



Acquisition of KOBE Pty Ltd

Feb 2025



INTELLIGENT
MONITORING GROUP

An Intelligent Monitoring Group Company ASX:IMB



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TRANSACTION SUMMARY

- Intelligent Monitoring Group (“IMG”) has agreed to acquire KOBE Pty Ltd (“KOBE”) for an initial payment of \$6.98 million cash, subject to customary conditions, plus a second deferred payment currently estimated at \$1.92 million by way of an earn out based on the sellers’ estimated EBITDA for FY26.
- Payment terms: 80% upfront and 20% subject to FY26 earnings
- KOBE is expected add ~\$2.5m before transaction costs, to IMG’s annualised, ongoing EBITDA and is anticipated to be immediately earnings accretive.
- Kobe will continue to be run by its founders during the earn-out period.
- As part of IMG, Kobe will help bolster ADT’s expanding Queensland footprint, adding +56% to ADT’s existing Qld staff base.
- The acquisition is consistent with the strategy laid out in the November 2024 capital raise and will be funded out of existing cash resources.

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KOBE Overview



Business Overview

Established track record



- Founded in 1999
- KOBE is a leading provider of essential services in QLD's electronic security systems industry

25+

Years of operation

Strong customer relationships



- Track record of maintaining long term relationships and repeat work
- Exclusive supplier to key customers for installation, servicing and maintenance of essential systems

8+ yrs

Top 10 Customer Average Tenure

Attractive financial profile



- FY24 revenue of \$9.7m
- FY24 EBITDA of \$2.3m
- Consistent EBITDA margins >20%

\$2.3m

FY24 EBITDA

Growth trajectory



- Strong growth trajectory, with revenue CAGR of 30% between FY21 and FY24

30%

Revenue CAGR (FY21 – FY24)

Contracted pipeline of work



- Strong pipeline of work with existing customer base
- Approximately 39% of FY24 revenue in the pipeline from contracted projects

\$3.6m

Contracted pipeline of work

New key customer contract



- Appointment to Queensland Rail's 'CCTV and Security Services Panel'
- Commenced in March 2024 for 5-year term



5-year panel appointment

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About Kobe

KOBE is a leading service provider in Queensland's electronic security systems industry, servicing customers across a range of key industries since 1999

Business snapshot

Business overview

Founded in 1999, KOBE has grown to become a leading provider of services for electronic security infrastructure.

Services

With 20 staff operating from its Brisbane facility, KOBE provides a range of services to its customers, including:

- **Electronic Security Systems Installation** – design, procurement, installation, testing and commissioning of electronic security systems. Projects primarily include upgrades, refurbishments and replacements for existing facilities as well as some installation services for greenfield sites;
- **Servicing & Maintenance** – Routine maintenance contracts and on call service and support;
- **Component Supply** – procurement and supply of equipment for self- installations; and
- **Advice/Consultancy** – expert advice and guidance on security hardware and systems selection.

Products

KOBE's services are provided for the following product categories:

- **Access control and intruder detection systems;**
- **IP CCTV** (Internet Protocol Closed Circuit Television camera systems); and
- **Intercom systems.**

Customer snapshot






Supplier snapshot



Service areas in detail

KOBE provides services across system installation, ongoing servicing and maintenance, and ad-hoc selection and supply of components

Service line	Description	Typical Project Terms	% of FY24 Revenue
 System Installation	<p>KOBE offers an industry leading, comprehensive system installation service through their team of highly trained technicians. Every stage of installation is handled by KOBE's team.</p> <ul style="list-style-type: none">• KOBE advises customers on the appropriate security hardware and systems to put in place and ensure their security needs are met.• KOBE designs the security system in line with the customer's specific requirements, the facility, and the latest in security technology.• KOBE procures all required equipment from their network of suppliers and applies a mark-up.• KOBE's technicians then handle the installation, testing, and turn-key handover of the system.	<ul style="list-style-type: none">• 1 - 6 months from procurement to completion• Equipment purchased at project commencement• Typically Invoiced in full at completion• Progress invoices raised for larger projects (>\$100k or longer than ~2 months) based on equipment installed	65%
 Service / Maintenance	<p>KOBE offers 24/7, 365-day call-out service, accessible through a 1300 number.</p> <ul style="list-style-type: none">• All technicians are thoroughly trained, and manufacturer certified and have direct access to manufacturer support.• KOBE offers servicing maintenance through recurring maintenance contracts as well as ad-hoc maintenance• Completed installation projects are targeted for recurring maintenance contracts	<ul style="list-style-type: none">• Quarterly invoices raised for ongoing contracts• Invoiced at completion for ad-hoc maintenance under terms of contract	27%
 Component Supply	<p>KOBE supplies security equipment hardware to customers who have an in-house capability to handle the installation. KOBE's team are on hand to provide technical assistance as required.</p> <ul style="list-style-type: none">• KOBE procures the necessary equipment required by the customer from their supplier network.• A mark-up on this equipment is applied to the customer	<ul style="list-style-type: none">• Customers are invoiced when the equipment is shipped	8%

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Customer sectors

Revenue has grown consistently from customers across all industries covered by KOBE between FY21 and FY24

Government



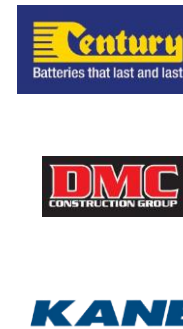
35%
of total
FY24
Revenue

Commercial



45%
of total
FY24
Revenue

Industrial



16%
of total
FY24
Revenue

Mining

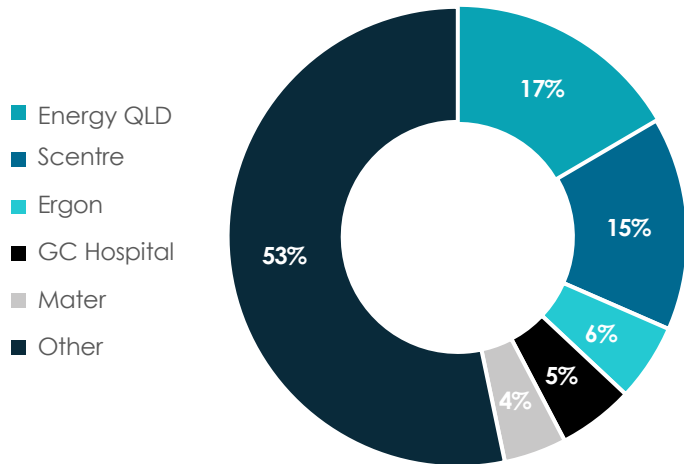


4%
of total
FY24
Revenue

Customer mix and tenure

KOBE has a history of strong customer relationships and retention, with an average customer tenure of over 8 years

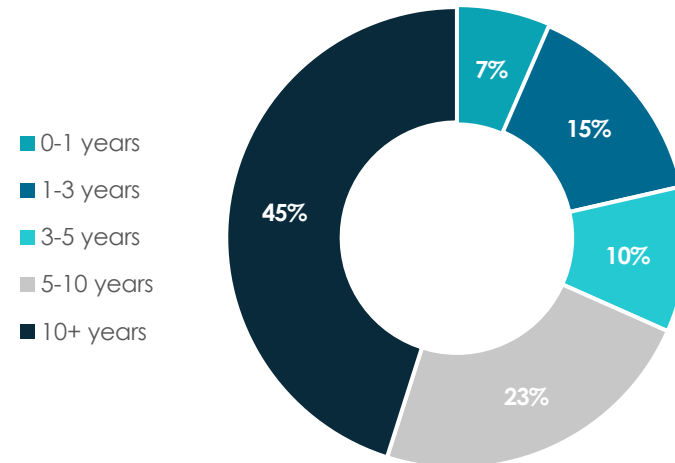
FY24 customer mix¹



Commentary

- KOBE's top customer accounted for 17% of revenue in FY24.
- The remaining top 5 customers accounted for a further 30% of FY24 revenue.
- The average relationship length for the top 5 customers is 9.6 years at 30 June 2023.

FY24 revenue by customer tenure



Commentary

- 45% of FY24 revenue came from customers with a relationship with KOBE of over 10 years.
- 68% of FY24 revenue was from customers with a relationship of greater than 5 years.

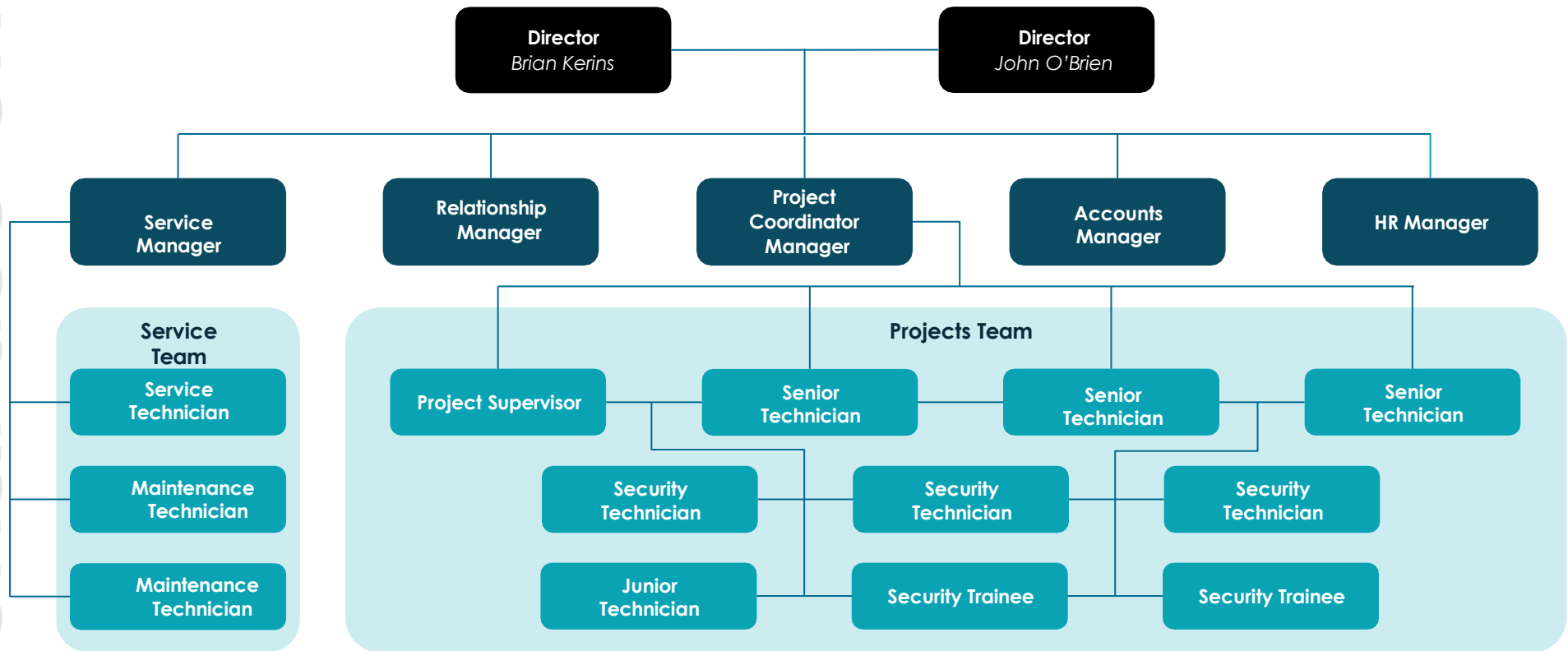
Note:

¹ KOBE is engaged by Energy QLD, Ergon and Energex (included in 'Other' customers above), which are part of the broader Energy QLD group, through the same panel (ICT Products and Services – Electronic Security Services Panel)

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Organisation structure







KOBE has a well-structured team, with a headcount of 20 across the business as of February 2025. This adds +56% to the existing 36 staff for ADT currently in Qld.



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Industry accreditations

Key accreditations and certifications to ensure its services are high quality and compliant

Certification	Description	Certification	Description
	Compliance Australia Certification Services ISO 9001 Quality Management Systems		Class 5 installation compliant
	Compliance Australia Certification Services ISO 45001 Occupational Health and Safety Management Systems		Business Chamber Queensland accredited ICT supplier
	Compliance Australia Certification Services ISO 14001 Environmental Management Systems		Government Information Technology Contracting framework
	Licensed by the 'Australian Security Industry Association'		Contractor prequalification for workplace safety and risk management
	Class 2 licence (security installer)		'Milestone' Premier Reseller
	Australian Contractor Management system that allows businesses to effectively manage contractors and ensuring compliance with legislation		NSW Master Security Licence
	Axis Silver Partner		

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FURTHER STRENGTHENS ADT'S COMMERCIAL BUSINESS

Acquisition of KOBE strengthens ADT's ability to serve Queensland

- Platform for scalable growth, allowing ADT to expand its services rapidly while leveraging KOBE's established operational framework and resources.
- KOBE's services and expertise will allow ADT to diversify and strengthen its product offerings, providing more comprehensive solutions tailored to the specific needs of Queensland clients.
- KOBE is expected to add \$2.5m to Annualised EBITDA (pro forma) or ~\$0.8m to FY25, and is anticipated to be immediately accretive to earnings.

GROUP STRUCTURE AFTER KOBE



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MONITORING GROUP

Australia
Residential / SME /
Commercial / ADT
Care



Australia
Residential / SME



Australia
Wholesale
Monitoring business



Intelligent
Monitoring
Solutions

New Zealand
Residential / SME
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Care



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