

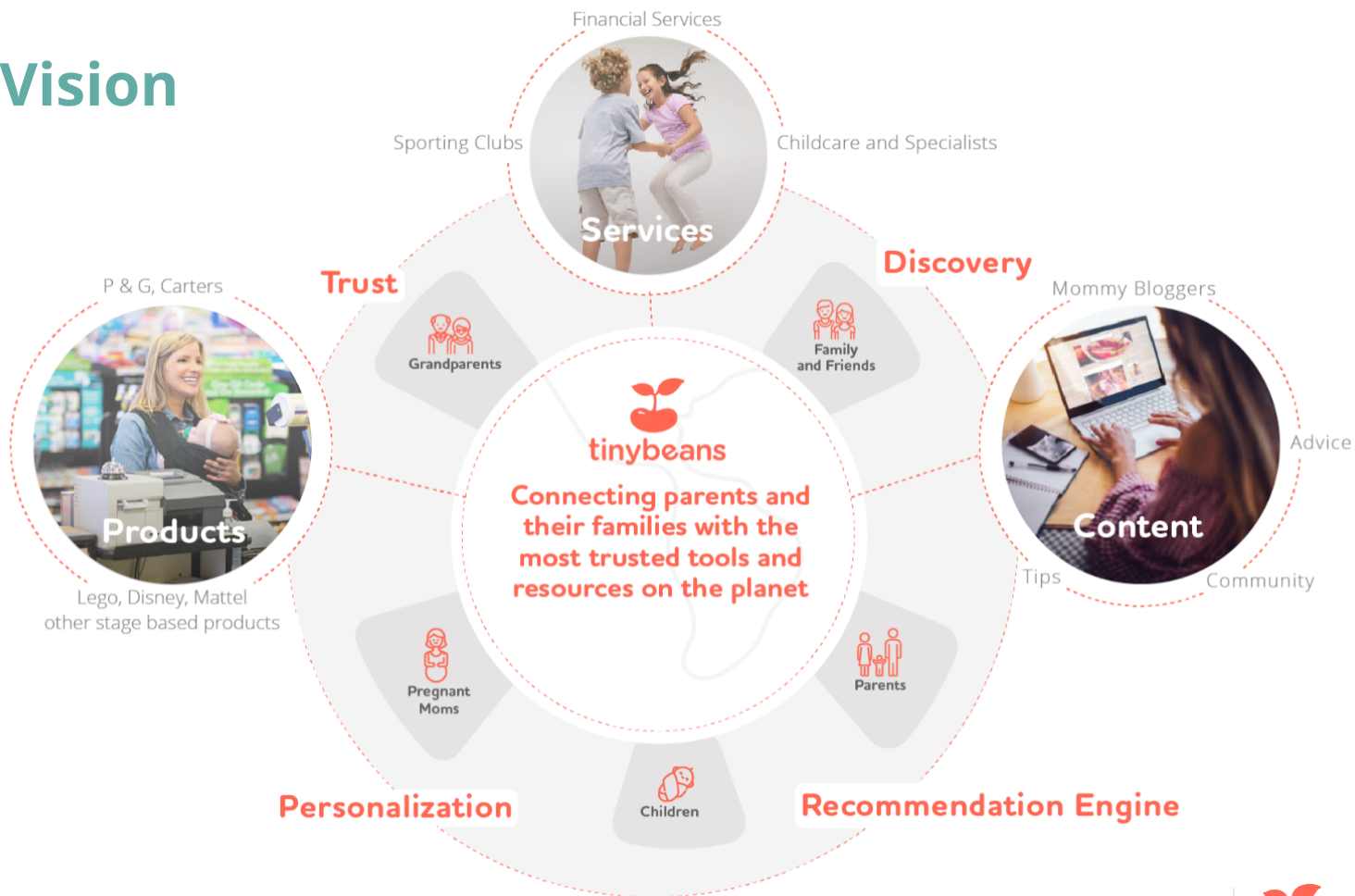


**Tinybeans Group Limited (ASX:TNY)**

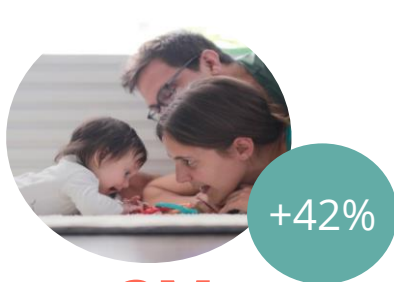
Investor Briefing  
March 2019



# Our Vision



# TNY: H1-2019 growth highlights



**3M**

registered users



**1.1M**

monthly active users



**\$1.67M**

total revenue



**\$ 1.14M**

advertising revenue



**\$282K**

monthly recurring  
revenues

All percentages are compared to the same period 12 months earlier

# FY19's momentum drives strong start

- **\$1.67M+** revenue for the half, growth of **112%** on H1-FY18
- Acceleration in advertising revenue, for both brand partnerships and programmatic reaching **\$1.14M**, an increase of over **164%** on H1-FY18
- Launched an upgraded Premium subscription offering, delivering recurring revenue growth of **41%** on H1-FY18
- Registered users hit **3M** and Monthly Active Users (MAU) grew to **1.1M**, up by **41%** on H1-FY18
- Cash receipts of over **\$1.5M**, up **87%** on H1-2018. Expectation of turning operating cash flow positive during 2019 affirmed
- TNY is making strong progress in building scale to drive profitable growth and positive cash flow in calendar 2019

H1-2019  
Financial Year



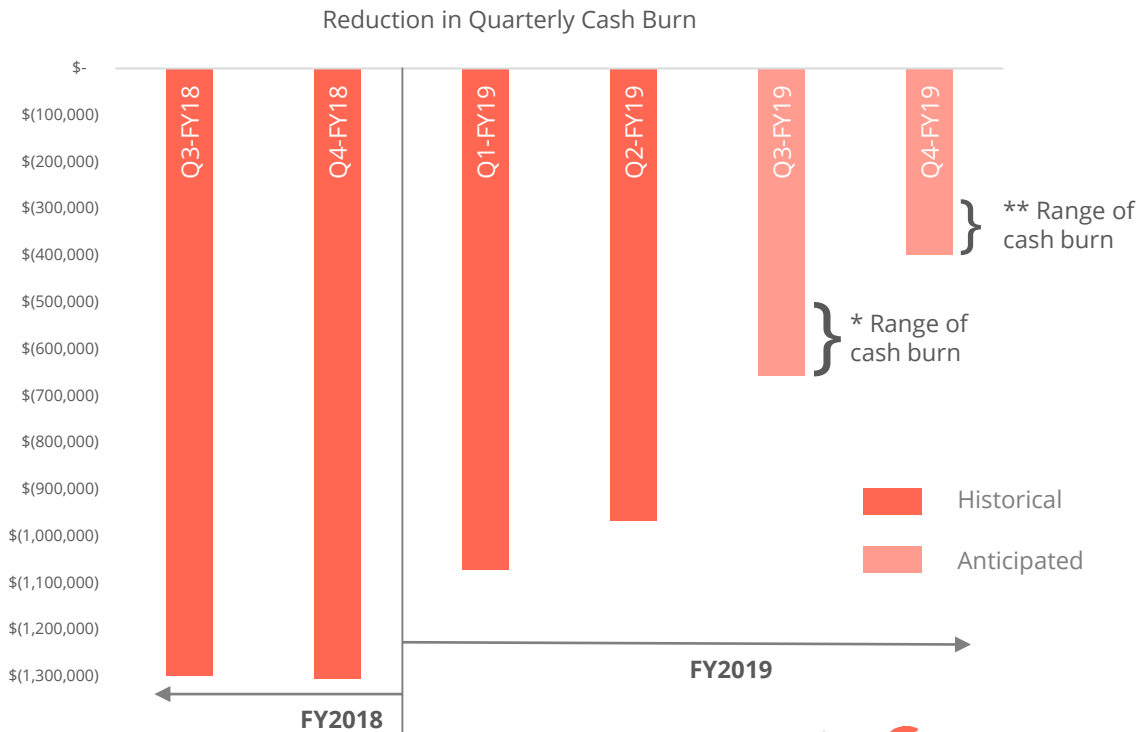
# Path to cashflow breakeven

## Positive Trajectory

- Cash burn is improving each quarter:
  - Q3-FY19 expected to be between \$500K and \$650K\* (compared to \$967K in Q2)
  - Q4-FY19 expected to be between \$300k and \$400K\*\*
- We expect to maintain a positive cash balance through to turning cash flow breakeven by the end of calendar 2019 - affirmed

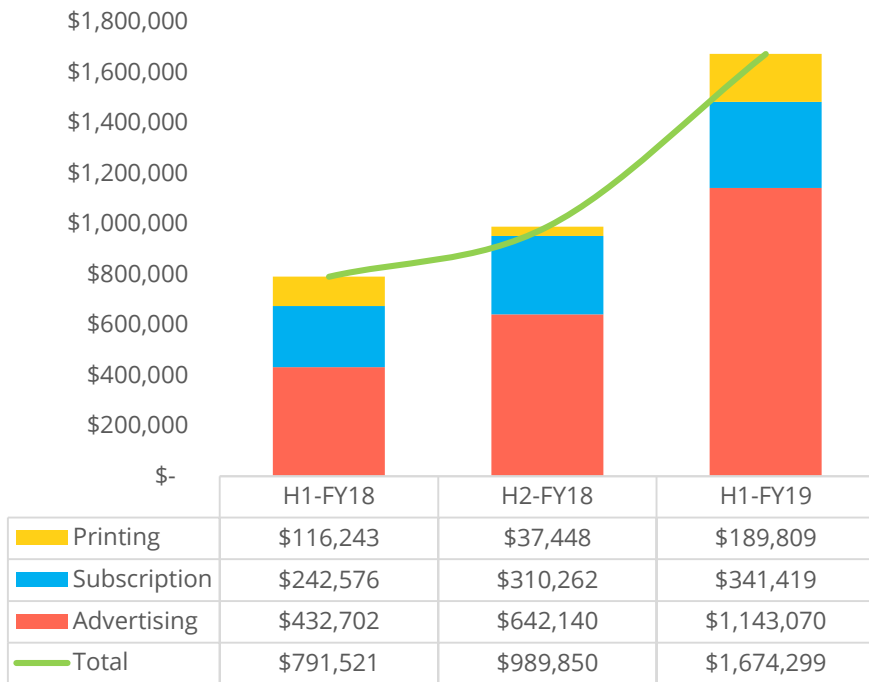
## Guidance Assumptions

- Cash balance of \$2.01M as at 31st December 2018
- Conservatively, we expect no increases to the cost base for the remainder of the calendar year. Q3-FY19 cost base is approximately \$1.65M
- Positive revenue outlook for H2-FY19: Direct Brand Advertising pipeline is over \$2M with Q3 & Q4 projects focused on increasing programmatic revenues



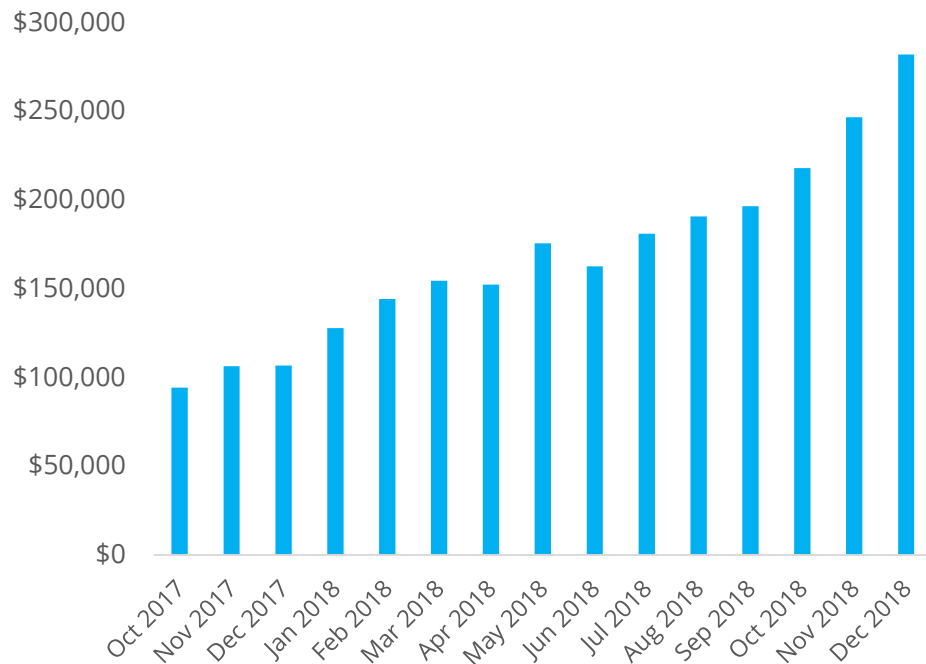
# Record revenue growth

Tinybeans Revenues



- Growth across both direct **brand partnerships** of **244%** on the same period last year to **\$565k**, whilst growing programmatic advertising **\$577k**, which was **115%** on the same period last year
- Premium subscription revenue rose **41%** on the same period 12 months ago to **\$341k** for the half with total contract value for premium subscriptions rising from **\$861k** to **\$998k** in Q2-FY19
- Printing revenues grew strongly to **\$189k** up over **63%** on the same period 12 months ago
- Revenue per active user grew to \$3.87 (annualized) from \$2.32, 12 months prior

# Monthly recurring revenues

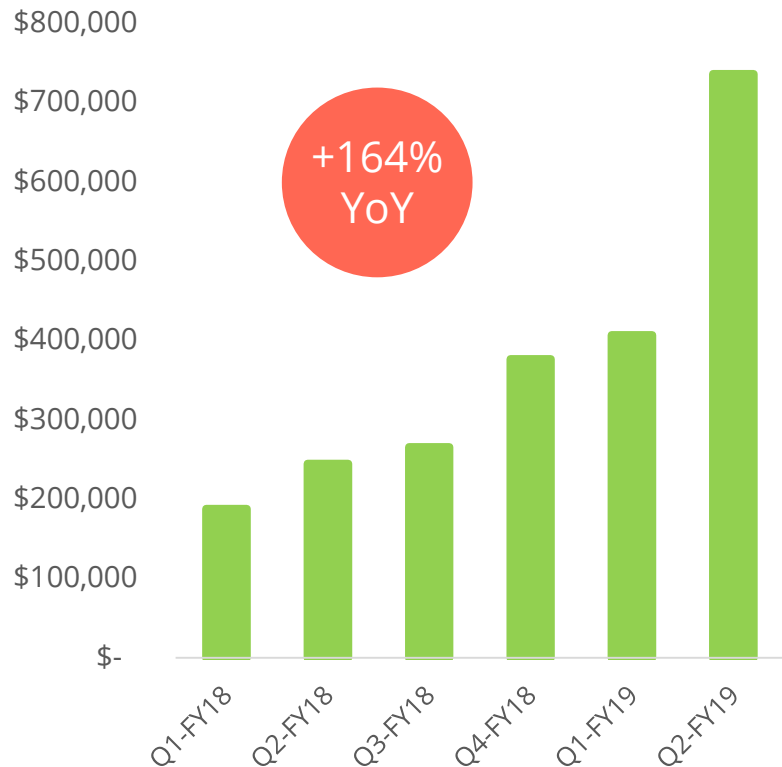


Note: MRR includes subscription, programmatic and a 6 month trailing average of brand partnerships revenues

In Q4, monthly recurring revenues accelerated to **\$282k per month**, representing a **43%** increase on the previous quarter.

The investments in programmatic advertising and premium are making the largest impact to the recurring results.

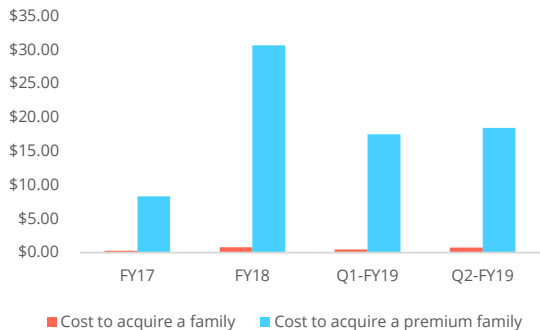
# Advertising revenues



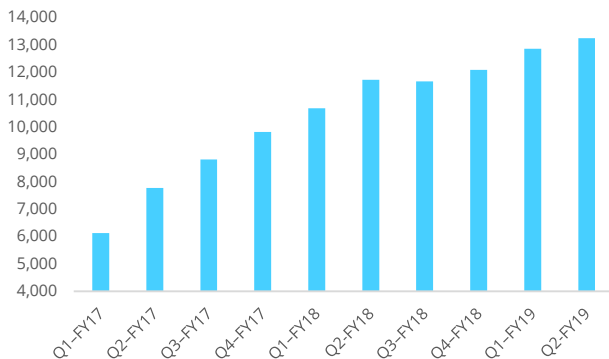
# Premium subscription metrics



Customer Acquisition Cost (CAC)



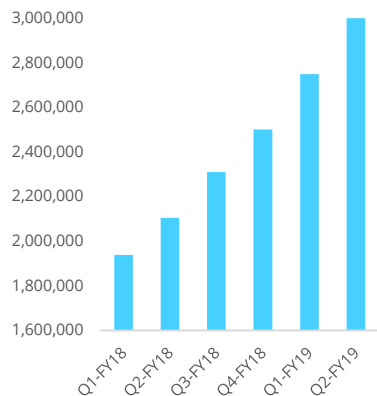
Paid Premium Subscriptions



- Overall customer acquisition costs remained flat for Q2-FY19 at \$0.77
- CAC to acquire a paying premium customer also remained steady at \$18.50
- Annualized revenue per premium subscription got to \$54.10 which is a 200% return on CAC
- Launched an upgraded premium subscription offering, delivering recurring revenue growth of 41% on H1-FY18
- Premium retention expected to remain stable at 76% with ongoing improvements to customer offering
- In H1-FY19 new premium enhancements included:
  - Re-brand
  - High resolution photos
  - Free shipping on all photobook orders

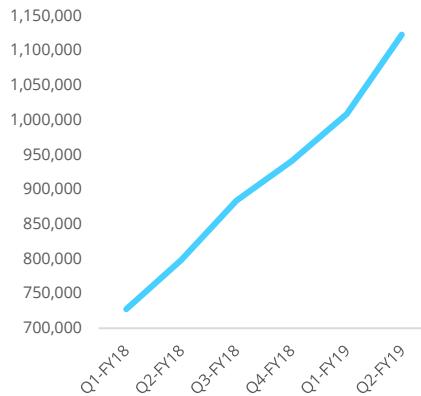
# User growth metrics

Registered Users



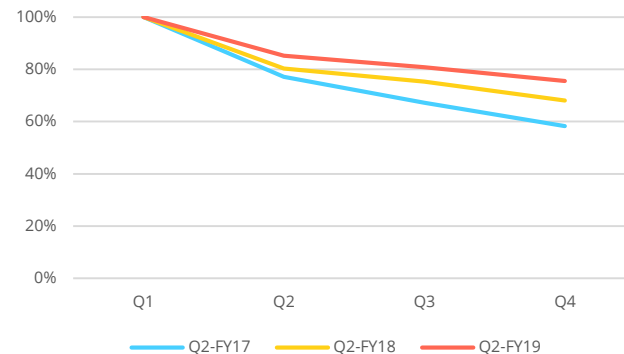
Added 900k registered users in 12 months

Monthly Active Users



Acquired over 320k MAU in 12 months

12 month User Retention



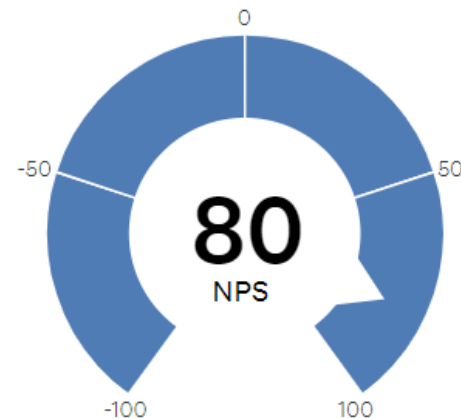
2 Year User Retention is 59%  
> 4X industry Average

# Record NPS

- Launched NPS tracking in April 2018 with a survey to all parents:
  - Score = **73**
- Ongoing survey to new parents after their first month of membership.
  - Average Score = **60**
- End of Feb 19 we sent another survey to all parents like we did in April 2018.
  - New Score = **80**

## Overarching promoter feedback:

- “We’ve used Tinybeans for almost 5 years, and it’s been very user-friendly for our family & friends. Enjoy the depth of features as well as privacy options.”
- “I love everything about tiny beans! My favorite thing is that I can chose who gets to be see my little guys pictures and milestones. Unlike all other social media where as long as they are friends with you they see everything you post.”
- “I hate the idea of splashing my kids across social media (FB, Insta), but I have family....everywhere. Tinybeans feels like a safer way to keep the family informed and updated”



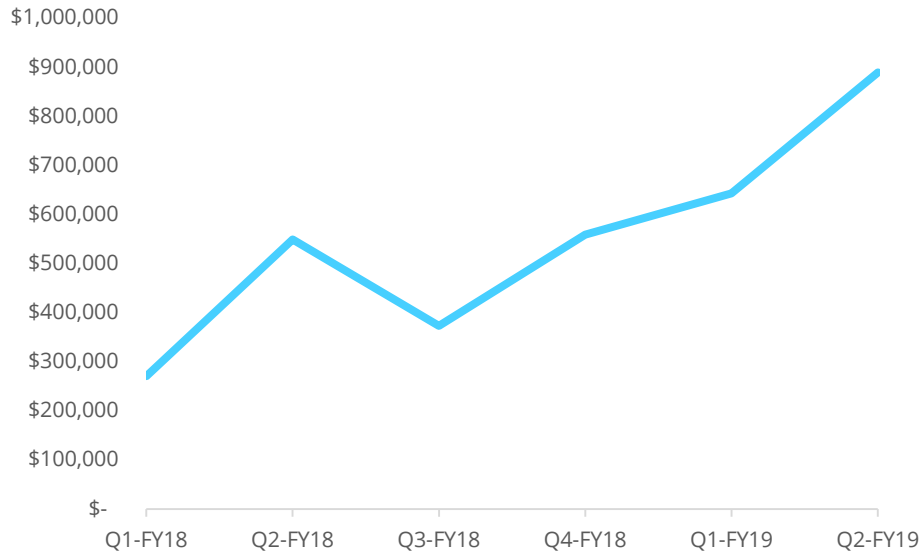
3,898 responses

*How likely is it that you would recommend Tinybeans to a friend or colleague?*

# Improving cash receipts



Cash Receipts

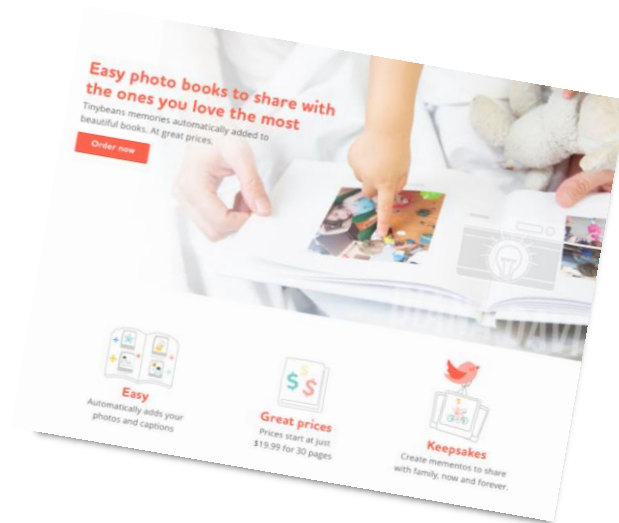
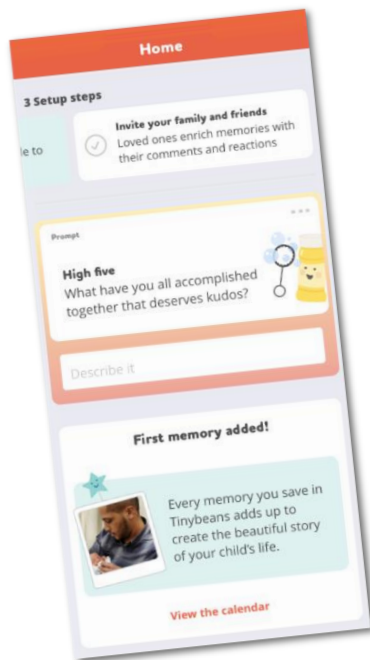


- Positive cash flow trajectory with cash receipts for H1-FY19 of over **\$1.5M**, up **87%** on H1-2018
- Cost base flat – currently around \$550k per month AUD
- With revenues increasing leading to cash flow positive, so will cash receipts

# Technology & product developments

## Improvements released in H1 include:

- Completed visual redesign of entire iOS app and all Product and Marketing emails.
- Launched revamped photo-upload experience that is clearer and takes fewer clicks. This is a key step in new parent onboarding.
- Full-resolution photos on all platforms, released as a Premium feature.
- Released Feed as Home with prompts, activity & programmatic ads
- Released new photobook service



# Audience growth (ie marketing)

Highlights for in H1 include:

- Completed consumer rebrand and revised brand assets
- 500K new users added in the first half of the fiscal year
- PR campaign to improve Tinybeans brand awareness, resulting in significant U.S. coverage in publications reaching 57 million unique users
- Tinybeans.com pageviews up 55% and unique pageviews up 29% Y-o-Y
- Content pageviews and unique pageviews up 125% Y-o-Y
- Grew social audience by 10%

PureWow

Inc.

  
CBSLA



Woman'sDay  
LIVE WELL EVERY DAY

  
THE EVERYMOM

GLAMOUR

YAHOO!  
LIFESTYLE

winnie

  
RED TRICYCLE

smart  
parenting

Seattle's  
Child

the Not-the-  
Mama  
Dad Blog

Beyond Mom

LUX &  
CONCORD

# Our journey so far (and we're just getting started)

## **Dec 2018**

3M members and \$1.67M in revenues for H1-FY19

## **June 2018**

2.5M members and \$1.72M in revenues for FY18

## **December 2017**

\$790k in revenues for H1-FY18 and 100 million memories across 170 countries

## **June 2017**

Gets to \$1.1M in revenue for FY17

## **November 2018**

Reached 1M Monthly Active users

## **January 2018**

Tinybeans featured on homepage of U.S. App Store

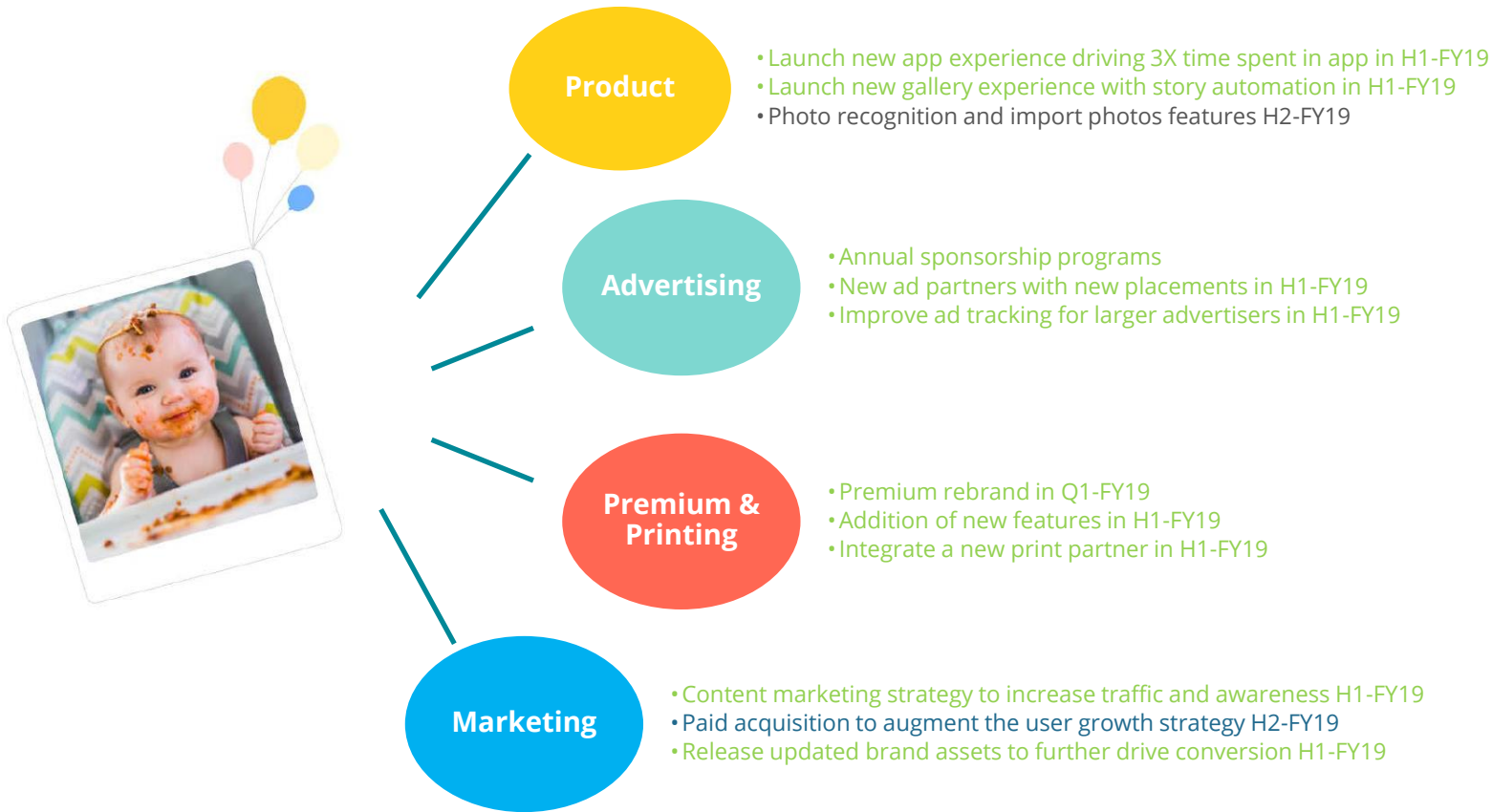
## **Nov 2017**

2M members

## **April 2017**

TNY listed on the Australian Securities Exchange

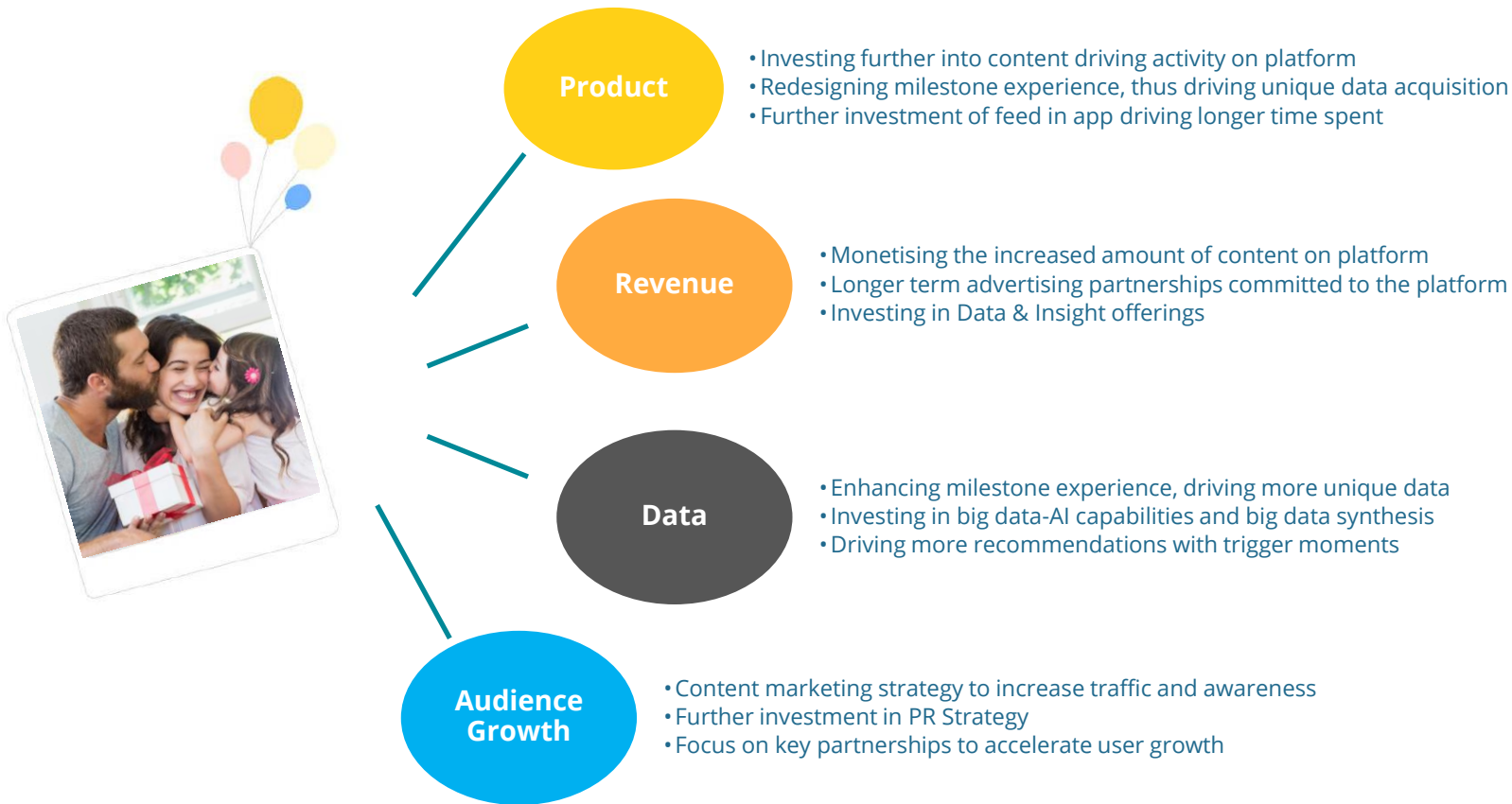
# FY19 team priorities (an update)



## Legend

- In progress
- Complete
- Not yet begun

# H2-FY19 team priorities





tinybeans

APPENDIX



# P & L (auditor reviewed)

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 DEC 2018 \$	31 DEC 2017 \$
Sales revenue	2	1,668,631	747,674
Other income	2	23,730	72,089
<b>Total income</b>		<b>1,692,361</b>	<b>819,763</b>
Depreciation and amortisation expense	3	(56,401)	(12,960)
Employee benefits expense	5	(2,444,151)	(1,930,214)
Production development		-	(21,000)
Administration		(823,365)	(707,068)
Marketing		(351,483)	(263,461)
Other expenses		(111,915)	(155,259)
<b>Loss before income tax expense</b>		<b>(2,094,954)</b>	<b>(2,270,199)</b>
Income tax expense		(4,734)	(1,861)
<b>Loss attributable to members of the parent entity</b>		<b>(2,099,688)</b>	<b>(2,272,060)</b>
<b>Other comprehensive income</b>			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations		8,596	867
<b>Total comprehensive loss for the period</b>		<b>(2,091,092)</b>	<b>(2,271,193)</b>
Basic loss per share (cents)	6	(6.41)	(8.69)
Diluted loss per share (cents)	6	(6.41)	(8.69)

# Balance sheet (auditor reviewed)

	Note	31 DEC 2018 \$	30 JUN 2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,012,094	4,052,369
Trade and other receivables		1,146,176	763,729
<b>TOTAL CURRENT ASSETS</b>		<b>3,158,270</b>	<b>4,816,098</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		76,335	95,411
Intangible assets		34,015	68,030
<b>TOTAL NON-CURRENT ASSETS</b>		<b>110,350</b>	<b>163,441</b>
<b>TOTAL ASSETS</b>		<b>3,268,620</b>	<b>4,979,539</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Deferred revenue		496,801	388,649
Trade and other payables	8	439,370	483,475
Provisions		154,654	178,029
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,090,825</b>	<b>1,050,153</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred revenue		417,818	323,443
Provisions		18,317	13,108
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>436,135</b>	<b>336,551</b>
<b>TOTAL LIABILITIES</b>		<b>1,526,960</b>	<b>1,386,704</b>
<b>NET ASSETS</b>		<b>1,741,660</b>	<b>3,592,835</b>
<b>EQUITY</b>			
Issued capital		12,910,414	12,674,511
Reserves	9	351,839	339,229
Accumulated losses		(11,520,593)	(9,420,905)
<b>TOTAL EQUITY</b>		<b>1,741,660</b>	<b>3,592,835</b>

# Cashflow (auditor reviewed)

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 DEC 2018	31 DEC 2017
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,532,477	820,941
Payments to suppliers and employees		(3,825,561)	(3,020,539)
Research and Development Tax Offset incentive		-	231,669
Interest received		16,774	23,676
<b>Net cash (used in)/provided by operating activities</b>		<b>(2,276,310)</b>	<b>(1,944,253)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Receipts from disposal of (payments to acquire) property, plant and equipment		792	(101,028)
<b>Net cash used in investing activities</b>		<b>792</b>	<b>(101,028)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		241,028	-
Cost of raising share capital		(5,125)	-
<b>Net cash provided by financing activities</b>		<b>235,903</b>	<b>-</b>
<b>Net (decrease)/increase in cash held</b>		<b>(2,039,615)</b>	<b>(2,045,281)</b>
Cash and cash equivalents at beginning of financial half-year		4,052,369	5,205,561
Effects of foreign currency exchange		(660)	978
<b>Cash and cash equivalents at end of financial half-year</b>		<b>2,012,094</b>	<b>3,161,258</b>

# Corporate information

## Tinybeans Group Ltd

L1, 26 Wentworth Ave  
Surry Hills NSW 2010

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

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

[@tinybeanskids](https://twitter.com/tinybeanskids)

## Disclaimer

This presentation is provided for information purposes only. The information in this presentation is in a summary form, does not purport to be complete and is not intended to be relied upon as advice to investors or other persons. The information contained in this presentation was prepared as of its date, and remains subject to change without notice. This presentation has been provided to you solely for the purpose of giving you background information about Tinybeans Group Ltd ("Tinybeans").

No representation or warranty, express or implied, is made as to the accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this presentation. Neither Tinybeans, its related bodies corporate, shareholders or affiliates, nor any of their respective officers, directors, employees, related bodies corporate, affiliates, agents or advisers makes any representations or warranties that this presentation is complete or that it contains all material information about Tinybeans or which a prospective investor or purchaser may require in evaluating a possible investment in Tinybeans or acquisition of shares. To the maximum extent permitted by law, none of those persons accept any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of information contained in this presentation or in relation to the accuracy or completeness of the information, statements, opinions or matters, express or implied, contained in, arising out of or derived from, or for omissions from, this presentation. Tinybeans has not independently verified any of the contents of this presentation (including, without limitation, any of the information attributed to third parties). No person is under any obligation to update this presentation at any time after its release to you.

Certain statements in this presentation may constitute forward-looking statements or statements about future matters that are based upon information known and assumptions made as of the date of this presentation. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. These statements are subject to internal and external risks and uncertainties that may have a material effect on future business. A summary of some of the key risks of Tinybeans business is set out in the appendix. Actual results may differ materially from any future results or performance expressed, predicted or implied by the statements contained in this presentation. As such, undue reliance should not be placed on any forward looking statement. Past performance is not necessarily a guide to future performance. Nothing contained in this presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

This presentation is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities in Tinybeans and neither this presentation nor any of the information contained herein shall form the basis of any contract or commitment. In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

This presentation may not be reproduced or redistributed to any other person.

All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.

In receiving this presentation, each recipient agrees to the foregoing terms and conditions.