



## HUGE GROWTH IN EDUCATION SALES AND STRONG EARLY SIGNS WITH INSIGHTS

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Family Zone, *supporting and protecting every child's digital journey*, is pleased to update the market on business development achievements in the December quarter of 2019.

- Added a quarterly record 183 school clients, growing total footprint to 1,168, representing 19% growth since 30 Sep 2019 and 89% growth since 31 Dec 2018
- Added a quarterly record 88,000 student licenses, taking total students to 615,000, representing 17% growth since 30 Sep 2019 and 70% growth since 31 Dec 2018
- Signed a quarterly record of \$1.8 million in total contract value with education customers and achieved 300% growth in the annual value of contracts signed in the quarter (compared to contracts signed in the December quarter of 2018)
- Added 13,100 paid premium control accounts across our direct, education & wholesale channels, taking total paid subscribers to 187,000
- Soft launched Family Zone's freemium Insights product and added 7,200 accounts across our education & wholesale channels

## Exciting Education Sales Growth

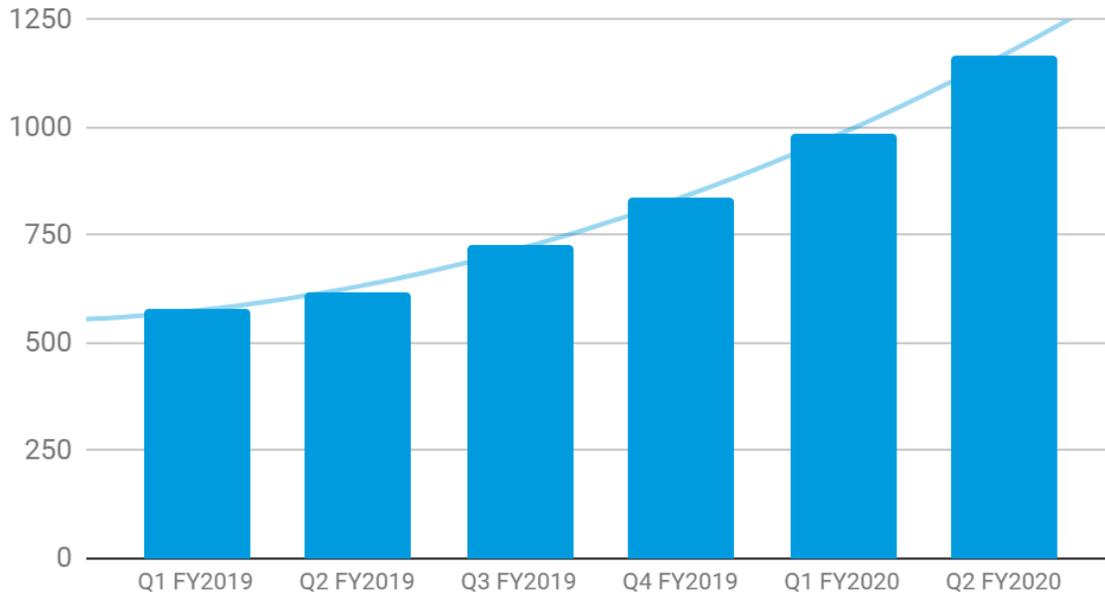
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The December quarter is cyclically the biggest sales period in the AU and NZ education markets and the low point in the US. The Company is pleased to report strong growth across all of these markets.

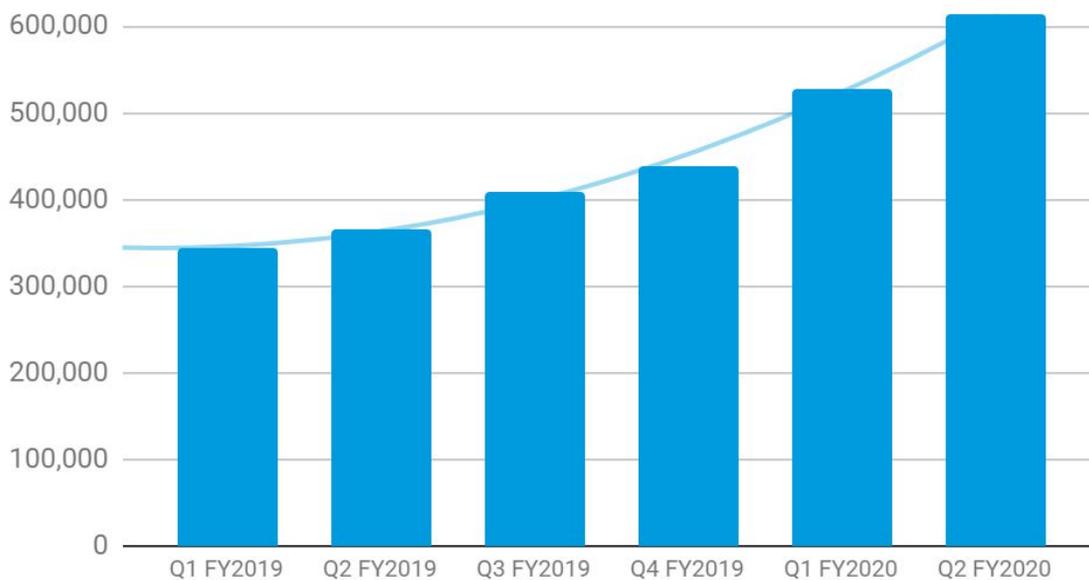


The Company added a record 183 new school clients and 88,000 student licenses in the quarter with nett growth experienced across each of the AU, NZ and US markets. The Company continues to convert in excess of 80% of “proof of concept” (“POC”) trials in US school districts, and with more than 80 POCs currently running , the Company’s global footprint now exceeds 1,250 schools and 650,000 students.

## School Clients



## Student Licenses

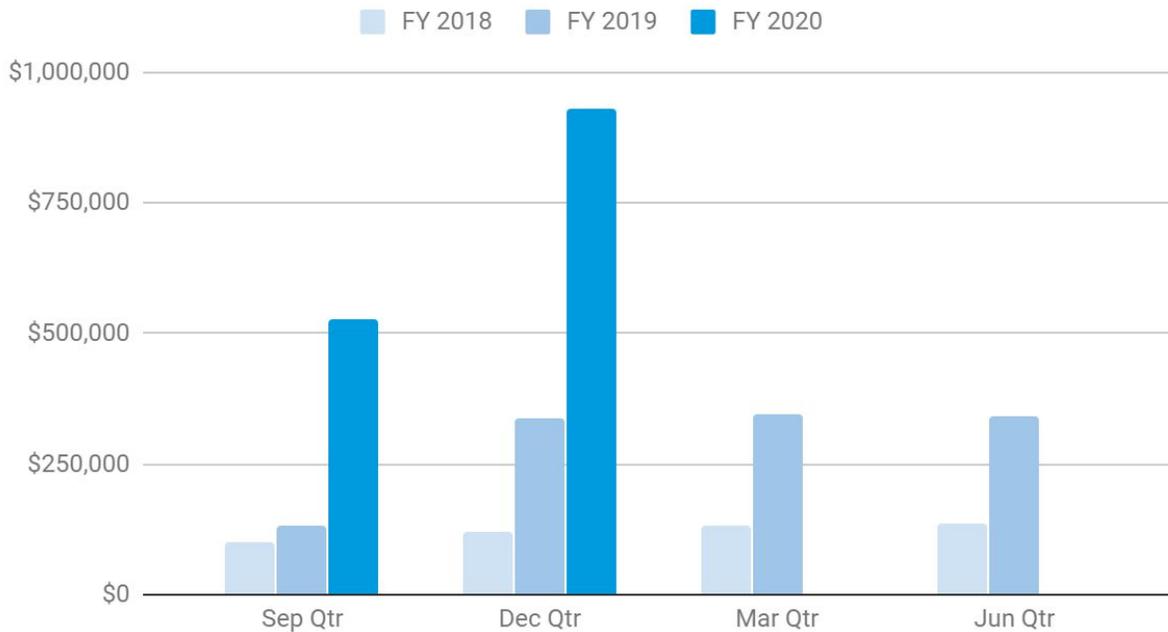




With continuing record student licensing, the Company achieved a record \$1.8 million in contract signings in the quarter (**total contract value**). Pleasingly, and reflecting the increasing contribution from US education, the Company achieved 300% YoY growth in the **annual value** of contracts signed in the quarter.

What is most significant about this result is that the December quarter is the low point in sales in US education-tech. With a strong and proven US sales team in place, the Company is confident of delivering exceptional sales growth in coming quarters as market momentum builds through to the key September sales quarter.

## Annual Value of Contracts Signed

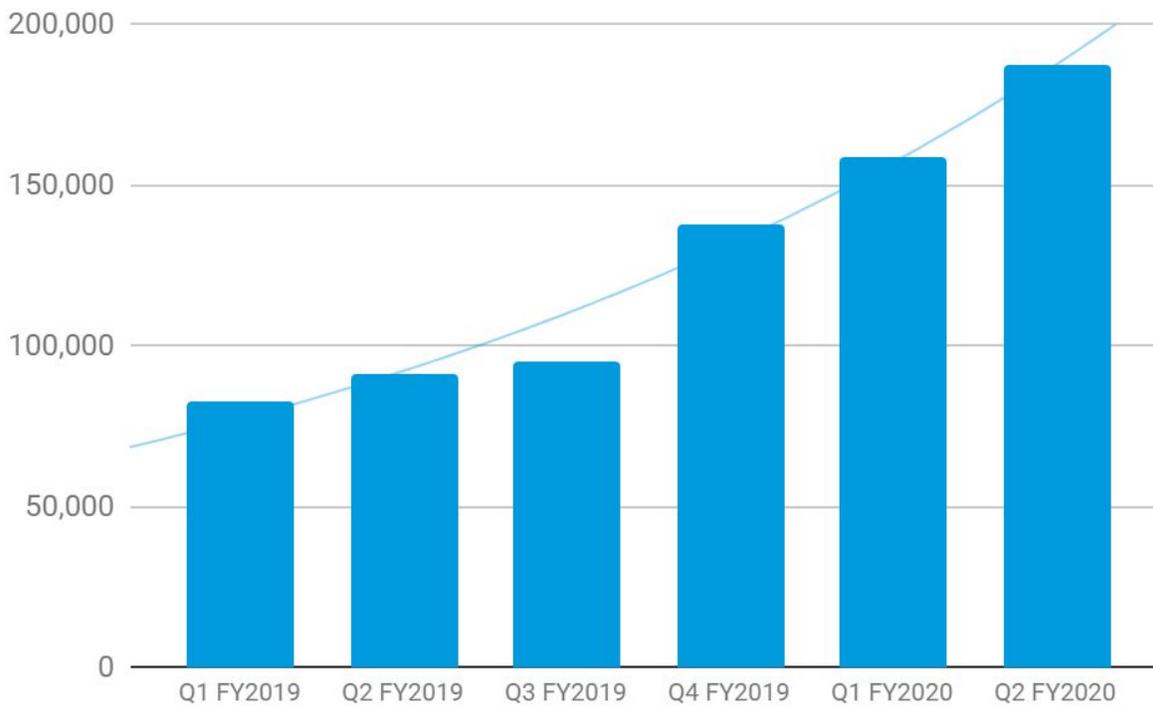


## Strong Subscriber Growth and launch of Insights

**REPORTING NOTE:** With the introduction of Insights, the Company will now distinguish between accounts which can access filters / policy enforcement (Premium accounts) and accounts which can access reporting only (Insights accounts). Premium accounts include paid and trial accounts supplied to parents directly, through schools (where included in student licences) or through our telco partners.

The Company is pleased to report continuing strong growth in Premium parental control accounts, with total accounts growing to 187,000 at 31 December 2019 from 159,000 at 30 September 2019.

## Premium Parental Control Accounts



The biggest driver of Premium account growth was our education channel, contributing nearly 20,000 new (school paid) accounts and reflecting the re-direction of marketing and sales efforts into schools. The direct channel added 800 premium consumer accounts in the quarter and wholesale added 7,600.

As indicated in previous announcements, with the Company's shifting focus to Family Zone Insights, the Company expects a temporary drop in coming quarters in contribution to Premium accounts from our wholesale channel.

### Launch of Insights

In late November 2019 the Company launched Telkomsel Safe, a re-branded Family Zone Insights offering. With modest promotion we are pleased to announce that 7,200 accounts have now been activated across our channels with the bulk via Telkomsel.

Initial engagement indicators are exceptional, with greater than 60% activation of downloaded Apps and negligible churn to date.

Our next steps for Insights in the first half of CY20 include:

- Working with Telkomsel to ramp up marketing and promotion;
- Agreeing launch plans with our other telco partners; and
- Launching Insights through our USA school district clients.

*Authorised by the Board of Family Zone Cyber Safety Limited*



## About Family Zone

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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](http://www.familyzone.com).

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