

A leading provider of security services in Western Australia

SECURITY WITHOUT COMPROMISE

Threat Protect Australia

HY16 Results Presentation

ASX Code: TPS

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

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Threat Protect Overview



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

Monitored Security Systems

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



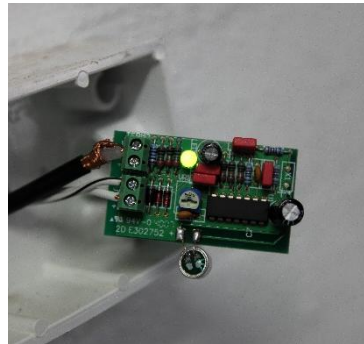
Manpower Services

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



Risk Consultancy

- ▶ Threat Assessments
- ▶ Counter surveillance
- ▶ Investigations



HY 16 Highlights

Activity highlights

- August 2015
 - Acquisition of WA security company Threat Protect Australia Pty Ltd completed by reverse take over
 - Change to the Company's name to Threat Protect
 - Capital raising of \$5.5M.
- September 2015
 - New board appointed
 - Reinstated to the trading platform of the ASX as Threat Protect Australia Limited
- October 2015
 - acquired and integrated 2 additional security company's

Revenue

- Total Revenue \$2.75M
- Monthly revenue of acquisitions are meeting diligence expectations
- Security monitoring revenue now equals 50% of total revenue, up from 33% pre acquisitions
 - Generally 36 or 48 month contracts paid via direct debit or quarterly in advance
- 48% of non monitoring revenue is contracted
 - predominantly with large corporate clients

Statutory & Normalised Financial Results

- Statutory NPAT (\$4.6M) / Statutory EBITDA (\$4.4M). Results impacted by various corporate transaction accounting expenses and business acquisition and integration costs.
- Normalised EBITDA qtr 1 (\$0.36M) (pre business acquisitions)
- Normalised EBITDA qtr 2 \$0.1M (post business acquisitions)
- RTO process longer than anticipated – two month delay in completion of acquisition of new businesses₄ when compared to prospectus timetable

HY 16 Highlights

Statutory & Normalised Financial Results Reconciliation

Statutory Results for the half year ended 31 December 2015 (AUD\$ `000)		
Revenue	2,725	
Other Income	126	
Statutory Profit/(Loss) before tax	-4,676	
Statutory Profit/(Loss) after tax	-4,676	
Statutory EBITDA	-4,399	
Reconciliation of Statutory EBITDA to normalised EBITDA (AUD\$ `000)		
EBITDA reported for the half year	-4,399	
Add Corporate Transaction Accounting Expense	2,407	<i>Difference between the consideration attributed to the Threat Protect business and the net assets as at the date of the RTO. This represents a one off non cash cost to the entity</i>
Add Business Acquisition and Integration Costs	493	<i>Costs associated with the acquisition of the Threat Protect business as part of the RTO and integrating the two businesses acquired post RTO.</i>
Add Share Based Payments	984	<i>Non cash expense incurred by the Company in relation the provision of option incentive packages for the board of the Company at the November 2015 annual general meeting.</i>
Add Other non recurring costs in the period	278	<i>Additional costs incurred by the Company of a one off or extraordinary nature associated with integration, organisational change and the listing process.</i>
“Normalised” EBITDA for the HY16	-237	
Normalised EBITDA into pre and post acquisitions period (AUD \$`000)		
Normalised EBITDA Jul to Sep 15	-337	<i>Normalised EBITDA prior to acquisitions of the Chipla and Hillstone businesses</i>
Normalised EBITDA Oct to Dec 15	100	<i>Normalised EBITDA since the acquisitions of the Chipla and Hillstone businesses on 1 October 2015</i>

Organic Growth Plan & Existing Operations

- Expanding monitoring to people, not just premises, increasing potential client base via the Safehaven App
- Delivery of integrated security services to large corporate and government clients.
- White labelling of Threat Protect’s monitoring services to smaller regional security firms
- Focused on efficiencies of operations

Capital Structure Initiatives

- Additional equity (AUD\$3mil) has been raised in January 16 for ad hoc acquisition opportunities as they arise
- Canvassing potential new debt (re) finance arrangements
- Legacy resource assets have been sold (AUD\$95k) and the company is now moving to dispose of the associated subsidiaries.

Acquisition Strategy

- Threat Protect will settle the acquisition of two leading security businesses, Sydney-based Integral Risk Group (“IRG”) and Perth-based Australian Event Protection (“AEP”) on March 1st.
- Provides growth opportunities in both WA and NSW as well as securing a premium client base of government and large corporate clientele.
- The company continues to review acquisition opportunities to take advantage of the highly fragmented industry.

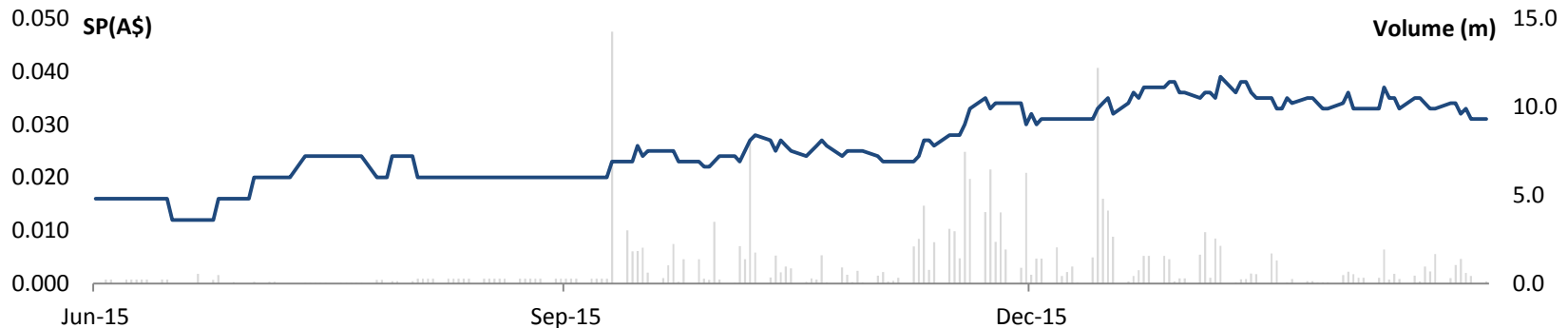
Capital Structure

Current Share Price	A\$	0.031
No. of Ordinary Shares on Issue	m	705.2
Market Capitalisation	A\$m	21.9
Cash*	A\$m	3.2
Bank Debt	A\$m	2.2
Net Debt	A\$m	1.0
Enterprise Value	A\$m	20.9

Top Shareholders

Alison Howe	4.4%
Demetrios Pynes (MD)	4.36%
Christina Michael	4.2%
Redun Pty Ltd	4.2%
Paul Ferrara (ED)	4.03%
Top 20 Shareholders	47.6%

TPS Share Price Performance



Board & Management

Derek La Ferla – Non-executive Chairman

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

Demetrios Pynes – Managing Director

- Experienced businessman with specialist finance and security knowledge

Paul Ferrara – Executive Director, Operations

- Experienced in management and information systems, specialising in telecommunications

Ian Olson – Non-executive Director

- Experienced chartered accountant and company director
- Current directorships include Gage Roads Brewing Co Ltd and Pointerra Pty Ltd



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