



EDUCATION SALES AND PIPELINE SURGE

Family Zone, *supporting and protecting every child's digital journey*, is pleased to update the market on business development achievements in the March quarter of 2020.

- 618 schools and 307,000 students added to our platform in the quarter inclusive of Proof of Concept (376 schools) and Classwise/Remote Learning trials (151)
- Ended the quarter with 1,858 schools live with 1,333 contracted (83% YoY growth)
- Ended the quarter with 957,000 students with 695,000 licensed (70% YoY growth)
- Grew premium parental accounts to 210,000 (120% YoY growth)
- Achieved new records in the value of contracts signed in the quarter; \$1.85 million total value with an annual value of \$930,000
- Achieved significant growth in freemium Insights subscribers, ending the quarter at 43,000 subscribers following a soft launch in late 2019

Remarkable growth in Education

The March quarter marked significant growth in Family Zone's education business with 618 schools and 307,000 students added to the platform in the quarter. To highlight the growth in activity, the charts (below) also now include Proof Of Concept (POC) and Classwise / Remote Learning trials.

At the end of the quarter the Company had:

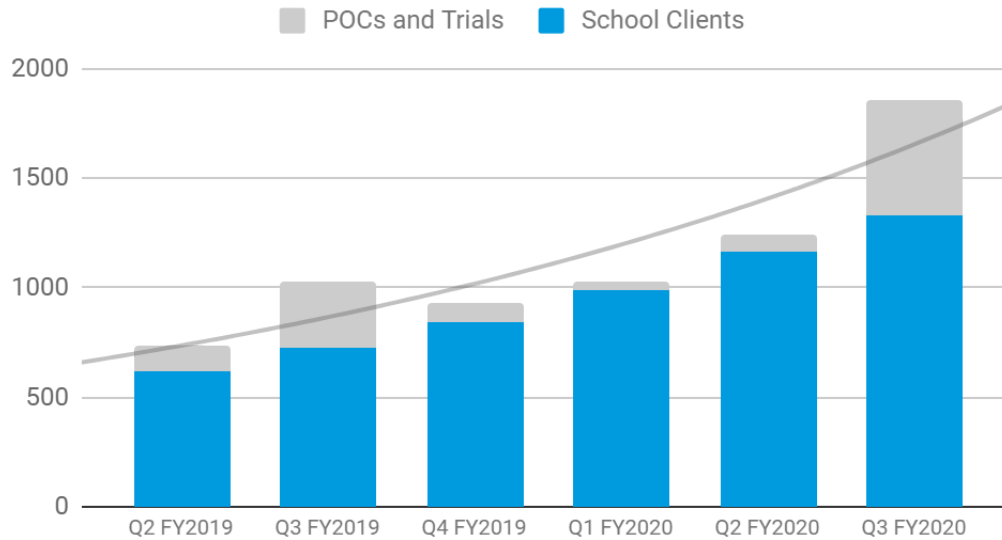
- 1,858 schools live with 1,333 contracted (83% YoY growth)



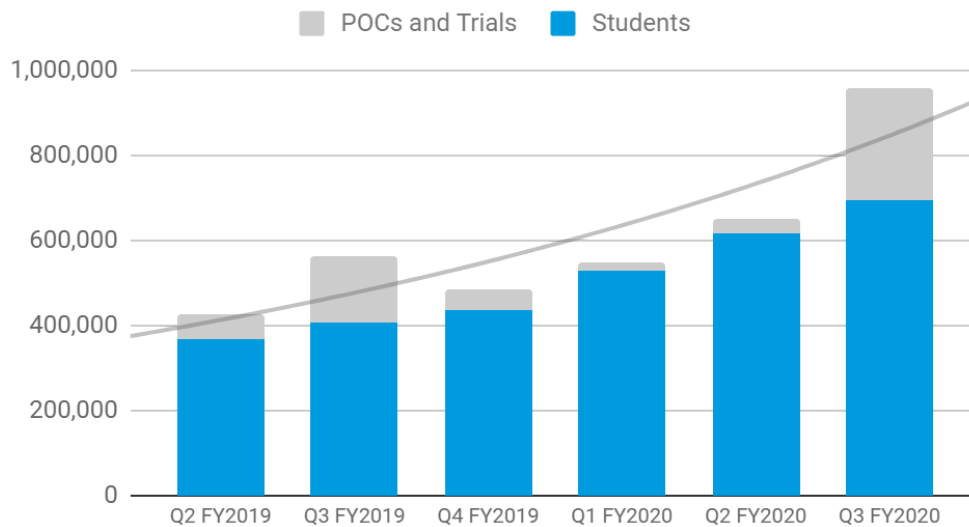
- 957,000 students with 695,000 licensed (70% YoY growth)

These numbers include 376 schools in POCs, accounting for 190,000 students and close to AU\$1 million of recurring revenue. As highlighted in previous updates, our POC conversion rate exceeds 80%.

School Clients



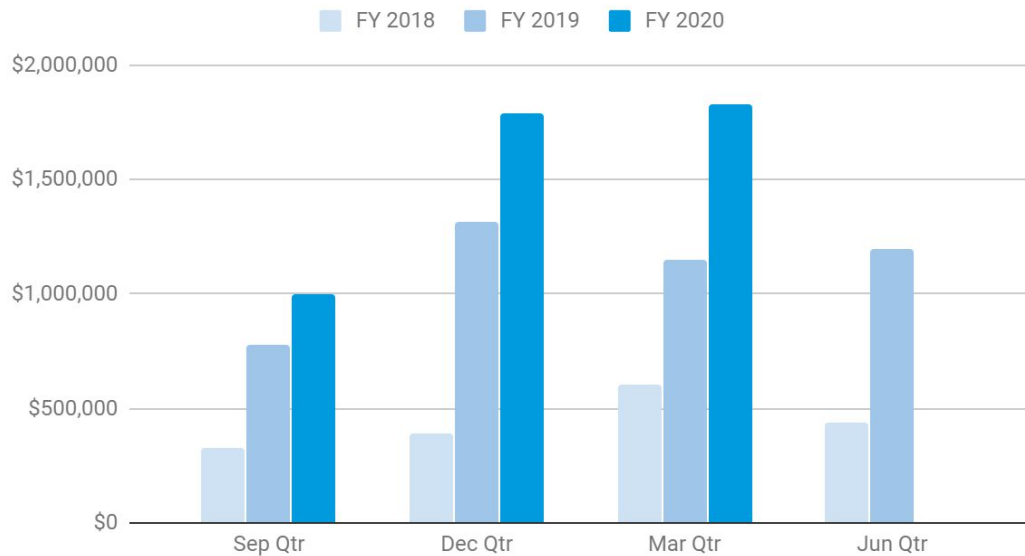
Student Licenses



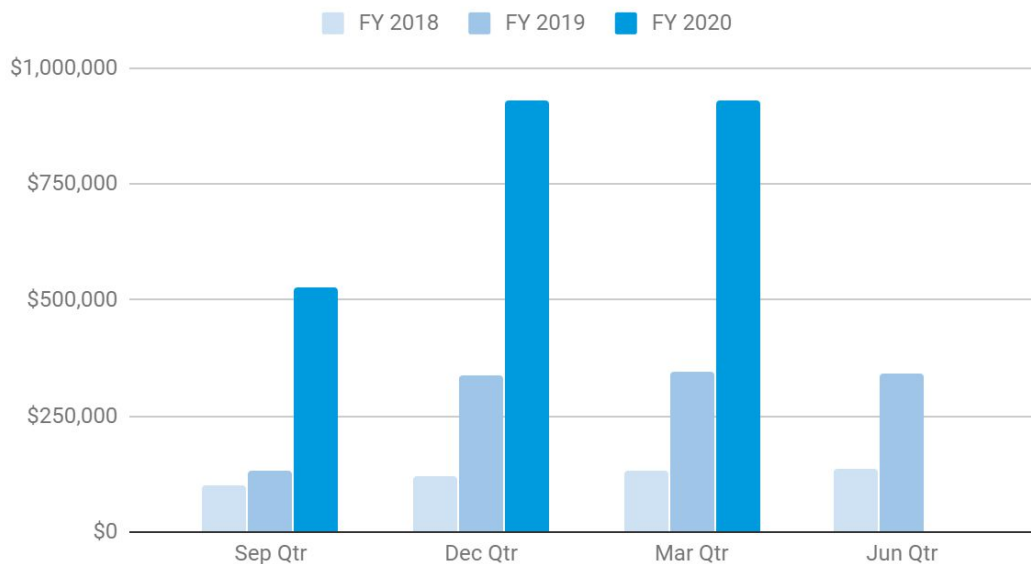
Contracted Revenue continues to climb

With continuing record student licensing, the Company achieved new records in the total value and annual value of contracts signed in the quarter. With a large pipeline, increased activity due to COVID-19 remote learning, our US business coming into the seasonally strongest quarter and 376 schools in POCs, the Company expects even stronger results in the upcoming June quarter.

Total Contract Value



Annual Value of Contracts Signed



Continued growth in consumer

The Company's Premium parental control accounts continued to grow strongly in the quarter reaching 210,000 at 31 March representing 120% growth YoY.

The main contributor in the quarter was our wholesale channel which added 24,000 accounts. This was achieved despite our focus shifting to the launch of Insights at the beginning of the quarter.

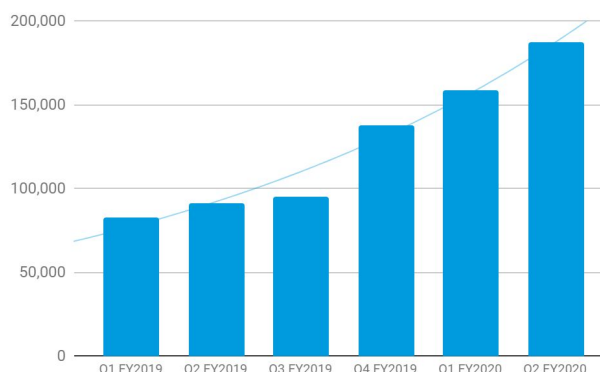
Family Zone Insights

The Company continued to work with Telkomsel in the quarter to promote Family Zone's freemium service, Insights.

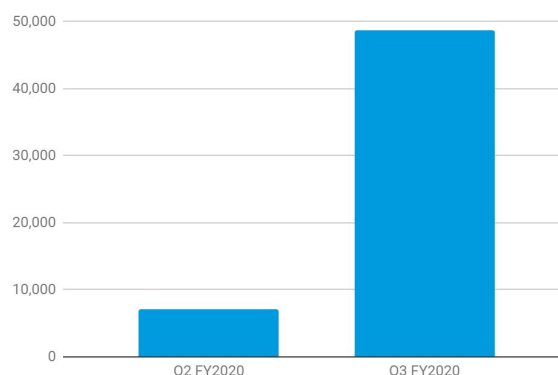
Progress has been pleasing, with strong engagement, high activation rates (exceeding 60%) and reasonable organic growth achieved.

The Company has initiated a strategic review of its Asian telco channel in the quarter, having regard to the economic impact of COVID-19 on these jurisdictions and the growth opportunities in its education business. We expect to communicate to the market the results of this review and any resultant strategic decisions in the quarterly operations update at the end of the month.

Premium Parental Control Accounts



Freemium Subscribers



Authorised by the Board of Family Zone Cyber Safety Limited

About Family Zone

Family Zone, **supporting and protecting every child's digital journey**, is an ASX-listed technology company and an emerging leader in the fast growing global cyber safety industry. Family Zone's unique innovation is its patented cyber safety ecosystem, a platform enabling a world-first collaboration between schools, parents and cyber safety educators. Family Zone's unique approach is delivering rapid growth in the education sector, as well as through direct sales and scalable reseller arrangements with telco providers.

To learn more about the Family Zone platform and the Company please visit www.familyzone.com.



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