

ASX RELEASE

18 April 2019

March Quarterly Report and 4C Impressive growth and record cash receipts

Tinybeans Group Limited (ASX: TNY) ("Tinybeans" or "the Company"), the technology platform that connects parents with the most trusted tools and resources on the planet to help every family thrive, is pleased to report continuing substantial growth for the March quarter FY2019.

- **\$992K+ revenue quarter, growth of 143% on Q3-FY18;**
- **Acceleration in advertising revenue, for both brand partnerships and programmatic, reaching \$763k, an increase of over 187% on Q3-FY18;**
- **Premium subscriptions continued to grow hitting \$187k, delivering recurring revenue growth of 44% on Q3-FY18;**
- **Cash burn for Q3-FY19 came in at \$557k, representing a 57% reduction of cash burn compared to the same period 12 months earlier;**
- **Cash receipts of \$1.09M, growth of 192% on Q3-FY18 – highest on record;**
- **Registered Users hit 3.2 million and Monthly Active Users (MAU) grew to 1.14 million, up by 29% on Q3-FY18;**
- **Tinybeans is making strong progress in building scale to drive profitable growth and positive cash flow; and**
- **Expectation of turning operating cash flow positive during calendar 2019 affirmed.**

	Q3FY18	Q3FY19	% Growth
<i>Advertising Revenue</i>	\$ 265,544	\$ 763,098	187%
<i>Subscription Revenue</i>	\$ 130,234	\$ 186,941	44%
<i>Printing Revenue</i>	\$ 12,286	\$ 42,042	242%
Total Revenue	\$ 408,063	\$ 992,081	143%

Tinybeans Chief Executive Officer Eddie Geller, said:

"We're pleased to deliver substantial revenue growth and record cash receipts in Q3, strongly outperforming what is traditionally a down quarter for the advertising industry coming off holiday peaks.

This growth over the prior corresponding period highlights the unparalleled appeal of our value proposition to advertising partners seeking to engage with young families in a trusted platform. The feedback from the brands committing to the platform is tremendously positive and longer term deals are also forthcoming, reinforcing the value we're delivering.

Additionally, we see further upside as we attract a more robust roster of brands onto the platform. We continue to be well placed to deliver on the next milestones, which includes turning operating cash flow positive during calendar 2019."

Key Operating Metrics

	Mar 2017	Mar 2018	Mar 2019
Registered Users	1.6M	2.3M	3.2M
Monthly Active Users	578K	884K	1.14M
Premium TCV	\$705K	\$1M	\$1.49M
Quarterly Revenues	\$190K	\$408K	\$99M
Advertising Revenues	\$98K	\$265K	\$763K

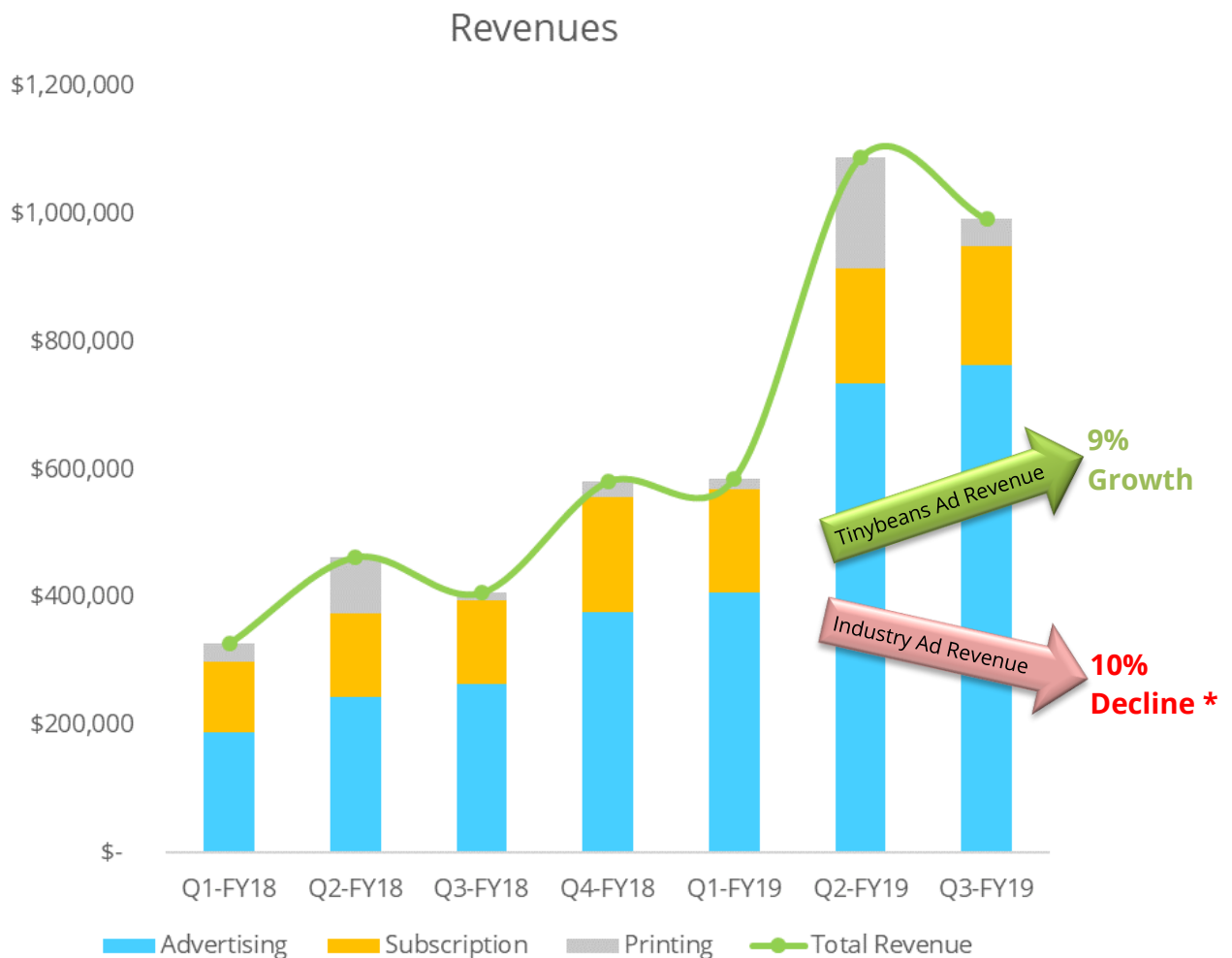
Revenue Growth

The third quarter of FY19 delivered an overall revenue result of **\$992,082**. The strong results was made up largely from growth in advertising. Advertising revenues increased to **\$763k**, driven by sales momentum and deal execution. Growth occurred across both direct **brand partnerships** of **253%** compared to 12 months prior to **\$339k**, and in programmatic advertising revenue of **\$424k**, which is **150%** on the same period last year. This quarter also saw the average deal size of brand partnership contracts grow to **\$46k**, which is more than double previous quarters.

These results demonstrate the value to advertisers of engaging the Tinybeans audience and leveraging targeting capabilities based on unique first party data to get to the right families with the right message at the right time.

Premium subscription revenue rose **44%** on the same period 12 months ago to **\$187k** for the quarter with total contract value for premium subscriptions rising from **\$1.4M** to **\$1.49M** in the last 3 months.

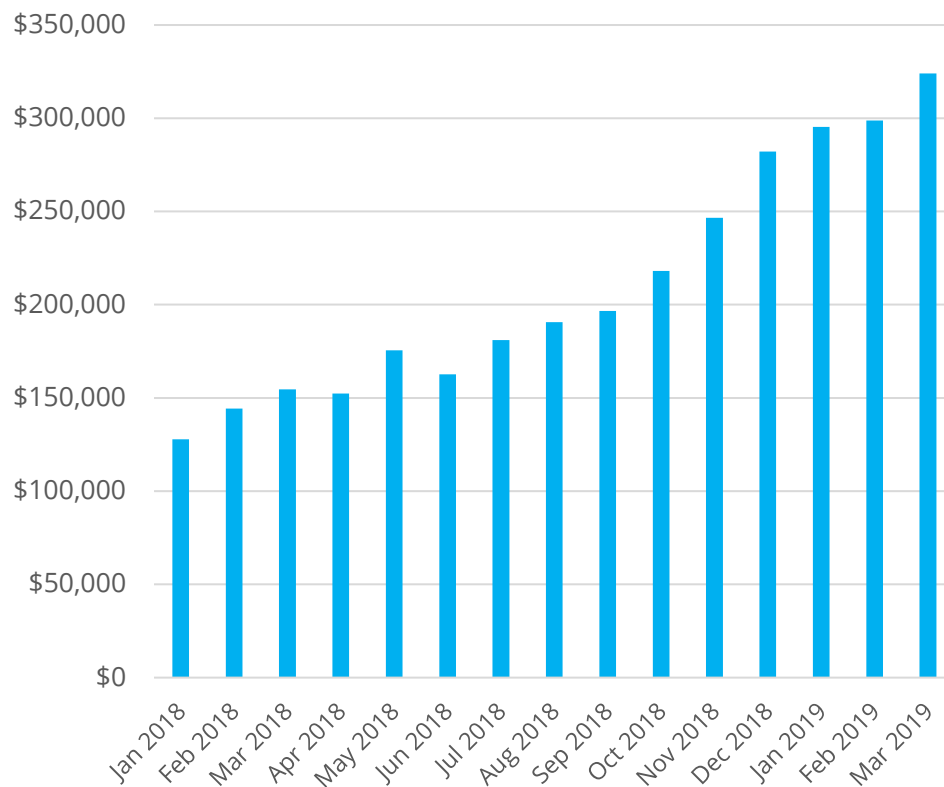
Printing revenues grew to **\$42k** up over **242%** on the same period 12 months ago.



* Source: https://www.iab.com/wp-content/uploads/2018/05/IAB-2017-Full-Year-Internet-Advertising-Revenue-Report.REV2_.pdf

Baseline Revenues

In this quarter, baseline revenues accelerated to **\$324k per month**, representing a **15%** increase on the previous quarter. The investments in the advertising platform are making the largest impact to the recurring results.



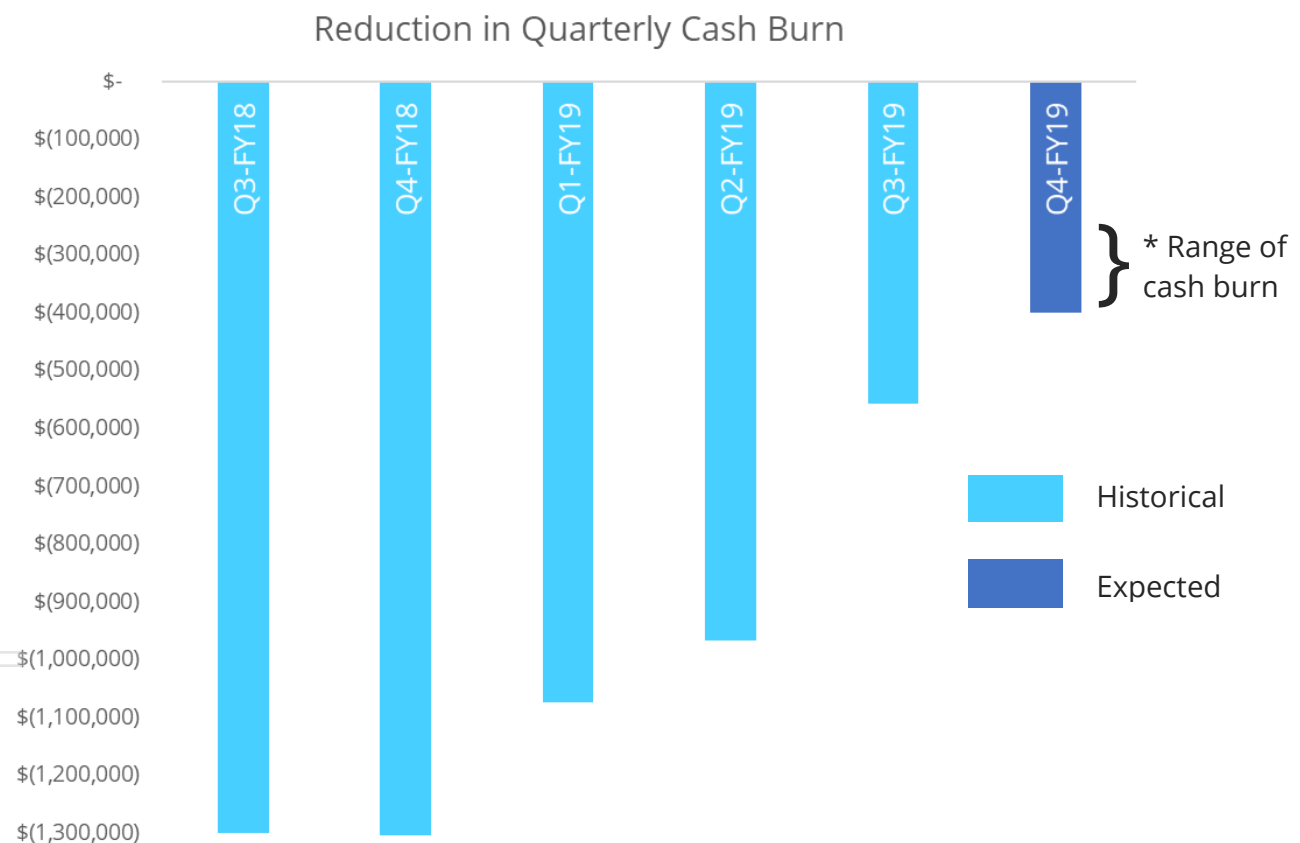
Note: Baseline revenues include contracted subscriptions, programmatic revenues expected to reoccur and a 6 month trailing average of brand partnerships revenues

Path to cash flow breakeven

Tinybeans is delighted to report that its cash burn for Q3 was just **\$557K**, which is better than the company shared with the market about four weeks ago by \$100K. We expect to maintain a positive cash balance through to turning cash flow breakeven by the end of calendar 2019 – affirmed.

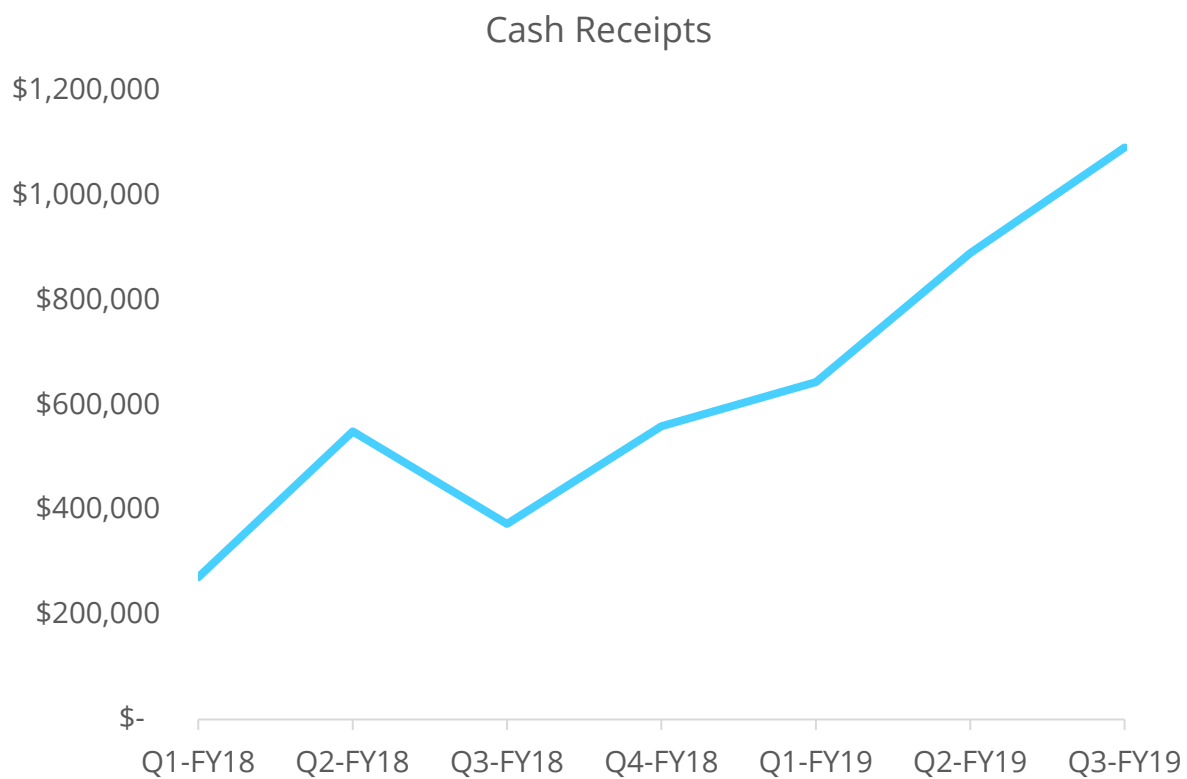
Cash burn for Q4-FY19 expected to be between **\$300k and \$400k***.

Tinybeans plans to fund its operations through customer inflows as they have grown significantly in recent quarters. The Company will also continue to evaluate raising additional capital as the business growth continues.



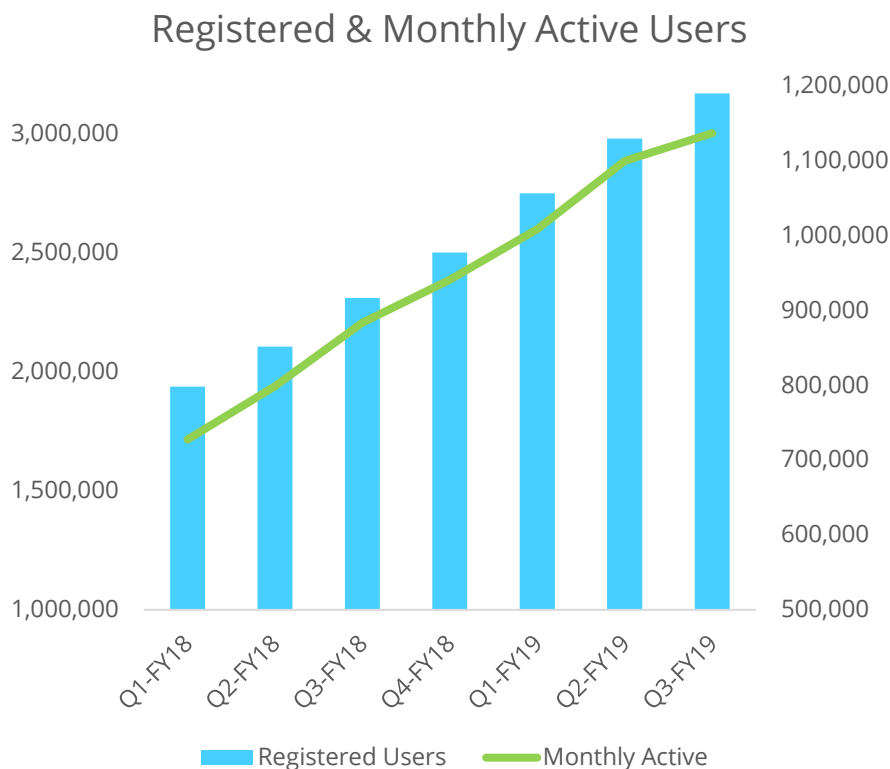
Cash Receipts

Tinybeans is pleased to report a positive cash flow trajectory. With continued record revenue growth, Tinybeans has had accelerated growth in cash receipts, with Q3 receipts hitting a record **\$1.09M** for the period, representing growth of **192%** compared to 12 months earlier. Tinybeans remains committed to turning operating cash flow positive on a run rate basis in calendar 2019.



Audience Engagement

Registered Users hit **3.2 million** and Monthly Active Users (MAU) hit **1.14 million**. MAU growth on the last period 12 months ago grew by **29%**.



In Q3-FY19, the product and engineering team focused on driving engagement within the core platform while building out a new content offering (www.tinybeans.com/articles).

The team also optimised the much loved Flashback feature to showcase past memories and deliver on our core value of reminiscing, driving a **17%** increase in screen impressions from Q2 and contributing to the **150%** YoY increase in programmatic revenue.

Following the launch of the new feed in Q2, the focus for Q3 was increasing the amount of time spent in the feed through improving the structural design of the flagship iOS app. The feed is accessed through the home tab which is now the default location and the central experience for all users upon entering the app. At the end of Q3, **67%** of all views were in the home feed compared to **14%** at the end of Q2. This increased level of engagement in the feed will enable Tinybeans to deliver on its vision of providing the most trusted tools and resources to help families thrive. The new feed in Android will launch in Q4-FY19.

FY19 Strategic & Operational Priorities

Tinybeans continues to be committed to executing on the following priorities to drive shareholder value:

1. Product:

- a. Launch a new content platform driving value to our users which in turn drives activity and revenues;
- b. Redesigning the milestone experience in the app to encourage more interactions and greater engagement so members continue to interact, thus driving unique data acquisition; and
- c. Further investment of feed in app driving longer time spent.

2. Revenue:

- a. Monetising the increased amount of content once the new content platform is in production (mid-April);
- b. Longer term advertising partnerships committed to the platform; and
- c. Investing in Insight offerings where brands can utilize our platform to do research among the targeted audience segments we serve while ensuring that our members' privacy is protected.

3. Platform:

- a. Enhancing the milestone experience to drive more value to the member experience whilst capturing more unique data;
- b. Investing in big data-AI capabilities and big data synthesis;
- c. Driving more product recommendations with trigger moments; and
- d. Security enhancements to continually ensure the platform is as robust and secure as possible.

4. Audience Growth:

- a. Content marketing strategy to increase traffic and awareness;
- b. Further investment in PR strategy to efficiently drive brand awareness and further capitalize on growing consumer privacy awareness trends; and
- c. Focus on key partnerships to accelerate user growth.

We look forward to updating the market as we progress.



For more information, please contact:

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Tinybeans Group Limited (ASX: TNY) is a mobile and web-based technology platform that provides parents with one safe space to capture and share their children's life stories with family. Tinybeans offers an experience without the distractions or privacy concerns that arise on other platforms when sharing a child's memories. Tinybeans generates revenue from advertising from brands, premium subscriptions and printed products.

Founded in Sydney, Australia in 2012, Tinybeans serves a deeply engaged user base of 3.2 Million members and over 1.1 Million monthly active in over 200 countries/territories and keeps over 180 million precious memories safe.

Every day millions of people including celebrities, politicians and high-profile families rely on Tinybeans as their primary platform for capturing, storing and sharing their children's life stories.

To watch Tinybeans' CEO, Eddie Geller's recent address on H1-FY19 Results, see here - http://bit.ly/tny_h1fy19

www.tinybeans.com

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

TINYBEANS GROUP LIMITED

ABN

46 168 481 614

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	1,090	2,622
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(40)	(214)
	(c) advertising and marketing	(217)	(479)
	(d) leased assets	-	-
	(e) staff costs	(1,052)	(3,438)
	(f) administration and corporate costs	(473)	(1,374)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	21
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	(4)
1.7	Government grants and tax incentives	134	134
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(553)	(2,732)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(2)	(3)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	2
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) 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	(2)	(1)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	144
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(5)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	139

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	2,012	4,052
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(553)	(2,732)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	139
4.5	Effect of movement in exchange rates on cash held	(2)	(3)
4.6	Cash and cash equivalents at end of quarter	1,455	1,455

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	1,455	2,012
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)	1,455	2,012

6. Payments to directors of the entity and their associates

Current quarter
\$A'000

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

127

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Item 6.1 pertain to payments for the executive directors' salaries. No payment was made to the non-executive directors during the quarter.

7. Payments to related entities of the entity and their associates

Current quarter
\$A'000

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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N/A

8. Financing facilities available

Add notes as necessary for an understanding of the position

Total facility
amount at quarter
end
\$A'000

Amount drawn at
quarter end
\$A'000

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)
- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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N/A

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	39
9.3	Advertising and marketing	121
9.4	Leased assets	-
9.5	Staff costs	963
9.6	Administration and corporate costs	482
9.7	Other	-
9.8	Total estimated cash outflows	1,605

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	-	-
10.2	Place of incorporation or registration	-	-
10.3	Consideration for acquisition or disposal	-	-
10.4	Total net assets	-	-
10.5	Nature of business	-	-

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.

Sign here: 
Director

Date: 18 April 2019

Print name: Eddie Geller

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.