

ASX RELEASE

25 February 2021

Statement pursuant to ASX Listing Rule 4.7C.1

Home security provider Scout Security Limited ((ASX: SCT), “Scout” or “the Company”) advises that in accordance with Listing Rule 4.7C.1 the company is required to describe in its quarterly activities report (lodged with ASX on 29 January 2021) details of expenditure on the activities described in the Appendix 4C cashflow report. It therefore provides a clarifying announcement of these activities for the quarter ended 31 December 2020 to provide more description of these activities and should be read in conjunction with the December 2020 Quarterly Update and Appendix 4C lodged with ASX on 29 January 2021.

In reference to item 1.2(f) of the Appendix 4C, administration and corporate costs totalling \$381k were lower in the quarter, predominantly due to once-off corporate and selling fees of \$70k paid in the September quarter on the \$2M Convertible Note facility.

In reference to item 1.2(e) of the Appendix 4C, staff costs totalling \$445k were higher in the quarter as a result of having an extra pay period of \$55k plus associated taxes during the quarter, the previously announced team reorganization, remuneration adjustments and timing differences resulting in additional federal and income taxes paid in the quarter of \$55k.

In reference to item 1.2(b) of the Appendix 4C, product and operating costs were lower in the quarter as a direct result of transitioning from development fee revenues to product and service revenues in future quarters. Commentary around this was included in the Appendix 4C.

Authorised for release by Dan Roberts, CEO.

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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.

