



Monday, 15 April 2024

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LAUNCH OF A\$5.0 MILLION ACCELERATED ENTITLEMENT OFFER TO ENABLE TRANSFORMATION AND DRIVE GROWTH

Key Highlights

- Tinybeans is undertaking a fully underwritten pro rata accelerated non-renounceable entitlement offer to eligible existing shareholders to raise approximately A\$5.0 million.
- Net proceeds will be used to fund key additional roles across Product, Data and Analytics and Marketing, whilst supporting working capital, providing management with added flexibility to fund growth initiatives.
- Following completion of the Entitlement Offer, Tinybeans pro forma net cash at 31 March 2024 is approximately US\$5.0 million, giving confidence to management to continue the execution of its strategy and to invest in potential high growth initiatives.

Tinybeans Group Limited (ASX:TNY) (OTCQB: TNYF) ("Tinybeans" or "the Company"), is pleased to announce the launch of a fully underwritten¹ 1-for-1.43 pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares (**New Shares**) at A\$0.085 per New Share (**Offer Price**) to raise gross proceeds of approximately A\$5.0 million (equivalent to approximately US\$3.3 million²) (**Entitlement Offer**). The Entitlement Offer will include 1 new free attaching option (**Attaching Option**) for every 2 New Shares subscribed under the Entitlement Offer.

Each Attaching Option is exercisable at A\$0.095 per option into 1 New Share on or before the date that is 12 months from the date of issue of the Attaching Options. Further, for each Attaching Option exercised, Tinybeans will issue to the exercising optionholder (for nil consideration) 1 new option (**Piggyback Option**). Each Piggyback Option is then exercisable at A\$0.13 per option into 1 New Share on or before the date that is 3 years from the date of issue of the Attaching Options.

It is expected that approximately 59.0 million New Shares will be issued under the Entitlement Offer (comprising approximately 70% of Tinybeans' existing issued capital) and approximately 29.5 million Attaching Options will be issued under the Entitlement Offer. New Shares issued under the Entitlement Offer will rank equally with existing ordinary shares.

Tinybeans will, upon issue of the New Shares under the Entitlement Offer, seek quotation of the New Shares on the ASX. It is not proposed that the Attaching Options or Piggyback Options are quoted.

Since the CEO transition in July 2023 and appointment of Zsofi Paterson, Tinybeans has demonstrated strategic clarity, operational rigour and the ability to execute on its foundational rebuild, whilst reducing and refining the business' cost base. A strategic reset to a consumer paid subscription business with a focus towards investing in its valuable core photo-sharing product, while rebuilding its advertising and other

¹ Refer to Section 7.4 of the Prospectus dated Monday, 15 April 2024 for a description of the terms and conditions of the underwriting arrangement.

² Based on a currency conversion on Monday, 8 April 2024 of US\$1.00 to A\$1.52.

revenue channels has been the Company's key objectives. Funds are to be used for team & resourcing, brand marketing & acquisition, product development, data & analytics capabilities, and major partnerships.

Zsofi Paterson, CEO of Tinybeans, said:

"Tinybeans has been loved and trusted by thousands of families around the world to save and share precious memories and stay connected. The high trust and engagement we see from subscribers over a multi-year lifetime provides an excellent foundation to build upon. My team and I have ambitious goals, a clear strategy and have demonstrated our ability to execute to plan. The capital raised will enable us to add new capabilities to the team across Product, Data and Marketing to continue our transformation, and begin to execute a US and Australia focussed growth strategy over 2024 and 2025."

Chantale Millard, Chair of Tinybeans, commented on the Entitlement Offer:

"Under Zsofi's leadership, the Tinybeans business has undergone tremendous positive change over the past 6 months, as it pivots towards a more focussed and valuable paid subscription business. We are very pleased to announce this Entitlement Offer which will allow Zsofi and the team to execute its growth plans and build on the positive momentum that the business currently has. We thank our existing and new shareholders for being part of the next phase of the Tinybeans journey."

The Entitlement Offer³ is fully underwritten by Bell Potter Securities Limited (**Bell Potter, Underwriter**, or the **Lead Manager**).

Purpose of the Entitlement Offer

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

- team and resourcing;
- brand, marketing and acquisition;
- major partnerships and talent; and
- costs of the transaction.

Following the Entitlement Offer, Tinybeans' pro forma net cash at 31 March 2024 will be approximately US\$5.0 million⁴, post transaction costs.

Entitlement Offer

The Entitlement Offer is a fully underwritten 1-for-1.43 pro rata accelerated non-renounceable entitlement offer to raise approximately A\$5.0 million (equivalent to approximately US\$3.3 million⁵) through the issue of approximately 59.0 million New Shares.

Under the Entitlement Offer, eligible securityholders are invited to subscribe to 1 New Share for every existing 1.43 shares (**Entitlement**) held as at 7.00pm (Sydney time) on Wednesday, 17 April 2024 (**Record Date**). All New Shares offered under the Entitlement Offer will be issued at the Offer Price of A\$0.085 per New Share, which represents a:

- 9.4% discount to the theoretical ex-rights price (TERP)⁶ of A\$0.0938; and
- 15.0% discount to the last close price of Tinybeans shares of A\$0.10 on Friday, 12 April 2024.

³ Refer to Section 7.4 of the Prospectus dated Monday, 15 April 2024 for a description of the terms and conditions of the underwriting arrangement.

⁴ Based on a currency conversion at Monday, 8 April 2024 of US\$1.00 to A\$1.52.

⁵ Based on a currency conversion at Monday, 8 April 2024 of US\$1.00 to A\$1.52.

⁶ 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\$0.10 on Friday, 12 April 2024 and includes New Shares issued under the Entitlement Offer.

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.

The Entitlement Offer, consisting of the offer of the New Shares, Attaching Options and Piggyback Options is made under a prospectus to be issued under section 713 of the *Corporations Act 2001* (Cth) (**Prospectus**).

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, Monday, 15 April 2024 through until 4.00pm (Sydney time) on Tuesday, 16 April 2024. 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.

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 Monday, 22 April 2024 and close at 5.00pm (Sydney time) on Monday, 13 May 2024.

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 (**Shortfall Offer**). Eligible Retail Shareholder are not assured of being allocated any New Shares (and Attaching Options) in excess of their Entitlement under the Shortfall Offer. New Shares allocated under the Shortfall Offer will be allocated in accordance with the allocation policy outlined in the Prospectus. The Company retains absolute discretion regarding allocation under the Shortfall Offer.

If Eligible Retail Shareholders take no action, they will not be allocated New Shares and their Entitlements will lapse. Eligible Retail Shareholders who do not take up their Entitlements in full under the Retail 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 Prospectus, which is available on the ASX website today, Monday, 15 April 2024.

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 major Shareholder participation

Major shareholder, comprising the Thorney Investment Group (**Thorney**) (with a nominee on the Tinybeans Board), has indicated a commitment of \$2.0 million by way of take up of Entitlement and as a sub-underwriter of the Entitlement Offer.

If no Eligible Retail Shareholder participated in the Entitlement Offer (with Thorney taking up a maximum of A\$2.0 million across both Entitlement and its sub-underwriting), then this could result in Thorney obtaining a maximum interest in Tinybeans of approximately 28%⁷. In the event only Thorney exercises its Attaching Options and Piggyback Options (and no other Attaching Options and Piggyback Options were exercised) this could result in Thorney's voting power increasing to a maximum 38.2%.

Please refer to the Prospectus lodged with ASIC and the ASX today, Monday, 15 April 2024 for further details on control.

Tinybeans directors and senior management may participate in the Entitlement Offer.

Indicative Entitlement Offer timetable

Event	Time and Date
Trading Halt Lodgement of Prospectus with ASIC Announcement of the Entitlement Offer	Monday, 15 April 2024
Institutional Entitlement Offer opens	Monday, 15 April 2024
Institutional Entitlement Offer closes	4:00pm Tuesday, 16 April 2024
Announcement of results of the Institutional Entitlement Offer Trading Halt is lifted and Tinybeans shares recommence trading on ASX on an "ex-Entitlement basis"	Wednesday, 17 April 2024
Record Date for Retail Entitlement Offer	7.00pm Wednesday, 17 April 2024
Retail Entitlement Offer opens and dispatch of Prospectus	Monday, 22 April 2024
Settlement of Institutional Entitlement Offer	Monday, 22 April 2024
Allotment of New Shares issued under the Institutional Entitlement Offer	Tuesday, 23 April 2024
Normal trading of New Shares issued under the Institutional Entitlement Offer	Wednesday, 24 April 2024
Holding statements for New Shares issued under the Institutional Entitlement Offer despatched	Wednesday, 24 April 2024
Retail Entitlement Offer closes	5.00pm Monday, 13 May 2024
Results of the Retail Entitlement Offer announced to ASX	Wednesday, 15 May 2024
Settlement of Retail Entitlement Offer	Friday, 17 May 2024
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 20 May 2024
Normal trading of New Shares issued under the Retail	Tuesday, 21 May 2024

⁷ ASIC has consented to the appointment of Bell Potter Securities Limited as nominee for the purposes of section 615 of the *Corporations Act 2001* (Cth).

Entitlement Offer	
Holding statements for New Shares issued under the Retail Entitlement Offer despatched	Wednesday, 22 May 2024

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 Entitlement 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 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.

Further Information

Further details of the Entitlement Offer are set out in the Prospectus and the investor presentation also lodged on the ASX today (**Investor Presentation**). These documents contain important information including key risks and foreign offer restrictions with respect to the Entitlement Offer. 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

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About Tinybeans Group

Tinybeans Group Limited (ASX:TNY, OTCQB:TNYF) Tinybeans is a leading global consumer subscription platform, serving millions of Millennial and Gen Z parents and their families monthly. At its core, Tinybeans is a private photo-sharing app and media platform that connects families and turns moments into memories. Tinybeans has been loved and trusted by parents and families around the world since its founding in Australia in 2012, and is an ongoing resource for parents due to its insightful, relatable and credible content written by a team of dedicated parents and experts. Tinybeans enjoys over 150,000 5 star reviews in the Apple App and Google Play stores, and has users in almost every country in the world.

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 Entitlement Offer. 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 Entitlement Offer. 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 Entitlement Offer 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 Entitlement Offer 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 Entitlement Offer 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 Entitlement Offer. 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 Entitlement Offer 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 Entitlement Offer 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).

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.