



## ASX RELEASE

27 July 2017

### June Quarterly Report and Appendix 4C

Parenting and family platform Tinybeans Group Limited ((ASX: TNY), “Tinybeans” or “the Company”) has today released its Appendix 4C and is pleased to provide an update on its activities for the quarter ending 30 June 2017 and FY17.

#### Highlights include:

- **Continued quarter on quarter growth, growing Monthly Active Users (MAU) by 18% in the June quarter. Tinybeans has grown its MAU by 56%+ year-on-year. The Company expects sustained growth in MAU during FY18.**
- **83% growth in Tinybeans’ premium subscriber base in FY17 compared to FY16. The Company expects continued growth in its premium subscriber base to be sustained during FY18. It is noted that this metric makes a direct impact on recurring revenue growth.**
- **A substantial uplift in display advertising revenue, increasing by 100% over the past four months.**
- **Cash receipts grew by more than 87% quarter-on-quarter to \$357k. FY17 cash receipts were \$1.05 million.**
- **Tinybeans’ advertising sales pipeline is robust and expected to drive significant brand, user and in turn revenue growth in FY18.**

(Investors should note that the information in this announcement is provided on an unaudited basis).



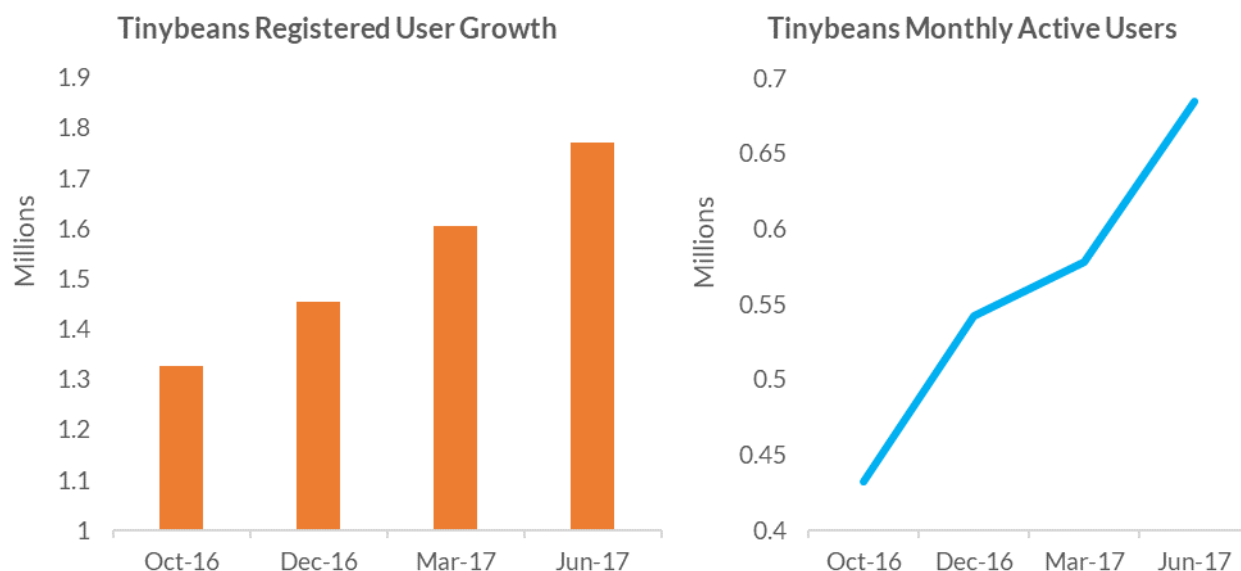
## GROWTH HIGHLIGHTS

### User Growth

By 30 June 2017, Tinybeans had grown its registered user base to more than **1.77 million** parents and family members. More than **684,000** of these users were active on the Tinybeans platform during June 2017.

These activity levels represent growth of **56%** in Tinybeans' monthly active users (MAU) compared to June 2016. The near-term growth dynamics for the Company are even more positive, with MAU growing by more than **18%** between March and June 2017.

### Tinybeans' user base: growing rapidly and increasingly active



Rising numbers of monthly active users directly correlate with the revenue the Company will receive from the products and services Tinybeans provides to users through its platform.

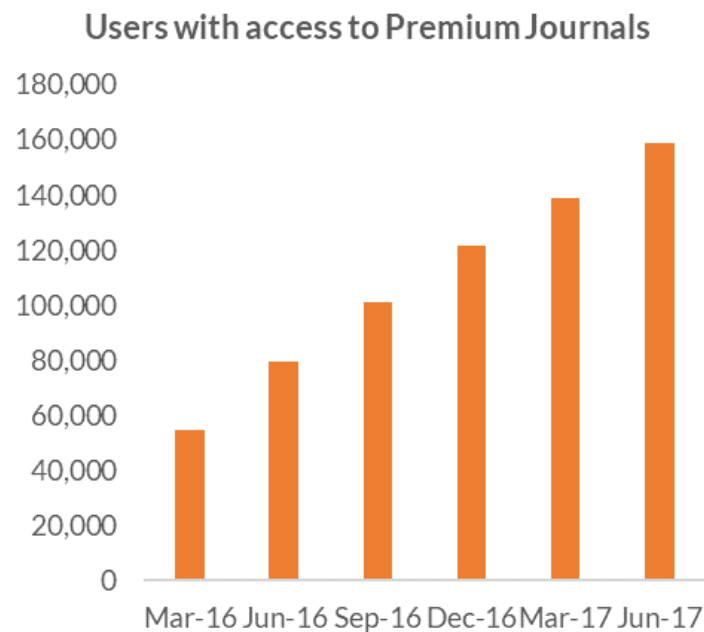
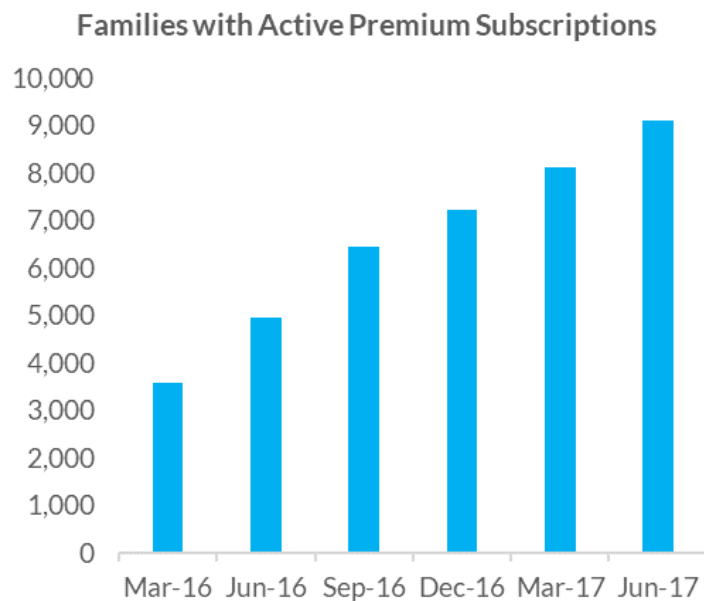
The Company expects its core market share to grow substantially in 2018.



### **Premium Subscriptions**

More than **160,000** users now have access to premium Tinybeans functionality. This represents average revenue per user (ARPU) of **\$3, a metric which has grown by 93%** since June 2016.

### **Consecutive growth in premium subscription growth driving annuity income**



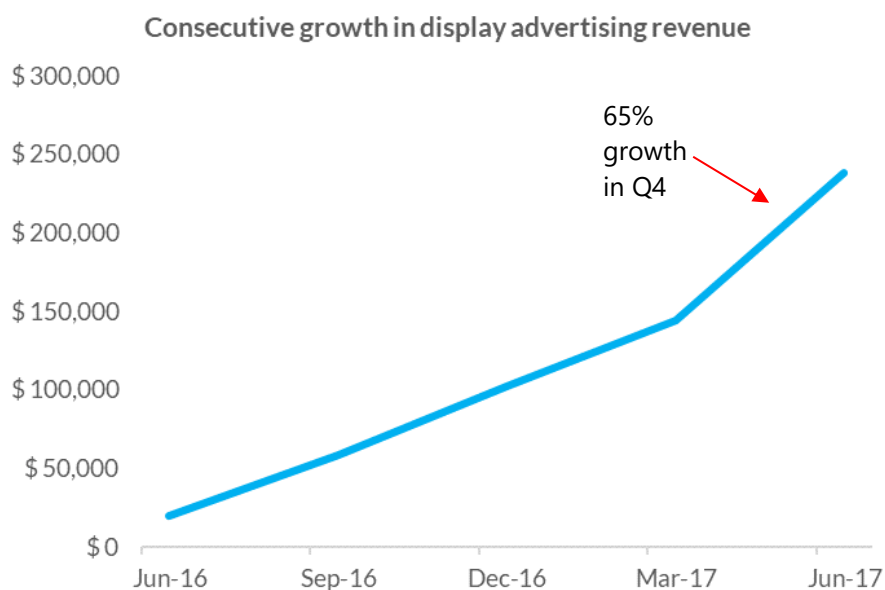


### **Display Advertising**

The Tinybeans display advertising revenue lines have doubled since Feb 2017 to **\$24k** per month. This growth represents a 100% increase to the June-17 quarter. The company expects this growth curve to continue and accelerate.

Tinybeans began including display advertising on its platform in the Sept-16 quarter. Display advertising on the platform is driven by programmatic ad units across the mobile apps, select e-mails and the web site app. This revenue is generated by integrating supply side ad platforms. Given the attractive demographics of the Tinybeans audience, this promising traction should lead to a significant growth opportunity.

According to Zenith Media (<https://www.zenithmedia.com/programmatic-ads-grow-31-2017-ahead-channels/>), Programmatic Advertising is the fastest growth revenue channel ahead of all other digital advertising channels. This global tailwind is helping to accelerate Tinybeans' advertising revenue line, clearly visible in the chart below.



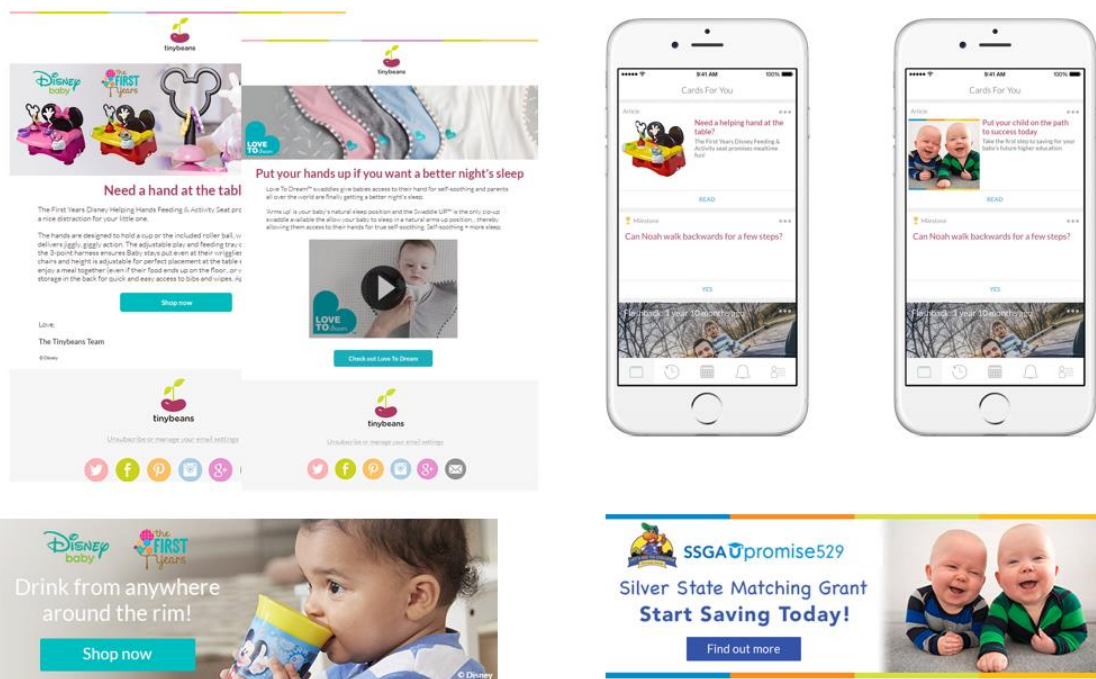


## **Brand Advertising**

Tinybeans has successfully onboarded and integrated several leading US brands to reach potential customers through the Tinybeans platform. Tinybeans' competitive advantage stems from its ability to address the right user demographics at the right time with the right product.

The Company expects additional large US partnerships to join the Tinybeans platform in the near term.

### **Tinybeans' Brand Campaigns run recently (including for TOMY/Disney)**



The Company has a strong pipeline of potential new clients, including:

- Some of the world's leading sports brands
- The world's leading baby formula company
- One of the world's largest baby food brands

## **Positioned to scale**

Tinybeans' June quarter cash receipts of **\$357k** saw the Company close FY17 with cash at bank of **\$5.2M**.

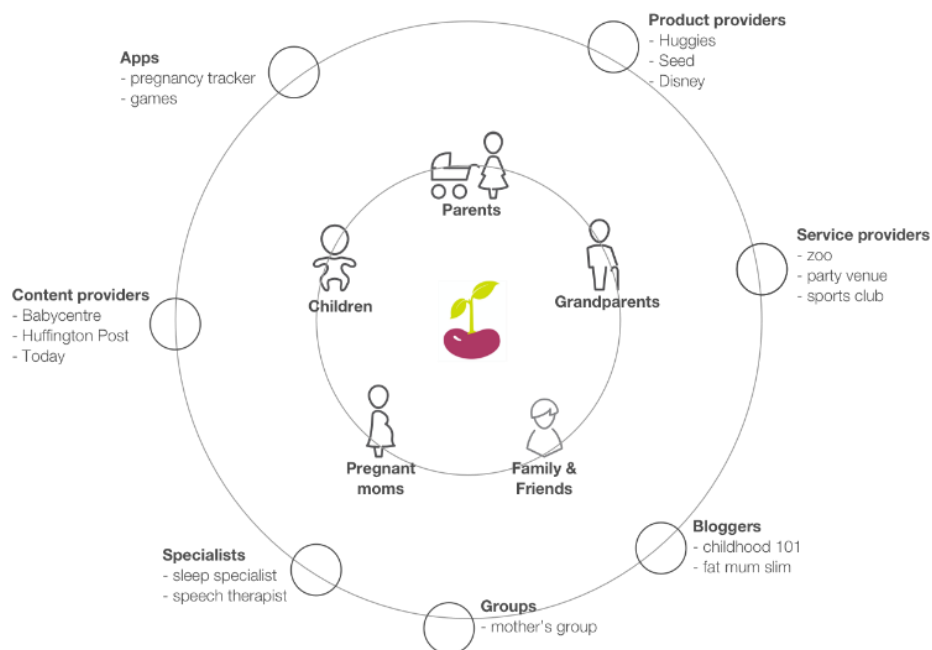
Tinybeans is continuing to strengthen its teams across product, sales and marketing in anticipation of a new phase of user and revenue growth over the next 18 months.



## **Growth Strategy and Outlook**

Tinybeans continues to drive the product development and user experience that enables new parents and their families to connect and access content, products and services to help them with their children.

As the Company builds out the team over the coming 6-12 months, the acceleration of these services will continue to become apparent as we expect to scale the user base.



The Company expects user engagement and growth to scale and sustain itself going forward. The Company's corresponding revenue growth is expected to scale in a similar fashion. Some (but not all) of the revenue lines the Company expects to grow are best illustrated as:



The Company will continue to aggressively pursue all the growth opportunities in the attractive markets in which it has established a presence.



**For more information, please contact:**

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### **About Tinybeans Group Limited**

**Tinybeans Group Limited (ASX: TNY)** owns and operates the established and globally trusted parenting utility platform Tinybeans.

Tinybeans is the parenting and family platform that enables its users to not only privately and securely capture and share everyday memories and milestones of their children, but also access relevant resources to help them in the journey of parenting. Founded in Sydney, Australia in 2012, Tinybeans has built a deeply engaged customer base and currently has more than 680,000 monthly active users and over 1,770,000 registered users.

Tinybeans provides parents and their families with rich content about developmental milestones and offers parents products and services based on the age and developmental stage of their child. The Company currently generates revenue from premium subscriptions, advertising from brands, the sale of printed products and the sale of targeted usage data and market analytics.

[www.tinybeans.com](http://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")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	357	1,366
1.2 Payments for		
(a) research and development	-	(14)
(b) product manufacturing and operating costs	(168)	(272)
(c) advertising and marketing	(154)	(646)
(d) leased assets	-	-
(e) staff costs	(827)	(1,556)
(f) administration and corporate costs	(407)	(744)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	6
1.5 Interest and other costs of finance paid	-	(67)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	111	672
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,084)</b>	<b>(1,255)</b>



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>2. Cash flows from investing activities</b>			
2.1 Payments to acquire:			
(a) property, plant and equipment	(7)	(20)	
(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	-	-	
(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)	-	-	
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(7)</b>	<b>(20)</b>	

<b>3. Cash flows from financing activities</b>			
3.1 Proceeds from issues of shares	6,500	6,500	
3.2 Proceeds from issue of convertible notes	-	266	
3.3 Proceeds from exercise of share options	-	-	
3.4 Transaction costs related to issues of shares, convertible notes or options	(391)	(482)	
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 (12 months) \$A'000
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>6,109</b>	<b>6,284</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	199	199
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,084)	(1,255)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8)	(20)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,109	6,284
4.5	Effect of movement in exchange rates on cash held	(10)	(2)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>5,206</b>	<b>5,206</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	5,206	183
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,206</b>	<b>183</b>

6. <b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	337
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	

Note that included in item 6.1 are one-off bonus payments of \$110k to directors resulting from the IPO process, as detailed in the Tinybeans Prospectus, which occurred within the June quarter financial period. These costs are one-off and are not expected to continue into the next quarter.

7. <b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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	

N/A

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		

N/A



<b>9.</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	-
9.2	Product manufacturing and operating costs	41
9.3	Advertising and marketing	51
9.4	Leased assets	-
9.5	Staff costs	814
9.6	Administration and corporate costs	584
9.7	Other	-
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>1,490</b>

<b>10.</b>	<b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
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: 27 July 2017

Print name: Edward 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.