

Well, that's **cyber safety** sorted.

Family Zone gives you complete control on every device, everywhere.



Investor Presentation

Acquisition of Sonar/ MyNet



November 2016

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Family Zone gives you complete control on every device, everywhere.



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Founded in 2013 by four telco & technology executives



\$1.5m founders



\$2.0m seed investors

Initial Public Offering Jul 2016

→ 3 times oversubscribed

→ Raised \$6m @ 20c

→ Post money ~ \$12.4m

VWAP since listing ~ 29c

Market Cap (24.5c) ~ \$15.2m

	Not Escrowed	Escrowed	Total
Ordinary shares	44,091,928	17,885,778	61,977,706
Performance Shares		28,000,000	28,000,000
25c IPO Options		14,093,751	14,093,751
33c ESOP Options	3,380,958	1,000,000	4,380,958
Fully diluted share capital	47,472,886	60,979,529	108,452,415

Performance Shares

3 equal tranches issued to founders.

- Class A: KPI 15,000 generating \$100k/m revenue within 2 yrs
- Class B: KPI \$10m 12mth revenue within 3 years
- Class C: KPI \$20m 12mth revenue within 4 years
- Revenue targets must be at least 30% subscription revenue.

IPO Options

- 3 year 25c IPO options.
- Expire May - Aug 2019.

ESOP Options

- 3 year 33c employee options
- Subject to KPIs.
- Expire Sep 2019.

Cyber Safety



You just need to tune into the news to understand our motivation for creating Family Zone. There is no end of stories about how children and the internet often don't mix.

Daily Mail

Smartphones exposing children to pornography and violence as one-in-five admit to viewing inappropriate material



TIME

How Porn Is Changing a Generation of Girls

Peggy Orenstein @peggyorenstein

March 31, 2016

HUFF
POST

Whose Fault Is It If Your Child Spends \$2,000 On A 'Free' Online Game?

The Washington Post

The biggest threat facing Kids These Days? Too much time spent online.



My Kid Would Never Do That: Bullying

The final installment of Dateline's award-winning series tackles cyberbullying and takes a fresh spin on the hidden-camera test by turning the tables on the parents.



Libraries struggle with issue of Internet access and porn



When bullying goes high-tech

The Seattle Times

'Digital dementia' for our screen-addicted kids

Digital Dementia

Infomania

Online Grooming

Screen Time

Digital Footprint

Cyber Bullying

Cyber Stalking

Sexting

In App Purchases

The Family Zone Solution



Safe Access
Point



Safe Smart
Devices



A marketplace of
Cyber Experts



Cloud managed,
easy & affordable

and software deployable in.....

and integrated with.....



Existing
routers



School
networks



Multi-dwelling
units



Mobile
networks



Social
networks

Under-served and huge market!



Direct to Consumer

PEACE OF MIND
WHEN THEY'RE
AT HOME



\$89
Upfront

PEACE OF MIND
WHEN THEY'RE
MOBILE



Free
download

Download on the
App Store

GET IT ON
Google Play

\$4.95 PM
OR \$49 A YEAR

SMALL Family

\$7.95 PM
OR \$79 A YEAR

MEDIUM Family

\$9.95 PM
OR \$99 A YEAR

LARGE Family

Carrier Wholesale

Keep your family safe online
with Fam Zone.



FAMZONE

Monitor and prevent your child from accessing sites with harmful content and users with Fam Zone powered by PLDT HOME DSL.

Just add as low as
P149/mo.
to get the Fam Zone app.

Fam Zone features:

- Website filtering
- Time management tools
- Profile options for each family member

Fam Zone add-ons:

- P199/mo. for every succeeding app installation
- P399/mo. for the Fam Zone box

The Market

Approx US\$2Bn market

Double digit growth

Potential market
estimated ~ \$50-100Bn*

* Source: Parks Associates

Access partners



Carrier Retail

Value added
services options



Voicemail	☐
Family Zone	☒
Insurance	☐
Fetch TV	☐

Supported by Fidelio



David
Baxby



Hastings
Singh



Family Zone, making progress



- AU consumer launched in July 16
- Building market position, awareness and sales channels
- Signed up 11 Cyber Experts
- Channel trials demonstrate school & community engagement is key!

PEACE OF MIND WHEN THEY'RE **AT HOME**

PEACE OF MIND WHEN THEY'RE **MOBILE**

\$89 Upfront

Free download

Download on the App Store
GET IT ON Google Play

Family Type	Price
SMALL Family	\$4.95 ^{PM} OR \$49 A YEAR
MEDIUM Family	\$7.95 ^{PM} OR \$79 A YEAR
LARGE Family	\$9.95 ^{PM} OR \$99 A YEAR

Global developments

- Launching wholesale via Philippines carrier PLDT/Smart in Nov 2016
- In discussions & trials (USA/SEA)
- Engaged country managers in Philippines and USA

Keep your family safe online with Fam Zone.

FAMZONE

Monitor and prevent your child from accessing sites with harmful content and users with Fam Zone powered by PLDT HOME DSL.

Just add as low as **P149/mo.** to get the Fam Zone app

Fam Zone features:

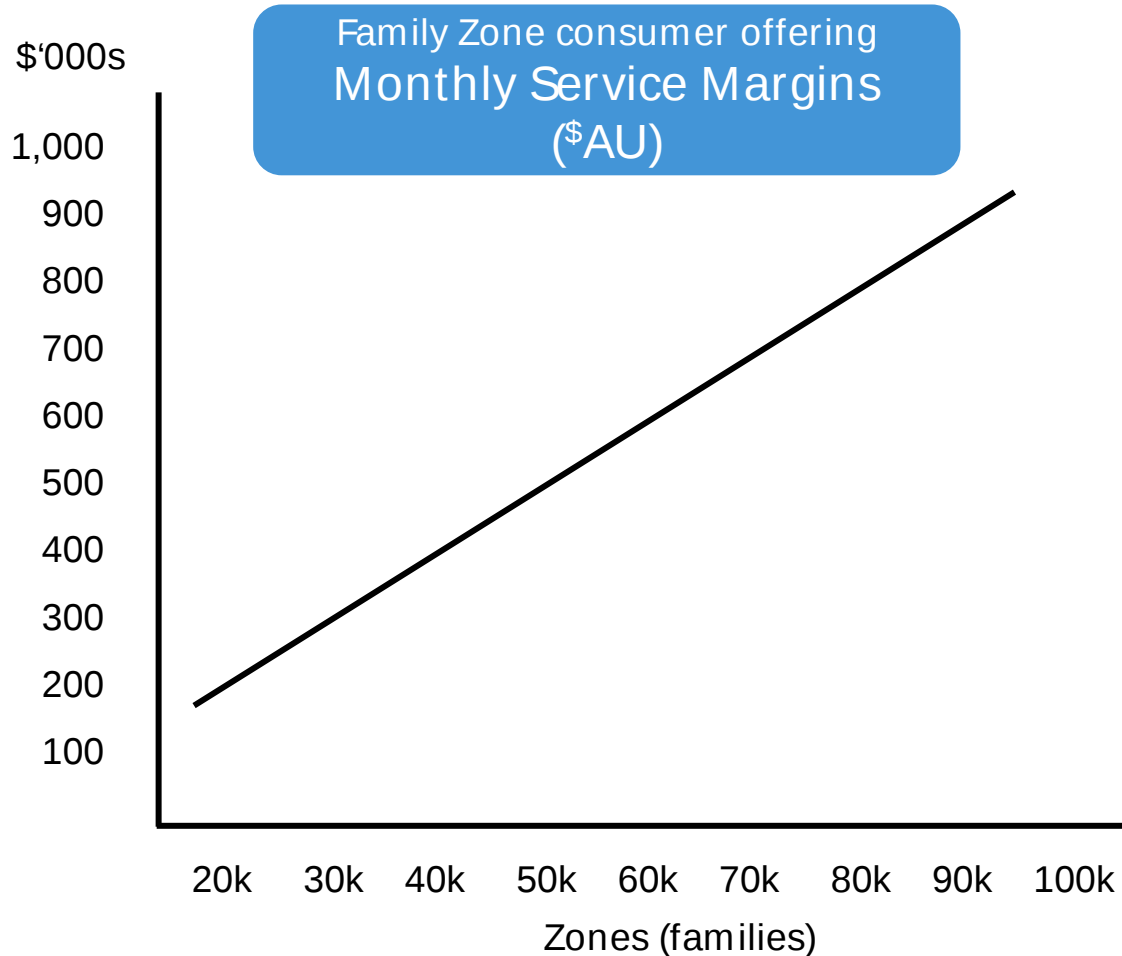
- Website Filtering
- Time management tools
- Profile options for each family member

Fam Zone add-ons:

- P199/mo. for every succeeding app installation
- P299/mo. for the Fam Zone box

family zone

Family Zone, global & scalable



RETAIL MODEL

Recurring revenue
Access partners hotspots
Cost recovery on hardware

\$120/yr
revenue per
family

89%
service margins

Wholesale model

Service revenue ~ \$ 1.1/mth
5-10% on hardware

82%
service margins

* Chart of monthly margins at sub numbers. This is not a forecast.

Acquisition of Sonar/ MyNet



- Cyber security offering in Education
- Owned by managed service provider Tesserent Limited
- 180 installs live in Australia with 47 going live in 2016 in USA
- Circa 200,000 kids on the platform now
- Education needs differ to enterprise:
 - ◆ Curriculum alignment with internet access
 - ◆ Pastoral care and privacy
 - ◆ Needs around interception/ decryption
 - ◆ Needs for school & parent access
- Integration with Family Zone is a significant & compelling opportunity

What is Cyber Security?

Cyber security is primarily concerned with detecting or blunting "external threats". Includes firewall, intrusion detection plus web & mail filtering.

Managed services involves deploying cyber security and network services on a network, maintaining these services and often sourcing bandwidth.

Family Zone's focus is on cyber safety. Cyber Safety is primarily concerned with user restrictions, compliance, care & education.



50.4m students
124m families
99k schools



3.7m students
5.5m families
9k schools
1k independent
600k students

What is MyNet?



MYDESK

A customised landing page for each person in the school, allows each user to see the information relevant to them.

MYACTIVITY

Digital Citizenship Compliance tool enabling the school to set expectations around Internet use.

MYREPORTS

Customised analytics and drill-down reports for each staff member.

MYFILES

Staff and students can remotely access school network shares using the MyFiles web app.

MYMAIL

Gives students and teachers self-service capabilities to sort their own spam and create their own spam policies.

MYGUEST

Easy to use guest Internet access system can be delegated to school reception or library for convenient administration.

MYCLASSROOM

Empowers teachers to temporarily relax Internet restrictions and set expectations for classroom browsing. Real-time reports track student activity.

MYWELFARE

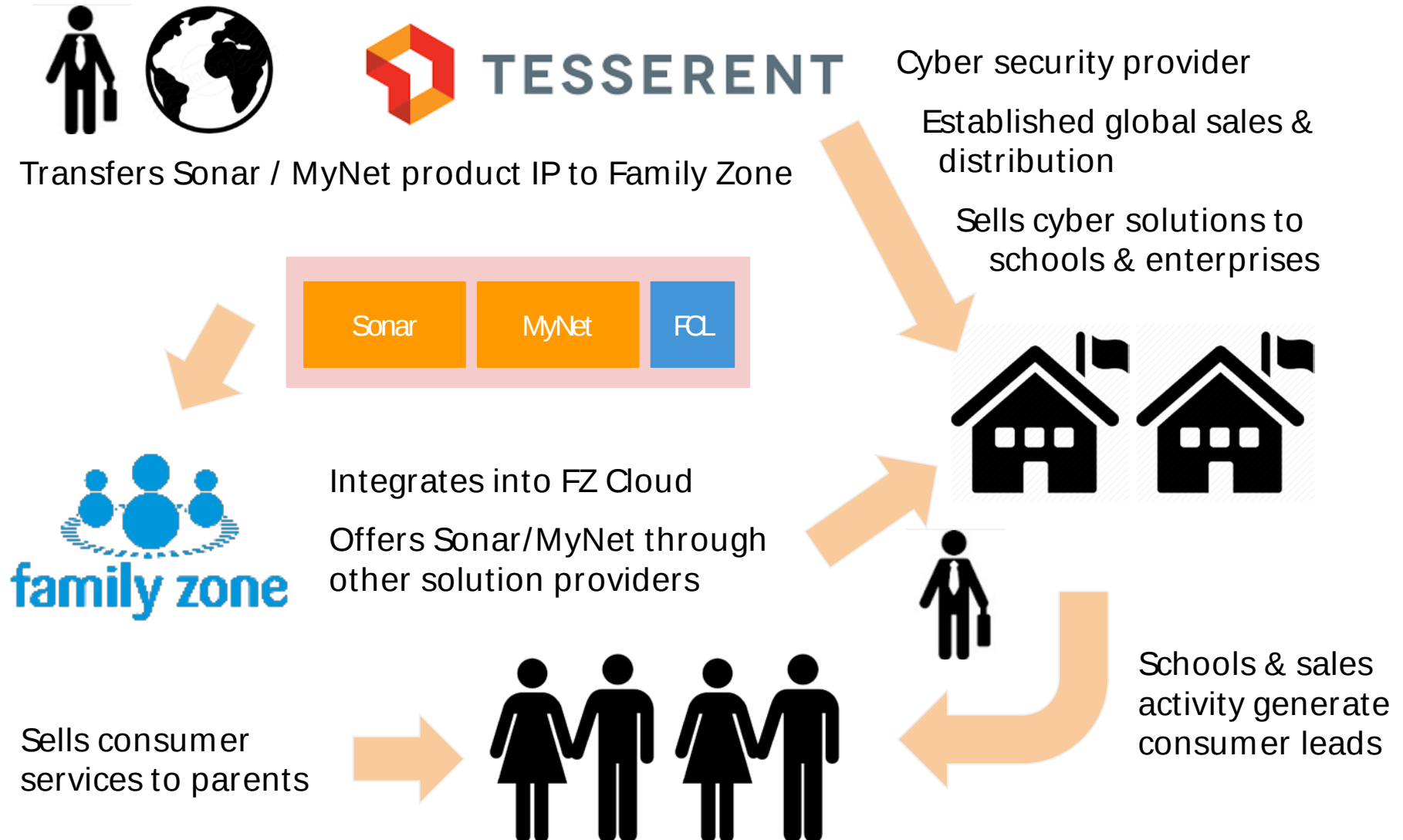
Student well-being tool providing key insights and drill-down analytics specifically designed for Counsellors, Pastoral Care and Student Wellbeing Staff.

MYADMIN

A next-generation interface allowing IT administrators to monitor and analyse their Internet service, gateway device performance and policy administration.



The Transaction



Acquisition of Sonar/MyNet

- Family Zone acquires Sonar/MyNet & related staff
- \$3.5M in cash (deferred terms) plus \$300,000 in shares @ \$.30 per share
 - ◆ \$250,000 deposit
 - ◆ \$750,000 post shareholder approval
 - ◆ \$500,000 February 28 2017
 - ◆ \$2,000,000 May 31 2017
- \$1.0M placement to Rob Smyth @ \$0.30 per share

Partnership Agreements

- Family Zone engages Tesseract as reseller/distributor of Sonar/MyNet
- Exclusivity in ANZ (subject to KPIs)
- Family Zone earns license fees for each installation (min' \$750kpa) & growing with each new install

Executive engagements

- Engage experienced executives Rob Smyth (Education/Sales) & Nick Conolly (Technology)
- Incentives aligned to IPO performance shares & school sales

What it all means

Channels

Features

	Direct to Consumer		
	Resellers / Distributors		
	Partners & Wholesale		
	Consumer > Cyber policies > Usage tracking > Location tracking > App reviews > Safety alerts > Device restrictions > Home networking	Education > Cyber policies > Usage tracking > Location tracking > App reviews > Safety alerts > Device restrictions > Mail filtering > Digital citizenship > Student welfare > Class management	Business > Staff access policies > Usage tracking > Location tracking > App reviews > Safety alerts > Device restrictions > SME networking

Solutions for

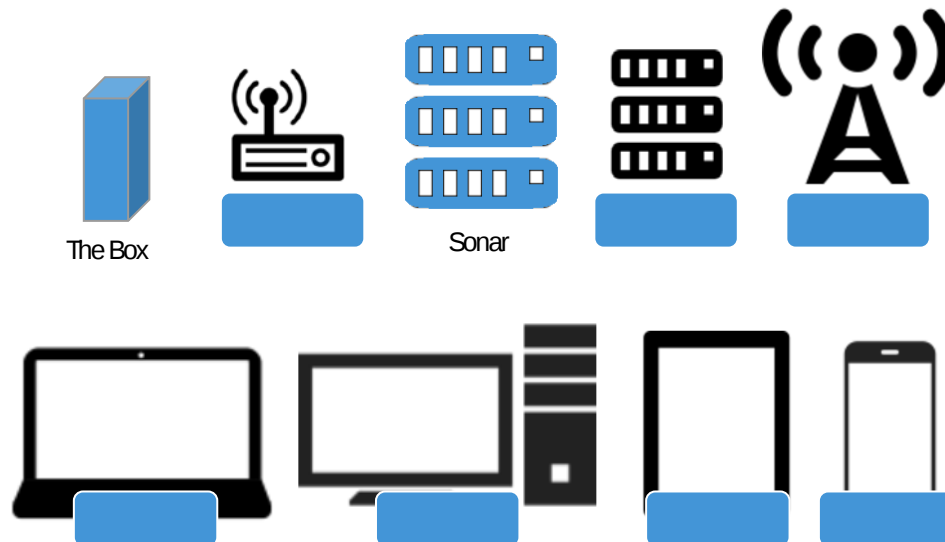
Families
Education
SME's

Technology for

Mobile & smart devices
Personal computers
Home routers/gateways
Enterprise routers/networks
Mobile networks

Gateway

End User Device



Family Zone's
depth & breadth
of features &
technology is
unmatched!

Monetisation

Policy Solutions

Cyber Experts

School Solutions

Resellers / Distributors

LMS partnerships

Consumer Solutions

School Engagement

Direct Sales / Digital

Media (Radio, TV, Advertorial)

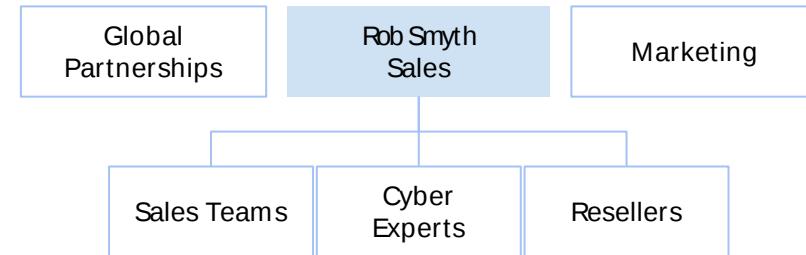
Carrier Retail

Enterprise Solutions

Carrier Wholesale

Resellers / Distributors

Access Partnerships



Summary



- Acquiring complementary education “Cyber” platforms
- 180 schools in Australia and growing rapidly in USA
- Immediate access to parents in USA and Australia
- Generates immediate licence fees ~ \$840,000 and growing
- Mutually exclusive relationships in ANZ
- TNT distribute through global channels
- FZO launching soon in Philippines with PLDT
- Active discussions with SEA and USA telcos
- Strategically well positioned:
 - ◆ World leading products (Education & Consumer)
 - ◆ Established & motivated sales team & distribution
 - ◆ Designed to leverage the influence of schools/communities

The Team



Tim Levy

Managing Director



Crispin Swan

Executive Director



John Sims

Chairman



Phil Warren

Non Exec Director



David
Baxby



Hastings
Singh



Telco & technology executives
Start-up experts
Distribution expertise
Global experience
Established relationships