

ASX RELEASE

22 July 2020

June Quarter Results and 4C Cash Report

Tinybeans Group Limited (ASX: TNY) ("Tinybeans" or "the Company"), the technology platform that connects parents with the most trusted digital tools and resources on the planet to help every family thrive, provides the following highlights for the Q4-FY20.

Q4-FY20 Highlights

- Revenue of \$2.36M, an increase of 93% on Q4-FY19 and 83% on the prior quarter
- Premium revenue hit \$293k, an increase of 40% on Q4-FY19 with total paid subscriptions reaching 21,000
- Registered users reached 4.65M, growth of 39% on Q4-FY19. Monthly Active Users grew to over 3.7M, growth of 200% on Q4-FY19
- New advertising wins with great brands including Amazon, Apple, Penguin Random House, General Mills and YouTube Kids
- Red Tricycle team and operations successfully integrated
- Tinybeans recorded cash receipts of \$1.93M for the quarter with cash burn of \$582k (excluding loans from U.S. yet to be evaluated for forgiveness). Cash balance of \$5.22M as at end of the quarter.

Tinybeans Chief Executive Officer Eddie Geller, said:

"I'm pleased to report that we delivered strong growth for the quarter despite COVID disruptions to our operations and our brand partners. Despite market conditions, the platform saw an increase in new member sign ups and engagements as "stay at home orders" across the U.S. encouraged more interaction across the platforms. This resulted in over 200k new registered users signing up organically (i.e. with no paid marketing), an increase of over 20% from the previous quarter.

While advertisers in the U.S. have begun to resume spending, there is still some uncertainty in relation to the pace at which this spend will recover. We are optimistic given our unique value proposition (brand-safe and trusted) and current conversations with both existing and new brand partners looking to leverage these qualities.

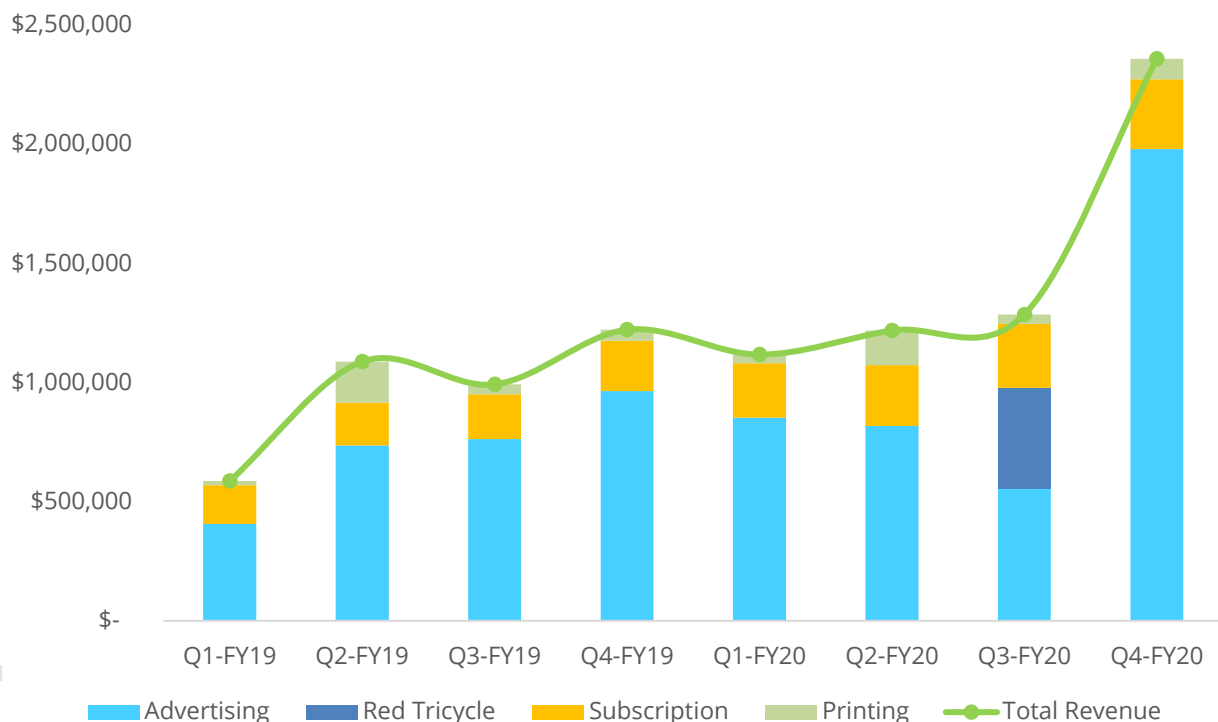
In Q4, we also successfully integrated the Red Tricycle business into Tinybeans. We have a single organizational chart led by a freshly formed leadership team ready to deliver our next stage of

growth. Intentionally, we are ramping up investment across the various teams to leverage the increased opportunities across the combined business.

With our strong balance sheet and enhanced value proposition, we are well placed to continue our growth momentum. I am excited for the plans our new leadership team has created, and I look forward to sharing news of our progress with investors in the months to come. "

Revenue

Revenues for Q4 reached a record high of **\$2.36M**, an increase of 93% on the prior year. This record result, however, was adversely affected by reduced advertising spend and the deferment of key campaigns. Premium subscriptions grew strongly reaching a record 21,000 paying subscribers.



Q4-FY20 shows the combined advertising business revenues as many clients began to book campaigns across both platforms. This result further demonstrates the combined value proposition and the positive impact the platforms are having with advertisers.

Forward Booked Revenues

As at July 1, Tinybeans has \$4.3M in forward booked contracts. As a comparison, this is 300% higher compared to 12 months earlier.

This \$4.3M in forward booked contracts includes, \$1.4M in Direct Advertising – already signed, over \$0.7M in Premium Subscriptions (without assumed auto-renewals), and \$2.2M in Programmatic revenues, although are not contracted, highly likely based on historical results.

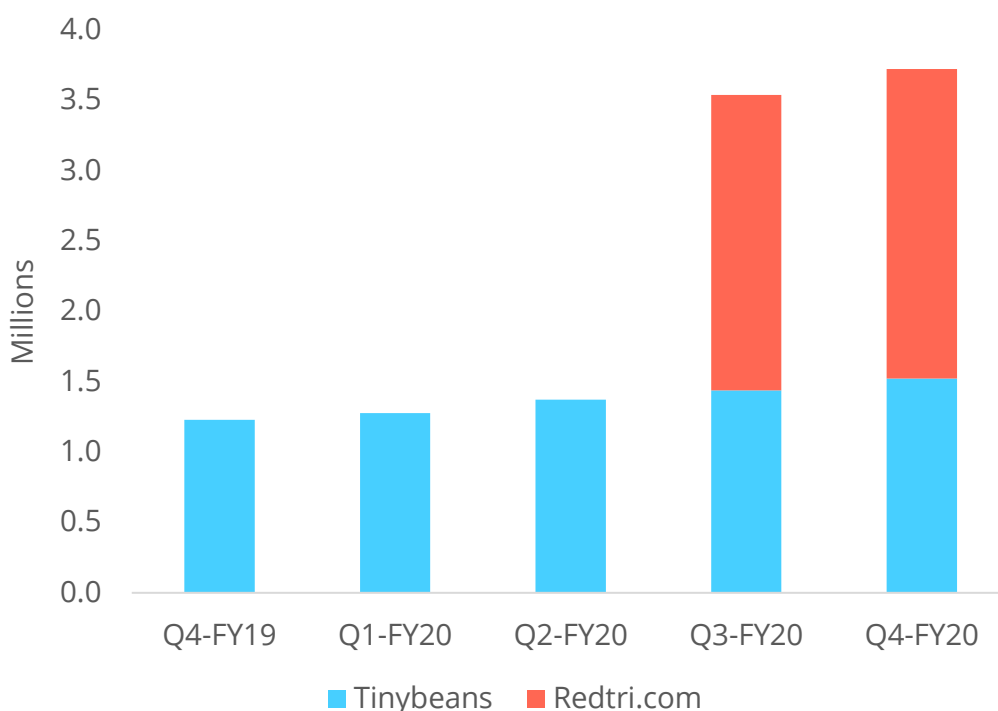
These forward book advertising revenues are related to signed contracts with LEGO, Kraft-Heinz and many other brands that have committed to the platform for FY21.

Revenue will be recognised on these contracts monthly from July and onwards. Note that although these contracts are signed, the client can postpone and in some cases for advertising, cancel completely.

With the enhanced joint value proposition, and an integrated sales team, the pipeline of brand partner opportunities has continued to develop strongly. With more than 50 deals signed in Q4, the total sales pipeline (contracts not yet signed) heading into FY21 stands at over \$5.5M USD.

Audience Engagement

Monthly Active Users grew to over **3.7M**, an increase of over 160k new active users.





The platform saw record engagement with weekly active users on Tinybeans hitting 1.12M, a record for the Company. During the quarter, virtual events were launched and “Sign in with Apple”, enabling a fresh way to make it easy for new members to sign up.

New Leadership Team

Tinybeans is thrilled to share that the Company has taken advantage of volatile and uncertain market conditions, and attracted a new, high calibre leadership team. This handpicked, highly talented team with deep industry experience, has commenced executing the next stage of the company’s growth.

These new members include:

- [Nina Lawrence](#) – Chief Revenue Officer (ex Time Inc, WSJ & Conde Nast)
- [Kyle Martin](#) – Chief Product Officer (ex QVC, Snipsnap & Slyce)
- [Mark Wunsch](#) – Chief Technology Officer (ex Kickstarter, Harry’s and Rent the Runway)

The rest of the leadership includes Jacqui Boland, (ex CEO of Red Tricycle), the group’s Chief Marketing Officer, Ula Mikus, Head of Talent, Grady Edelstein, Head of Partnership Marketing and Maria Centino, Head of Finance.

Other

Item 6.1 (in 4C below) pertain to payments for the salaries of the executive directors of \$103k and the final pay (leave payout and redundancy pay) of the terminated director of \$74k.

-----//-----

Tinybeans Group Limited (ASX: TNY) is a mobile and web-based technology platform that connects parents with the most trusted digital tools and resources on the planet to help every family thrive. Being Apple's App of the Day in the U.S. in October 2019 and again in March 2020, puts Tinybeans in the elite company of best apps in the world!



Tinybeans (now with Red Tricycle) serves a deeply engaged user base in over 200 countries/territories and enjoys over 100,000 5-star reviews in the Apple App Store and the Google Play stores.

Everyday millions of people rely on Tinybeans as their primary platform for capturing and sharing their children's life stories while engaging in valuable and personalised content to help them in the journey of parenting.

This announcement is authorised by the TNY Board.

For more information, please contact:

Michael Brown +61 400 248 080
mbrown@pegasusadvisory.com.au

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 2020

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	1,929	5,693
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	(371)
	(c) advertising and marketing	(190)	(628)
	(d) leased assets	-	-
	(e) staff costs	(2,144)	(5,582)
	(f) administration and corporate costs	(1,073)	(2,424)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	8	31
1.5	Interest and other costs of finance paid	(7)	(24)
1.6	Income taxes paid	-	(6)
1.7	Government grants and tax incentives	37	189
1.8	Other (provide details if material)	55	55
1.9	Net cash from / (used in) operating activities	(1,385)	(3,067)

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	(4)	(9,916)
	(c) property, plant and equipment	1	(19)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	6
	(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	(3)	(9,929)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	17,056
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	58	252
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(643)
3.5	Proceeds from borrowings	846	846

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3.6	Repayment of borrowings	(114)	(368)
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	788	17,143

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,812	982
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,385)	(3,067)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(9,929)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	788	17,143
4.5	Effect of movement in exchange rates on cash held	8	91
4.6	Cash and cash equivalents at end of period	5,220	5,220

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	5,220	5,220
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)	5,220	5,220

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

Current quarter
\$A'000

- 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

177

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

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.

Total facility
amount at
quarter end
\$A'000

Amount drawn
at quarter end
\$A'000

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

-

-

-

-

-

-

-

-

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)	(1,385)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	5,220
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	5,220
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	4

- 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: 22 July 2020

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.