



THREAT
PROTECT

Security without
compromise

Investor Presentation

Monitored Security Systems | CCTV and Access Control | Corporate Risk Consultancy
| Security Personnel

MARCH 2017

Threat Protect Australia Limited ABN 36 060 774 227

www.threatprotect.com.au

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Who is Threat Protect

Threat Protect offers security based services to help protect people, property and enterprise

Monitored Security Systems

- ▶ Alarms, access control, CCTV
- ▶ Tracking and duress



Manpower Services

- ▶ Security officers
- ▶ Security advisors
- ▶ Close personal protection



Risk Consultancy

- ▶ Threat Assessments
- ▶ Counter surveillance
- ▶ Investigations



Investment Strengths

Growth	<ul style="list-style-type: none">• Growing security services company with significant operating leverage through fixed cost nature of existing infrastructure
Recurring Earnings Base	<ul style="list-style-type: none">• Highly diversified contracted and recurring security monitoring income streams with very low levels of service cancellation.
Capacity	<ul style="list-style-type: none">• Existing control room infrastructure at 29% utilisation nationally, providing significant scope for monitoring customer growth.
Leadership Team	<ul style="list-style-type: none">• Strong Board and experienced management with significant shareholdings.
Acquisition Strategy	<ul style="list-style-type: none">• Apollo acquisition delivers step change in earnings and cashflow generation.• Continued focus on acquisition growth via opportunities within a highly fragmented industry.
Funding	<ul style="list-style-type: none">• Funding facilities in place for next phase of acquisition strategy.

Threat Protect Corporate Snapshot

Capital Structure

Current Share Price	A\$	0.025
No. of Ordinary Shares on Issue	m	772
Market Capitalisation	A\$m	19.3
Cash	A\$m	1.2
Net Debt	A\$m	(1.9)
Enterprise Value	A\$m	21.2

Top Shareholders

First Samuel Limited	8.3%
Peter Pynes	6.1%
Top 20 Shareholders	61.4%
Board & Management	8.3%

TPS COMPANY BOARD

Derek La Ferla – Non-executive Chairman

- Experienced corporate lawyer and company director
- Current directorships include Sandfire Resources and Veris Ltd

Demetrios Pynes – Managing Director

- Former banking & finance executive with M&A experience across Australia
- Experienced business owner and operator in the security industry

Paul Ferrara – Executive Director, Operations

- Experienced in management and information systems, specialising in telco
- Business integration specialist with extensive security industry knowledge

Dimitri Bacopanos – Non-executive Director

- Chartered accountant with extensive M&A experience , most recently as Executive Director in the Transaction Advisory Services team at EY

TPS Share Price Performance (FY2017 Year To Date)



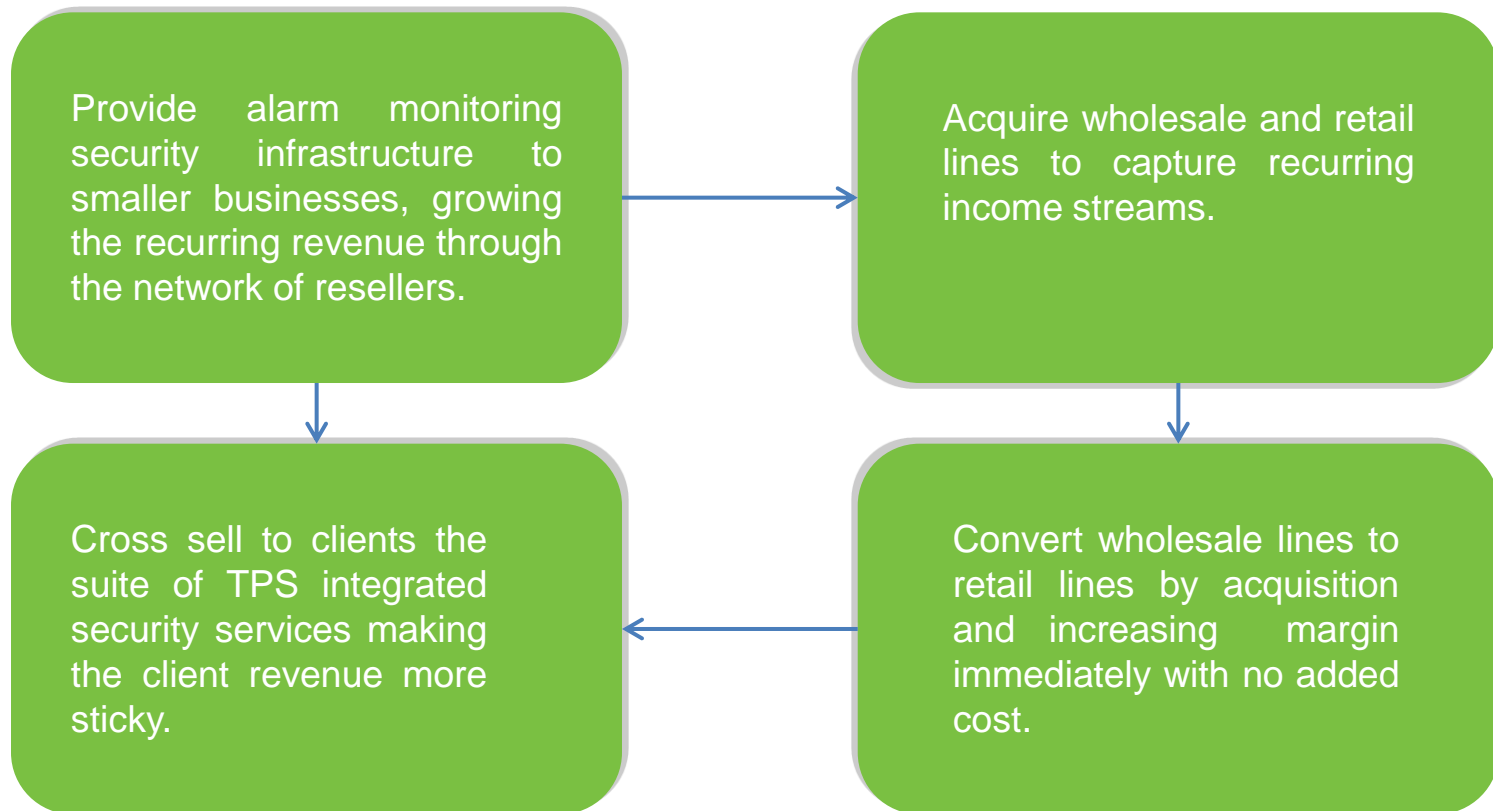
1H 2017 Financial Overview

HY 2016- 17 Financial Summary	31 December 2016 \$'000	31 December 2015 \$'000	Change
Operating Revenue	4,591	2,725	+68.5%
<i>Monitoring Revenue</i>	1,699	1,308	+29.9%
<i>Guarding and Services Revenue</i>	2,890	1,543	+87.3%
Other Income	901	126	
Total Reported Revenue	5,492	2,851	+92.6%
EBITDA	956	(4,399)	Significant
Profit Before Tax	636	(4,676)	Significant
NPAT	636	(4,676)	Significant

- ◆ **Increased** Revenue of \$5.5 million up 93%
- ◆ **Contracted and Recurring Income** represents 80% of Operating Revenue
- ◆ **Positive** EBITDA of \$1.0 million including all business acquisition and integration costs
- ◆ **Turnaround** in NPAT to \$0.6 million
- ◆ **Momentum** expected to continue with benefits of acquisitions to flow through to 2H2017

The “Roll-Up” Acquisition Growth Strategy

The business model is focused on the acquisition of diversified income streams associated with the security industry which is a highly fragmented industry.



Apollo Security – Delivery of Margin and Growth

KEY MONITORING METRICS

	Pre Acquisition	Apollo	Post Acquisition
TOTAL LINES	20,924	16,200	37,124
RESELLERS	185	285	470

MONITORING CAPACITY

WA	NSW	TOTAL
21%	54%	29%
100,000	30,000	130,000

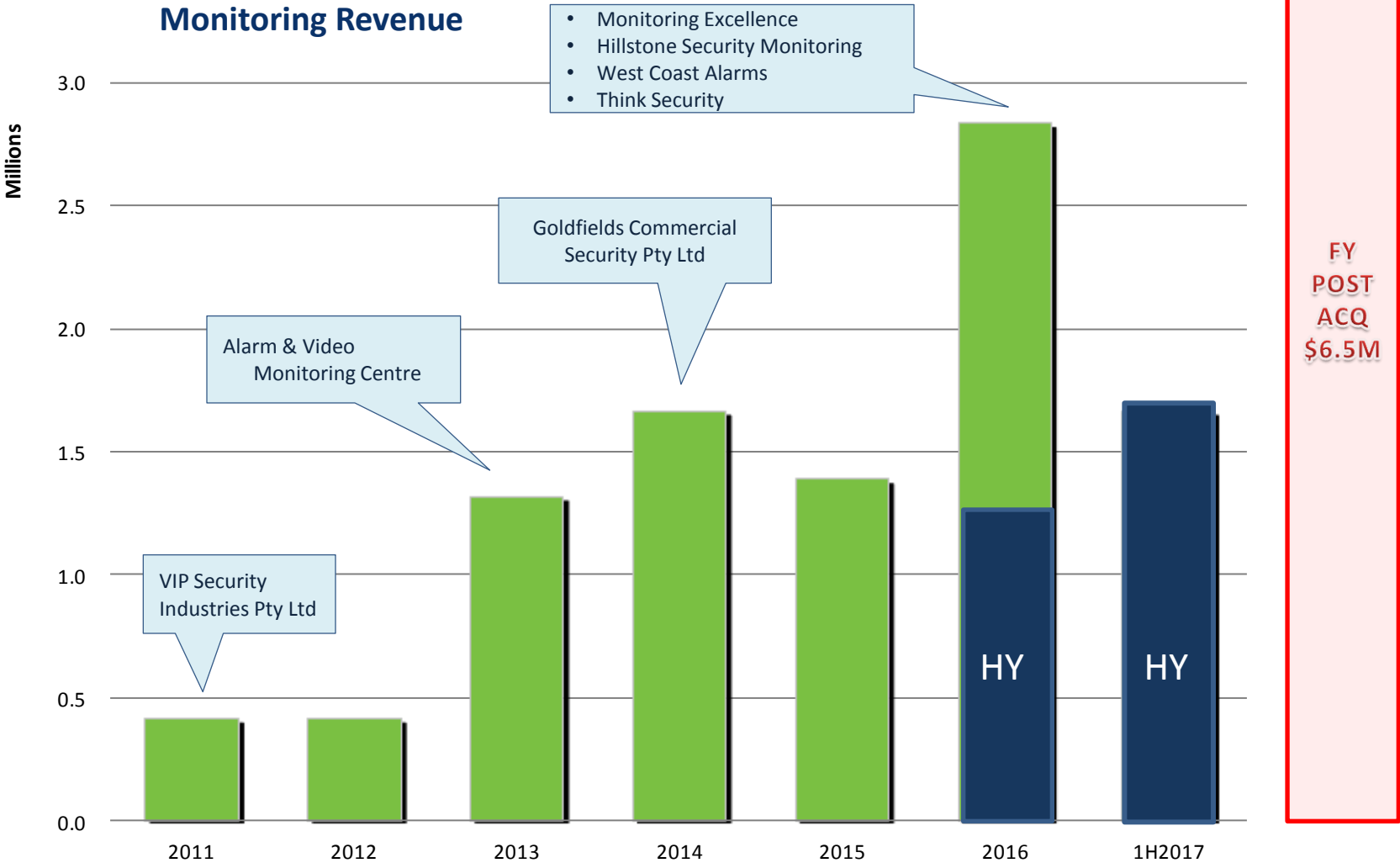
MONITORING ANNUAL REVENUE \$'m

Pre Acquisition	Apollo	Post Acquisition
\$ 3.4 m	\$ 3.1 m	\$ 6.5 m

MONITORING GROSS MARGIN \$'m

Pre Acquisition	Apollo	Post Acquisition
\$ 1.6 m	\$ 1.1 m	\$ 2.7 m

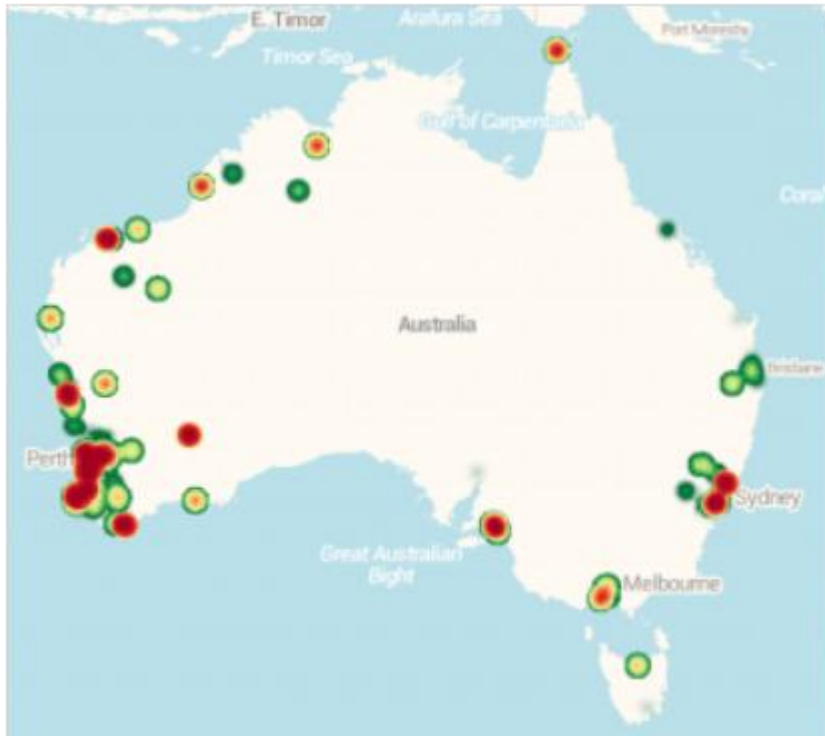
The Threat Protect Acquisition Growth Story



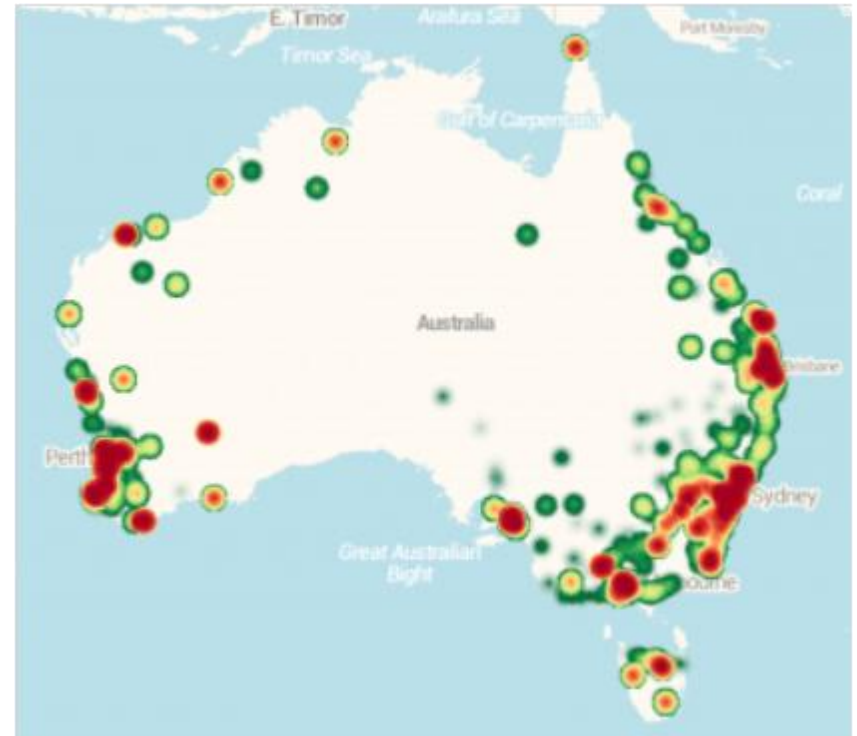
An Expanding National Presence

Increased national presence with the acquisition of Apollo Security Pty Ltd

December 2016



March 2017



Established Control Room Infrastructure

Leverage existing control room fixed assets to grow revenue, utilisation, and earnings

Western Australia Grade A1 Control Room



Monitoring centre located in East Perth, graded to the highest level “A1” under Australian Standards



Multiple levels of redundancy across power supply and communications



Significant capacity to operate: ~100,000 lines across Australia & New Zealand, currently ~ 21% utilised

New South Wales Apollo Control Room



Control room in Sydney significantly expands Threat Protect’s existing monitoring capacity in Western Australia and provides redundancy across time zones and geographic locations



16,000 lines currently ~ 54% utilised



Threat Protect has Corporate Master License from NSW Security Licensing & Enforcement Directorate

“Majority of cost base is fixed with marginal incremental costs to service additional lines”

Looking Forward

Organic Growth Plan & Existing Operations

- Growing national presence with operations expanding on eastern seaboard
- White labelling of Threat Protect's monitoring services to smaller security firms (7 completed in FY2016)
- Focused on efficiencies of operations, and restructure of installation and servicing operations
- Continued expansion of the Safe Haven security monitored app

Acquisition Strategy

- Pipeline of targets across Australia, with ongoing discussions currently being held
- Includes focus to convert wholesale clients of monitoring service to retail clients - significant increase in revenue with minimal increase in cost utilising control room capacity
- Continuing to review acquisition opportunities to take advantage of highly fragmented industry
- New funding facility with cornerstone investor First Samuel for security monitoring acquisitions

Contact Details



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