



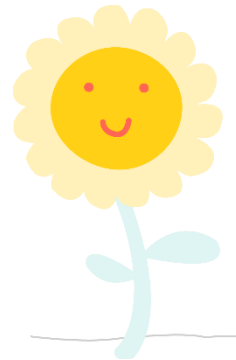
Tinybeans Group Limited (ASX:TNY)

Investor Briefing
May 16, 2019



Agenda

- Our Vision
- Brief performance update
- Content platform – early results
- Machine learning with brands
- Why Tinybeans?
- Other material previously shared



Our Vision



TNY: FY19 to date (Jul-Mar) growth highlights



3.2M

registered users



1.14M

monthly active users



\$2.67M

total revenue



\$1.9M

advertising revenue



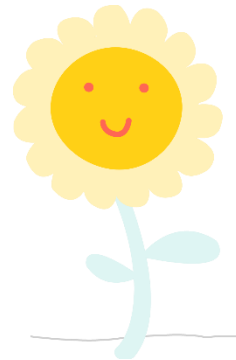
\$324K

baseline revenues

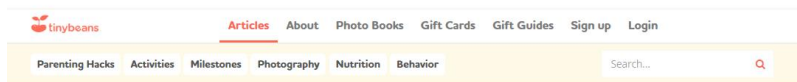
Q4 performance – recent updates

- Advertising revenue continues to be strong. Q4 growing at an anticipated pace.
- Premium subscriptions continue to grow. Retention at an all time high of **83%**. Q4 growing at a better pace than originally budgeted.
- R & D in the U.S. approved for FY18 – \$150k+ AUD benefit to the bottom line in FY19, and will be applied against U.S payroll tax in FY20.
- Revenue per active user grew to \$3.49 (annualized) from \$1.85 twelve months prior, an increase of 89%.
- Averaged CAC is \$3.57 with LTV currently at \$24.04.
- TNY is making strong progress in revenue growth and positive cash flow in calendar 2019.

2019
Financial Year



Content platform - first 3 weeks since launch



Trending Today



7 activities to teach kids about nature
Teach your child about the importance of the environment with these fun educational adventures!
[Read More](#)



What have you learned as a mother?
We asked our community to share what they've learned as mothers in honor of Mother's Day.
[Read more](#)



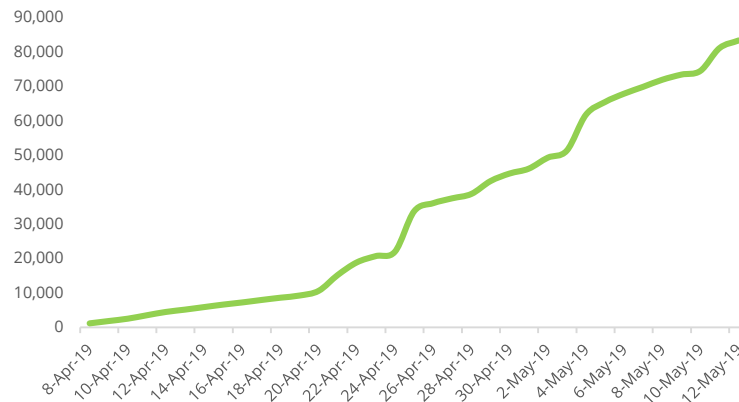
8 Mother's Day crafts to brighten up her day
Mother's Day is right around the corner and it's time to show that special mom how much she's loved.
[Read more](#)



7 steps to keep your family safe in the sun
Protecting your child's skin now can reduce their risk of getting melanoma or other skin cancers in the future.
[Read more](#)



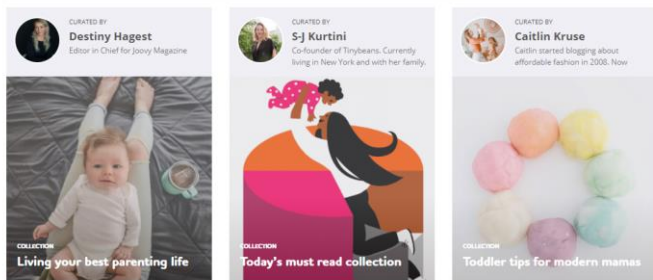
86k
monthly uniques



Content Platform - Collections launched

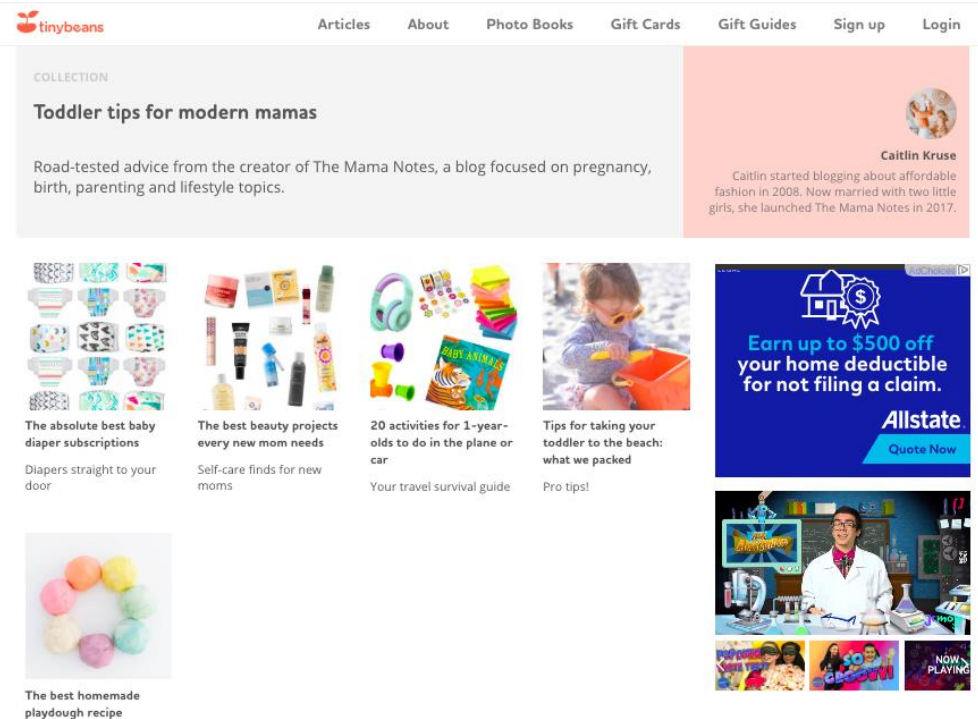
The best parenting resources curated in one convenient spot

Collections



Why is this exciting?

- Thousands of authors can create collections on Tinybeans and summarize relevant info.
- Tinybeans becomes a top quality experience and a conduit for great content.
- Allows the content platform to scale without hiring full time writers. Hundreds will soon be able to write summaries and publish on Tinybeans to service its members and the wider community.

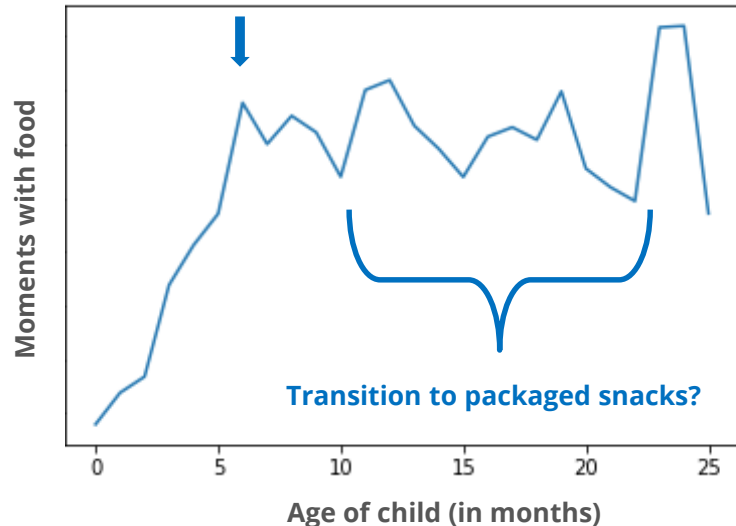


Machine learning platform

Why is this exciting?

- Tinybeans has developed a new offering using the best in machine learning techniques, with the ability to aggregate insights identified in its data.
- Over 200 million unique data points have been added to the Tinybeans platform. All of which are private and will NEVER be shared with anyone or any company, thus keeping any personal identifiable data proprietary.
- This capability of analysing millions of anonymised data points, identifies key areas of insights including behavioural patterns, consumer choices and affinities - which is what brands are craving.

Transition to solids



Children <1 month



Children 6 months old



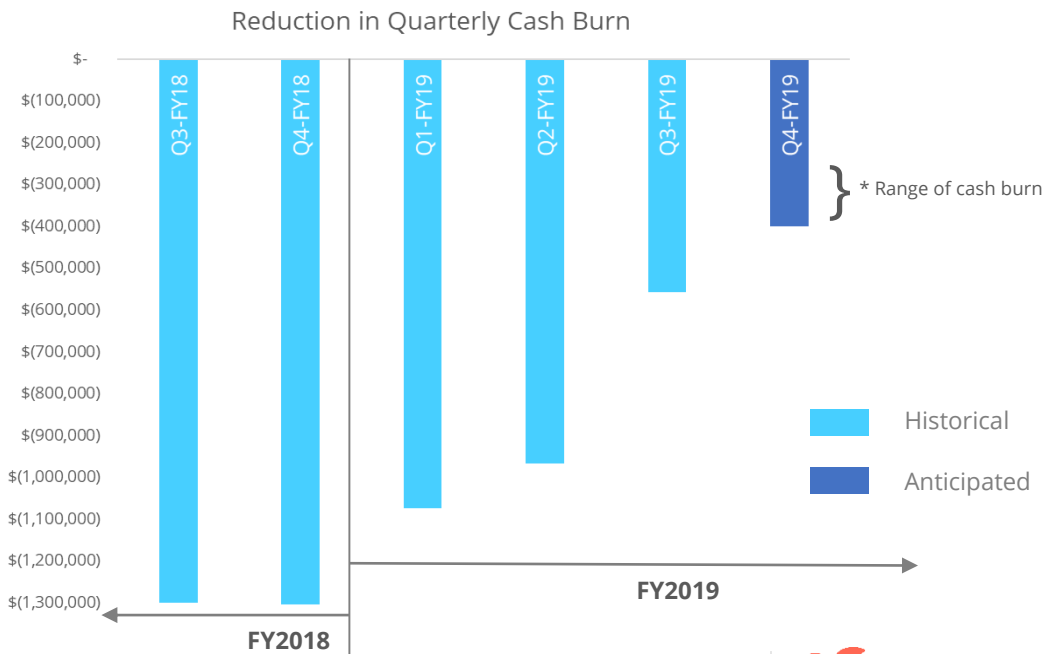
Path to cashflow breakeven affirmed

Positive Trajectory

- Cash burn is improving each quarter:
 - Q3-FY19 was \$557K (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

- Tinybeans plans to fund its operations through customer inflows as they have grown significantly in recent quarters. Tinybeans will also continue to evaluate raising additional capital as the business growth continues.
- Positive revenue outlook for 2019: Direct brand advertising pipeline is over \$2M with Q4-FY19 projects also focused on increasing programmatic revenues.



Note: TNY operates a July to June fiscal year

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Why Tinybeans?



A trusted and 100% **family-centered** platform



Growing **revenues** quarter on quarter on track for cashflow positive



Serving a huge market of **100M** parents/grandparents in the U.S. alone and over **135M** babies born worldwide every year



Fixed costs and over **80% Margin. Scalable** platform that can **grow revenues** with marginal cost increases.



tinybeans

Other background info

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

March 2019

3.2M members and
over \$2.67M YTD in revenues

June 2018

2.5M members and \$1.78M
in revenues for FY18

December 2017

\$791k in revenues for H1-FY18 and 100
million memories across 170 countries

June 2017

Gets to \$1.09M in revenue
for FY17

November 2018

Reached 1M Monthly Active users

January 2018

Tinybeans featured on homepage of
U.S. App Store

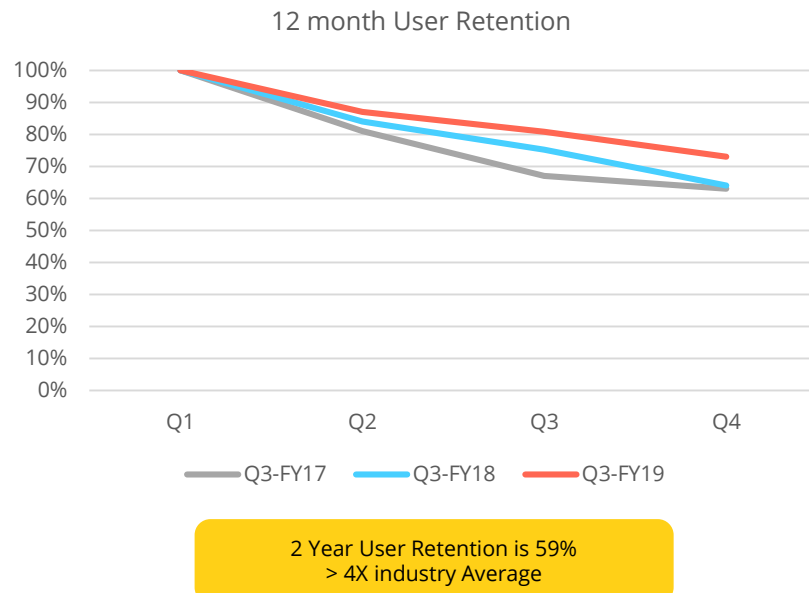
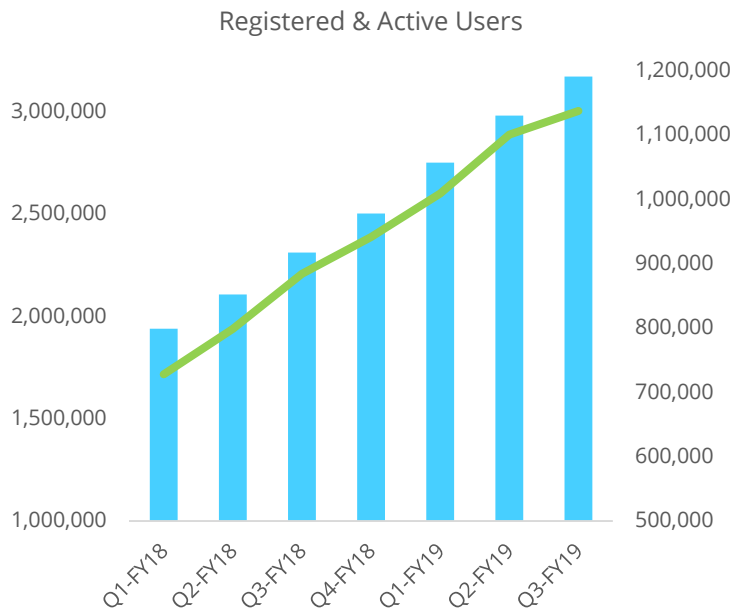
November 2017

2M members

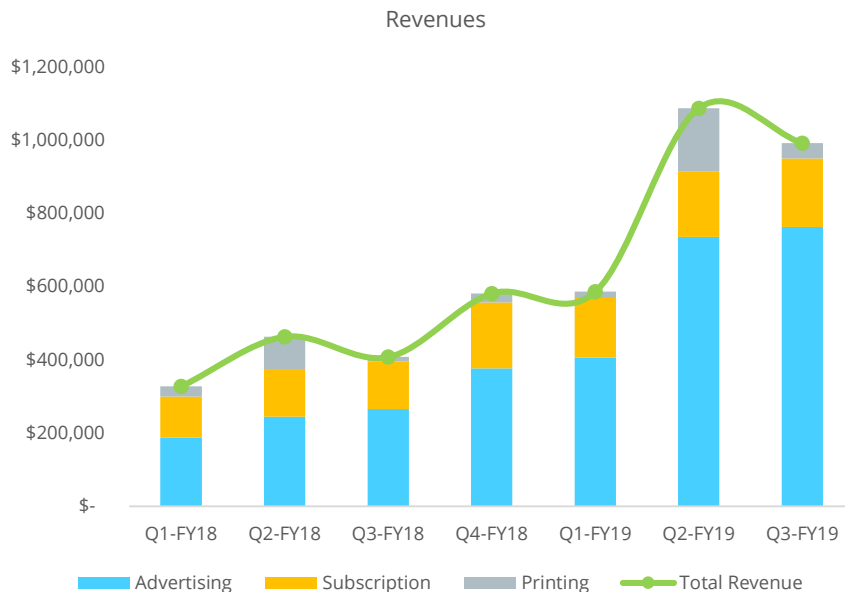
April 2017

TNY listed on the Australian
Securities Exchange

User growth metrics



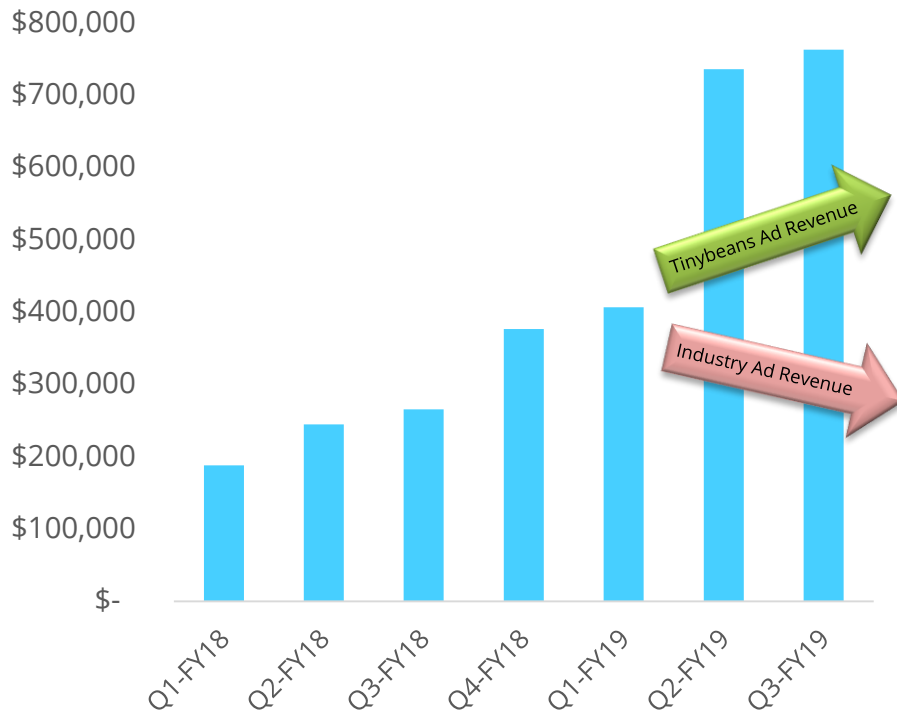
Record revenue growth



- Growth across both direct **brand partnerships** of **253%** on the same period last year to **\$339k**, while growing programmatic advertising **\$424k**, which was **150%** on the same period last year.
- Revenue in Q3-FY19 is outperforming what is traditionally a down quarter for the advertising industry coming off holiday peaks.
- 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.

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

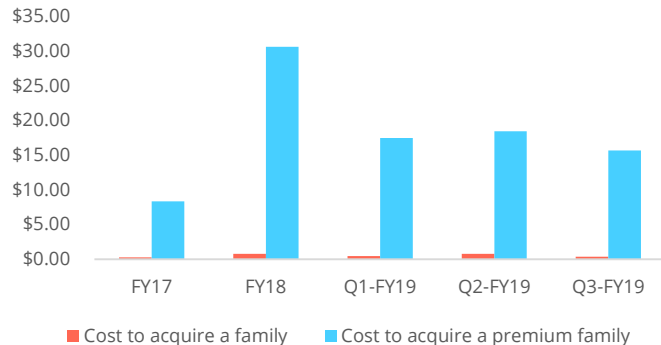
Advertising revenues



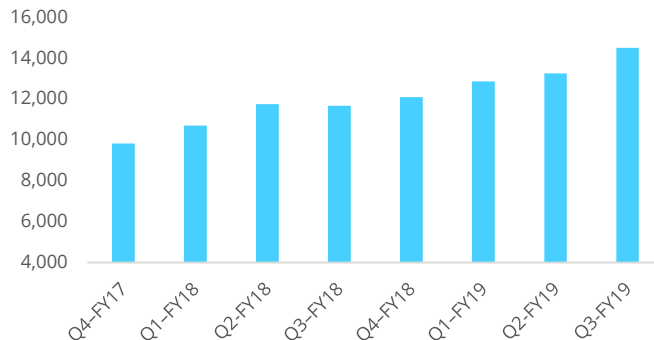
Premium subscription metrics



Customer Acquisition Cost (CAC)



Premium Subscriptions



- Customer acquisition costs declined – now at around 12 cents for FY19.
- CAC to acquire a paying premium customers also reduced to \$15.70, down 17%.
- Paid subscriptions were just under 14,500, an increase of 24% on the same period 12 months prior.
- Total Contract value for premium reached an all time high of \$1M, up 45% on the same period 12 months prior.
- There are no plans to increase marketing spend through FY19 however there are considerations for this to increase in FY20.

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
Total income		1,692,361	819,763
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)
Loss before income tax expense		(2,094,954)	(2,270,199)
Income tax expense		(4,734)	(1,861)
Loss attributable to members of the parent entity		(2,099,688)	(2,272,060)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations		8,596	867
Total comprehensive loss for the period		(2,091,092)	(2,271,193)
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 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		2,012,094	4,052,369
Trade and other receivables		1,146,176	763,729
TOTAL CURRENT ASSETS		3,158,270	4,816,098
NON-CURRENT ASSETS			
Property, plant and equipment		76,335	95,411
Intangible assets		34,015	68,030
TOTAL NON-CURRENT ASSETS		110,350	163,441
TOTAL ASSETS		3,268,620	4,979,539
LIABILITIES			
CURRENT LIABILITIES			
Deferred revenue		496,801	388,649
Trade and other payables	8	439,370	483,475
Provisions		154,654	178,029
TOTAL CURRENT LIABILITIES		1,090,825	1,050,153
NON-CURRENT LIABILITIES			
Deferred revenue		417,818	323,443
Provisions		18,317	13,108
TOTAL NON-CURRENT LIABILITIES		436,135	336,551
TOTAL LIABILITIES		1,526,960	1,386,704
NET ASSETS		1,741,660	3,592,835
EQUITY			
Issued capital		12,910,414	12,674,511
Reserves	9	351,839	339,229
Accumulated losses		(11,520,593)	(9,420,905)
TOTAL EQUITY		1,741,660	3,592,835

Cashflow (auditor reviewed)

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

	Note	31 DEC 2018	31 DEC 2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
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
Net cash (used in)/provided by operating activities		(2,276,310)	(1,944,253)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from disposal of (payments to acquire) property, plant and equipment		792	(101,028)
Net cash used in investing activities		792	(101,028)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		241,028	-
Cost of raising share capital		(5,125)	-
Net cash provided by financing activities		235,903	-
Net (decrease)/increase in cash held		(2,039,615)	(2,045,281)
Cash and cash equivalents at beginning of financial half-year		4,052,369	5,205,561
Effects of foreign currency exchange		(660)	978
Cash and cash equivalents at end of financial half-year		2,012,094	3,161,258

Corporate information

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