



ASX RELEASE

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Tinybeans Investor Conference Call Summary

Tinybeans Group Limited (ASX: TNY) (OTCQX: TNYFF) (“Tinybeans” or “the Company”), an inclusive, informative, go-to resource for all things parenting, is pleased to share the transcript for the investor conference call on September 8th in the U.S. and September 9th in Australia, which discussed the Company’s FY21 performance and plans for FY22.

Tinybeans’ CEO, Eddie Geller, said,

“We enjoyed connecting with our investor community to discuss Tinybeans’ fiscal year 2021 results and are pleased to provide a [link](#) to a recording of the event, along with some detail on several questions we answered about our new subscription model, Beanstalk, and our strategy in FY22.

It was a pleasure to share the progress and growth that we have driven over the last twelve months and to give our investors a glimpse into our plans for the future. We are launching new highly engaging products to enhance the value our platform provides to brands and customers, and we are focused on building a recurring stream of subscription revenues to complement our thriving advertising business.

We have a robust sales pipeline with ample opportunities in new and existing brand partnerships, along with a unique value proposition built around safety and trust. The Company is in a great position to execute on our growth strategy and continue progressing towards a Nasdaq listing in the next 6-12 months to increase our visibility and help broaden our U.S. investor base.

Importantly, we have recently launched our new subscription product, Beanstalk, and have analyzed the first data sets. Initial subscription uptake rates are exceeding expectations, and we look forward to updating you as subscriptions build.

We are proud of Tinybeans’ record FY21 results and the promising trends we are seeing in the early days of our Beanstalk launch. As we progress into FY22, we remain confident in our ability to execute on our strategy to become the go-to resource for all things parenting.”

The Company has made the recording of the results conference call available [here](#). The presentation slides are available [here](#).

This announcement was approved for release by the CEO.



Investor Questions and Company Responses:

1) Can you also please give us a breakdown of the features that will be included in the new Beanstalk subscription model? Will there still be a free version of the platform, or is that disappearing after the free trial period?

The paid Beanstalk subscription will provide a plethora of new features with memories (high resolution storage of all your photos and videos, unlimited video and photo storage, longer videos, and free shipping on photo books, to name a few), plus rich tailored content based on your child's stage of development and access to the community of fellow parents on the app.

This change will allow us to provide members with a more comprehensive experience, while giving us room to scale our subscription level beyond what was possible under our previous model.

If you're an existing free member, you will have the free trial period (30 days) to evaluate whether you want to convert to a paid Beanstalk subscription. If after the 30 days, you choose not to convert, you'll still have access to your memories, but cannot upload any new ones. There is no longer a free experience for new members, only a free trial. Having said that, the platform will always offer a free content experience, much like you see today with redtri.com.

2) How you will price the new subscription model, and what conversion rate are you expecting to see from the 4.3M MAU? It seems to me that this could be a big number, even at a very modest conversion and modest price per month.

The subscription pricing has been set at US\$5 per month or US\$40 per year. Given how recently we've rolled out Beanstalk, it is still too early to provide conversion expectations. We have a variety of user cohorts to work through, from the passive members on the website to the highly engaged app members who frequently use our memories product. Regardless of how conversion continues to perform in these initial stages, we are committed to refining the value proposition and conversion tactics to optimize growth within this recurring revenue stream.

3) What do you believe will be the conversion rate of non-paying customers to subscription customers? What data are you using for that estimate?

It is too early to provide expectations around a target conversion rate. Having said that, during Beanstalk's initial rollout, we are seeing an initial conversion from app download to paid of 23%, which is significantly higher than many of the world's best apps.¹ This is

¹ <https://www.process.st/freemium-conversion-rate/>



based on a very small data set, so we're expecting this to change as the rollout matures and we gather additional data.

4) With the rollout of the paid subscription Beanstalk model, will you also focus on family members invited by parents to pay for the service?

Yes, we will be actively encouraging family members to purchase the subscription for themselves and the rest of their family. This is a large opportunity for us, and we have already started to see positive results.

Our original "Premium" subscription offering was family-centric; it was targeted towards the families who were already on the platform, and it only offered our memories and photo journal products. With the launch of Beanstalk, the subscription is now more individual user-centric, open to all current and prospective users. The additional features that will be launched next quarter will broaden the funnel of potential subscribers, as many current users' family members and friends may want a subscription to access this expanded range of features and benefits.

5) I saw in the recent Beanstalk announcement that the company expects a dip in MAUs, but that you also expect ad revenues to be more or less unaffected. Can you please provide some color on how that could be the case? Will ads start rolling even on paid subscriber accounts? Or will you only push ads to the family members of paid subscribers?

Our paid subscribers will still receive advertisements while consuming our content. This is not dissimilar to other subscription-based content platforms, and we believe these curated ads often deliver significant value to our members.

Additionally, the revamped platform has been optimized to meet the demands of our growing base of advertising clients, with added space for additional placements and support for a wider variety of ads, such as video, which often brings more value and higher engagement. These are changes that our advertising partners have been requesting, and we are pleased to be in a place to deliver.

We believe that these improvements in our ability to deliver advertisements can help offset any short-term turnover in our user base. We remain constructive on the opportunities created by our new subscription-based recurring revenue stream, which we intend to scale to the size of our advertising business in the coming years.

6) What's the anticipated customer retention rate under the new subscription model?

Given how recently we've introduced Beanstalk, it is still too early to provide expectations around customer retention rate. However, given the increased value proposition for all



paying members, we currently believe that retention across our subscription product will be high once customers evaluate the extent of its features.

7) Are you expecting influencer marketing to form a part of your paid marketing strategy?

We agree that working with influencers is important, and we are evaluating our influencer strategy and influencers that reflect our brand. For any influencers we work with, we would work with them to drive brand awareness, which we believe would further support our subscription strategy and overall visibility.

8) Regarding the NASDAQ listing, what are you thinking about the timeframe? Are you still planning a dual-listing?

We're working through the various compliance related steps and hope to be in a position to uplist on Nasdaq in the next 6 -12 months.

As part of the uplisting plans, the TNY board evaluated a variety of paths towards a Nasdaq listing. Based on the Company's stage and risk profile, and in the interests of shareholders, we felt the right decision was a dual-listed approach, where Australian investors will be able to freely trade on the ASX and US investors will be able to trade on the Nasdaq. We also anticipate setting up an ADR that will allow investors to transfer between the two exchanges.

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About Tinybeans Group

Tinybeans Group Limited (ASX: TNY, OTCQX: TNYFF) is a leading app and web platform enabling parents to capture their children's everyday memories and share them privately with families everywhere. The platform provides rich recommendations that spark everyday family inspiration for what to do, what to buy, and which services to use for their children's needs.

Being twice named Apple's App of the Day in the U.S., puts Tinybeans in the elite company of the best apps in the world! Plus, Tinybeans became Apple's #1 content partner and exclusive parenting partner for one of their newest products, Apple Guides. With over 80+ partners and 1,000+ Guides on the platform, Tinybeans is the 5th most read on the platform (total views of Guides content).

Tinybeans serves a deeply engaged user base in over 100 countries/territories and enjoys over 130,000 5-star reviews in the Apple App Store and the Google Play stores.

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