



**Annual General Meeting**  
26 October 2023



**INTELLIGENT  
MONITORING** GROUP

ASX:IMB

**All Australasian Security Solution.**



**DENNISON HAMBLING**  
Managing Director

Joined Jan 2020,  
Executive Director August 2021

Significant experience in direct investment and rebuilding companies

Former Head of Public & Private Equity - 360 Capital Group



**PETER KENNAN**  
Non-Executive Chairman

Joined Jan 2020,  
Chairman Effective July 2021

Founder of Black Crane and has significant experience in investing and assisting turnaround companies

\* Owns & represents 137m shares



**ROB HILTON**  
Non-Executive Director

Joined July 2022

Founder – The Promotions Factory (est, 1988) now TPF Group

\* Owns 8.5m shares



**Jason Elks**  
Non-Executive Director

Joined Dec 2022

Significant experience in corporate improvement and aligning values of staff to business

Material improvement achievements include: New Century Mine and Rio Tinto Canada



# FORMAL BUSINESS

- 1 Financial Statements and Reports
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- 10 Resolution 9: Ratification and approval of shares to institutional investors (Listing Rule 7.1A)



## FINANCIAL STATEMENTS & REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

## RESOLUTION 1

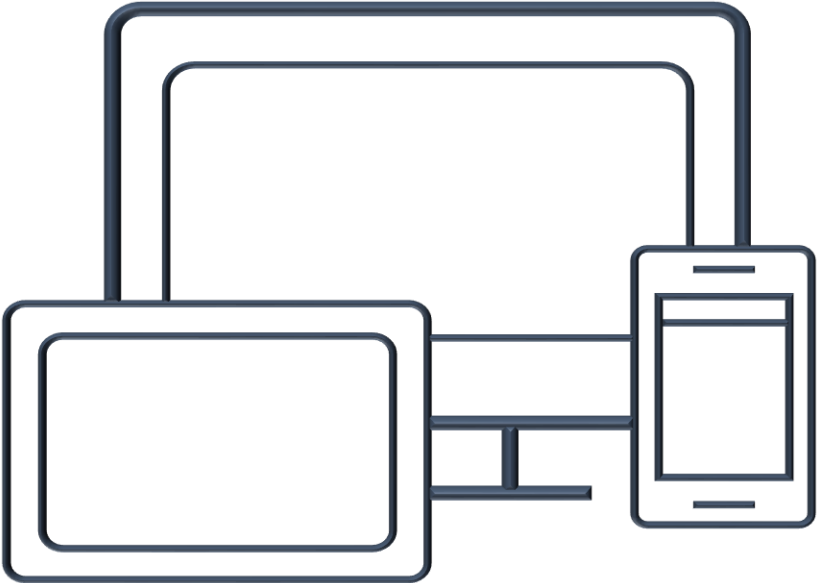
### Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

*“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2023.”*

# RESOLUTION 1 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
14,011,550	17,858	137,625,670	594,667



## RESOLUTION 2

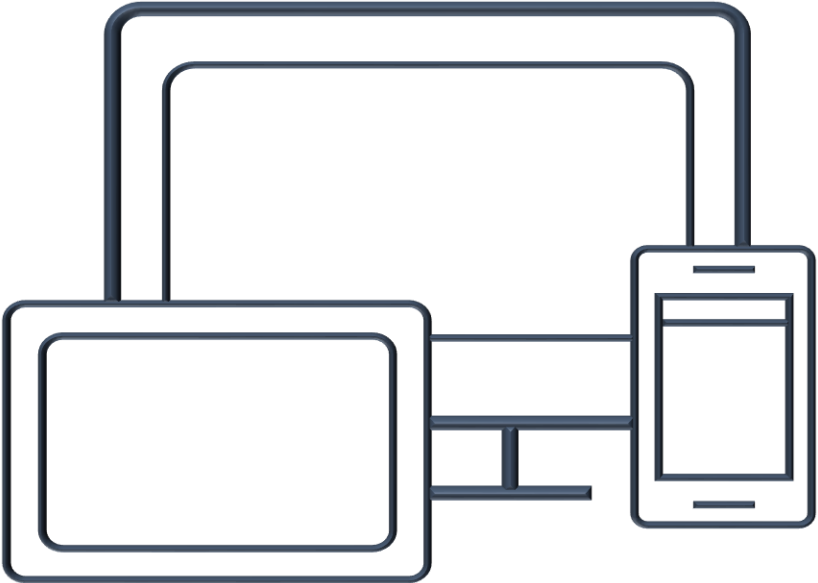
### Re-election of Director – Robert Hilton

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Robert Hilton, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

# RESOLUTION 2 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
<b>159,832,791</b>	<b>72,287</b>	<b>0</b>	<b>594,667</b>





## RESOLUTION 3

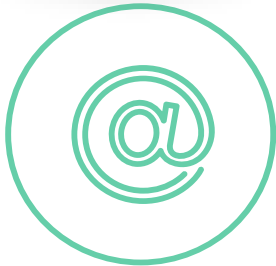
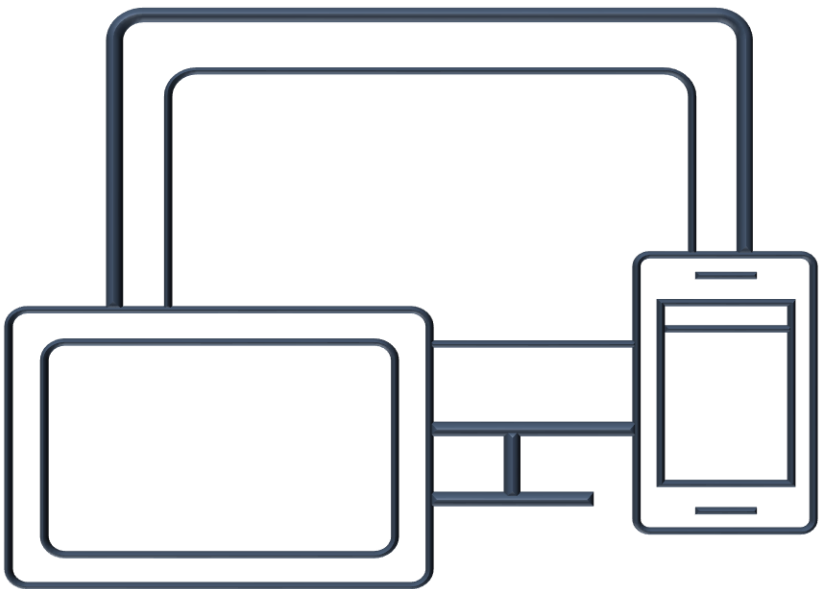
### Re-election of Director – Alexander Jason Elks

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Alexander Jason Elks, a Director, who was appointed an additional Director on 1 December 2022, retires, and being eligible, is re-elected as a Director.”*

# RESOLUTION 3 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
159,887,220	17,858	0	594,667



## RESOLUTION 4

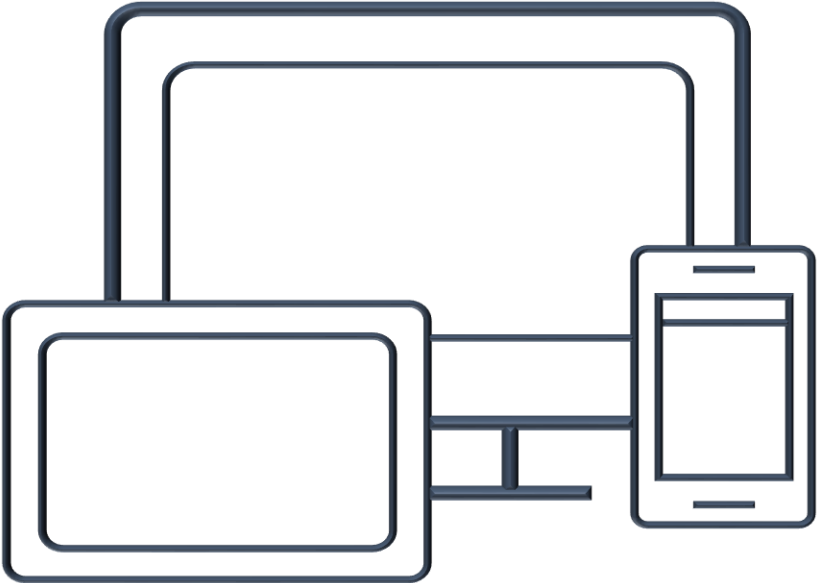
### Appointment of Auditor

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That for the purposes of section 327B(1) of the Corporations Act, and for all other purposes, BDO Audit Pty Ltd, having been nominated by a shareholder and having consented in writing to act as auditor of the Company, be appointed as the Company’s auditor.”*

# RESOLUTION 4 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
159,887,220	17,858	0	594,667



## RESOLUTION 5

### Approval of 7.1A Mandate

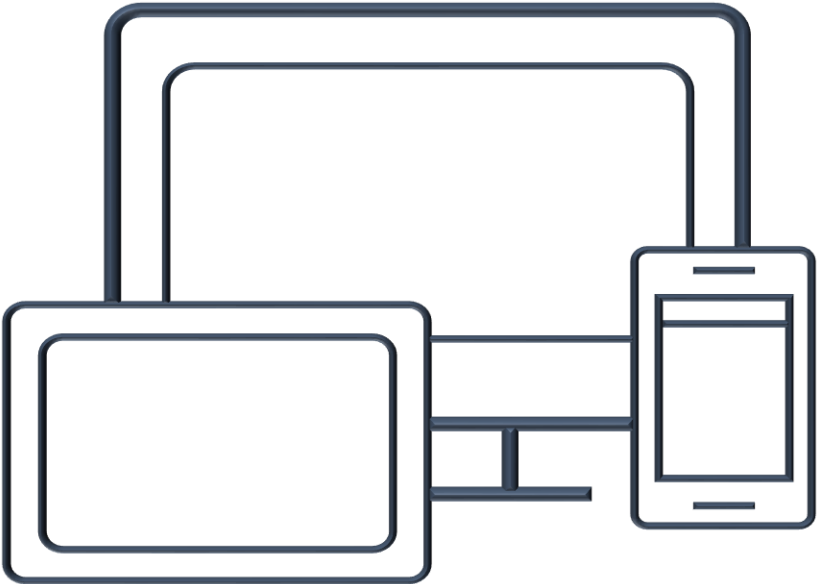
To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement, until the earlier of:*

- (i) the date that is 12 months from the date of this Meeting;*
- (ii) the time and date of the Company’s next annual general meeting; and*
- (iii) the time and date of Shareholder approval of a transaction under Listing Rule 11.1.2 or 11.2.”*

# RESOLUTION 5 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
<b>159,887,220</b>	<b>17,858</b>	<b>0</b>	<b>594,667</b>





## RESOLUTION 6

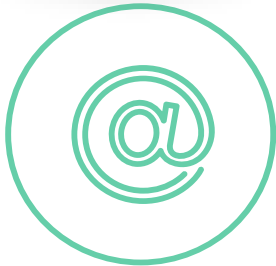
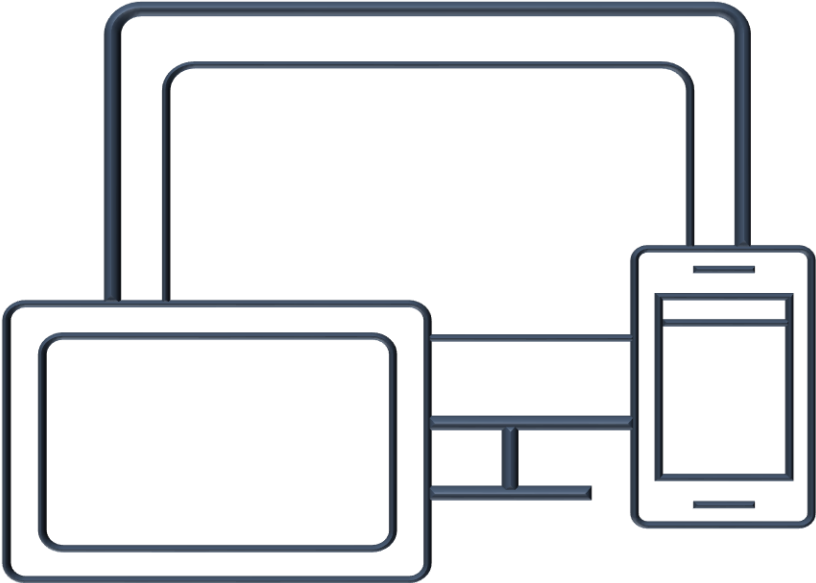
### Approval of Financial Assistance

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, pursuant to and in accordance with section 260B(2) of the Corporations Act and for all other purposes, approval is given for financial assistance to be provided by ADT Security Group Pty Ltd ACN 076 836 416 (formerly known as Tyco Australia Group Pty Limited) (ADT AU), a wholly-owned subsidiary of the Company, in connection with the acquisition of all of the issued share capital of ADT AU by the Company as detailed in the Explanatory Statement .”*

# RESOLUTION 6 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
<b>159,784,720</b>	<b>17,858</b>	<b>0</b>	<b>697,167</b>



## RESOLUTION 7

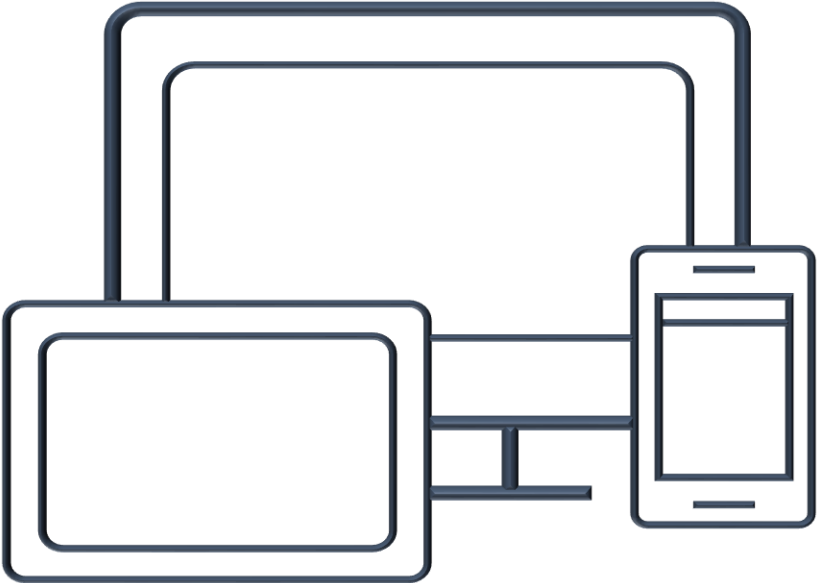
### Approval of grant of Performance Rights to Dennison Hambling

To consider and, if thought fit, to pass the following as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given for the grant of 6,000,000 Performance Rights (with vesting conditions) to Mr Dennison Hambling, Managing Director of the Company (or his nominee), on the terms detailed in the Explanatory Statement.”*

# RESOLUTION 7 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
159,887,220	17,858	0	594,667



## RESOLUTION 8

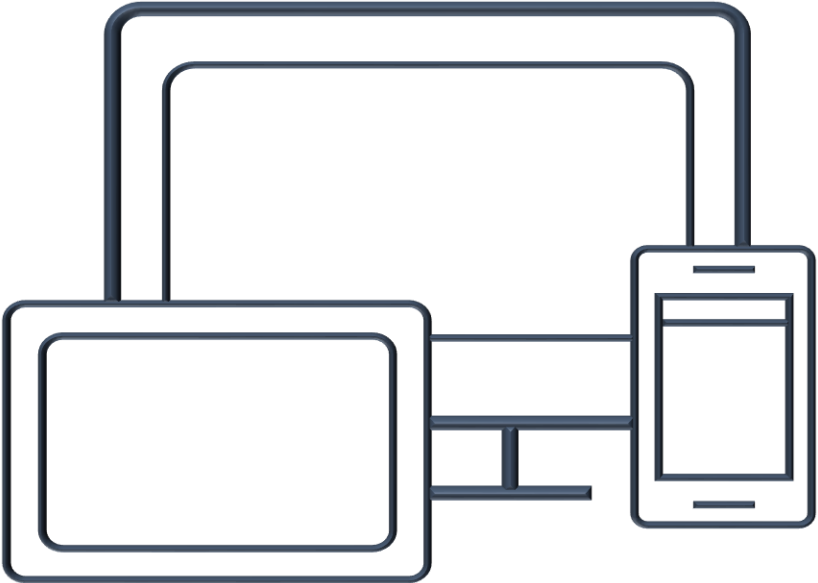
Ratification and approval of prior issue of warrants to certain institutional investors on 1 August 2023 under Listing Rule 7.1

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, approval be given to ratify the prior issue to certain institutional investors of 18,742,991 Warrants under Listing Rule 7.1 as detailed in the Explanatory Statement.”*

# RESOLUTION 8 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
159,887,220	17,858	0	594,667





## RESOLUTION 9

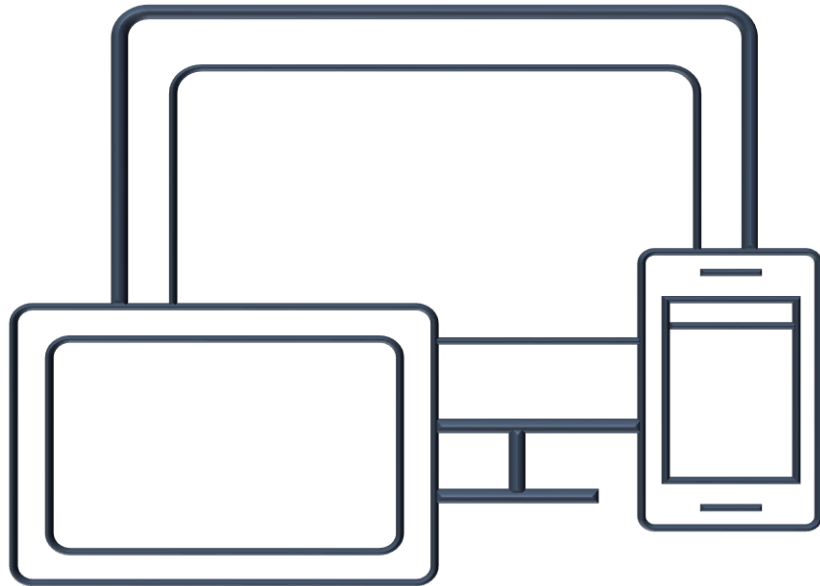
Ratification and approval of prior issue of shares to certain institutional investors on 24 July 2023 under Listing Rule 7.1A

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, approval be given to ratify the prior issue to certain institutional investors of 16,984,304 Warrants under Listing Rule 7.1A at \$0.16 per Share as detailed in the Explanatory Statement.”*

# RESOLUTION 9 – PROXIES RECEIVED

For	Against	Abstain	Proxy's Discretion
<b>147,822,260</b>	<b>17,858</b>	<b>0</b>	<b>594,667</b>





# AGM Presentation



This investor presentation has been prepared by Intelligent Monitoring Group Limited (ACN 060 774 227) (**IMG** or the **Company**). It contains general information about the Company and its subsidiaries (**Group**) and the Group's business as at the date of this presentation, the proposed acquisition of Tyco Australia Group Pty Ltd (**Acquisition**) and the proposed new debt facility with Tor Investment Management (Hong Kong) Limited (**Debt Facility**). The information in this presentation should not be considered to be comprehensive or to comprise all of the material which a shareholder or potential investor in the Company may require in order to determine whether to deal in the Company's shares. The information in this presentation is of a general nature only and does not purport to be complete. It should be read in conjunction with the Company's periodic and continuous disclosure announcements which are available at <https://intelligentmonitoringgroup.com/> and with the Australian Securities Exchange (ASX) announcements, which are available at [www.asx.com.au](http://www.asx.com.au).

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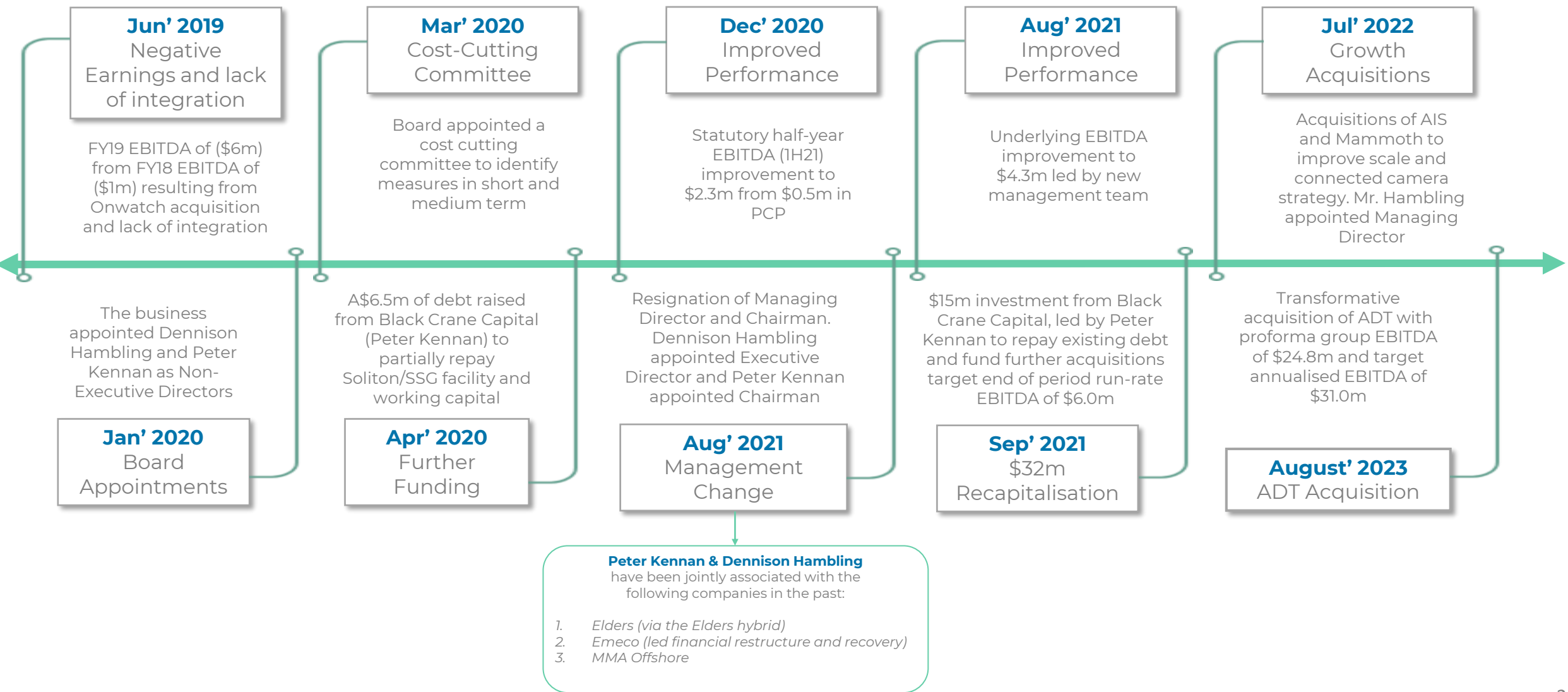
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## Wholesale turnaround of IMG's performance (Jan 2020-August 2023)



# COMPANY TRANSFORMED DURING 2023

Largest security monitoring company in Australasia

	Customers	EBITDA	Market Cap	Net Debt	ND:EBITDA	EV:EBITDA
<b>This time last year</b>	~70,000	\$5.9m Proforma	\$9.9m (SP = \$0.07cps)	\$23.5m (1-year left)	>4.0x	5.7x
<b>Now</b>	~180,000 (+25,000 fire lines =>200,000)	Target \$29.8m FY23 (11 months with ADT - \$31m annualised)	\$53.1m (SP = \$0.20cps)	\$67m (3-year term)	2.2x	3.9x
<b>2021 Target (for 2025)</b>	~150,000	Target: \$15m			2-3x	~10x EBITDA
<b>Status</b>						



# WHAT IS IMG?

Consolidated business is largest player in security monitoring services in Australasia



**>180,000**

One of Australia's largest security monitoring providers focused on both commercial and residential customers



**>\$6.5m**

Combined recurring monthly revenue (RMR)



**>64%**

Revenue is subscription based with diversified "sticky" customer base across govt, commercial, residential and personal emergency response with an average customer tenure of 7 years



**>40%**

Gross margin in FY24F with strong core cashflow generation, high margin and scalable cost base providing strong operating leverage



**>60%**

Combined gross margin on security monitoring driven by low cost to serve



**~\$31m**

FY24F EBITDA normalised for transaction and restructuring costs. Annual cost-out of c. \$6m targeted during FY24.



**~>400**

Employees in IMG group, working across Australasia



Wholesale



Guarding/Training

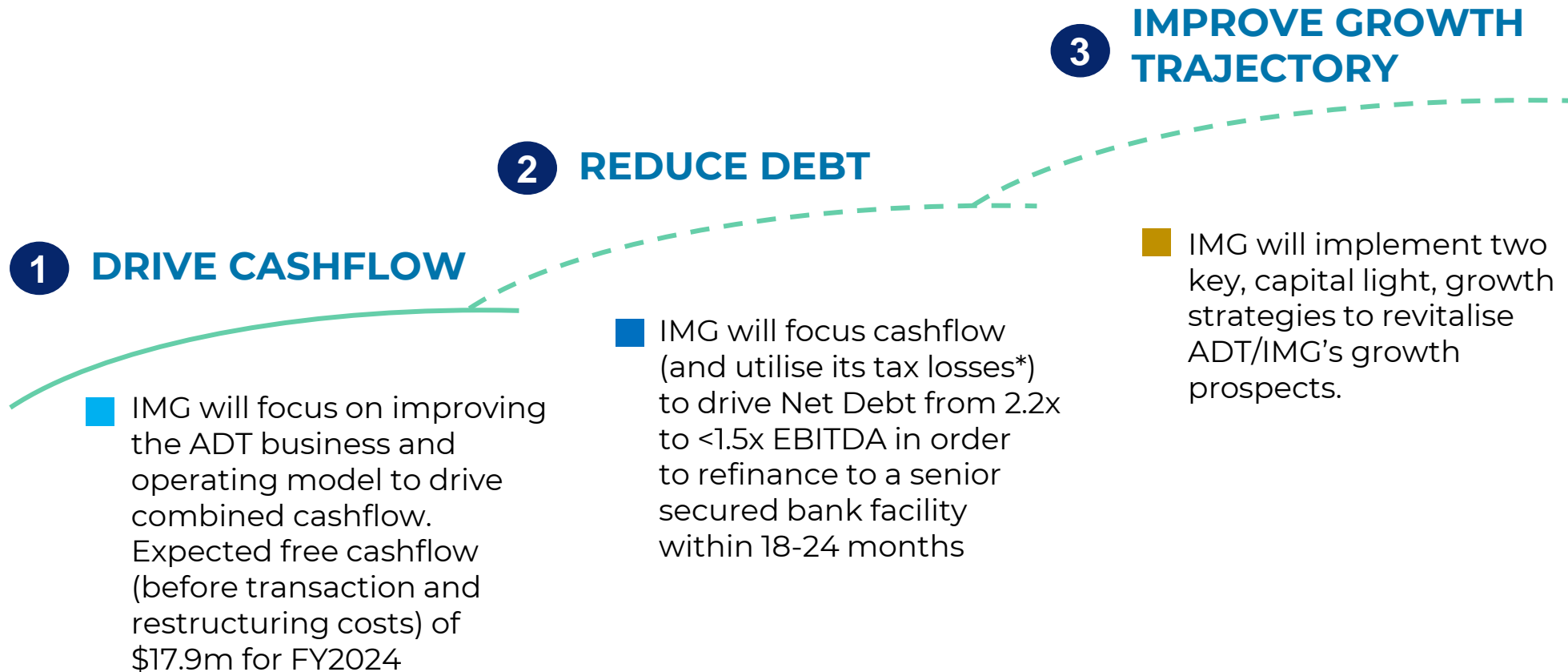


Direct



Product





\* Tax losses of \$21.5m as at FY2022

## SHIFT OF EMPHASIS FOR RESIDENTIAL INSTALLATIONS



- Currently, the ADT business largely resells wired security panels
- IMG has identified several more cost-effective white label products for DIY install
- This has been a key driver of market growth in US in past five years, yet to hit Australia

## RE-COMMENCEMENT OF COMMERCIAL INSTALLATIONS



- In late 2020, ADT exited commercial security installations.
- ADT currently has c. 4k remaining commercial customers
- IMG has re-commenced marketing/sales for new commercial customers

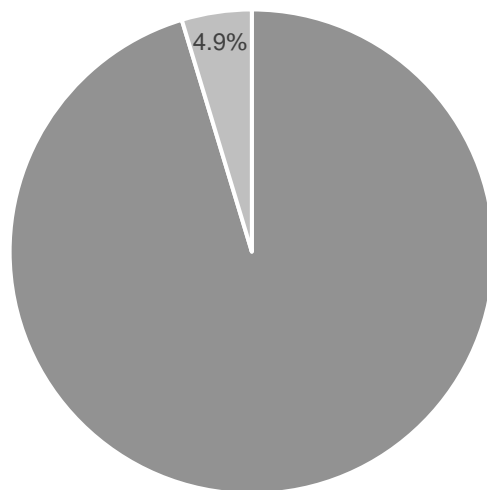
## FOCUS ON COST BASE AND SIMPLIFICATION OF BUSINESS



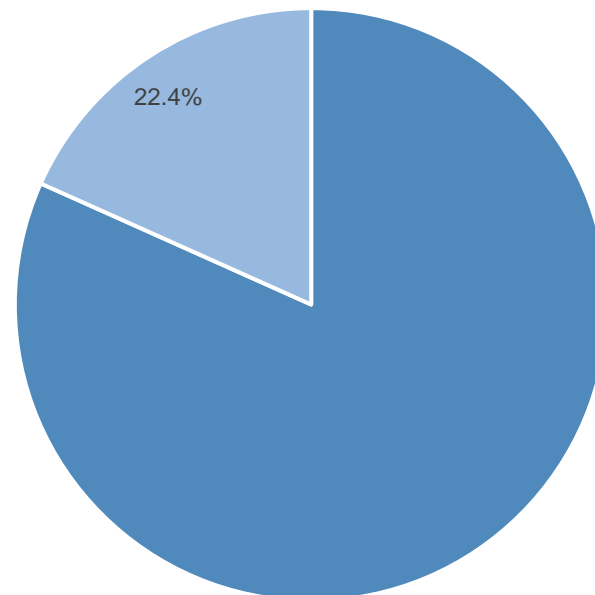
- Immediate cost synergies have been identified
- The prime savings expected will come from unwinding to a focused single service provider off the shared costs of a former global multinational business owner

# OPERATING STRATEGY #1 – RESIDENTIAL: DO IT YOURSELF

## Professionally Monitored Security Penetration of Homes and Businesses (North America versus Australasia)



Australia (Sept 2022)



US (2021)

Sources: ADT (Sept 2022) & IMG (May 2023) Line counts, Australian alarm counts as at October 2022, ABS, NZ Census, NZ Companies Office, Berginsight.com

- Australian penetration of monitored alarms has essentially grown at the rate of physical housing formation
- The US experience has been totally different. With penetration of monitored lines >3x Australia currently.
- The difference has come through introduction of do it with me, and do it for me alarm installation kits.
- This has significantly lowered the upfront cost of a home security system at a time where the functionality has improved markedly, towards being a full home automation system.

**With the leading brand in the market, IMG intends to focus ADT residential on providing wireless, self-installed systems at a competitive upfront price point.**



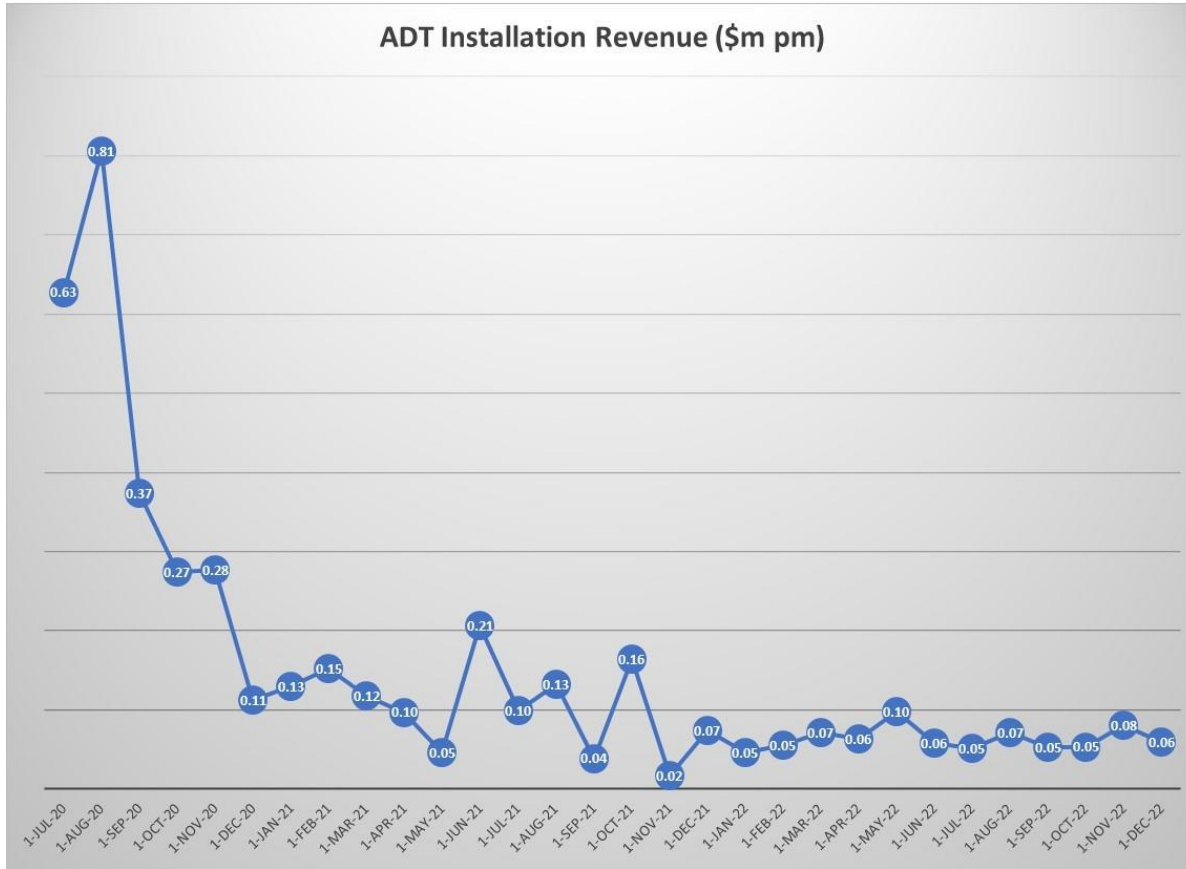
- ADT Secure Home Essential DIY Solution was launched on the 9<sup>th</sup> of October 2023
- Solution is available to the Residential Market in Australia
- The DIY solution is the only alarm package that offers both Full Monitoring and Self Monitoring option to new customers



### DIY Package Composition

- Climax Panel x 1
- Motion Sensors x 2
- Window/Door contacts x 2
- Keypad x 1

# OPERATING STRATEGY #2 – COMMERCIAL: BRING ADT BACK



Sources: ADT financials

- IMG has rebooted the commercial installation and service business of ADT which is expected to contribute significantly to monitoring and group revenue from FY24 onwards.
- ADT currently has c. 4,000 large commercial customers.
- Initially, IMG management will focus on re-engaging with these existing customers to provide servicing, maintenance work and systems upgrade work.

**As part of IMG's future execution plan for the business, IMG has re-commenced marketing and sales for new commercial customers.**

**Since acquisition ADT has been successful in picking up a number of senior, experienced industry hires in both sales and Technical delivery**



## OVERHEADS AND SALES

- Unwinding standard corporate costs with JCI.
- Reduction of “shared service” costs from Finance, IT, HR and Collections combined.
- Re-aligning sales staff to higher volume, better value do-it-yourself security systems and profitable sales growth generally



## MONITORING CENTERS AND OPERATORS

- Monitoring centres will be benchmarked across the group to lift alarm response times and efficiency to Australasian leading levels.
- ADT customers (particularly commercial customers) will be able to experience enhanced video and other IOT monitoring services. By choosing between control room platforms (Patriot and Mastermind).



## SUPPLIER CONSOLIDATION

- IMG will work to harmonise its telco and communications costs.
- ADT’s current cost per line is currently \$4 per line higher than IMG’s.



## LOGISTICS

- With a change in emphasis to do-it-yourself alarm systems the company expects to be able to simplify its logistics operation and speed up the time to implement for new alarm installations.

**Total simplification improvements of \$4.9m targeted from acquisition. \$1.6m included in FY24 figures, with further \$3.3m expected in FY25.**



# INVESTMENT THESIS:

Industry leader with strong balance sheet and focused deleveraging strategy



\* Expected free cashflow before transaction and restructuring costs for FY2024

# SIGNIFICANT PROGRESS IN THE FIRST TWO MONTHS OF ADT

IMG is executing in a focused fashion

Acquired ~3,000  
Securely lines (NZ)

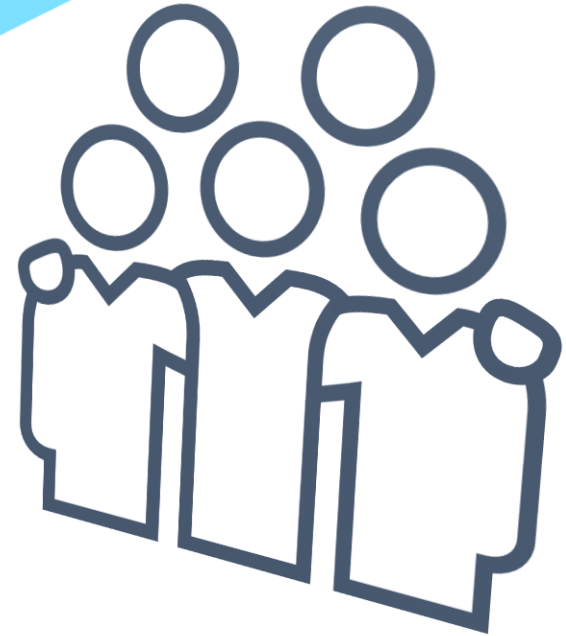
Remedied  
subsidized economic  
model, launched DIY  
monitoring system

First two months  
trading with ADT at  
or ahead of budget

# PUTTING IN PLACE ENGINE FOR FY24 AND BEYOND

Expanding ADT's expertise pool quickly will lead to faster growth in FY24+

ADT/IMG have hired and invested in several key new sales and technical staff both in Australia and NZ which is expected to set the business up for growth into FY24.





## #1 INDEPENDENT MONITORING OPERATOR

~180,000 lines

- Significant subscription-based revenue underpins a strong defensive cashflow stream
- Core consumer stable industry with good growth prospects



## SEASONED MANAGEMENT TEAM

IMG team have significant integration experience

- IMG's journey of cost out and business improvement puts it in a good position to grow the business
- The turnaround of IMG, with the successful acquisition of Advanced Inland, Monitored 24/7 & Bellrock give confidence to management's ability to deliver



## GOOD BALANCE SHEET, WITH EXCELLENT CASH GENERATION CAPABILITY

- With \$6.5m of RMR IMG will be well positioned to pay down debt and be positioned for a senior bank lender facility in the next 12-18 months.

**Commercial Office:**

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**Intelligent Monitoring Group Limited**

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**Authorised for release by the Board of  
Intelligent Monitoring Group Limited**



INTELLIGENT  
MONITORING GROUP