

ASX ANNOUNCEMENT

Family Zone Cyber Safety Limited

ASX:FZO ("Family Zone" or the "Company")



Our mission is to protect & support
every child's digital journey.



COMPLETION OF QUSTODIO ACQUISITION

Family Zone is pleased to advise it has completed the acquisition of global parental controls leader, Qustodio. Based in Barcelona, Spain, Qustodio has in excess of 270,000 paid parental control accounts, across more than 100 countries and operating in 9 languages.

This acquisition offers Family Zone expertise, capability, scale, new markets and operational efficiencies including:

- **Cross-sell into K-12:** Qustodio has a highly resolved product, well suited to offer through Family Zone's 24,000 school footprint
- **Global footprint & language skills:** Qustodio operates globally with a strong presence in key countries. These are hubs for K-12 expansion.
- **Talent and talent pools:** Qustodio is an outstanding outfit and Spain has a strong and cost effective talent pool in an attractive timezone.
- **Dedicated consumer capability:** The merger allows pooling of consumer capability and dedication of resources to direct and B2B2C channels.
- **Expanded features:** The merger will create an opportunity to bring together our consumer feature sets.
- **Operating efficiencies:** The merger will allow realisation of efficiencies through scale and duplication of effort.

Family Zone advises that the following consideration has been paid on completion of the acquisition:

- US\$11.06 million cash consideration has been paid (including US\$2.6 million held in escrow as a provision for warranty and indemnity claims);
- US\$7.49 million worth of Convertible Notes have been issued (convertible at US\$0.429);
- US\$24.56 million Deferred Consideration Rights have been granted; and
- 18,241,404 Shares have been issued.

Please refer to the Qustodio acquisition announcement dated 2 May 2022 for further information on Qustodio and the Appendix 2A and Appendix 3G lodged with ASX today for further details on the securities issued.

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT 2001

This notice is given by the Company in relation to an issue of 18,241,404 Shares, which were issued without disclosure to investors under Part 6D.2 of the *Corporations Act 2001 (Cth)* (Act). The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- a. the Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- b. the Company is providing this notice under paragraph (5)(e) of section 708A of the Act;
- c. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- d. as at the date of this notice, the Company has complied with section 674 of the Act; and
- e. as at the date of this notice, there is no information:
 - i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - B) the rights and liabilities attaching to the shares.

Authorised for release by the Family Zone Board on 1 August 2022.

For more information, please contact:

Tim Levy
Managing Director
timl@familyzone.com
+61 413 563 333

Tim Dohrman
Investor Relations
tim@nwrcommunications.com.au
+61 468 420 846

Family Zone Cyber Safety Limited
945 Wellington Street
West Perth, WA 6005

About Family Zone

Family Zone is an ASX listed technology company focused on cyber safety. Meeting a growing demand to keep kids safe online and manage digital lifestyles, Family Zone has developed unique and innovative cloud-based solutions which combines Australian innovation with leading global technology.

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