



## ASX ANNOUNCEMENT

28 May 2018

# Threat Protect Secures \$15.0M Debt Facility

Threat Protect Australia Limited ("**Threat Protect**" or the "**Company**") (ASX: "**TPS**") is pleased to announce it has secured a \$15.0 million Revolving Bilateral Facility Agreement ("**Facility**") with Macquarie Bank Limited ("**Macquarie**").

The \$15.0 million is made up of three facilities:

1. Facility A – Revolving Line of Credit
2. Facility B – Bank Guarantee Facility
3. Facility C – Overdraft Facility

A summary of key terms of the Facility are set out in Annexure A. The Facility is conditional on, among other conditions considered standard for financing agreements of this nature, the Company obtaining shareholder approval for the conversion of convertible notes issued to First Samuel Limited into shares in the Company. The Company intends to hold the general meeting to obtain this approval in June 2018 and will dispatch a notice of meeting to shareholders shortly.

The Company intends to apply \$10.6 million of the Facility to refinancing the balance of its existing \$3.825 million credit facility with National Australia Bank, and pay down its existing unsecured Debenture Facility provided by First Samuel Limited.

The refinancing arrangements will immediately reduce current interest costs of the Company by approximately \$65,000 per annum and provide the Company with a further \$4.4 million for merger and acquisition activities, and working capital requirements.

Threat Protect Managing Director, Demetrios Pynes said: "We are very pleased to have secured a substantial funding package from Macquarie that provides the Company with readily available finance for future expansion.

We welcome their financial support as a strong vote of confidence in the Company's outlook and we look forward to working closely with them for the benefit of all our shareholders to grow our recurring monitored security income."

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For further information, contact:

### Investors

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## **About Threat Protect Australia Limited**

Threat Protect provides monitored security solutions that ensure the safety of Australian homes and businesses 24 hours a day, 365 days a year.

We have the highest security accreditation possible to achieve in Australia and use only state-of-the-art technology and equipment.

Our commitment to providing a complete end-to-end service is second to none, whether you own a small apartment or giant multi-national headquarters.

- Monitored Security Systems
- Security Personnel
- Corporate Risk Consultancy

We call it “**Security Without Compromise**”.

- Threat Protect is a leading Australian security agency fully licensed by WA, NSW, Victoria, Queensland and South Australian police departments, and other national and international bodies.
- We support thousands of residential and business clients in Australia and beyond.
- We will personally evaluate your security needs.
- All products and services meet Australian Standards.
- 24-hour monitoring from our three A1 graded control rooms, located in Perth, NSW and South Australia.



## Annexure A

## Summary of Key Terms of Macquarie Funding Facility

|                             |  |   |
|-----------------------------|--|---|
| <b>Facilities</b>           | <p>Facility A – Revolving Line of Credit (“RLOC”)</p> <p>Facility B – Bank Guarantee Facility</p> <p>Facility C – Overdraft Facility</p>   | <p>Limit: \$14.0M</p> <p>Limit: \$0.2M</p> <p>Limit: \$0.8M</p> |
| <b>Term</b>                 | 3 Years for each Facility  |   |
| <b>Conditions</b>           | <p>The Facility contains conditions precedent and subsequent that are considered standard for financing agreements of this nature, including entering into respective security documentation.</p> <p>The Facility is also conditional upon the Company obtaining shareholder approval for the conversion of convertible notes issued to First Samuel Limited into shares in the Company. The Company intends to hold the general meeting to obtain this approval in June 2018 and will dispatch a notice of meeting to shareholders shortly.</p> |   |
| <b>Interest Rate</b>        | <p>Facility A: Being the aggregate of the applicable:</p> <ol style="list-style-type: none"> <li>1. Base Rate (“BBSY” plus a margin of 0.05%), and</li> <li>2. Margin</li> </ol> <p>Facility B: Standard commercial fees for a facility of this nature</p> <p>Facility C: Being the aggregate of the applicable:</p> <ol style="list-style-type: none"> <li>1. Macquarie Bank Overdraft Rate, less</li> <li>2. Margin Discount</li> </ol>  |   |
| <b>Purpose</b>              | Refinancing of existing financial indebtedness, merger and acquisition activities, and general working capital requirements.   |   |
| <b>Mandatory Repayments</b> | 10% of the outstanding balance of Facility A following each drawdown, payable quarterly.   |   |
| <b>Security</b>             | First registered General Security Deed (GSD) over all assets, shares and undertakings of each member of the Threat Protect Group   |   |
| <b>Other</b>                | The facility contains additional provisions which are standard for financing agreements of this nature, including financial covenants and default event provisions.  |   |