Scout Security (ASX: SCT) is a white label security-as-a-service platform and product suite powering recurring revenue for some of the largest security, internet service and telco providers in the world.

ASX RELEASE
19 September 2025

Scout Security Quarterly Update and Appendix 4C

Home security provider Scout Security Ltd (ASX: SCT), "Scout" or "the Company") is pleased to present its Appendix 4C — Quarterly Cash Flow Report for the period ending 31 December 2024 and update on business progress.

Highlights of the December Quarter

- **Scout signed a Non-Binding Letter of Intent to acquire New York-based DIY home security technology company Roo Inc**
- **$400k in cash receipts for the quarter**
- **Operating cash outflows were reduced by 31% year-on-year**

Financial and Operational Highlights

Cash receipts for the quarter were $400k, contributing to a total of $1.64m over the twelve months to December 31, 2024. The cash receipts represented an improvement of 52% over the preceding quarter. Operating cash outflows were reduced by 31% compared to the same quarter a year earlier as Management and the Board continued to review opportunities to appropriately and sustainably resource the Company's operations and focus on lowering cash outflows.

At the conclusion of 2Q FY2025 the Company held $119k cash. The Board was considering a capital strategy based on continuing discussions with the ASX regarding its ongoing suspension from trade and opportunities identified, inclusive of the proposed acquisition of Roo Inc. Material cost and revenue synergies were identified that would sustain the combined entity post integration at positive EBITDA and breakeven-to-positive cash flow, excluding one-off transaction costs.

SCT conducted business as usual during the quarter. There were no substantive changes to its activities. SCT's primary activity is the provision of DIY security monitoring under recurring subscription plans, accompanied by less-predictable one-off hardware and development revenue.

Statements pursuant to ASX Listing Rule 4.7C.1

Payments to related parties and their associates during the quarter totalled AU$21k, relating to executive director salary.

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Quarterly expenditure was in line with internal budgets and was focused on these areas:

- In reference to item 1.2(f) of the Appendix 4C, administration and corporate costs totaling $241k were in line with the previous quarter and also within the average quarterly range for these costs.
- In reference to item 1.2(e) of the Appendix 4C, staff costs totaling $180k were lower than the previous quarter and reflect the cost reductions which have been implemented.
- In reference to item 1.2(b) of the Appendix 4C, product manufacturing and operating costs totaling $184k were lower than the prior quarter while within the average quarterly range for these costs.

The Company retains sufficient funding to carry out its activities over the coming quarters based on current funding initiatives as described elsewhere in this report and other funding initiatives currently being contemplated by the board.

An Appendix 4C report follows.

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

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About Scout Security Limited

Scout Security Limited (ASX: SCT) is a white label security-as-a-service platform and product suite powering recurring revenue for some of the largest security, internet service and telecommunications providers in the world. Scout's simple and affordable DIY approach puts security within reach for millions of residential homes, small-to-medium businesses and multi-tenant buildings.

Scout was recognised as one of Forbes' "Best Home Security Companies of 2025" and was named the "Best Contract-Free Home Security System Provider of 2024" by CBS Essentials. 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 and Google's Assistant. Scout is also an Amazon Alexa Fund portfolio company.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

SCOUT SECURITY LIMITED (ASX: SCT)

ABN	**Quarter ended ("current quarter")**
13 615 321 189	31 DECEMBER 2024

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 Months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	400	664
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(184)	(392)
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(180)	(389)
	(f) administration and corporate costs	(241)	(483)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(25)	(60)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(230)**	**(660)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 Months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	593
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	190	190
3.6	Repayment of borrowings	(64)	(178)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other: Share Application	-	-
3.10	**Net cash from / (used in) financing activities**	**126**	**605**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	212	164
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(230)	(660)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 Months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	126	605
4.5	Effect of movement in exchange rates on cash held	11	10
4.6	**Cash and cash equivalents at end of period**	**119**	**119**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	119	212
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**119**	**212**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	21
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Note to 6.1: Salary to Executive Director

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	1,589	1,589
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	1,589	1,589

7.5	**Unused financing facilities available at quarter end**	-

Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

7.1 In the June 2023 quarter, the company entered into a new finance facility with a syndicate of mostly US-based investors. The loan is denominated in USD. (Refer to ASX announcement dated 28 April 2023). Facility includes rollover of previous debts and additional funds totalling $3.356M AUD drawn at 30 June 2024. Interest rate is 12.0% per annum with a term of five (5) years. In the September 2024 quarter the company converted over half of the facility to equity, for a remaining balance of $1.3 mil AUD.

During the March 2024 quarter, the following loan facilities were executed. The Arsenal and Crediby loans were fully paid off in the December 2024 quarter.

- New unsecured term loan in the amount of $30k USD from Intuit. Interest rate is 18.0% per annum with a term of two (2) years.
- New Future Receipts Sale and Purchase Agreement of $72k USD with Arsenal for $99k of future receipts. Term is 28 weeks.
- New Future Receipts Sale and Purchase Agreement of $99k USD from Credibly for $122k of future receipts. Term is 40 weeks.

During the December 2024 quarter, the following loan facilities were executed

- New Future Receipts Sale and Purchase Agreement of $85k USD with Arsenal for $112.2k USD of future receipts. Term is 32 weeks.
- Stripe business loan in the amount of $40k USD with a fixed fee of $3,929. Repayment rate is 25% of Merchant receivables.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(230)
8.2	Cash and cash equivalents at quarter end (item 4.6)	119
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	119
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	.52

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. The company intends to meet the ASX requirements for reinstatement by completing a placement to raise $950k and issuing a $500k convertible note.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. Due to the reduction in operating expenditures, capital raising efforts, and the in-process acquisition of Roo Inc., the company expects to continue operations in perpetuity.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

19 September 2025

Date: .....

Board of Directors

Authorised by: .....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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