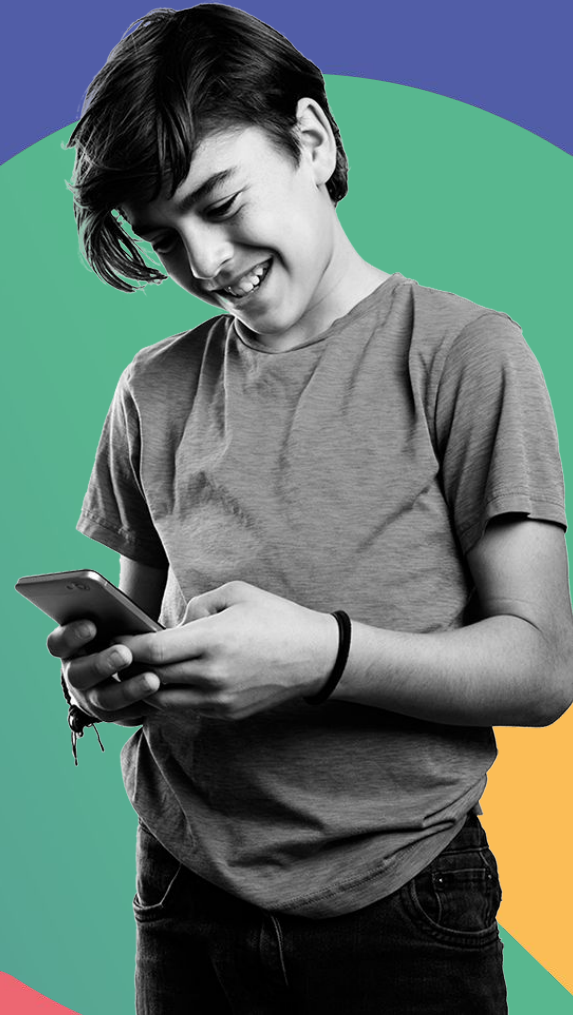


Qoria Limited
ASX : QOR

INVESTOR PRESENTATION
June Quarter 2023
4C Commentary & Operational Update

Nothing is as
powerful as all of us

qoria.com



Qtr Highlights

“The June quarter of 2023 represents a turning point for the Company. At effective operating cash flow break-even and with a strong balance sheet the Company is now focussed on profitable growth.”

Tim Levy, Managing Director

qoria.com

✓ **ARR gross \$97 million**
\$6 million nett ARR growth for the quarter

✓ **Going Up Market in the US**
Won our largest US deal 90K students & \$860K ARR

✓ **Consumer ARR exceeds \$20 million**
Qustodio ARR has grown 37% since acquisition

✓ **Continuing strong SaaS metrics**
113% NRR, 85% Service Margin, < 5% Churn

✓ **Launched our new Qoria brand**
Including shareholder approval

✓ **At operating cash flow breakeven**
Run-rate cash flow break even achieved in Jul 23

Why Qoria Limited



Scaled & inflecting

Qoria is scaled and winning in a sophisticated global market. Qoria is moving to cash flow generation and profit.



Untapped market

Qoria competes in a massive Government funded, untapped, fragmented & expanding global market.



Global visionary

Qoria is the only truly global provider in safety & wellbeing and has a clear, compelling and innovative vision.



Impact & ESG

Qoria is a social impact organisation; responsibly addressing the global concerns of online safety & student wellbeing

Qoria Limited

Qoria is the only truly global provider of digital safety & student wellbeing solutions.

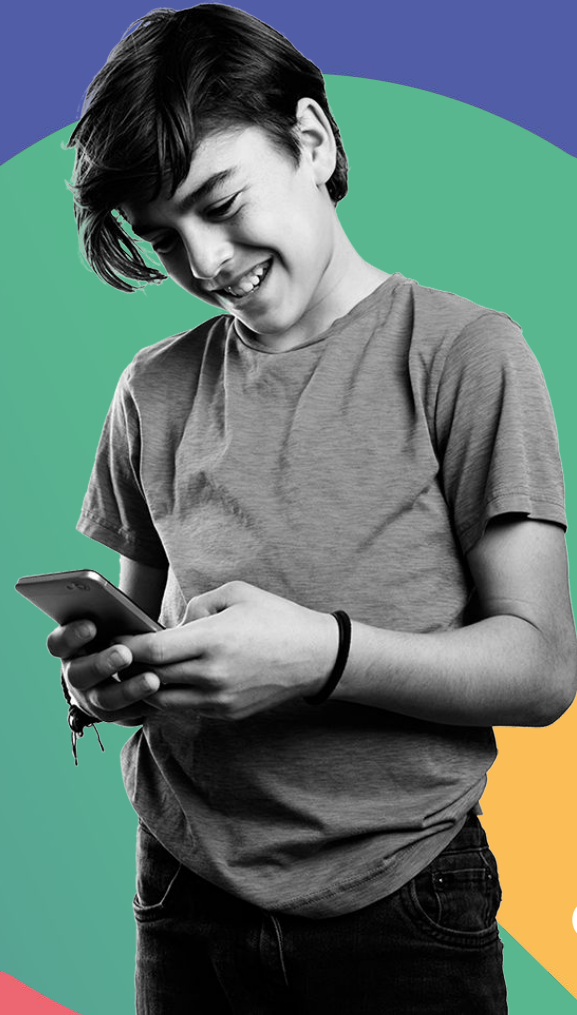
- 13 million students
- 25,000 schools
- 5 million parents
- 100 countries
- 38% of UK schools
- 19% of US districts
- \$97 million ARR
- 10 Global Offices

qoria.com



Qoria

June Qtr 2023 Market Update



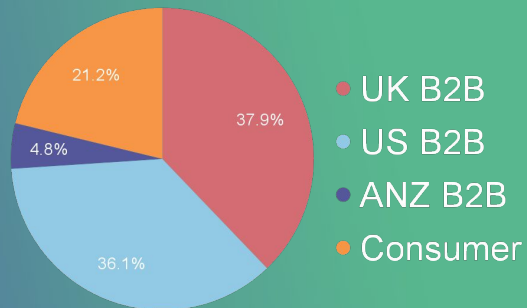
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Qoria

EOFY ARR reaches \$97 Million

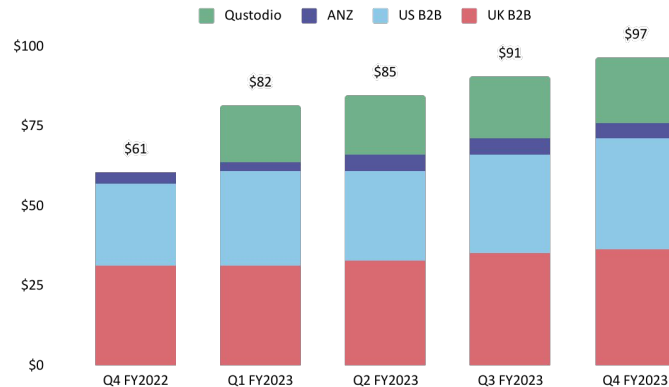
Group ARR has grown to \$97M (60% YoY growth) with strong contributions from all regions and a positive forex movement. Subject to forex movements ARR is expected to pass through \$100M within the Sep Qtr 2023.

Annual Recurring Revenue
Global Sales Mix %

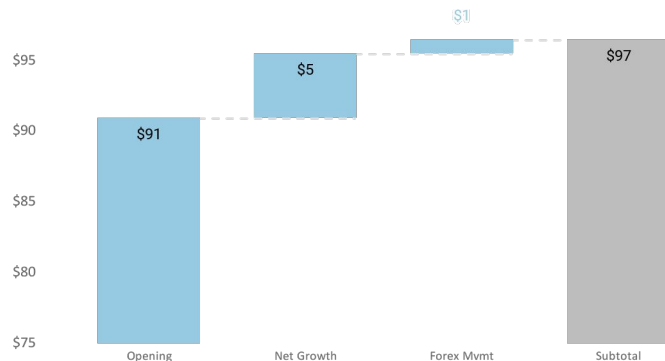


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Annual Recurring Revenue
Global Sales Mix | AUD Millions



ARR Waterfall
Group | AUD Millions



Strong quarter in Education

As expected our education business grew strongly in the June Quarter adding \$5M of ARR to reach \$76M at year's end.

Net Revenue Retention rebounded to 113% (113% in US and 114% in UK) even though renewals are still being impacted by the deprecation of non-core business.

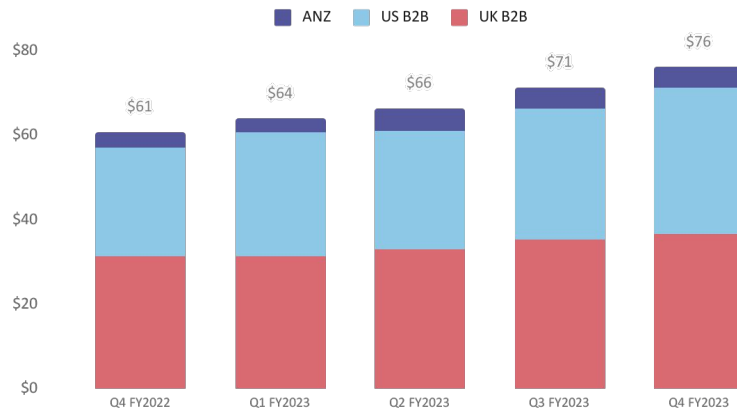
Renewals averaged 90% which is a great result given the large transactional volumes in the June Qtr. Renewal rates are expected to improve in the coming quarter.

Core churn continued under 3% and 5% overall, which is a highlight for the Company.

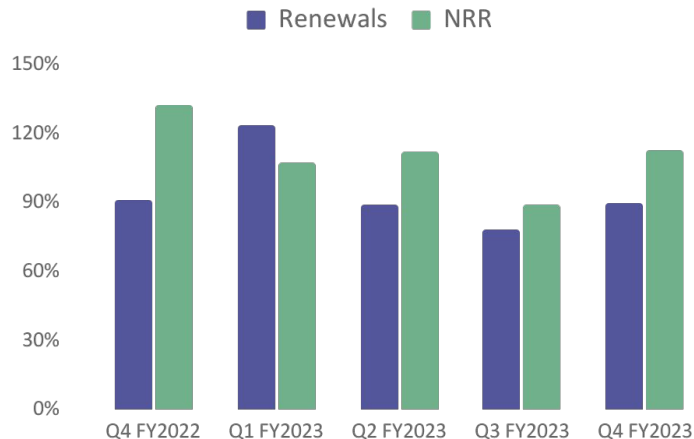
qoria.com

Annual Recurring Revenue

Education| AUD Millions



Net Revenue Retention & Renewals



Going Upmarket in US K-12

As previously announced the Company has established a strong foothold in US K-12 and is working to move up-market to service bigger and ultimately the largest US districts.

The strategy is showing positive signs and pleasingly in the June Qtr the Company signed its largest ever US district with over 90K students and with a deal size of \$860K ARR.

This complex sale involved outstanding global teamwork across engineering, product, sales and marketing.

The Company is confident of further success with many +50,000 student prospects in the pipeline.

Location:	Georgia
District:	32nd largest US District
Term:	1 with 4 x 1 year options
Licenses:	90,000
Gross ARR:	AU\$860K
Products:	School Manager, Classwize, Monitor

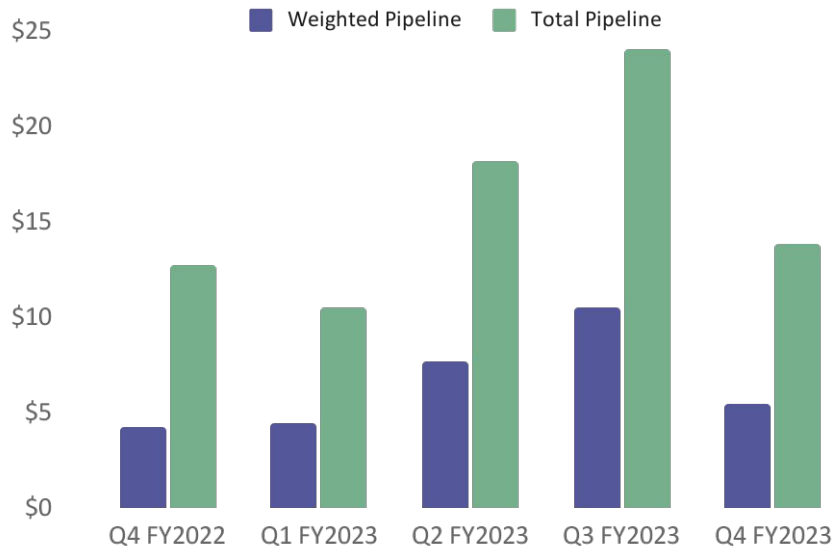
Record Qtr 4

Education pipeline

The Company is pleased to report a record Qtr 4 pipeline of ~\$14 Million (weighted value of \$5.5 Million) suggesting continuing strong sales in education in the back half of the year.

At 30 June 2023 over 1.2M students are in Proof of Concept trials in the US.

Pipeline AUD Millions



Education sales are seasonal with the Jun Qtr (Q4) the biggest selling period. Accordingly Mar Qtr (Q3) should typically have the largest pipeline.

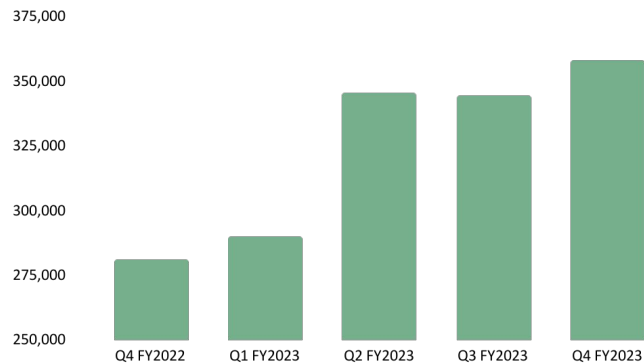
Consistent growth in Consumer

Our Consumer division ARR has grown to \$20.5M, up 37% from \$15M when the acquisition of Qustodio was completed on 1 August 2022.

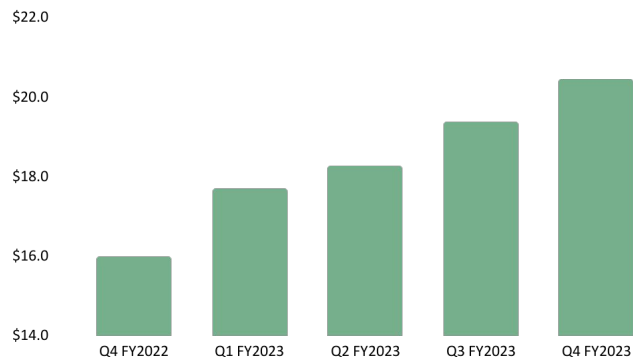
Excellent growth in customer numbers with over 355k premium accounts.

Most pleasing is the recent material fall in Qustodio's churn which is now averaging 27% down from 33% last year.

Qustodio Premium Accounts All Channels | Count



Qustodio Annual Recurring Revenue All Channels | AUD Millions



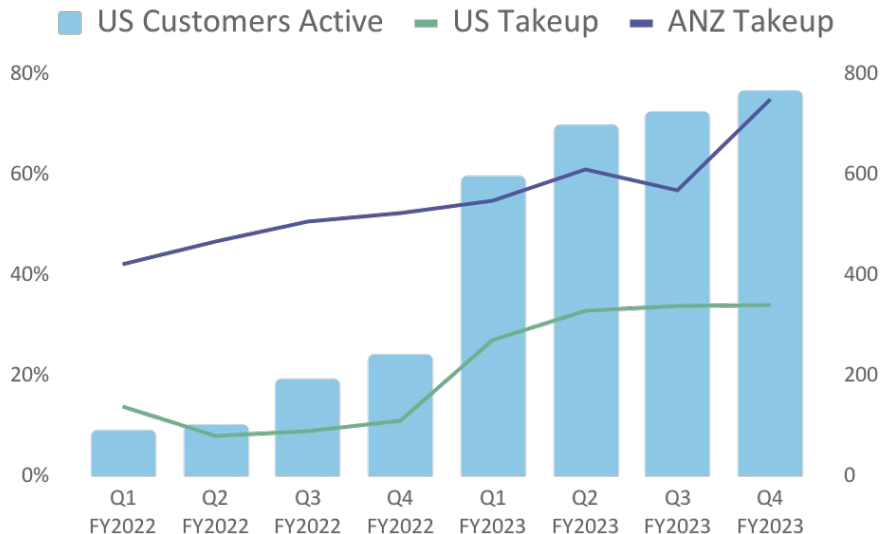
Community progress update

The Company continues to purposefully invest in the roll out of its B2B2C strategy (known as Community).

School take up is growing strongly (see chart right) and parent take-up is growing, although summer holidays in the US has slowed activity.

Notably regulatory tailwinds are supporting our Community strategy. Recently the Texas Legislature passed HB 18 which amongst other things requires schools to engage with and provide tools for parents to help support online safety.

School Community Take-up & Active US Customers

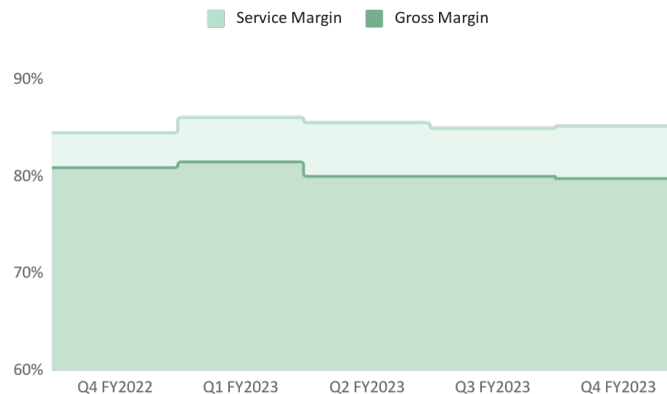


Growing ARPS and strong margins

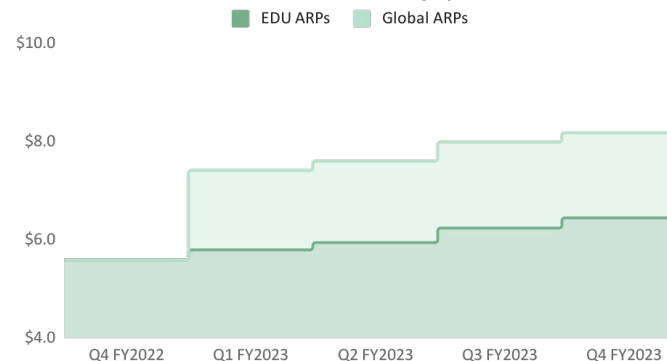
The Company is pleased to report continuing growth in Average Revenue Per Student (license).

Margins in the past two quarters have reduced as the Company has invested in new data processing pipelines. This project (Golden Connections) along with the closure of Family Zone parental controls was completed in June 2023. Accordingly Service and Gross margins are expected to return to growth in the September Quarter.

Group Service & Gross Margins Percentage of ARR



Average Revenue per Student (ARPs) Education & Group | AUD



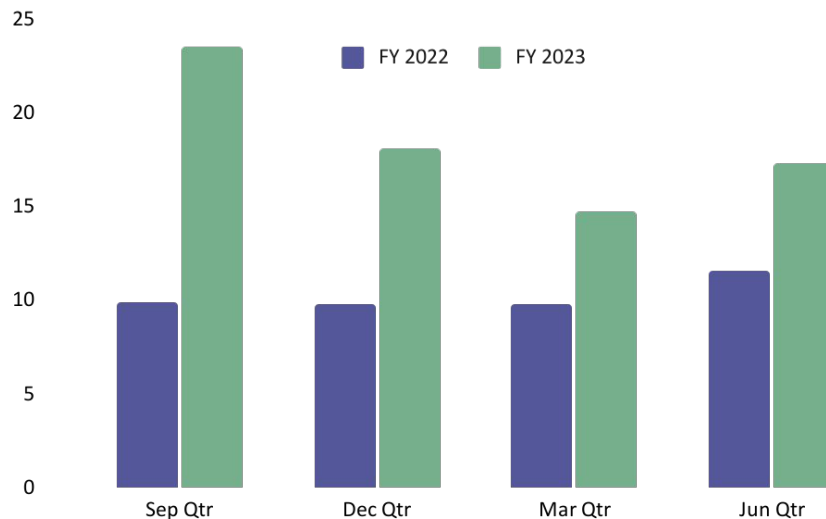
Converting ARR to Cash

Cash collections for the quarter were \$17.3 Million which is a record for the June quarter and 50% up on last year.

Education division billings hit a record \$20.5 Million which is 88% up on last year.

Collections in the back half of the year are seasonally the highest and so the Company expects to generate positive cash flows in the coming half.

Customer Receipts | Group | Nett of Commissions



Inflection point has arrived

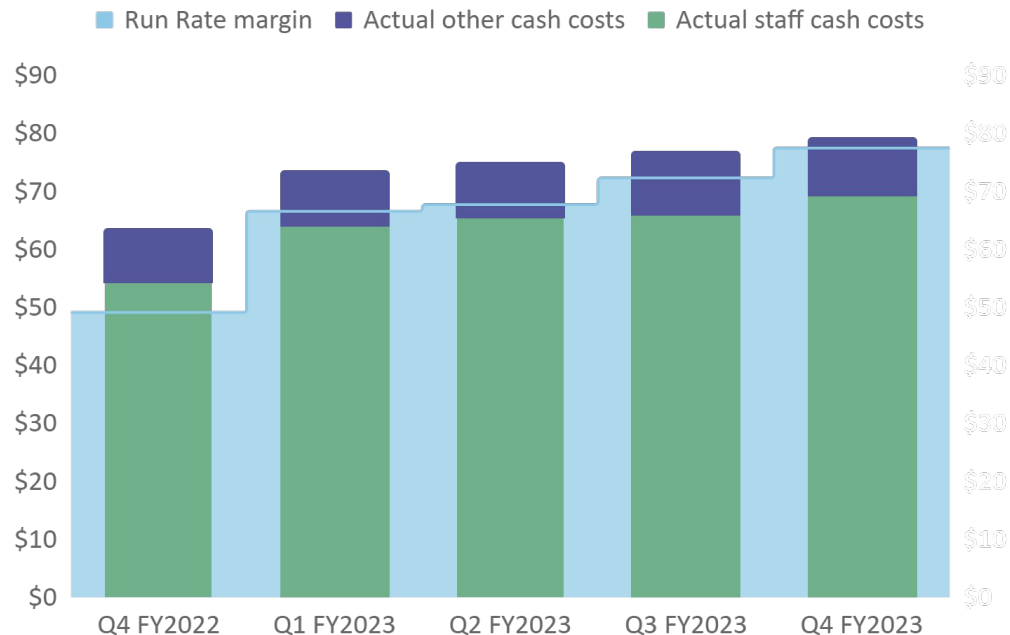
The Company is pleased to announce that during July 2023 run rate operating cash flow break even has been achieved.

Unfortunately this was pushed back a month due to a strengthening EUR (in particular) and a weakening AUD group which impacted fixed costs by ~\$3.5M pa.

With a strong pipeline, global price increases in the Education business, a focus on cross sells and margins, the Company is now moving to focus on profitable growth.

Run Rate Operating Cashflow

Group | AUD Millions



Outlook for the September Qtr 2023



US back to school

Currently US schools are on summer break. Schools re-start in September and we expect to add in excess of 1 Million students to our filtering and monitoring platforms. Ensuring quality performance is a key focus this quarter.



Strong sales pipeline

Our Education sales pipeline sits at a June Qtr record of \$14 Million (\$5.5M weighted) suggesting a strong September Quarter to come.

In addition our US operation is bidding into a number of large enterprise grade and statewide deals.



Launch of Weekly Activity Reports

The next step in the expansion of our Community offering is enabling US schools to automatically and securely deliver weekly online activity reports to parents. Through these reports we will be able to support online safety education at scale and promote the free and paid features of the Qustodio App.



December Half Cash flows

Given the cyclical nature of edutech sales circa 60-65% of our education collections occur in the December half. Accordingly strong cash flows are expected this coming half.



Ashgrove Facility

\$30M debt facility signed 30 June 2023 subject to customary documentary conditions. These are now satisfied and the initial \$20 million has been drawn.

The debt process included significant due diligence across technology, customers, legal and financial providing strong validation of Qoria's business.



Annual Accounts

The Group's Appendix 4E and Preliminary Final Report will be lodged on or about 29 August and the Annual Report on or about 26 September 2023.

Quarterly Cash flow Commentary

Receipts: Customer receipts were ~\$17.3 million, up 50% on June 2022 and 50% YoY. This does not include the receipt of funds from ISP (announced on Feb 24, 2023). These funds (\$1.6m) were received in July. December half receipts are expected to be materially higher.

Direct costs: Costs were \$5.2 million (up from \$5.0m). Direct costs increase with student numbers. For the past 4 months duplicated data processing costs have been incurred through a data engineering initiative known as Golden Connections. Golden Connections has been completed and with the shutdown of Family Zone parental controls we expect circa a run-rate saving of ~\$2M this half. The majority of direct costs are denominated in USD and are affected by FX movements.

Staff costs: Costs were \$16.2 million (up from \$15.9m). Savings from recent headcount changes have been offset by unfavourable FX movements in the Euro, GBP and USD to AUD. After adjusting for FX, staff costs in June are lower than the March quarter. The annualised impact of FX rates on staff costs from the start of the year is equivalent to \$3.3 million pa.

Fixed other: Costs were \$2.4 million (down from \$2.9m). The decrease is largely timing related.

Once again growth in overall cash costs is well controlled.

Related Party Transactions

In accordance with ASX Listing Rule 4.7C.3 payments to related parties and their associates outlined in the Company's Appendix 4C for the quarter of approximately \$91k related to Directors salaries and superannuation payments and professional fees paid to Grange Consulting for company secretarial services.

NORMALISED OPERATING CASH FLOW

Item	Sep 2022*	Dec 2022*	Mar 2023	Jun 2023*
Direct Costs	(\$4,233)	(\$5,281)	(\$4,998)	(\$5,153)
Staff Costs	(\$14,616)	(\$15,794)	(\$15,886)	(\$16,187)
Fixed Other	(\$2,675)	(\$3,018)	(\$2,853)	(\$2,377)
	(\$21,524)	(\$24,017)	(\$23,737)	(\$23,717)

Normalised quarterly cash outflows in AUD Thousands. Adjusted for one-off / non-operational flows & timing. * September Quarter includes 2 months of Qustodio and no costs for Educator Impact which were included from 1 August and 1 October respectively

RECONCILIATION OF 4C TO NORMALISED CASH FLOW

4C Cash flow	Jun '23 4C	Normalisation adjustments	Normalised
Direct Costs	(\$5,523)	(\$370) Parental controls & other data & hosting costs	(\$5,153)
Staff Costs	(\$16,695)	(\$508) Staff restructure	(\$16,187)
Fixed Other	(\$2,425)	(\$48) Once-off legal cost	(\$2,377)
Other	(\$420)	(\$420) Debt process costs	\$0
	(\$25,063)	(\$1,346)	(\$23,717)

Capital

AVAILABLE FUNDING	\$36.7M ¹
ORDINARY SHARES	1,066,930,869
MARKET CAP (@20.0c)	\$213M
TOP 20 SHAREHOLDERS	67%
FOUNDERS & EXECUTIVES	4.75%

NOTES

1 Includes \$6.6M cash as at 30 June 2023 & includes funds available from the debt facility. Note this is prior to repayment of the existing Qustodio debt facilities, debt establishment fees and deal costs

SECONDARY SECURITIES

Performance Rights (Staff)	77,026,682
Deferred Perf Rights (Qustodio)	80,527,017
Options 50-60c expiring 2025 (Staff & Directors)	17,720,000
Options 60c expiring 2025 (Staff/Directors & Facility)	5,250,000

Contacts



Tim Levy

Managing Director
tim.levy@qoria.com

Ben Jenkins

Chief Financial Officer
ben.jenkins@qoria.com

Simon Hinsley

Executive Director, NWR Communications
simon@nwrcommunications.com.au

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Qoria Limited (formerly Family Zone Cyber Safety Limited)

ABN

33 167 509 177

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		17,336	73,778
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(3,594)	(15,162)
(c) advertising and marketing		(1,929)	(5,556)
(d) leased assets		-	-
(e) staff costs		(16,695)	(63,995)
(f) administration and corporate costs		(2,425)	(12,715)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		12	49
1.5 Interest and other costs of finance paid		(194)	(885)
1.6 Income taxes paid		(480)	(517)
1.7 Government grants and tax incentives		-	73
1.8 Other – acquisition-related operating outflows		-	(456)
1.9 Other – debt process costs		(420)	(420)
1.9 Net cash from / (used in) operating activities		(8,389)	(25,806)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	(465)	(19,864)
	(c) property, plant and equipment	(1,349)	(4,159)
	(d) investments	-	(25)
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	161	161
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,653)	(23,887)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) ³	725	19,600
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	90	1036
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(428)	(1,699)
3.5	Proceeds from borrowings	-	5,500
3.6	Repayment of borrowings	(290)	(2,100)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Repayment of Lease Liabilities (Year to date adjustment)	(402)	(1,623)
3.10	Net cash from / (used in) financing activities	(305)	20,714

³ Net of capital raising costs

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	16,838	32,746
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,390)	(25,806)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,653)	(23,887)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(305)	20,714
4.5	Effect of movement in exchange rates on cash held	127	2,850
4.6	Cash and cash equivalents at end of period	6,617	6,617

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,617	6,617
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,617	6,617

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(91)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities:		
	1. Santander bank loans & facilities	2,426	2,418
	2. Caixabank bank loans & facilities	949	944
	3. Other borrowings and facilities	1,377	1,286
	4. Ashgrove debt facility	30,350	-

7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	35,102	4,648
7.5	Unused financing facilities available at quarter end		30,454
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <ol style="list-style-type: none"> 1. A number of facilities provided to Qustodio by Santander bank, Spain. Facilities were unsecured and had interest rates of between 2.84% per annum and 3.75% per annum. Maturity dates were between 12 January 2026 and 1 April 2028. Subsequently, by 21 July 2023, these facilities were repaid in full. 2. A number of facilities provided to Qustodio by Caixabank bank, Spain. Security provided by \$151,000 (100,000 Euro) collateral deposit. Interest rates were between 2.84% per annum and 3.75% per annum and maturity dates were between 12 January 2026 and 1 April 2028. Subsequently, by 21 July 2023, these facilities were repaid in full. 3. Other borrowings and facilities represent insurance premium funding, accounting system financing facility and other minor borrowings. 4. On 30 June 2023, the Company executed binding transaction documents with respect to a \$30 million debt facility provided by London-based debt provider Ashgrove Capital. The initial drawdown of \$20 million was subsequently made on 18 July 2023. The term of the facility is 5 years and the interest rate will be set at BBSY + 8.75% per annum, with the ability to capitalise up to 4.25% per annum for the first 2 years. The facility is secured over all of the material assets of the group in Australia, the United Kingdom, Spain and the United States and a ratio of secured assets is required to be maintained as the business grows. For further details please refer to the relevant announcement made on 30 June 2023. 		

	8. Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.10)	(8,389)
8.2	Cash and cash equivalents at quarter end (item 4.6)	6,617
8.3	Unused finance facilities available at quarter end (item 7.5)	30,454
8.4	Total available funding (item 8.2 + item 8.3)	37,071
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.4
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
	8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Not Applicable.	
	8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Not Applicable.	
	8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Not Applicable.	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 July 2023

Authorised by the Board of Qoria Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.