ASX: FZO

family zone

To support and protect every child's digital journey

Family Zone Cyber Safety

FY20 Results Presentation

DISCLAIMER

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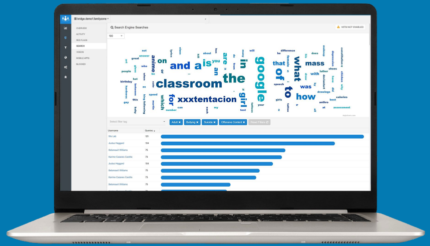
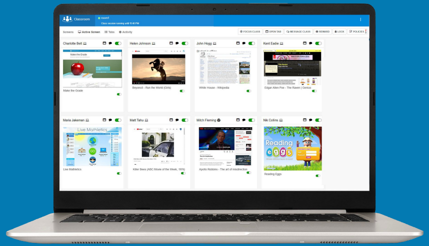
Our business model

THE FAMILY ZONE PLATFORM



SCHOOL ADMIN

Support admins with seamless compliance, and pastoral care functions.



TEACHERS

Empower teachers in class or home instruction with visibility and control.

ALL DEVICES

Turn any device into a learning device whether on or off network.

COMMUNITY

Empower parents with tools & content which work with school programs.

The Family Zone platform offers a world first, singular approach to enable schools, parents and cyber safety experts to collaborate to keep children safe anywhere, at anytime, on any device and any network.

- ✓ Simplicity & ubiquity
- ✓ Insights & advice
- ✓ Works at school and home
- ✓ Supports collaboration

OUR BUSINESS MODEL

DIRECT

SCHOOLS & DISTRICTS

RECURRING CONTRACTS

INSTALLATIONS

ENGAGEMENT

PREMIUM PARENTAL CONTROLS

SUBSCRIPTION REVENUE

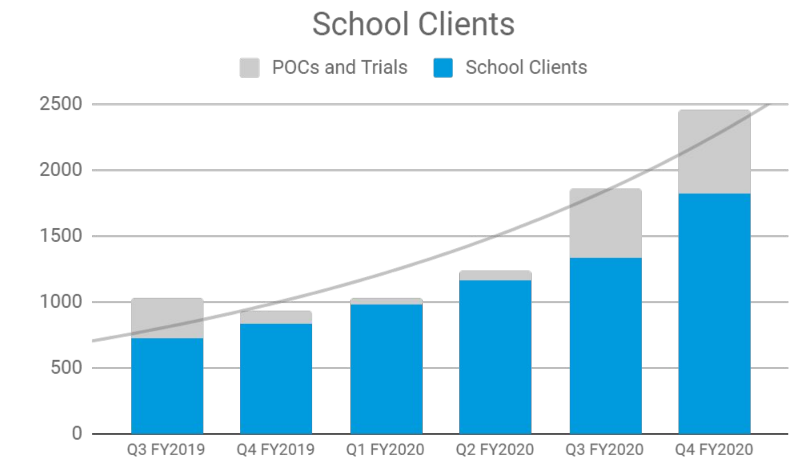
Our unique platform allows the Company to holistically solve the cyber safety challenges of today's school communities. Our core offerings are:

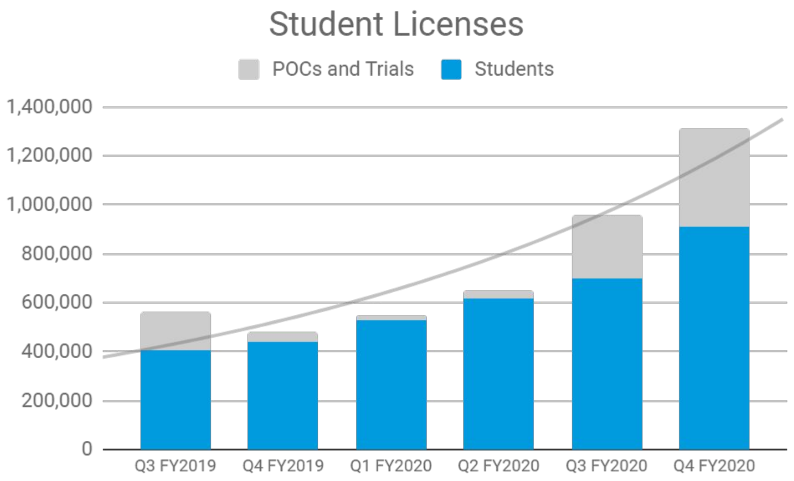
Compliance: Family Zone provides content filtering, device and user management features to support school compliance, pastoral care and class control.

Community: Family Zone's platform can be used for free by parents after school as a monitoring tool called Insights.

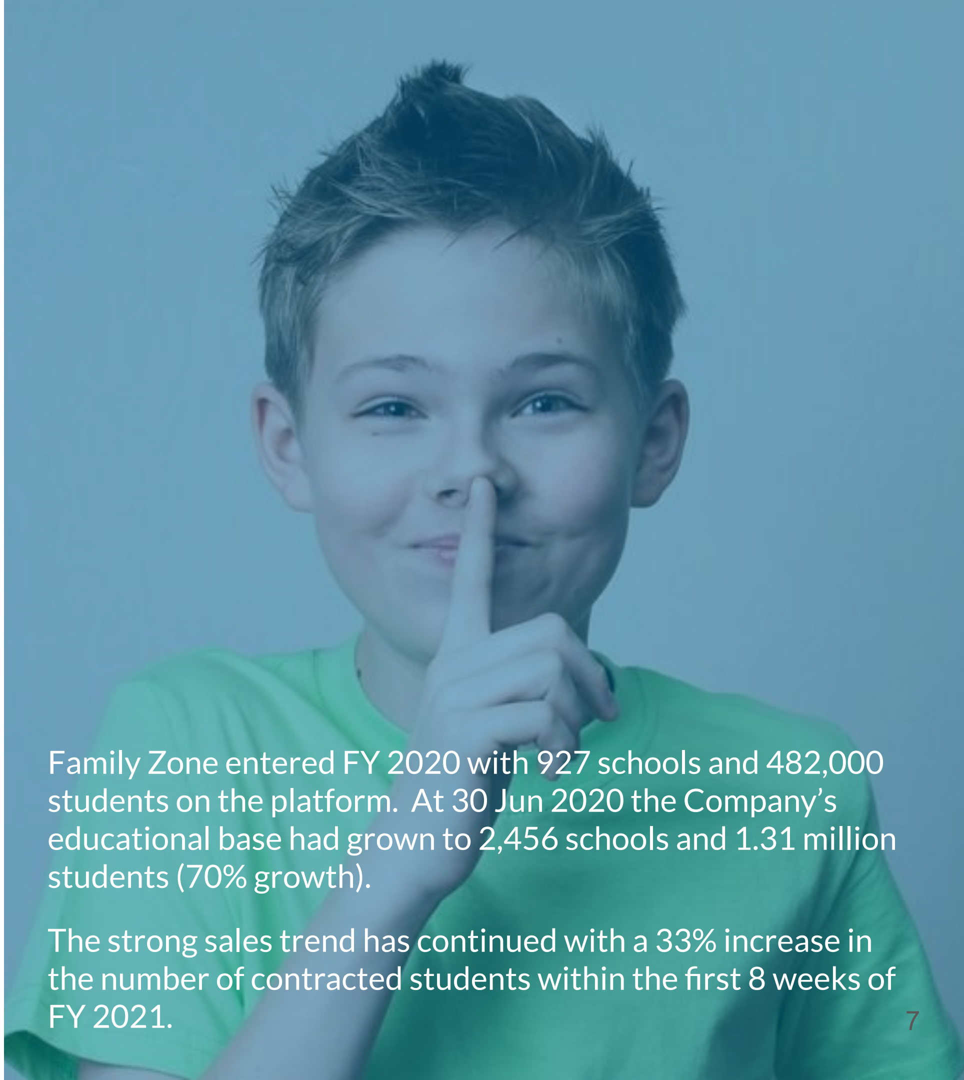
Controls: Parents can sign-up to premium accounts to enforce their rules after school.

2020 Sales Results





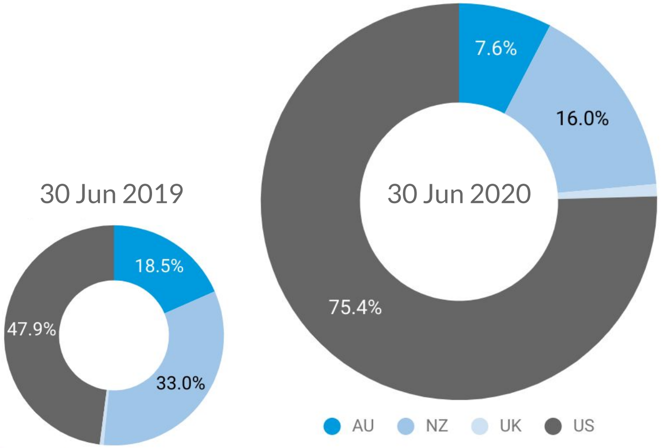
As at Jun 30, 2020. POC = proof of concept trials.



Family Zone entered FY 2020 with 927 schools and 482,000 students on the platform. At 30 Jun 2020 the Company's educational base had grown to 2,456 schools and 1.31 million students (70% growth).

The strong sales trend has continued with a 33% increase in the number of contracted students within the first 8 weeks of FY 2021.

SCHOOL CLIENTS BY REGION

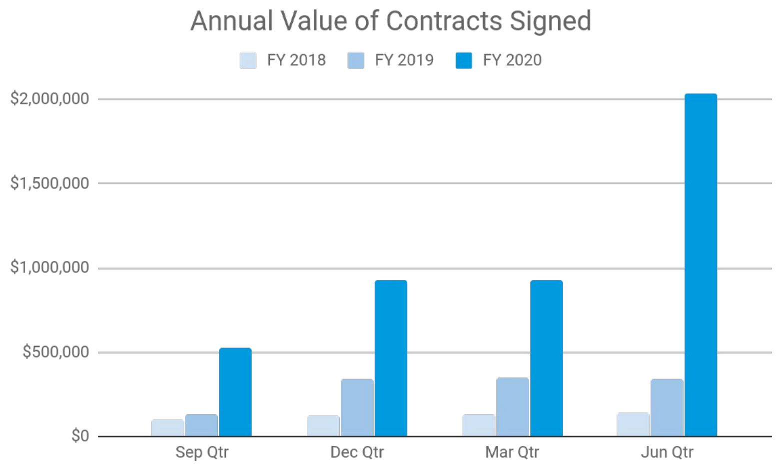


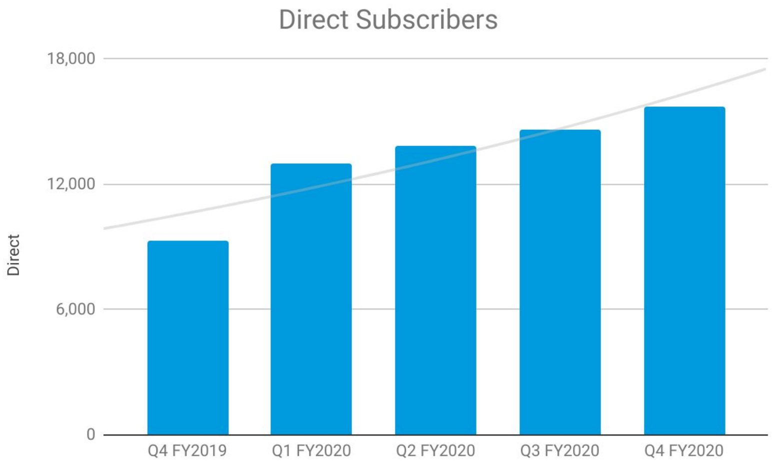
US SCHOOLS PENETRATION

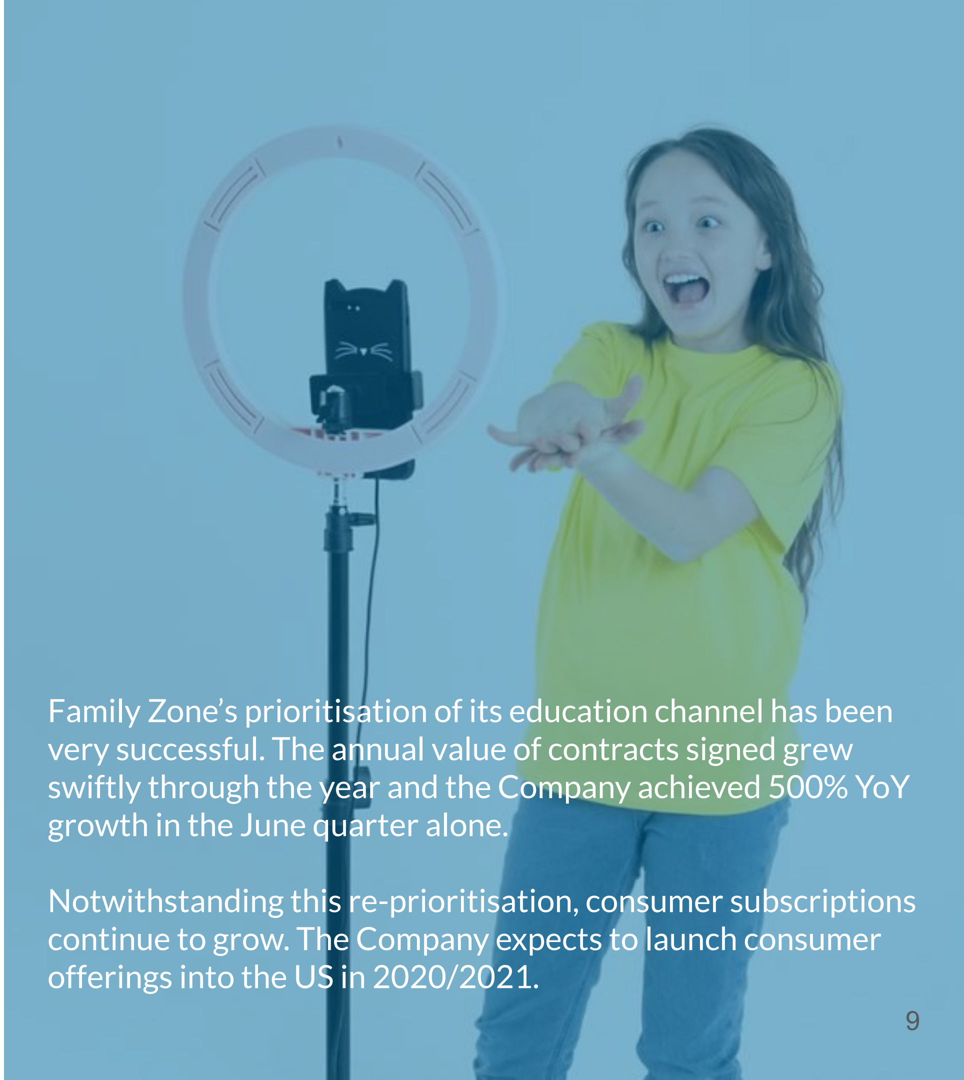
> 2%

US School Districts
using Family Zone
at 30 Jun 2020

Family Zone ended FY 2020 with 2,010 US schools on the platform representing more than 75% of our education base and greater than 2% of all US school districts.







Family Zone's prioritisation of its education channel has been very successful. The annual value of contracts signed grew swiftly through the year and the Company achieved 500% YoY growth in the June quarter alone.

Notwithstanding this re-prioritisation, consumer subscriptions continue to grow. The Company expects to launch consumer offerings into the US in 2020/2021.

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2020 Financial Results

FINANCIAL HIGHLIGHTS

	2020 $Millions	2019 $Millions
Revenue	5.09	4.18
Gross Profit	2.84	2.15
EBITDA	(12.83)	(9.80)
Operating Loss	(17.21)	(14.41)
Deferred Revenue	4.08	1.81
Cash & equivalents	5.81	5.12

Family Zone’s revenue is principally generated through contracts for services which are required to be amortised over contract terms. Accordingly whilst the Company's accounting revenue increased by 21%, deferred revenue increased by 172% reflecting the significant growth in contract sales in the final quarter of the financial year.

Family Zone ended the year with $5.8 million cash & equivalents. $3.5 million was received in the first week of July in relation to a placement initiated in the financial year resulting in an effective cash balance of $9.3 million.

Corporate

Top Filtered Applications
Top Filtered Users
Top Filtered Websites
John Hogg
Nik Collins
Maria Jakeman
Charlotte Belt
Adult Content
Adult Content
VPN Usage
VPN Usage
Dailymotion
Duolingo
Netflix
Google Search

CAPITAL

CASH AT 30 JUNE 2020	$9.3M @
ORDINARY SHARES	330,029,013
MARKET CAP (@55c) *	$181M
TOP 20 SHAREHOLDERS	46%
FOUNDERS & EXECUTIVES	9%

Notes

@ Includes tranche 2 placement received early Jul '20.
* Calculated based on issued shares as at 1 Aug 20.
[1] Remaining Linewize acq securities have target of NZ$9.25m ARR from NZ and Linewize technology.
[3] Exec salaries received PRs in lieu of cash
[4] Employee incentives time based milestones
[5] Exec incentives various performance based targets

Perf Shares/Rights	**32,332,521**
$9.25m Rev' from NZ[1]	3,000,000
Exec salaries [3]	6,044,783
Employee [4]	5,779,398
Employee & Exec [5]	17,508,340

Options	**17,250,256**
50c-60c (expiring in 2020)	2,200,000
75c-90c (expiring 2021)	1,033,530
18c-25c (expiring 2022)	7,516,726
18c-24c (expiring 2023)	6,500,000

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TEAM

Peter Pawlowitsch
Chairman

Tim Levy
Managing Director

Crispin Swan
Executive Director

Matthew Stepka
Non-Exec Director

Phil Warren
Non-Exec Director

Ben Trigger
CTO

Ross Young
VP North America

Paul Robinson
VP Product

David Dunstan
VP Marketing

CONTACT

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