

31 July 2019

Australian Securities Exchange (**ASX**)  
Level 40, Central Park  
152-158 St George's Terrace  
Perth WA 6000

## FAMILY INSIGHTS Q4 GROUP COMPANY UPDATE

**Family Insights Group Limited (ASX: FAM) (Company)** is pleased to provide the market with an update on Company operations, development of its grocery comparison engine **Frugl (FG)**, and parental control platform **Family Insights (FI)**.

### FAM short-term focus on Frugl as fastest path to revenue growth

The Company has focused internal resources on the foundational development of FG to accelerate future Company revenue growth, with data warehouse architecture, data collation, Frugl app design and business development as the four key focus areas.

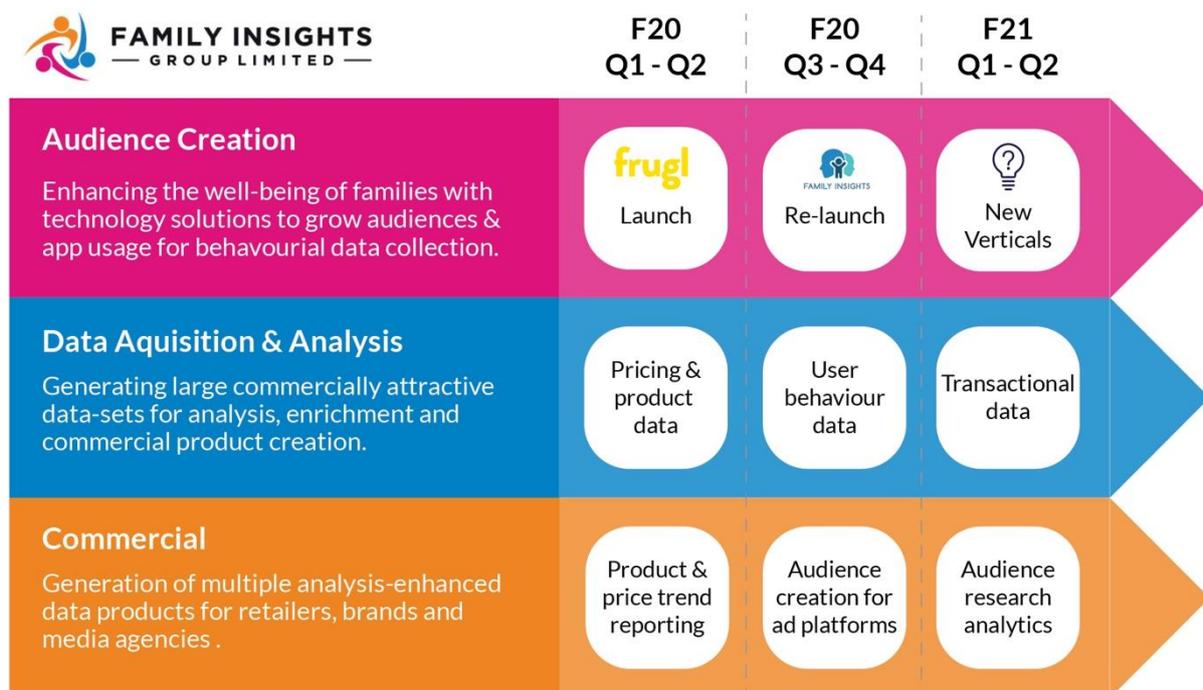


Figure 1 – FAM Roadmap & Commercial Pathway

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## Frugl Data Warehouse Development

Following a review of future data storage and analytics requirements in parallel with a review of currently available data warehouse platforms, the Company has commenced the design and build of its data infrastructure utilising the Snowflake data warehouse platform on cloud-based AWS infrastructure.

Snowflake is a data warehouse solution built specifically for cloud-based handling of structured and semi-structured data, offering full integration with AWS, and utilising separated storage and processing performance configurations making it easier, faster and cheaper to configure than other data warehouse platforms as our data requirements develop in the future.

Snowflake is also fully compatible with downstream analytics and BI tools from multiple vendors including PowerBI and Tableau, both heavily used in the retail sector. Furthermore, Snowflake will allow the Company to harness machine learning techniques to further enhance app-based user experiences and broaden our analytics capabilities.

	 Snowflake Elastic Data Warehouse	 Amazon Redshift	 Microsoft Azure Data Warehouse	 Google BigQuery
✓ Broad performance across of range of relational queries	✓	✓	✓	Low
✓ Concurrent throughput	✓	✓	✓	Low
✓ High performance for JSON scans	✓	Only w/Spectrum	No	✓
✓ Concurrent throughput for JSON	✓	No	No	Moderate
✓ Scalable to handle large concurrency mix (single DW)	✓	✓	✓	No
✓ Scale up, down, or off, quickly without delay	✓	Low	✓	✓ (w/Limits)
✓ Multi-warehouse concurrency against same data	✓	No	No	No

Fig 2 – Cloud-based Data Warehouse comparison

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## Frugl Data Collation – Development and Operations

The Company continued to develop its data acquisition capabilities with full daily pricing and promotional data from two major grocery retailers (localised by state and region) having commenced at the beginning of June.

Data acquisition has continued post-quarter, with analysis of the data already delivering major insights into grocery retailer behaviours and tactics, which are being utilised for both B2B analytics product development and B2C Frugl App development purposes.

Additional data collation sources will be developed during the first half of F20 with weekly multi-retailer catalogue promotional data, health & nutritional data, and additional retailer pricing and promotions data soon to be added to the data collation schedule.

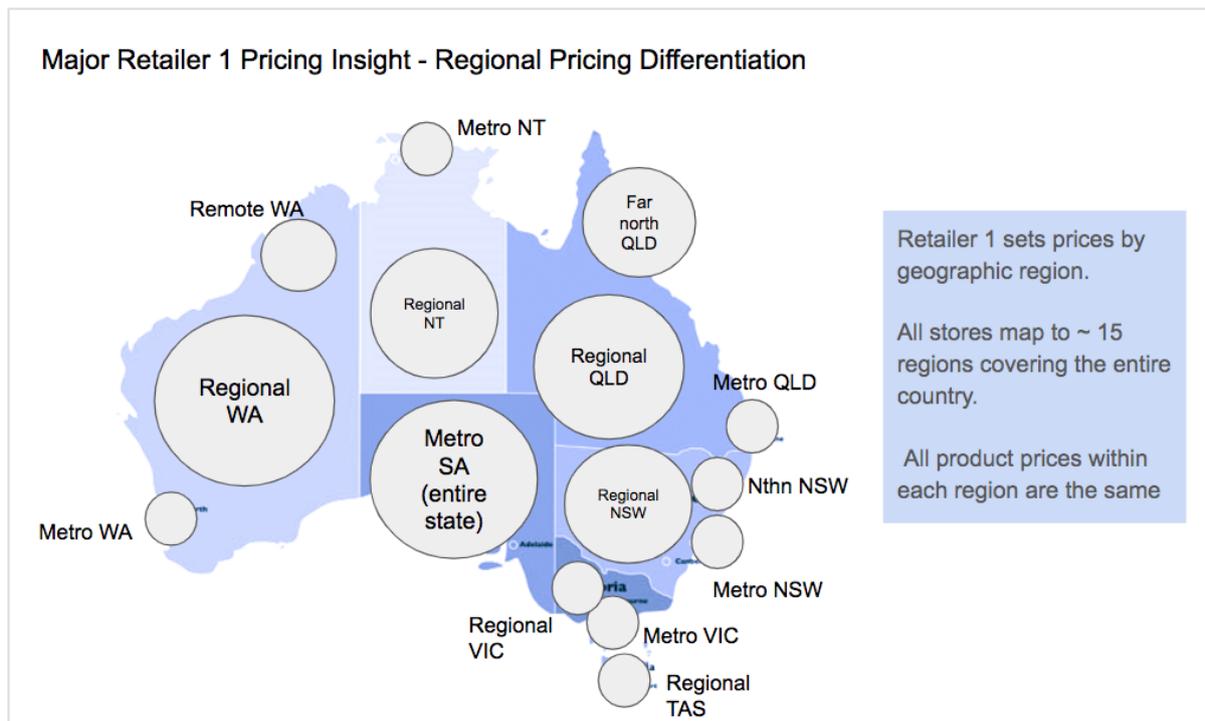


Fig 3 – FAM Data Grocery Insight Example (regional pricing differentiation by retailer)

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## Frugl App Design – MVP and Phase 1

The Frugl App is a supermarket comparison engine that allows shoppers to compare products across Woolworths and Coles supermarkets, create brand-specific shopping baskets and optimise shopping lists by cheapest prices.

In addition, the Company is overlaying wellness tools for shoppers to enable them to compare products and optimise shopping baskets by nutritional value, ingredient listings, allergens inclusions, health ratings and product sustainability.

Company resources have been focused on customer research and design of the new Frugl grocery & wellness app, with core functional specifications developed alongside shopper insight collation and data intelligence developed via ongoing grocery data collation.

The Company anticipates the release of the MVP version in Q2, with the full-feature Phase 1 to be released early in Q3.

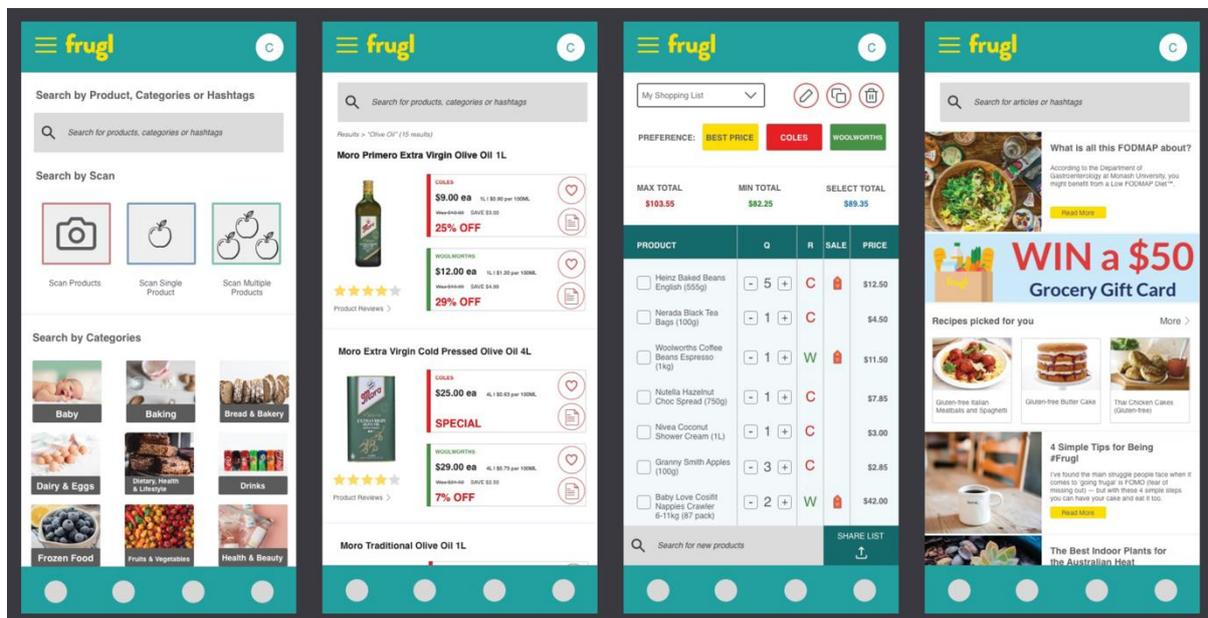


Fig 3 – Frugl Grocery App Screen Designs

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### **Frugi Data – Business Development**

The Company has commenced business development activities for its data analytics products, having initiated discussions with major Australian retailers to determine their key data analytics objectives and identify appropriate FAM-built solutions. Retailer feedback and analytics requirements are being utilised as part of the data warehouse and analytics platform design process, in parallel with the business pipeline creation objectives of the business development team. Successful acquisition of analytics clients will be announced in due course.

### **Family Insights Digital Wellbeing Initiative – St Bernardine’s School P&F Association**

The Company launched a Digital Wellbeing initiative for all parents of the St Bernardine’s School Regents Park (Qld). Offered and driven by the St Bernardine’s Parents and Friends Association on behalf of all parents of the schools 700+ children, the initiative provides a comprehensive parental awareness and education program as well as access to and use of Family Insights cyber safety platform at scale over the course of the 2019 school year.

As part of the initiative Family Insights is conducting research gauging the level of knowledge of families, including both parents and children, and their confidence in managing digital wellbeing in the home. This research will also identify, measure and analyse changes in family behaviour and attitudes over the course of the digital wellbeing initiative.

### **Wangle Mobile VPN decommissioned to reduce Operating Costs**

Following the separation of the VPN network infrastructures for the stand-alone mobile VPN and FI products, the Company was able to decommission the stand-alone Wangle VPN product and reduce operating costs by a further \$30,000 per quarter in addition to prior realised network savings of \$80,000 per quarter.

**- ENDS -**

**For further information, please contact:**

#### **Family Insights Group Limited**

Quinton Meyers

Company Secretary

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## **ABOUT FRUGL**

Frugl is a data insights business utilising a price comparison platform that allows families to compare the cost of goods between different supermarket retailers in their local areas, whilst simultaneously analysing shopper behaviours in real time against the changing landscape of product merchandising and pricing changes across over 60,000 different products from major supermarket chains.

## **ABOUT FAMILY INSIGHTS**

Family Insights offers parents a unique approach to ensuring the safe use of the internet by children and teenagers. By utilising Family Insights' world class secure VPN network, backed by the research insights of childhood development research organisation Telethon Kids Institute, Family Insights monitors mobile network patterns in real time and advises parents of potential threats as well as providing greater details and resources to parents on the threats identified.

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## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Family Insights Group Limited

**ABN**

80 096 870 978

**Quarter ended ("current quarter")**

30 June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter (Jun 2019) \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	5	17
1.2 Payments for:		
(a) research and development	(298)	(1,929)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(16)	(115)
(d) leased assets	-	-
(e) staff costs	-	(15)
(f) administration and corporate costs	(236)	(1,149)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	9
1.5 Interest and other costs of finance paid	(3)	(15)
1.6 Income taxes paid	-	-
1.7 Government tax incentives (R&D Rebate)	-	1,215
1.8 Other (ATO GST Refund)	(91)	(329)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(638)</b>	<b>(2,311)</b>

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Consolidated statement of cash flows	Current quarter (Jun 2019) \$A'000	Year to date (12 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	422	2,599
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(25)	(348)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>397</b>	<b>2,251</b>

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Consolidated statement of cash flows	Current quarter (Jun 2019) \$A'000	Year to date (12 months) \$A'000
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	423	242
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(638)	(2,311)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	397	2,251
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>182</b>	<b>182</b>

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 (Jun 2019) \$A'000	Previous quarter (Mar 2019) \$A'000
5.1 Bank balances	82	58
5.2 Call deposits	100	365
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>182<sup>1</sup></b>	<b>423</b>

<sup>1</sup>As announced on 29 July 2019, the Company secured a loan facility of \$500,000. In addition to this, the Company, subject to receipt of shareholder approval at the General Meeting to be held Monday, 5 August 2019, will have full placement capacity available under ASXLR 7.1 and 7.1A. The Company is also seeking shareholder to issue a further 1,000,000,000 shares under LR 7.3.

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	82
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Payment of director's fees.	

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7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	58
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
Payment of corporate administration, rent and capital raising funds.	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
-		

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	267
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	10
9.4 Leased assets	-
9.5 Staff costs	-
9.6 Administration and corporate costs	202
9.7 Other – Payroll Tax Payable etc.	143
<b>9.8 Total estimated cash outflows</b>	<b>622</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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## 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.

Sign here:  ..... Date: 31 July 2019  
Company Secretary

Print name: Quinton Meyers

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.