

ASX RELEASE

31 August 2021

Tinybeans Releases Record FY21 Results and Preliminary 4E Report

Tinybeans Group Limited (ASX: TNY) (OTCQX: TNYF) ("Tinybeans" or "the Company"), an inclusive, informative, go-to resource for all things parenting, is pleased to share its record preliminary results and the Appendix 4E for fiscal year 2021.

The operating results for the period are materially consistent with the headline preliminary results released by the Company on July 28th.

The results are subject to completion of the year end audit processes. Given the complexity of the audit process in preparation for the Company's potential listing on NASDAQ, audited results are expected to be released in September.

Tinybeans has also announced the intention to report results in USD from FY22 onwards. To assist investors, results are in USD for FY21 and FY20.

FY21 Operational Highlights

- Revenue increased to a record US\$8.0m, up 102% pcp (\$10.8m AUD).
- Advertising revenue increased to a record US\$6.75m, up 125% pcp (\$9m AUD) – driven by the broader rebound in US advertising, with a growing number of brand partners and larger average campaign sizes.
- Subscription revenue hit a record US\$860k, up 23% pcp (\$1.15m AUD) - driven by improved conversion of existing users to paying subscribers.
- Monthly Active Users (AU) increased to 4.33m, up 16% pcp - driving appeal to brand partners.
- Over US\$2.5m has been invested in product growth initiatives, with early results beginning to materialize.
- Advertising wins from both new and existing partners, including Google, Church & Dwight, Enfamil, Visit Florida, Hills Pet Nutrition & Amazon.
- Cash balance at the end of the fourth fiscal quarter of 2021 was US\$2.16m (AUD\$2.85m). Average operating burn rate per quarter of approximately US\$0.4m

during fiscal 2020-21. Growth investments include both allocation of internal resources and external spend.

- The Company successfully completed the acquisition and integration of Red Tricycle, which was acquired in February 2020, and this is reflected in these results.

FY21 Other Financial Highlights

Given the temporary impact of the pandemic on the Company's performance and as part of the Company's preparations for a targeted listing on NASDAQ and the appointment of Grant Thornton as the company's auditor as announced to [ASX](#) on July 26, 2021, Tinybeans has undertaken a thorough review of its accounting policies in order to ensure alignment with U.S. reporting standards. In addition to this, the Company also finalised its business combination accounting related to the acquisition of Red Tricycle.

Based on the additional compliance and reporting standards required for a listing on NASDAQ and the finalisation of its business combination accounting, the company has made the following adjustments to its FY20 and FY21 audited financial statements. These adjustments will be included in the FY21 audited results to be released in September 2021:

- \$1.6m non-cash impairment charge to the carrying value of the goodwill associated with the Red Tricycle intangible assets, from \$5.8m to \$4.2m.
- Finalised Red Tricycle intangible asset values at \$0.9m for Software Platform and \$1.6m for Content Repository, with corresponding adjustments to amortisation expense in both years.
- In relation to the business combination accounting, the Company has established a deferred tax liability of \$0.6m.
- Revenue recognition timing – approximately \$0.2m associated with the timing of revenue to be recognised in FY22, rather than FY21, reflecting a short-term adjustment to the timing of services provided.
- Previous expensing of software development costs of US\$94k will now be capitalised. Tinybeans has previously expensed software development costs.

- Additional share-based payment expense of \$0.1m in FY21 and FY20, primarily due to changes in fair value assumptions of options.
- This brings the loss for year for FY21 to \$3.1m, down 35% vs pcp, from the adjusted FY20 loss of \$4.8m.

Overall, many of the changes above are non-cash related and relate to historical balance sheet items.

Tinybeans' Chief Executive Officer, Eddie Geller, said:

"We are pleased to report Tinybeans' record-level operating performance during FY21. The rebound in COVID-19 impacted industries, such as travel and tourism, contributed to these record results, and we were pleased to see momentum build in our subscription revenues throughout the fiscal year.

Tinybeans' revenue increased a record 102% from the pcp, representing the highest level of revenue growth in our history. This growth was driven largely by the strength in our advertising revenues—which increased 125% from the pcp—and in our e-commerce sales, which increased over 4x from the pcp.

These results highlight the appeal of our value proposition to current and prospective advertising partners who seek to engage with the young families on our platform. We also believe the continued strong engagement from our subscribers is a testament to the value of our content and users' sustained demand for a platform that puts their privacy at the forefront.

During the pandemic, we purposefully set out to strengthen our sales and marketing capabilities, enhance our appeal to brand partners and subscribers, upgrade our product development and ensure our technology platform is robust and highly scalable. As we work to build upon our success in these areas, we believe these strategic initiatives will enable Tinybeans to scale as we continue to grow in the years to come.

FY22 promises to be our most successful year yet. We are launching an array of new product upgrades that we believe will support acceleration in our consumer subscription revenues, and we aim to drive continued growth in advertising revenues through enhancing ad integration and adding new in-demand features. 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."



This announcement is authorised by the TNY Board.

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About Tinybeans Group

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.

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, Tinybeans 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).

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.

www.tinybeans.com

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