

ASX RELEASE

12 March 2020

Scout bolsters team to drive white label development

Highlights:

The Company's team has been expanded to drive white label program development and shift Scout from platform building to platform sales:

- **Marek Dzik has been hired as Senior Technical Product Manager, having recently overseen a B2B platform with US\$16m in annual sales and bringing extensive technical knowledge to client-facing sales efforts**
- **Chad Smith and Peter Stedman, each with 5+ years at Scout, have been promoted to VP of Platform Engineering and VP of Embedded Engineering, respectively, and will take on additional duties in combination with Marek**
- **Dave Shapiro will transition his day-to-day tasks to Chad, Peter and Marek and step into a Non-Executive Director role to support the long-term strategy of the business, voluntarily escrowing his shares for 24 months**
- **Kevin Brennan, with over 20 years of sales experience, has been engaged to oversee Scout's immediate sales initiatives and enhance strategy aimed at closing key pipeline partners**

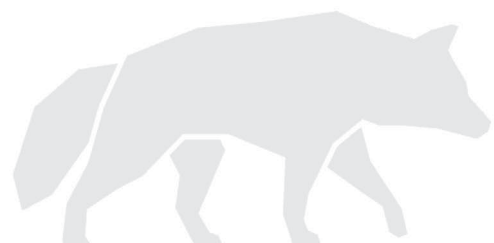
Home security provider Scout Security Limited ((ASX: SCT), "Scout" or "the Company") is pleased to provide an update regarding the company's ongoing transition towards enterprise and white label sales.

As announced to the ASX on 17 February 2020, Scout has been working to continuously develop its capabilities in regard to enterprise technology and sales by recruiting experienced personnel who can drive robust B2B sales and contribute to ongoing B2B strategy.

As part of this development, the Company has made several key appointments to capitalise on the white label opportunity.

Marek Dzik hired as Senior Technical Product Manager

Marek most recently oversaw a B2B software platform that contributed US\$16m in annual sales to his prior employer. Having worked at Braintree, Redbox and having been one of the first 30 employees at Groupon, Marek brings extensive technical experience in client-facing roles. He graduated with a Bachelor of Science (Computer Science) from DePaul University in Chicago, IL in 2002.



As Scout evolves from platform building to platform sales, Marek will add a depth of technical knowledge to partner discussions and negotiations.

Most recently, Marek was a Mobile and B2B Product Manager, responsible for hiring and managing a mobile development team and developing a strategy which delivered annual revenue growth of 250%.

Vice-President Promotions

Chad Smith and Peter Stedman, each integral members of the Scout team with more than five years of service, will be elevated to Vice President of Platform and Embedded Engineering, respectively, taking on additional strategic responsibilities within the organisation. These elevated roles will eliminate redundancies within the engineering team structure and should reduce costs over time, while aligning long-time employees with the success of Scout's white label program.

Chad and Peter's experience, seniority and familiarity with the business and its drivers make additional direction redundant at the CTO level. In combination with Mr. Dzik, these promotions will give each department head the opportunity to directly interface with each other and CEO, Dan Roberts, to drive white label strategy.

Dave Shapiro Appointment to Non-Executive Director

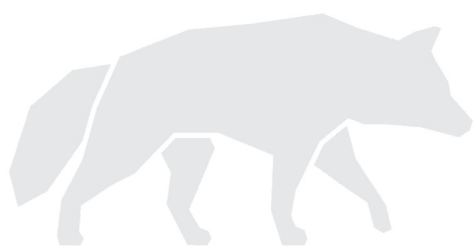
As part of the effort to focus the Company on white label sales, Scout co-founder Dave Shapiro will step back from the day-to-day engineering effort, transitioning his duties between Marek, Chad and Peter. The Company views dividing these responsibilities as a positive key person risk mitigation strategy, and although the company no longer requires Mr. Shapiro to work on coding, as the 3rd largest shareholder, he will continue to provide input into the Company's strategy and contribute to the long-term success of the business. As such, the board is appointing Mr. Shapiro as a Non-Executive Director and he will serve in an advisory capacity for the remainder of FY20. Dave has agreed to enter a 24-month voluntary escrow of his shares in the Company, until 12 March 2022, to demonstrate his commitment to Scout's success. Mr. Shapiro will be paid a monthly fee of US\$ 1,000 per month during the term of his appointment.

Appointment of Kevin Brennan

The Company has engaged Mr. Kevin Brennan, contracting on a three-month basis to critically evaluate the Company's sales strategy. The Company has made this appointment with a view to completing agreements with key partners in the white label program and to accelerating pipeline conversion.

Mr. Brennan brings more than 20 years of sales experience, most recently at Ninety7, developing and launching a lifestyle product brand that became the #1 selling accessory to Amazon's Echo Dot, forming partnerships with key retailers Amazon, Best Buy and Walmart in the North American market. Across his career, Mr. Brennan has held the roles of Vice President of Sales and Operations, Vice President of Sales and Vice President of Strategic Accounts, predominantly in B2B organisations but also B2C.

Kevin graduated from DePaul University in Chicago, IL with a Bachelor of Science (Marketing) and



brings experience in building brand awareness, launching products and developing sales strategies, with a focus on technology.

Scout Security co-founder and incoming Non-Executive Director, Dave Shapiro, said:

"Marek and Kevin both bring decades of demonstrated B2B experience that will position them well to help drive the success of Scout's white label program. Combining this with the promotions of Chad and Peter, who are both ready and willing to step up for the Company, I view these changes putting Scout in the best position to deliver on the exciting white label opportunity."

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

"From day one, Dave has been an integral part of the Scout journey and this transition is part of the next chapter that will align him to Scout's long-term success. Dave and his team have built a world class, end-to-end platform for smart home security over the past seven years, and this business would not be here today without his efforts."

"As the Company's needs have shifted from platform building to platform sales over the past 24 months, Dave's role has shifted as well. After careful consideration, Dave and the Board have agreed that the business is best positioned, and Dave is best suited, to drive ongoing strategy in a Non-Executive Director capacity and transition his coding responsibilities to existing and new team members to reduce redundancies."

"We are excited to retain Dave as a Non-Executive Director to continue driving Scout's ongoing success, while maintaining continuity of corporate knowledge."

"As our third-largest shareholder, Dave has continued to demonstrate his commitment to, and confidence in the company. We thank him for his continued service and for the integral role he has played in Scout's growth."

"At the same time, as Scout moves ahead with its transition towards enterprise, the appointments of key people like Marek and Kevin, who bring talent and track records in technical sales and business development, mark important steps for Scout as we become an increasingly relevant player in the home security sector."

This ASX release has been authorised by the Board of Directors of Scout Security Ltd.

For more information, please contact:

Dan Roberts

Chief Executive Officer

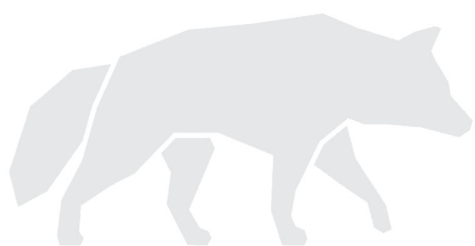
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About Scout Security Limited

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. Scout was named “Best App-Based Security System” in 2019 by US News and World Report.

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 Assistant and Samsung SmartThings. Scout is also an Amazon Alexa Fund portfolio company.

