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SoundThinking Acquires Intelligent Weapons Detection Provider, SafePointe

Acquisition Enables SoundThinking's Entrance into Underpenetrated and Growing $20 Billion Global Weapons Detection Market

SafePointe Extends SoundThinking's SafetySmart™ Platform with Proven Artificial Intelligence (AI)-based Low Profile, Frictionless Weapons Detection Solution

FREMONT, Calif., Aug. 22, 2023 (GLOBE NEWSWIRE) -- **SoundThinking, Inc.** (Nasdaq: SSTI) (formerly ShotSpotter, Inc.), a leading public safety technology company that combines data-driven solutions and strategic advisory services for law enforcement and community assistance groups, acquired SafePointe, LLC (SafePointe), an innovator in intelligent weapons detection technology, on August 18, 2023.

SafePointe Overview
SafePointe specializes in intelligent weapons detection technology developed with strong roots in U.S. military defense programs. Its team has more than a decade of experience in developing, fielding, and monitoring perimeter and route security in the most challenging environments in the world.

Unlike bulky legacy metal detectors, SafePointe's AI-based solution is designed for high-traffic environments that require highly secure, frictionless access in a low-profile form factor. SafePointe's systems have been installed in workplaces, museums, schools, casinos, financial institutions and hospitals that rely on SafePointe to field, monitor and screen on-premises security concerns.

SafePointe Acquisition Summary and Rationale

- Enables SoundThinking to enter the underpenetrated $20 billion global weapons detection market (According to a financial analyst's February 2023 report).
- Extends SoundThinking's SafetySmart™ platform with a proven weapons (firearms, tactical knives, explosives) detection solution that identifies potential threats.
- Adds an expanding base of commercial and enterprise customers, providing attractive cross-selling opportunities for SoundThinking's public safety and security customers.
- Complementary software-as-a-service (SaaS) business model with attractive unit economics, efficient sales strategy and strong customer retention.

Market Opportunity and SafePointe Competitive Advantages
According to the February 2023 report, the $20 billion intelligent weapons detection market remains underpenetrated. The market growth and demand for these solutions seem bolstered by organizations' desire to enhance their situational awareness around potential threats while reducing operating and labor costs. According to the report, the serviceable addressable market for these solutions includes highly trafficked public and private facilities

including hospitality, casinos, education, and others.

Over the years, SafePointe has established itself as a leader in the emerging intelligent weapons detection market by offering customers low total cost of ownership and minimal false positives and false negatives packaged in a low-profile form factor. SafePointe's proprietary AI-based weapons detection system provides a better visitor and employee throughput experience as well as low total cost of ownership, all while maintaining a robust detection capability.

Management Commentary
"SafePointe significantly extends our SafetySmart Platform and provides our combined customer base with another robust solution to enhance public safety outcomes in places where we have unfortunately seen a marked increase in workplace and active shooter violence," said Ralph Clark, President and CEO of SoundThinking. "This acquisition makes strategic sense given SafePointe's proven technology, unique differentiation, and early traction in entirely new verticals for SoundThinking. It also allows us to expand our positive impact on public safety outcomes and enables acceleration of SoundThinking's growth potential. We have already been collaborating with SafePointe on key opportunities in anticipation of this acquisition."

Gregory Holifield Ph.D., founder of SafePointe, commented: "As a pioneer in the fast-growing weapons detection space, we are excited to join SoundThinking at this pivotal moment for our company and industry. We have admired SoundThinking and its leadership in the broader public safety space for many years. With their operational experience, infrastructure, and strong brand, I am highly confident we will be able to execute larger deals more effectively and penetrate this greenfield market opportunity more quickly. Public safety is at the heart of our mission, and by joining SoundThinking, we expect to create a new standard of excellence in public safety technology."

Alan Stewart, CFO of SoundThinking, added: "SafePointe's SaaS business model and growing financial profile provide us with another stream of predictable high-margin revenue to augment our robust financial base. We utilized a portion of our existing credit facility for the acquisition and have sufficient operating cash on hand post-acquisition. Additionally, we believe SafePointe will be accretive to our earnings per share by the end of 2024."

Supplemental Presentation
SoundThinking has made available a supplemental presentation about the SafePointe acquisition, which is available in the investor relations section of the company's website.

Safe Harbor Statement
This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding market opportunity, cross-selling opportunities for the company's customers, and the company's belief that the SafePointe acquisition will positively impact the company's growth potential, revenue, and earnings per share. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," or variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the

company's control. The company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the company's ability to successfully negotiate and execute contracts with new and existing customers in a timely manner, if at all; the company's ability to maintain and increase sales, including sales of the company's newer product lines; the availability of funding for the company's customers to purchase the company's solutions; the complexity, expense and time associated with contracting with government entities; the company's ability to maintain and expand coverage of existing public safety customer accounts and further penetrate the public safety market; the potential effects of negative publicity; the company's ability to sell its solutions into international and other new markets; the lengthy sales cycle for the company's solutions; changes in federal funding available to support local law enforcement; the company's ability to deploy and deliver its solutions; the company's ability to maintain and enhance its brand; and the company's ability to address the business and other impacts and uncertainties associated with macroeconomic factors, as well as other risk factors included in the company's most recent annual report on Form 10-K and quarterly report on Form 10-Q and other SEC filings. These forward-looking statements are made as of the date of this press release and are based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Except as required by law, the company undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events or changes in its expectations.

About SoundThinking

SoundThinking, Inc. (Nasdaq: SSTI) is a leading public safety technology company that combines data-driven solutions and services for law enforcement, civic leadership, and community assistance groups to drive more efficient, effective, and equitable public safety outcomes. Our SafetySmart™ platform includes ShotSpotter®, the leading acoustic gunshot detection system, CrimeTracer™, the foremost law enforcement search engine, CaseBuilder™, a one-stop investigation management system, and ResourceRouter™, software that directs patrol and community anti-violence resources to help maximize their impact. SoundThinking products and technologies are used by more than 200 customers and 2000+ agencies worldwide and has been designated a Great Place to Work® Company.

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