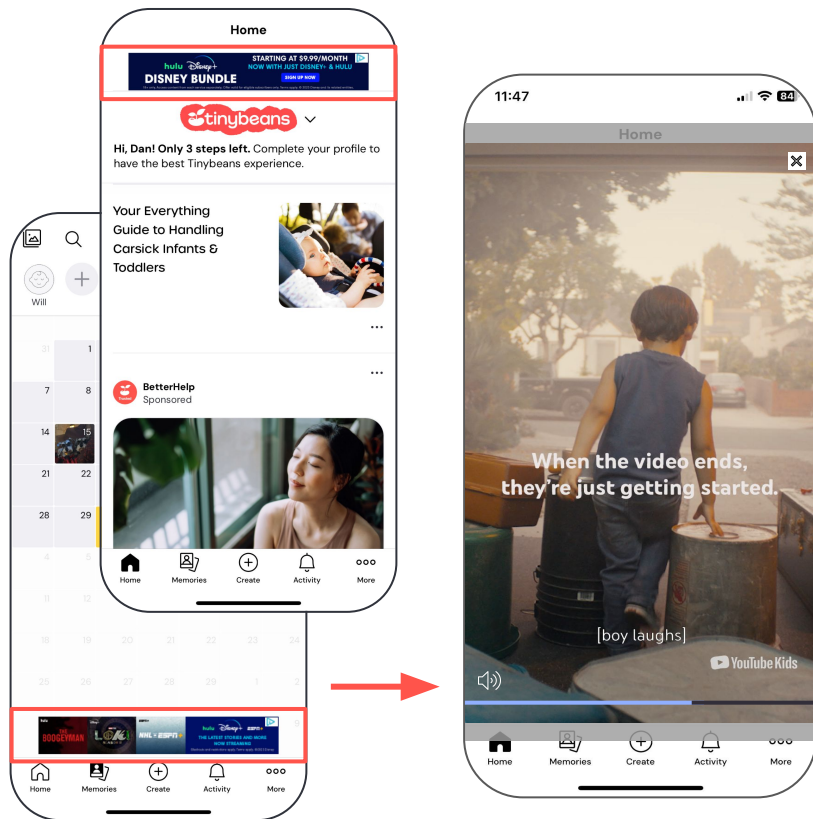
# Improving in-app advertising products to increase monetization

In-app advertising improvements to increase app monetization

- Tinybeans free is ad-supported, however less than 15% of ads revenue in H1 FY24 was derived from the app, due to poor ad units, low CPMs and decreased direct sell-through.
- Goal is to introduce better ad units in the app that command premium CPMs, meet client briefs for video inventory, can be sold natively/directly & attract new partners; without detracting from the UI and primary goal of growing subscriber business.
- This will continue to bring together the historically disjointed ad and subscription product experience and revenue strategy.

Other advertising sales initiatives to rebuild revenue and brand trust

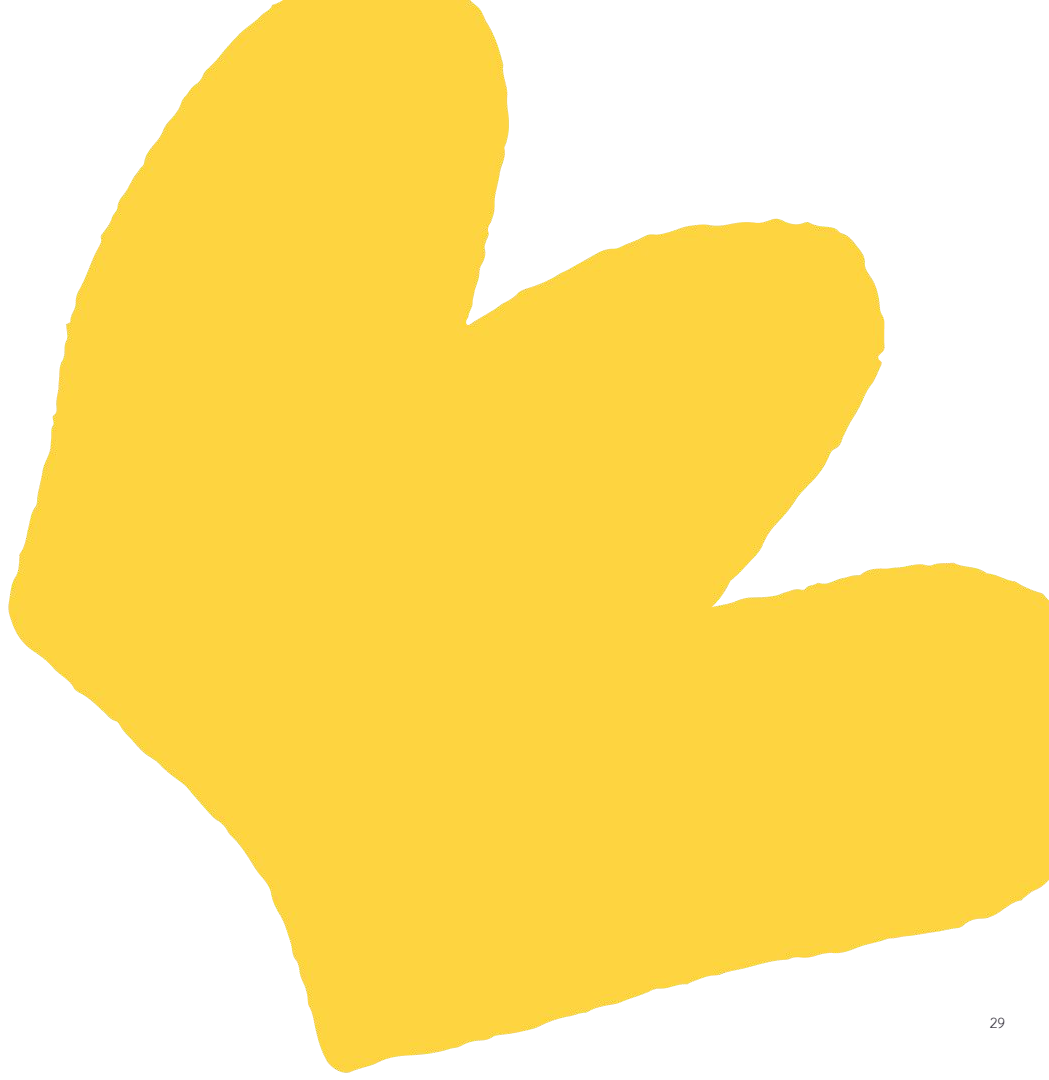
- Bundled packages offering more value to clients and utilising all of Tinybeans assets as a highly engaged 'one-stop-shop'
- Seasonal sales packages including holidays and major events to offer time-based opportunities to clients
- New B2B communication strategies to remain front-of-mind to agencies and brands
- Stronger campaign and client management to increase client renewals



Shifting reliance from 320x50 ad units to more premium and video-enabled ad experiences like full-screen interstitial ads

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Looking Forward



## Doing what we say we will do - driving clarity, focus & accountability

- **Strong execution in first half, demonstrating strategic clarity, operational rigour and ability to execute:**
  - Laid out clear company strategy
  - Launched Android app, increasing Google Play Store ratings and Android Free Subscribers
  - Retained >80% Tinybeans annual subscribers, despite 87% price increase
  - Delivered fresh, compelling, unified Tinybeans brand strategy
  - Launched new Tinybeans website, with clear articulation of Tinybeans value proposition
  - Managed costs quickly and effectively, reducing 22% year-on-year pcp
  - Rebuilt the advertising sales team & offering from challenged state
  - Redefined the metrics that matter that will drive business value
  - Pivoted the content strategy to deliver value to subscribers and maintain SEO
- **Moving into second half, the company is building momentum, laying foundations, and beginning to invest, for growth:**
  - Executing product roadmap focusing on subscriber activation and growing MRR
  - Investing in diversified marketing mix, with new channels being introduced and new strategies being deployed in existing channels
  - Improving Tinybeans app stability, addressing accrued “tech debt” and legacy app performance issues
  - New sales team translating into improved advertising revenue moving into FY25
  - Continued tight cost and cash management, whilst strategically investing carefully for growth
- We are part way through Company’s transformation and reset, with expectations of subscriber and revenue growth off the back of the H2 FY24.. Positive discussions continue with potential investment and strategic partners to allow for implementation and acceleration of strategic plan.





mal use only

# Thank you



 tinybeans