



ASX ANNOUNCEMENT

29 December 2020

Corporate and Operational Update

Highlights:

- Threat Protect on track to meet its previously published revenue and earnings guidance, with cost cutting and revenue generating programs continuing.
- The Company will be considering various strategic initiatives during 2021 that have the potential to unlock inherent value for shareholders.
- Threat Protect has acquired the customers of one of its resellers – SMS Security Monitoring, increasing recurring annual contracted monitoring revenue by \$360k without adding additional operating costs. The acquisition was funded through existing cash reserves.

Threat Protect Australia Limited (**'Threat Protect'** or **'Company'**) (ASX:" TPS") is pleased to provide an update of its operations.

Acquisition of SMS Security Monitoring (SMS)

The Company has continued with its strategy of converting reseller serviced lines to direct clients with the acquisition of the SMS Security Monitoring client base. The conversion strategy delivers on average an additional 3x uplift in revenue for no additional operating cost.

SMS, is a West Australian security company that has been a reseller client of our South Australian monitoring business since 2015. SMS currently has 1,482 monitored alarm customers.

The cash cost of the transaction is \$752,000, of which \$276,000 is payable in 12 months based on retention of purchased revenue levels. The purchase will be funded by operational cashflow.

This conversion strategy continues to add value to the Company's business, and the Company continues to identify other similar opportunities to further increase recurring revenue and cashflow. Market updates will be provided as these proposed transactions progress.

This announcement has been authorised for release by the Board.

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For further information, contact:

Investors

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