



ASX RELEASE

23 January 2025

Q2 FY25 Quarterly Activities Report

Tinybeans Group Limited (ASX: TNY) (OTCQB: TNYF) (“**Tinybeans**” or “the **Company**”), provides this update on its business activities alongside the Company’s Appendix 4C cash flow report for the quarter ended 31 December 2024 (Q2 FY25). All references in \$USD.

Q2 FY25 Key Callouts:

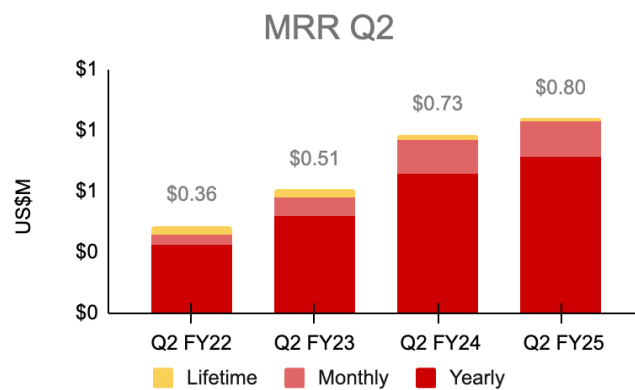
- **Quarterly subscription revenue** of US\$0.80 million (Q2 FY24: US\$0.73 million, +9% prior comparative period (**pcp**)) driven by high blended renewal rate of 92% for Paid Subscribers in key Q2 renewals quarter, plus highest addition of New Paid Subscribers in December since launch of Tinybeans+
- **Material cost-base reset quickly** translating to reduced cash burn of -US\$231k (Q2 FY24: -US\$389k, +40% pcp) and improved EBITDA of -US\$445k (Q2 FY24: -\$788k, +43% pcp)
- **Focussed go-forward strategy and operating model** beginning to deliver, with operational expenses down 21% pcp, while delivering only 5% reduction in Total Revenue pcp. Sales team right-sized to enable a profitable sales function.
- **Major restructure announced in September 2024 complete**, with Engineering team transitioned to Propel Ventures in Australia under long term contract, to streamline business, reduce operational costs and enable focus on go-forward strategy
- **Launched Tinybeans+ gift cards to enable new monetization channels**, with promising early sales, and to support introduction of new growth channels including B2B and Tinybeans+ employee offering
- **Executed successful marketing partnerships in Australia** with major retailer Harvey Norman and popular Melbourne based Pediatrician Dr Golly, to assist with brand awareness, reach and relevance; while beginning to execute integrated marketing plan utilising micro-influencers, new paid channels and PR opportunities
- **Key marketing initiatives commencing in Q3**, including Tinybeans+ inclusion in Babylist’s ‘Hello Baby’ box in the US, which will reach over 300,000 expecting moms, and Bounty Bags in Australia which will reach over 50,000 new mums
- **New Chair James Warburton and streamlined board** to drive the Company’s next phase of growth

Zsofi Paterson, Managing Director and CEO of Tinybeans, said:

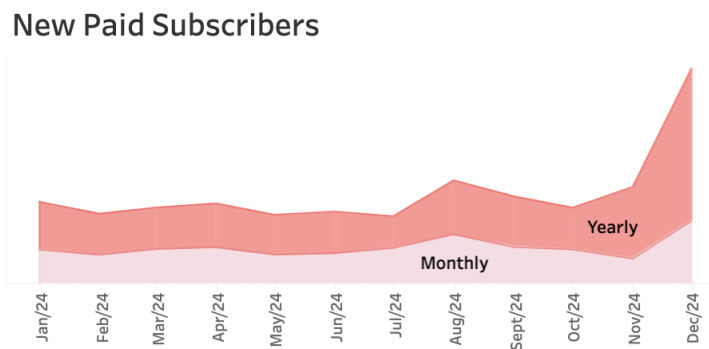
“In Q2, we completed a major restructure to reduce our cost-base, focus our business and team around the core subscription product. We had another strong quarter for subscription revenue, with 9% year-on-year growth, inline with our go-forward strategy. We continued to demonstrate the stickiness of Tinybeans+ with a 92% blended renewal rate in our key retention quarter and had the strongest ever acquisition month for new Paid Subscriptions in December. We began to execute an integrated marketing plan with two key partnerships in Australia, and secured key opportunities in the US and AU for Q3, which should assist with generating paid subscriber and MAU growth in 2025, which is our top priority.”

Subscription recurring revenue increases by 9% in Q2 FY25 vs pcp

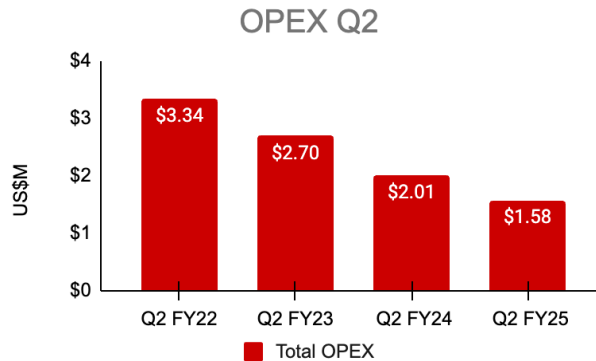
- Q2 was another strong quarter for subscription revenue, with paid subscription recurring revenue increasing by 9% vs pcp to US\$0.80 million, up from US\$0.73 million pcp. The increase is due to Tinybeans+ high subscriber renewals, with underlying subscriber numbers broadly remaining flat at 50k at the end of Q2.



- Q2 FY25 is the key quarter for subscription renewals with over 50% of Tinybeans+ annual plans up for renewal. The Company executed well driving high renewal and win-back rates, with a blended renewal rate for Paid Subscribers of 92% and 86% for Annual Subscribers.
- In December the Company acquired a record number of new Paid Subscribers from a number of initiatives, including conversion offers, Black Friday Cyber Monday and holiday promotions, and launch of Gift Cards, more than doubling the next highest acquisition month for the year. Demonstrates the levers available to drive monetization via tactical, seasonal and lifecycle initiatives.



Cash burn reduced substantially inline with go-forward plan



- While Total Revenue for Q2 FY25 was down by 5% pcp, Monthly Recurring Revenue of \$0.80 million was up by 9% pcp, and contributed 62% of overall Revenue.
- Operating expenses for Q2 FY25 were down by 21% pcp to \$1.58 million and 41% versus Q2 FY23.
- Improved EBITDA for Q2 FY25 of -US\$445k (Q2 FY24: -\$788k, +43% pcp).
- Reduced operational cash burn of -US\$231k (Q2 FY24: -US\$389k, +40% pcp), down significantly versus Q1, primarily due to strong Paid Subscription renewals and restructure implemented.
- Cash at end of Q2 FY25 was \$1.87m.

Material Cost Base Reset as the Company doubles-down on subscription-led strategy

- As reported, in September the Company initiated a restructure to align the business with the go-forward strategy focussed on growth of its paid subscription business. The restructure is expected to take out over US\$2 million (AU\$3 million) of annualised costs, or approximately 20% of operating expenses compared to FY24.
- The transition occurred successfully during Q2, resulting in a smaller, more focussed team concentrated in Australia. This included a successful transition of Engineering efforts from a US based team to Propel Ventures in Melbourne under a long term contract.

Developing monetization channels with new Tinybeans+ Gift Card product launch

- The Company remains focussed on developing opportunities to monetize the subscriber base and increasing the Average Revenue Per User (ARPU) and Lifetime Value (LTV).
- In Q2, the Company launched Tinybeans+ Gift Cards which delivered promising early sales. This enables family and friends to purchase a Tinybeans gift subscription for expecting and new parents, allows for integrations onto popular US Baby Registries, and is intended to aid the strong organic referral and word of mouth behaviour.
- The Gift Cards will also be used to support strategic b2b partnerships, employee offers and marketing partnerships, with a number in the works for Q3 launch.
- In Q2, the Company also uplifted parts of the Photo book experience, making it easier for Tinybeans subscribers to create physical photo books, and ran a number of strong seasonal promotions, bundled offers, resulting in Q2 sales of \$48k up 11% pcp. The Company has plans to expand its physical photo product range, potentially in partnership with a global partner in CY25.



New Brand, Partnership & PR Efforts - Cementing Tinybeans as a solution in the privacy-focused parenting space

- In Q2, the Company expanded its marketing initiatives across Australia and the US, with a focus on growing subscribers, increasing brand awareness, and reinforcing relevance among new and expecting parents.

Key marketing activities:

- **Strategic PR Campaigns:** Highlighted *digital nesting*, gift cards (via holiday guides), and the importance of privacy-first parenting. Secured coverage in top-tier Australian media outlets, including *The Age*, *SMH*, and *Channel 7*.
- **Always-On Influencer and UGC Efforts:** Leveraged micro-influencers and user-generated content to drive organic engagement and support key initiatives.
- **New paid digital channels:** Launched and tested additional digital acquisition channels, focusing on optimising campaigns to support brand and product-led growth.

Strategic Partnerships:

- **Harvey Norman Partnership:** Offered Tinybeans+ trials with Fuji Instax camera purchases during December, driving awareness during the holiday season.
- **Collaboration with Popular Melbourne-based pediatrician Dr Golly:** Centered around the *Digital Nesting Guide*, unlocking opportunities for TV segments and coverage in tier-one Australian publications.

Upcoming initiatives:

- **US Growth via Babylist Partnership:** The initial agreement signed with Babylist announced 18 June 2024, has been superseded by new agreement under which, starting February 2025, Tinybeans gift cards will be included in Babylist's *Hello Baby* box program, reaching over 300,000 new and expecting mothers throughout 2025. This distribution is expected to drive subscriber growth and brand awareness, aiding lower-funnel marketing efforts in the US.
- **Australian Bounty Bags inclusion:** Tinybeans will be included in Q3 *Bounty Bags*, which are distributed to mothers in hospitals within 48 hours of giving birth.
- **Employee offerings in development:** Building a corporate channel to include Tinybeans memberships as part of employee benefits, with several large Australian employers currently in active discussions.

Advertising revenue inline with expectations, with reduced team & focus moving forward

- Q2 FY25 Advertising Revenue was US\$0.40 million, down 14% from pcp of US\$0.46 million. The Sales team was substantially reduced during Q2 to a size more commensurate to the go-forward strategy, enabling a profitable sales function.
- During Q2, the Company ran successful advertising campaigns with tier one brands in the US including Lego Duplo, Paramount Pictures, Toy Insider and Spin Master.
- While publisher-led advertising activities are no longer a core focus for the Company, the Company remains committed to delivering commercial revenue and serving brand partners with quality brand advertising campaigns and account management, and remains focussed on 1st party data, proprietary



email products and premium in-app offering, inline with its subscription offering. The ongoing focus on privacy and safety ensures advertisers can trust that their brand will be showcased in a secure, family-friendly environment, enabling advertisers to reach over 3 million people per month.

As detailed in item 6 of the Appendix 4C at Attachment 1 of this announcement, the Company made payments totalling US\$66,000 to related parties during the quarter for Directors' remuneration.

This ASX announcement has been approved for release by the TNY Board.

All the financial information in this release is unaudited and all numbers are in US\$ unless otherwise stated

For more information, please contact:

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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.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Tinybeans Group Limited

ABN

46 168 481 614

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (6months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,574	2,733
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(156)	(310)
(c) advertising and marketing	(100)	(196)
(d) leased assets	-	-
(e) staff costs	(966)	(2,348)
(f) administration and corporate costs	(582)	(1,246)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(231)	(1,369)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(17)	(116)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

For personal use only

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (6months) \$USD'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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)	-	-
2.6	Net cash from / (used in) investing activities	(17)	(116)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,209	3,387
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(231)	(1,369)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(17)	(116)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (6months) \$USD'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(87)	(28)
4.6	Cash and cash equivalents at end of period	1,874	1,874

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$USD'000	Previous quarter \$USD'000
5.1	Bank balances	1,874	2,209
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,874	2,209

6.	Payments to related parties of the entity and their associates	Current quarter \$USD'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	66
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$USD'000	Amount drawn at quarter end \$USD'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$USD'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(231)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1874
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	1874
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	8.11
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date:23 January 2025.....

Authorised by:By the board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.