



ASX RELEASE

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Scout receives multiple purchase orders from key resale partner Zego

Highlights:

- Scout has received new purchase orders in September for 1,785 smart home security hubs from Zego, the premier digital amenity platform for US apartments
- Scout will deliver 785 hubs immediately with AU\$151,843 due upon receipt, accelerating cash receipts and revenue for the September quarter
- This is the largest set of purchase orders from Zego since the commencement of the parties' sales partnership in October 2017
- A further 1,000 hubs totaling AU\$166,991 will be manufactured and delivered in due course based on this purchase order set
- Zego has ordered a total of 5,785 systems to-date, exceeding the 5,000-system minimum estimate a month ahead of schedule and accelerating into the end of the calendar year

Home security provider Scout Security Limited ((ASX: SCT), "Scout" or "the Company") is pleased to announce that it has received material new purchase orders from its key resale partner Zego.

The Company has received orders totaling 1,785 hubs from Zego in September, a leading US provider of smart home device and service packages to apartment residents and managers. The orders represent more than AU\$151,843K¹ in up-front revenue and cash receipts for Scout, with an additional AU\$166,991 to be received in due course.

This is the largest set of purchase orders Zego has made with Scout since the parties commenced their sales partnership in October 2017 to meet smart home security demand in the 18.8 million-unit apartment community market in the US.

Zego has now ordered more than 5,785 Scout hubs and remains one of the Company's key resale partners, currently tracking positively on its deployment target of 5,000 to 10,000 Scout systems in the 12 months to October 2018. It is anticipated that Zego will start switching these hubs on in the March 2019 quarter and will add and integrate further Scout sensors and cameras that contribute to Recurring Monthly Revenue.

Scout Security co-founder and CEO, Dan Roberts, said:

1: Based on latest RBA exchange rate of 1 AUD = 0.7186 USD



“Scout’s sales partnership with Zego is developing well and delivering significant value to all parties. This month’s purchase orders represent a renewed vote of confidence in Scout’s smart home security product suite from a key resale partner.

“We are pleased to see our business growing materially through this channel, and look forward to expanding our installed base further with Zego in 2019 and beyond.

The company is expecting a strong quarter and is looking forward to delivering further material purchase orders from our key partners.”

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About Scout Security Limited

Scout Security Limited (ASX: SCT) sells the Scout Alarm, a self-installed, wireless home security system that is making security more modern, open and affordable. The Scout system is consistently recognised as one of the best smart home security devices, most recently being labeled 2018 Best DIY Home Security System by TopTenReviews.com.

Scout’s design-centric offering gives users complete flexibility around connected home security, allowing the system to integrate with other best-in-class IoT devices and offering flexible monitoring options.

Scout is an official partner of Amazon Alexa, Google's Works With Nest and Samsung SmartThings. Scout is also an Amazon Alexa Fund portfolio company.

www.scoutalarm.com