

27 June 2023

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LAUNCH OF A\$2.5 MILLION EQUITY RAISING TO INVEST IN GROWTH INITIATIVES

Key Highlights

- Tinybeans is undertaking an Equity Raising of approximately A\$2.5 million to fund new product features, tech capability, marketing and branding initiatives, whilst supporting working capital, providing management with added flexibility to fund growth initiatives.
- The Equity Raising is comprised of a non-underwritten institutional placement to raise approximately A\$0.5 million and a fully underwritten pro rata accelerated non-renounceable entitlement offer to eligible existing shareholders to raise approximately A\$2.0 million.
- Following completion of the Equity Raising, Tinybeans pro forma net cash at 31 March 2023 is approximately US\$4.09 million, providing additional flexibility for management to invest into potential high growth initiatives.

Tinybeans Group Limited (ASX:TNY) (OTCQB: TNYF) ("Tinybeans" or "the Company"), is pleased to announce the launch of a A\$2.5 million (equivalent to approximately US\$1.7 million¹) equity raising of new fully paid ordinary shares (**New Shares**) at an offer price of A\$0.15 per New Share (**Offer Price**).

With the recent appointment of its new CEO, Zsofi Paterson, a refreshed board and engaged executive team, Tinybeans is ready to build on its strong foundations and move the Company to its next level of growth. With parents becoming even more obsessed and concerned around “sharenting” and the privacy of sharing photos of their kids with loved ones, Tinybeans is perfectly positioned to capitalise on this growing need with its highly trusted photo sharing App and content.

Tinybeans operates in the highly lucrative parenting category with a huge total addressable market and with millions of visitors to its website each month and 2.1 million engaged subscribers to its newsletters, Tinybeans has the opportunity for significant growth with the full monetisation of these users to grow its revenue and subscription base.

The Equity Raising (defined below) is comprised of:

- a non-underwritten institutional placement of New Shares to raise gross proceeds of approximately A\$0.5 million (equivalent to approximately US\$0.3 million¹) (utilising ASX Listing Rule 7.1 capacity) to be conducted at the same time as the institutional component of the Entitlement Offer (**Placement**); and
- a fully underwritten² 1-for-4.6 pro rata accelerated non-renounceable entitlement offer of New Shares to raise gross proceeds of approximately A\$2.0 million (equivalent to approximately US\$1.3 million¹) (**Entitlement Offer**),

the Entitlement Offer and Placement are together the **Equity Raising**.

It is expected that approximately 16.7 million New Shares will be issued under the Equity Raising (comprising approximately 27.2% of Tinybeans’ existing issued capital). New Shares issued under the Equity Raising will

¹ Assumes AUD:USD foreign exchange conversion of 0.6681.

² Refer to slides 39-42 of the investor presentation dated 27 June 2023 for a description of the terms and conditions of the underwriting arrangement.

rank equally with existing ordinary shares. Tinybeans will, upon issue of the New Shares under the Entitlement Offer and Placement, seek quotation of the New Shares on the ASX.

Chantale Millard, Chair of Tinybeans, commented on the Equity Raising:

“The Board is delighted with the recent appointment of Ms Zsofi Paterson as the new CEO of Tinybeans and the Equity Raising will ensure that the Company is sufficiently capitalised for Zsofi to take Tinybeans to its next level of growth. Zsofi has a wealth of experience in scaling digital revenue businesses and will provide a clear focus to the business, to maximise advertising revenue and substantially grow subscription revenue with investment in its core products, content, new strategic partnerships and expanding the marketable audience with the use of talent and influencers.

The Board is excited by the opportunity to further enhance the Tinybeans offer, making it easier for families to create and privately share important family memories on its trusted and secure platform. The Equity Raising provides a significant opportunity for Tinybeans to take a disciplined and focussed approach to investing in its core products to substantially scale its user base, whilst reviewing the possibility of additional parenting adjacencies to expand its reach and further monetise users, and importantly, growing shareholder value.”

The Entitlement Offer is fully underwritten² by Bell Potter Securities Limited (**Bell Potter, Underwriter**, or the **Lead Manager**). The Placement is not underwritten.

Purpose of the Equity Raising

The proceeds of the Equity Raising will be used to provide management with added flexibility to support working capital and growth initiatives, including:

- flexibility for the incoming CEO to implement a new strategic plan, whilst accelerating growth in its core products;
- invest in the product and tech capabilities of the Tinybeans App and website to enhance the customer experience and fast track growth in its subscription base and advertising revenue;
- invest in its marketing, including content, digital marketing and the use of talent/influencers to substantially increase brand awareness, subscriptions and marketable user base; and
- costs of the transaction.

Following the Equity Raising, Tinybeans’ pro forma net cash at 31 March 2023 will be approximately US\$4.09 million¹, post transaction costs.

Placement

Tinybeans is undertaking the Placement to raise gross proceeds of approximately A\$0.5 million (equivalent to approximately US\$0.3 million¹) through the issuance of approximately 3.3 million New Shares to eligible new and existing institutional shareholders at the Offer Price.

The Offer Price of A\$0.15 per New Share represents a 25.0% discount to the last traded price of A\$0.20 on Monday, 26 June 2023. The New Shares issued under the Placement will be issued within Tinybeans’ existing placement capacity under ASX Listing Rule 7.1 (approximately 3.3 million New Shares).

The Placement will be conducted concurrently with the Institutional Entitlement Offer (as described below). New Shares issued under the Placement will not be eligible to participate in the Entitlement Offer.

Tinybeans reserves the right to increase the size of the Placement if there is additional demand.

Entitlement Offer

The Entitlement Offer is a fully underwritten 1-for-4.6 pro rata accelerated non-renounceable entitlement offer to raise approximately A\$2.0 million (equivalent to approximately US\$1.3 million¹) through the issue of approximately 13.3 million New Shares.

Under the Entitlement Offer, eligible securityholders are invited to subscribe to 1 New Share for every existing 4.6 shares (**Entitlement**) held as at 7.00pm (Sydney time) on Thursday, 29 June 2023 (**Record Date**). All New Shares offered under the Entitlement Offer will be issued at the Offer Price of A\$0.15 per New Share, which represents a:

- 20.8% discount to the theoretical ex-rights price (TERP)³ of A\$0.1893; and
- 25.0% discount to the last close price of Tinybeans shares of A\$0.20 on Monday, 26 June 2023.

The Entitlement Offer will be conducted in two parts, an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

The Entitlement Offer is non-renounceable, and Entitlements will not be tradable or otherwise transferable. Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those Entitlements not taken up.

Institutional Entitlement Offer

Eligible institutional shareholders, being institutional shareholders with a registered address in Australia, New Zealand, Hong Kong or the United States, will be invited to participate in the Institutional Entitlement Offer, which is being conducted today, Tuesday, 27 June 2023 through until 4.00pm (Sydney time) on Wednesday, 28 June 2023. Eligible institutional shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer.

Institutional entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to eligible institutional shareholders who apply for New Shares in excess of their entitlement, as well as to certain other eligible institutional investors who bid into the institutional bookbuild being conducted concurrently with the Institutional Entitlement Offer.

Tinybeans' shares will remain in a trading halt pending completion of the Institutional Entitlement Offer and Placement (**Institutional Offer**).

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand as at 7.00pm (Sydney time) on the Record Date, not being US persons or acting for the account or benefit of persons in the US (**Eligible Retail Shareholders**) will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open at 9.00am (Sydney time) on Tuesday, 4 July 2023 and close at 5.00pm (Sydney time) on Tuesday, 25 July 2023.

Eligible Retail Shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer.

In addition to each Eligible Retail Shareholder's Entitlement under the Retail Entitlement Offer, Eligible Retail Shareholders will be offered the opportunity to apply for additional New Shares under a "top-up" facility (**Oversubscription Facility**). Eligible Retail Shareholder are not assured of being allocated any New Shares in excess of their Entitlement under the Oversubscription Facility. New Shares allocated under the Oversubscription Facility will be allocated in accordance with the allocation policy outlined in the Retail Offer Booklet. The Company retains absolute discretion regarding allocation under the Oversubscription Facility.

If Eligible Retail Securityholders take no action, they will not be allocated New Shares and their Entitlements will lapse. Eligible Retail Securityholders who do not take up their Entitlements in full under the Retail

³ Theoretical ex-rights price (**TERP**) is the theoretical price that Tinybeans shares should trade at immediately after the ex-rights date for the Entitlement Offer. It is a theoretical calculation only and the actual price at which Tinybeans shares trade immediately after the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to Tinybeans' closing share price of A\$0.20 on Monday, 26 June 2023 and includes New Shares issued under the Entitlement Offer and Placement.

Entitlement Offer will not receive any value or payment for those Entitlements they do not take up. The Retail Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.

The terms and conditions under which Eligible Retail Shareholders may apply will be outlined in the Retail Offer Booklet, which is expected to be available to Eligible Retail Shareholders on Tuesday, 4 July 2023. The Retail Offer Booklet is expected to be available on the ASX website beginning Tuesday, 4 July 2023.

Existing Shareholders with a registered address outside Australia and New Zealand on the Record Date or who are acting for the account or benefit of persons in the United States will be ineligible to participate in the Retail Entitlement Offer, other than persons that Tinybeans has (with the prior written agreement of the Lead Manager in their absolute discretion) determined in its discretion are Eligible Retail Shareholders.

Director and key management participation

Major shareholder, comprising the Thorney Investment Group (**Thorney**) (with a nominee on the Tinybeans Board), has indicated a commitment of 100% of its pro rata Entitlement (approximately A\$0.4 million). Thorney has also indicated an intention to act as a sub-underwriter of the Entitlement Offer. If Thorney were the sole sub-underwriter (100% of the Entitlement Offer) and no Eligible Retail Shareholder participated in the Entitlement Offer, then this could result in Thorney obtaining a maximum interest in Tinybeans of approximately 31.8%⁴. Please refer to the cleansing notice lodged on Tuesday, 27 June 2023 for further details on control.

Tinybeans directors and senior management may participate in the Entitlement Offer. Tinybeans directors will not participate in the Placement.

Director options

As at the date of this announcement, it is anticipated that new options will be issued to Directors of Tinybeans under the terms of its incentive plan, of such number and on terms that are yet to be determined. The issue of any options is subject to the finalisation of terms and the approval of shareholders.

Indicative Equity Raising timetable

Event	Time and Date
Trading Halt Announcement of the Equity Raising	Tuesday, 27 June 2023
Institutional Offer opens	Tuesday, 27 June 2023
Institutional Offer closes	4:00pm Wednesday, 28 June 2023
Announcement of results of the Institutional Offer Trading Halt is lifted and Tinybeans shares recommence trading on ASX on an “ex-Entitlement basis”	Thursday, 29 June 2023
Record Date for Retail Entitlement Offer	7.00pm Thursday, 29 June 2023
Retail Entitlement Offer opens and dispatch of Retail Offer Booklet	Tuesday, 4 July 2023
Settlement of Institutional Offer	Tuesday, 4 July 2023
Allotment of New Shares issued under the Institutional Offer	Wednesday, 5 July 2023

⁴ This increase in voting power above 20% is subject to ASIC consenting to the appointment of Bell Potter Nominees Limited as nominee for the purposes of section 615 of the *Corporations Act 2001* (Cth).

Normal trading of New Shares issued under the Institutional Offer	Thursday, 6 July 2023
Retail Entitlement Offer closes	5.00pm Tuesday, 25 July 2023
Results of the Retail Entitlement Offer announced to ASX	Thursday, 27 July 2023
Settlement of Retail Entitlement Offer	Monday, 31 July 2023
Allotment of New Shares issued under the Retail Entitlement Offer	Tuesday, 1 August 2023
Normal trading of New Shares issued under the Retail Entitlement Offer	Wednesday, 2 August 2023
Holding statements for New Shares issued under the Retail Entitlement Offer despatched	Wednesday, 2 August 2023

This timetable is indicative only and may be subject to change without notice to, or consultation with, you. Tinybeans reserves the right to amend any or all of these dates and times subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, Tinybeans reserves the right to extend the closing date for the Institutional Entitlement Offer or the Retail Entitlement Offer, to accept late applications under the Institutional Entitlement Offer or the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Institutional Offer or the Retail Entitlement Offer without prior notice. Any extension of the closing date for the Institutional Offer or the Retail Entitlement Offer will have a consequential effect on the allotment date of New Shares. Tinybeans also reserves the right not to proceed with the Placement or the Entitlement Offer in whole or in part at any time prior to allotment and issue of the relevant New Shares. In that event, the relevant application monies (without interest) must be returned in full to applicants.

Investor call

Tinybeans Chair, Chantale Millard, and incoming CEO, Zsofi Paterson, will hold an investor conference call at 3:00pm (Sydney time), Tuesday, 27 June 2023.

Attendees will need to pre-register using the following link:

https://bellpotter.zoom.us/webinar/register/WN_TON4X5IKRIC4LRWMnGftbA

Further Information

Further details of the Equity Raising are set out in the investor presentation also lodged on the ASX today (**Investor Presentation**). The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Equity Raising. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

We look forward to keeping the market updated with further material progress.

—ENDS—

This announcement was approved for release by the TNY Board.

For more information, please contact:

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Chair

E: investors@tinybeans.com

About Tinybeans Group

Tinybeans Group Limited (ASX:TNY, OTCQB:TNYF) is the only high trust app and web platform offering a personalized experience for new and growing families that helps them achieve their #1 goal in life—to raise amazing kids. Our purpose is bigger than simply making parenting easier. We help families thrive by giving them a safe, useful and inspirational place to go to capture and share memories, engage with trustworthy content and find thoughtful recommendations tailored to their family's needs, interests and where they live.

Tinybeans engages 28 million mindful parents every month, enjoys over 150,000 5-star reviews in the Apple App and Google Play stores, and has been recognized by Apple for excellence in both content—top 3 most viewed and exclusive parenting partner for Apple Guides, and utility—twice being named U.S. app of the day.

Important Notices

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Tinybeans, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Tinybeans' business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Tinybeans, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Tinybeans as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Tinybeans, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be,

registered under the U.S. Securities Act of 1933, as amended (the “**US Securities Act**”) or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities described in this announcement may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Tinybeans’ securities.

Involvement of the Lead Manager

Neither the Lead Manager nor its related bodies corporate and affiliates, and each of its respective officers, directors, partners, employees, consultants, contractors, agents and advisers (“**Beneficiaries**”), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this announcement and nor do they make any recommendation as to whether any potential investor should participate in the Equity Raising. There is no statement in this announcement which is based on any statement made by the Lead Manager or any other Beneficiary. To the maximum extent permitted by law, the Lead Manager and the Beneficiaries expressly disclaim all liabilities (including for fault, negligence, or negligent misstatement) in respect of, and take no responsibility for, any part of this announcement, and make no representation or warranty (whether express or implied) regarding any part of this announcement, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this announcement (including the accuracy, likelihood of achievement or reasonableness of any forecast returns, yields, future income or other statements in relation to future matters nor that the Information or this website contains all material information about Tinybeans or which a prospective investor may require in evaluating a possible investment in Tinybeans).

Neither the Lead Manager nor the Beneficiaries make any recommendation as to whether any potential investor should participate in the Equity Raising. Further, neither the Lead Manager or the Beneficiaries accept any fiduciary obligations to or duty of care to or relationship with any investor or potential investor in connection with the Equity Raising or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Equity Raising and any other transaction or other matter arising in connection with this announcement.

The Lead Manager and the Beneficiaries may, from time to time, have interests in the new securities under the Placement or other securities of Tinybeans, including providing corporate advisory or other financial advisory services to Tinybeans and/or managing the offering of such New Shares under the Equity Raising. Further, they may have long or short positions in, act as market maker or buy or sell those securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities. A Beneficiary may act as a lender and/or counterparty to Tinybeans or its affiliates and may or now in the future provide financial accommodation or services to Tinybeans or its affiliates.

Determination of eligibility of investors

Determination of eligibility of investors for the purposes of the Equity Raising is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Tinybeans and/or the Lead Manager. To the maximum extent permitted by law, Tinybeans, the Lead Manager, and the Beneficiaries each disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise of that discretion or otherwise. The Lead Manager may rely on information provided by or on behalf of institutional investors

in connection with managing, conducting or underwriting the Equity Raising without the Lead Manager or the Beneficiaries having independently verified that information and the Lead Manager and the Beneficiaries do not assume responsibility for the fairness, currency, accuracy, timeliness, reliability or completeness of the information (including the accuracy, likelihood of achievement or reasonableness of any forecast returns, yields, future income or other statements in relation to future matters nor that the Information or this website contains all material information about Tinybeans or which a prospective investor may require in evaluating a possible investment in Tinybeans).

General

This announcement is subject to the same “**Disclaimer**” that appears on slides 2-5 of the Investor Presentation released to the ASX today with any necessary contextual changes.

Financial Data

The pro-forma financial information included in this announcement is for illustrative purposes and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the United States Securities and Exchange Commission.

Certain financial data included in this announcement is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, and are not recognised under AAS and International Financial Reporting Standards (**IFRS**).

Non- IFRS/non-GAAP measures in this announcement are not subject to audit and include EBITDA and EBIT. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this announcement.