

COFFEE MICROCAPS

27 MAY 2021

PROTECTING HIGH VALUE ASSETS & CRITICAL INFRASTRUCTURE



FINANCIAL INSTITUTIONS



INDUSTRIAL & COMMERCIAL



MILITARY & GOVERNMENT



MINING



TRANSPORT

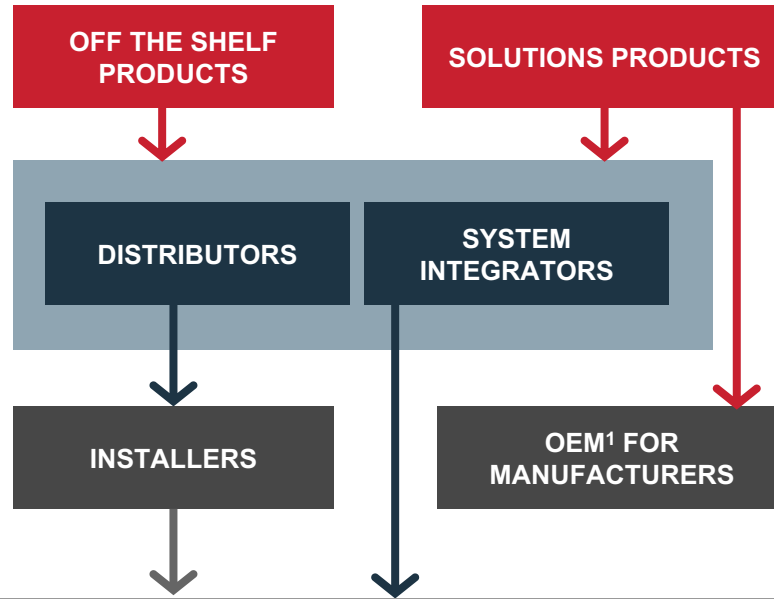
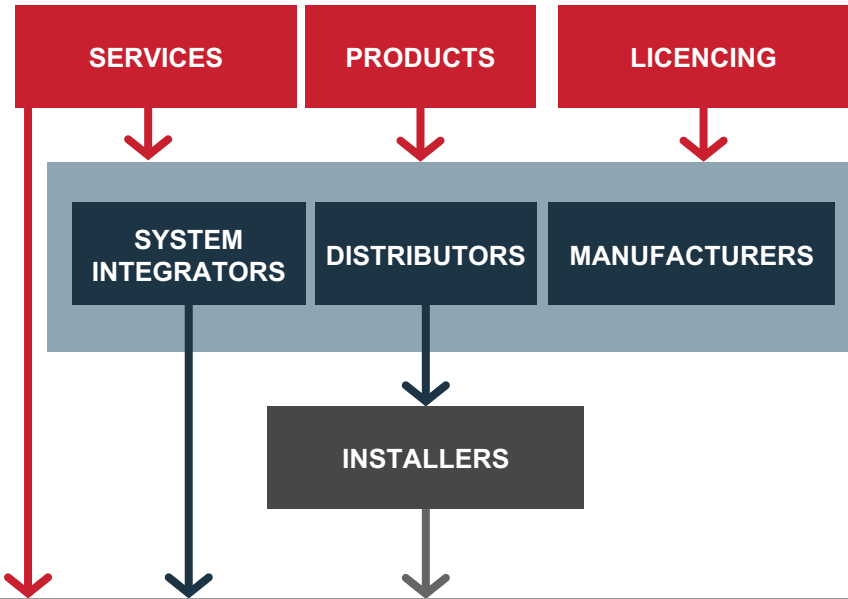


ENERGY

TWO DIVISIONS, THREE MISSION-CRITICAL BUSINESSES

TECHNOLOGY DIVISION		SERVICES DIVISION
<p>Global leader in fibre optic intrusion detection systems</p>		<p>Global provider of secure international logistics</p>
<ul style="list-style-type: none"> • Perimeter Intrusions • Pipeline Intrusion • Condition Monitoring • Data Network Protection 		<ul style="list-style-type: none"> • Risk Consulting • Precious Metals • High Risk Valuables • Banknotes
<ul style="list-style-type: none"> • 2,500+ Systems Deployed 		<ul style="list-style-type: none"> • Partners in 100+ Countries
<ul style="list-style-type: none"> • Products & Services Model 		<ul style="list-style-type: none"> • Recurring Services Model
<p>Leader in high security access control technology</p>		
<ul style="list-style-type: none"> • Access Control Readers • High Security Locking • Custom Encryption • Biometric Solutions 		
<ul style="list-style-type: none"> • 3,500+ Sites 		
<ul style="list-style-type: none"> • COTS¹ & Custom Product 		

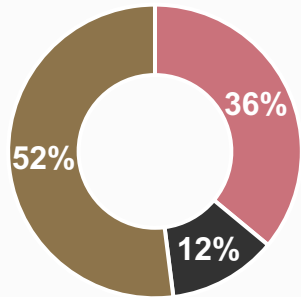
PROVEN GO-TO-MARKET STRATEGIES



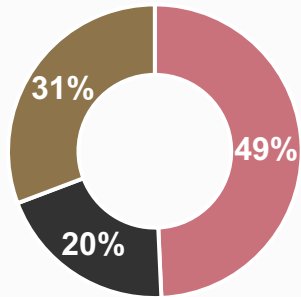
1. Original Equipment Manufacturer

MARKET LEADER IN RISK MANAGEMENT SERVICES & TECHNOLOGY

H1 FY2021 REVENUE

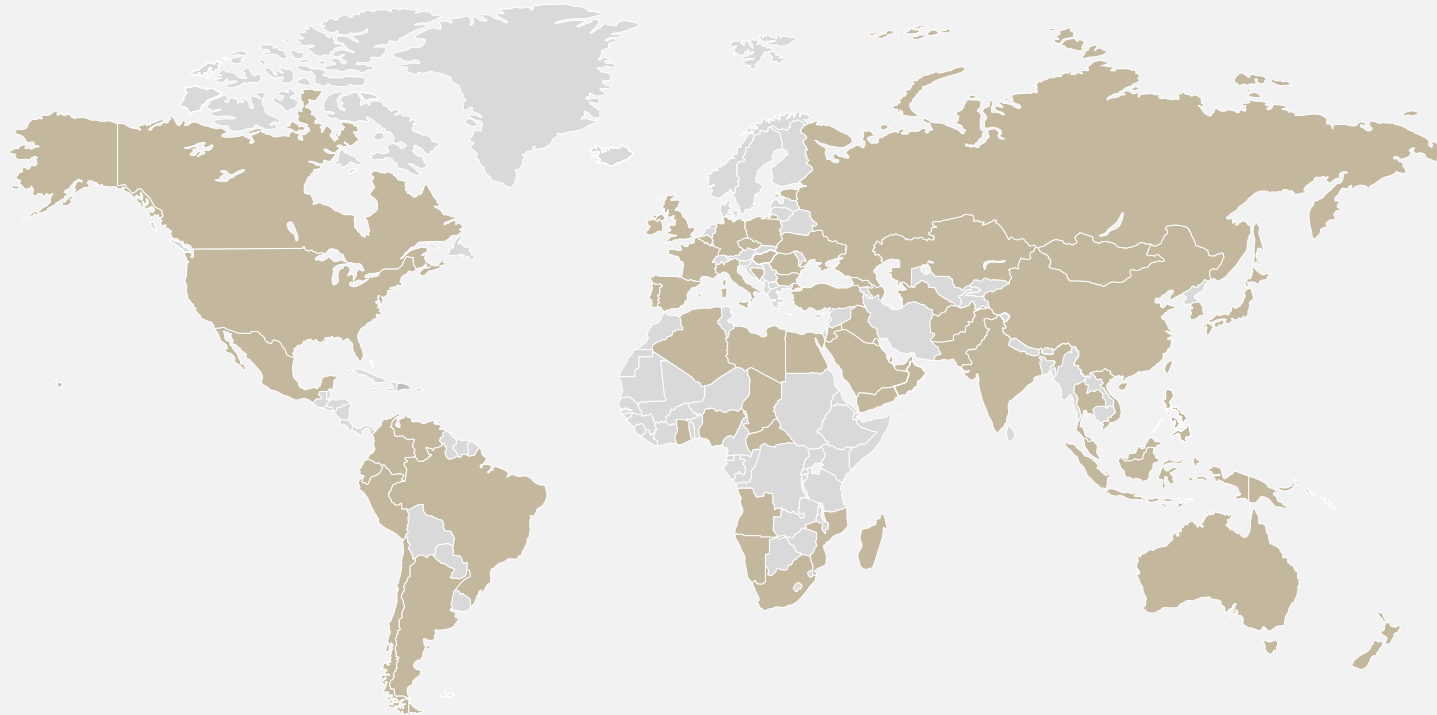


H1 FY2021 EBITDA



- AVA Global Logistics
- Future Fibre Technologies
- BQT Solutions

EXTENSIVE GLOBAL FOOTPRINT

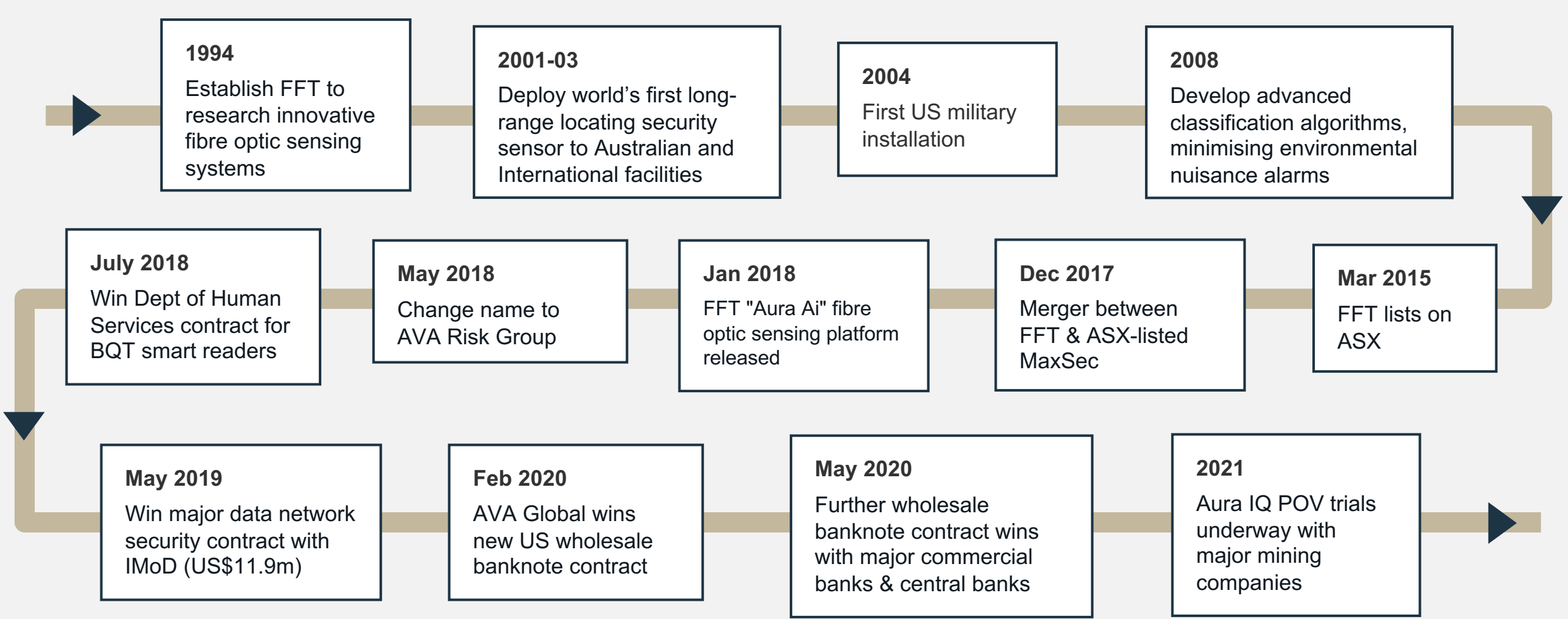


+100 countries

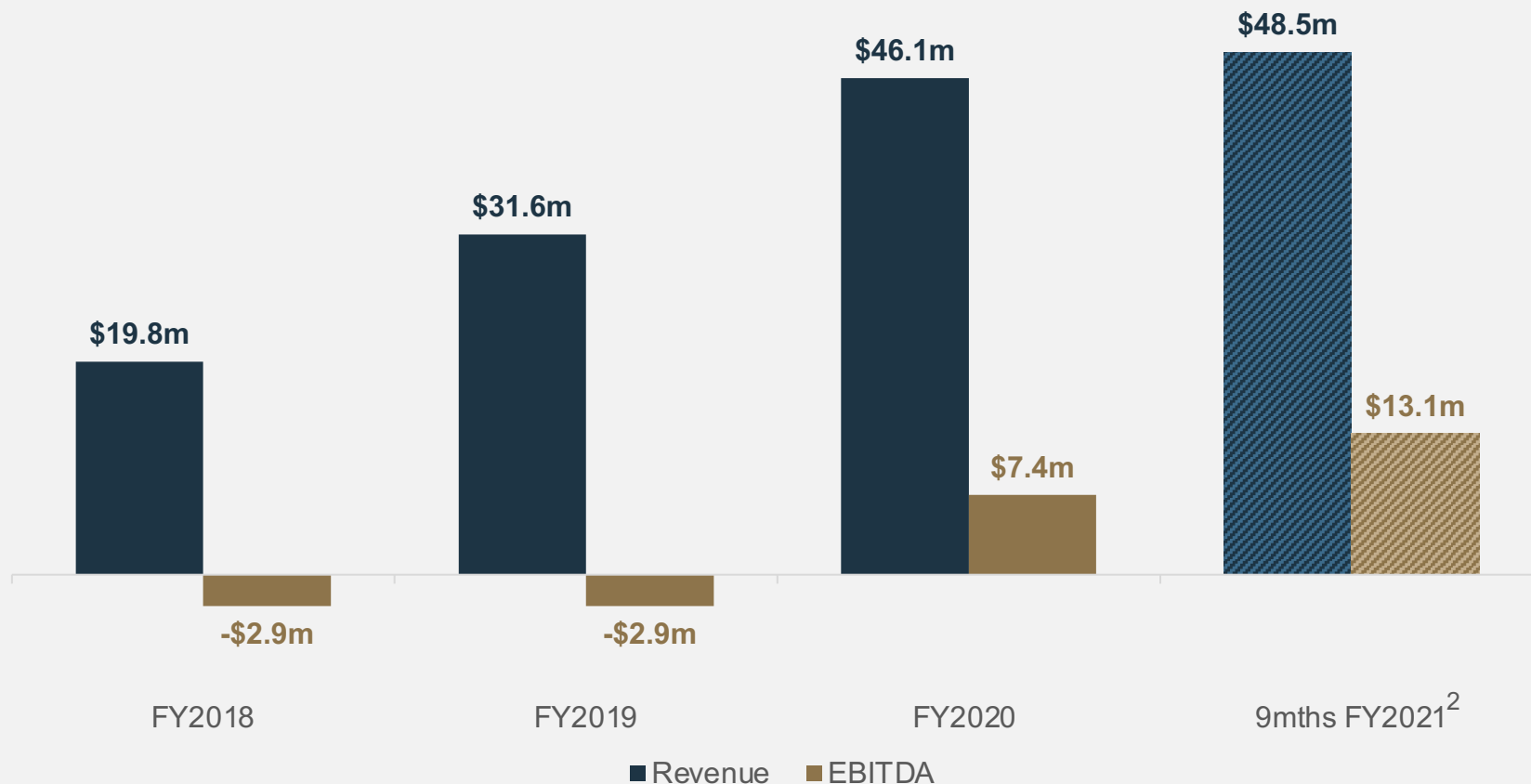
+2,500
systems deployed

+3,500
sites protected

PROVIDER OF INNOVATIVE PRODUCTS & SERVICES



DELIVERING SUSTAINABLE PROFIT GROWTH



- Record revenues as Ava Group delivers positive EBITDA and enters next phase of growth
- FY2021 guidance for Group Revenue of \$60-64m and Group EBITDA of \$13-15m¹

1. FY2021 guidance assumes no change to the exchange rate at 31 March 2021 with A\$1 equal to US\$0.7592
2. Unaudited financial information

MARKET OPPORTUNITY DRIVEN BY GLOBAL INDUSTRY TRENDS

Macro trends support LT growth

- Global security concerns driving rapid adoption of high security technology and increased government spending on security and defence
- Global connectivity driving greater demand for remote service capability to deliver upgrades and ongoing support
- Market consolidation within global secure logistics market driving opportunity for Services Division

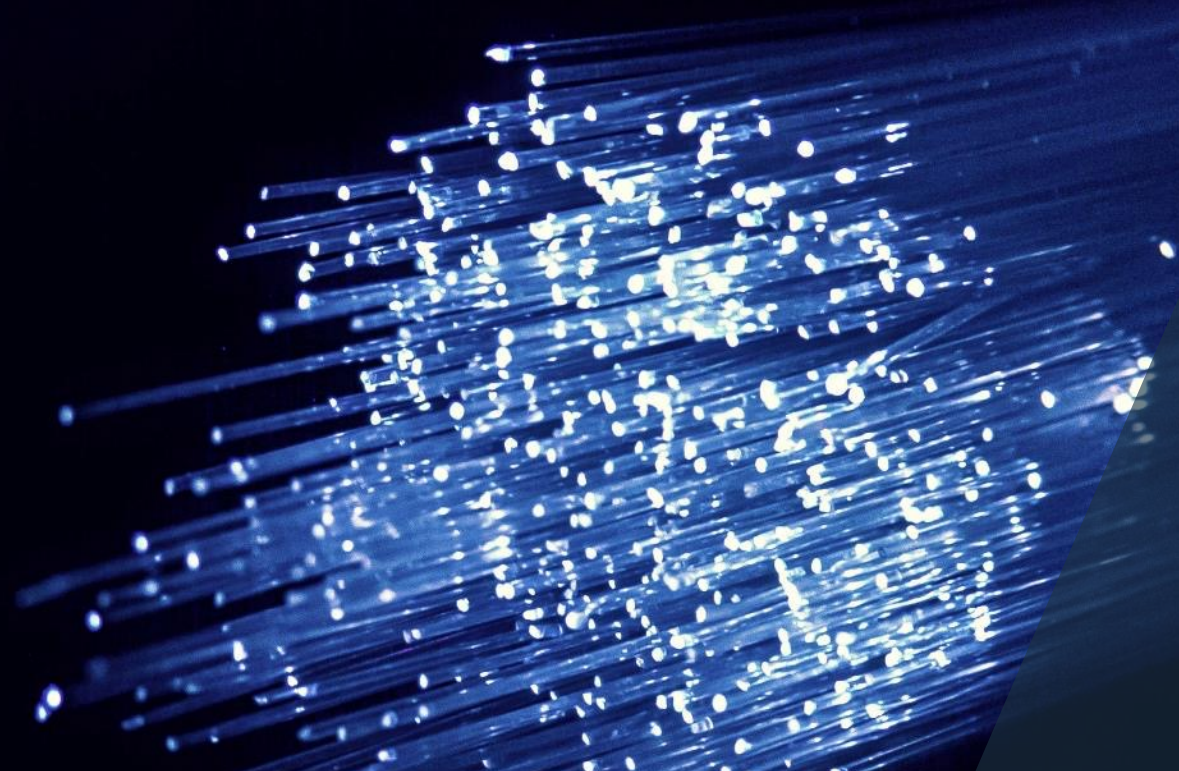
Multiple business growth drivers

- Expanding technology into new markets and applications
- Multiple go-to-market opportunities and provision of value-added services
- Growing share of spend from existing logistics customers and new client wins
- Multiplier effect as Ava Global scales and prospective client base increases

EXPERTS IN HIGH SECURITY & SENSING TECHNOLOGY

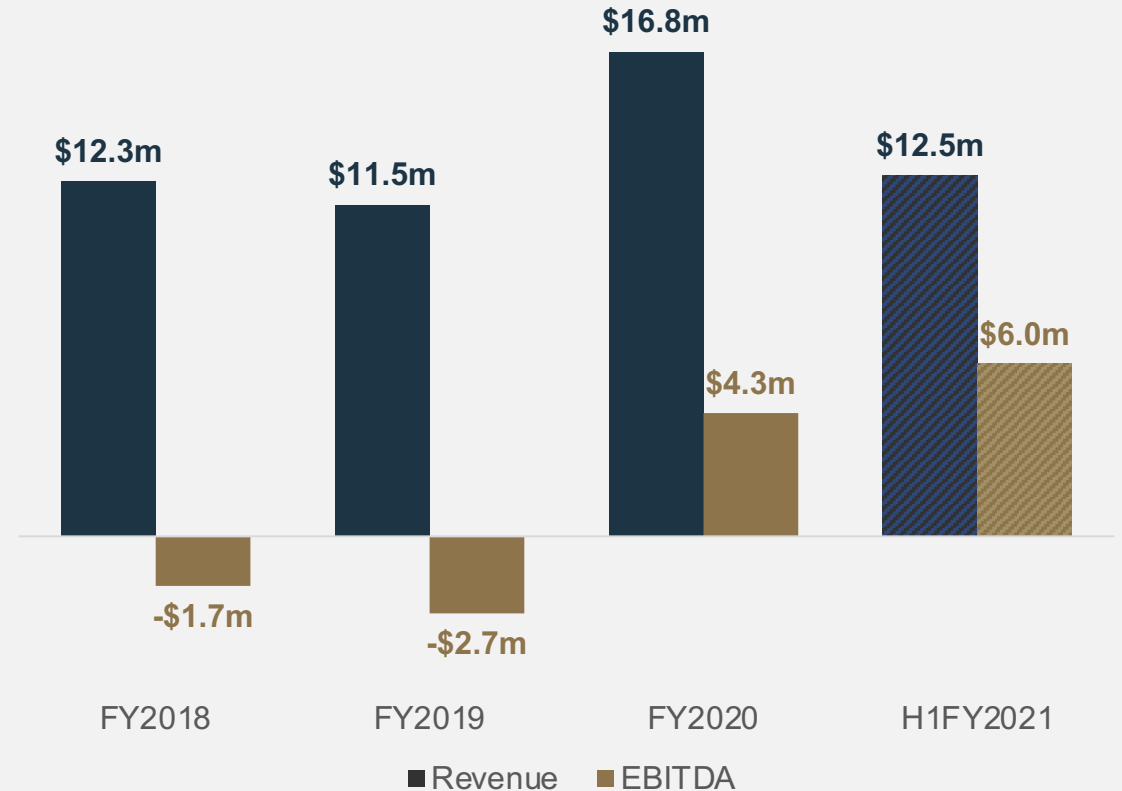
- ▶ Diversified business model with low risk go-to-market strategies
- ▶ World-leading portfolio of premium services and technologies
- ▶ Strong competitive position underpinned by AVA's IP, performance differentiation and compelling TCO¹
- ▶ Domain expertise drives innovation and continuous improvement
- ▶ Customer-centric focus on product and service development with blue-chip client base
- ▶ Proven track record in delivering complex services and solutions

Slide divider



TECHNOLOGY DIVISION

- Global leader in advanced fibre optic intrusion detection systems
- Protect critical sites and infrastructure across transport, government, military and utility sectors
- COVID-19 restrictions led to delays in number of major security-related contracts in FY2021
- Backlog and anticipated orders of \$6m expected to be deferred until FY2022
- Strong pipeline of growth opportunities and well positioned to meet pent-up demand



US\$1-2bn
est. addressable market¹

>2,500
systems installed
in 70+ countries

1. Ava Risk Group estimate

HIGH-QUALITY CUSTOMER BASE

SYSTEM INTEGRATORS / DISTRIBUTORS

Honeywell

WESCO®

M.C. DEAN™
BUILDING INTELLIGENCE

ANIXER

Chubb

BOEING

KBRwyle

Johnson Controls

AECOM

leidos

ABB

JACOBS®

ATHENA
SECURITY SOLUTIONS

END USERS



AIR FORCE

Snam
Rete Gas



WOODSIDE

NESTE OIL

PowerWater



ENCANA

NTT Group

CREDIT SUISSE



nexen

ecopetrol



ConocoPhillips



- Large scale licensing of FFT's SecureLink technology to Indian Ministry of Defence via in-country manufacturing partner
- Fulfilment and licencing model provides low working capital and low risk, high margin go-to-market approach
- US\$11.9m in licensing income including tax credits
- Final delivery expected in FY2022 following COVID-19 delay
- ~US\$3.4m in additional revenue from 7-year spares and maintenance contract¹



+40,000km of data communications cables protected

1. After the initial 3-year warranty period

AURA AI: LEVERAGING UNIQUE TECHNOLOGY INTO NEW APPLICATIONS

- Platform uses the latest advanced optical designs and signal processing algorithms
- Differentiates between intrusions, nuisance alarms and other causes of offence disturbance
- Extend application into adjacent markets including condition monitoring of power cables
- Ongoing development in software capability to leverage sensing technology



- World-leading fibre optic technology with advanced signal processing algorithms and cloud-based analysis, reporting and alerts
- Developed in partnership with leading industry research organisation Mining3
- Multiple Proof of Value (POV) trials with mining houses and bulk material handling facilities
- Cloud platform allows for future enhancements and SaaS opportunities for **recurring revenue stream**
- Premium partnership agreement with US Company Strata Worldwide to distribute to mining and tunneling operations

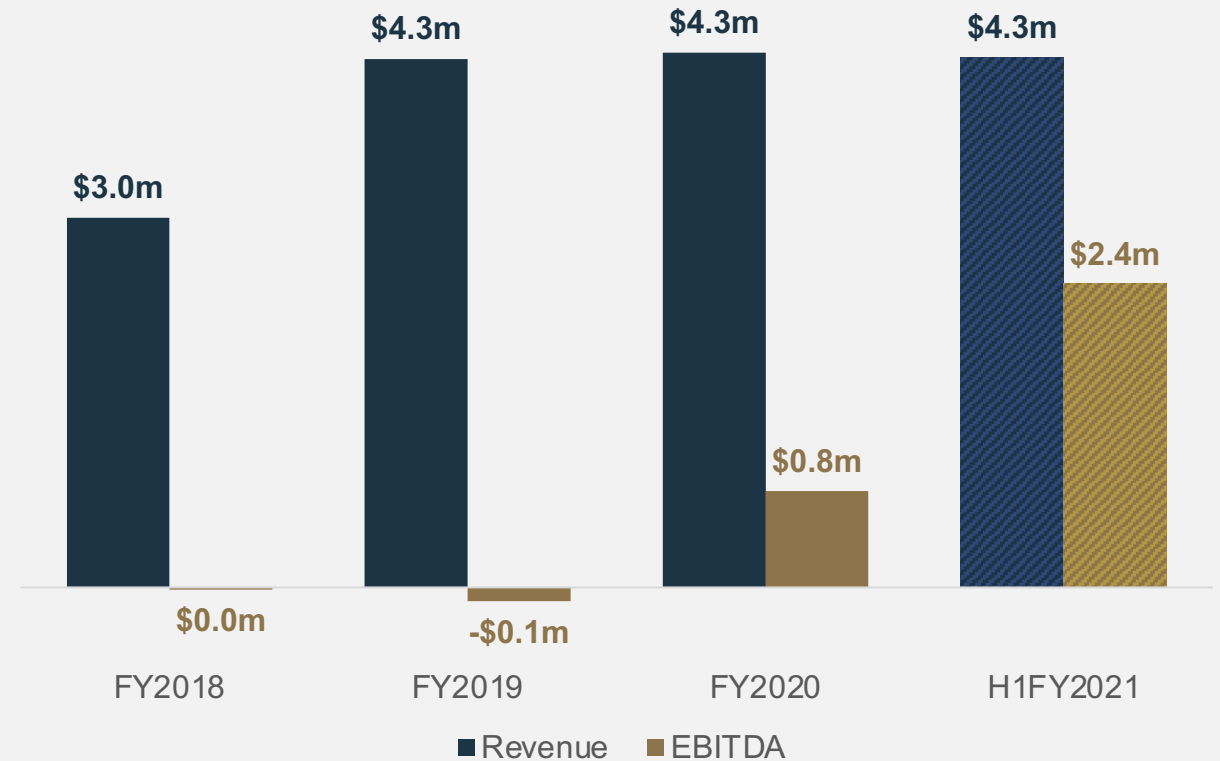


Conveyor health monitoring and intelligence platform

- Provider of high security card and biometric readers, electromechanical locks and related electronic security products
- Military, critical infrastructure, commercial, industrial and residential applications
- Expanded distribution agreements with locking industry leaders ASSA ABLOY and dormakaba
- Consolidation of Auckland production activities drives operational efficiency and better supports customer demand

US\$0.6-1.5bn est.
addressable market¹

+3,500 sites
in >50 countries



1. Ava Risk Group estimate

DISTRIBUTORS



END USERS



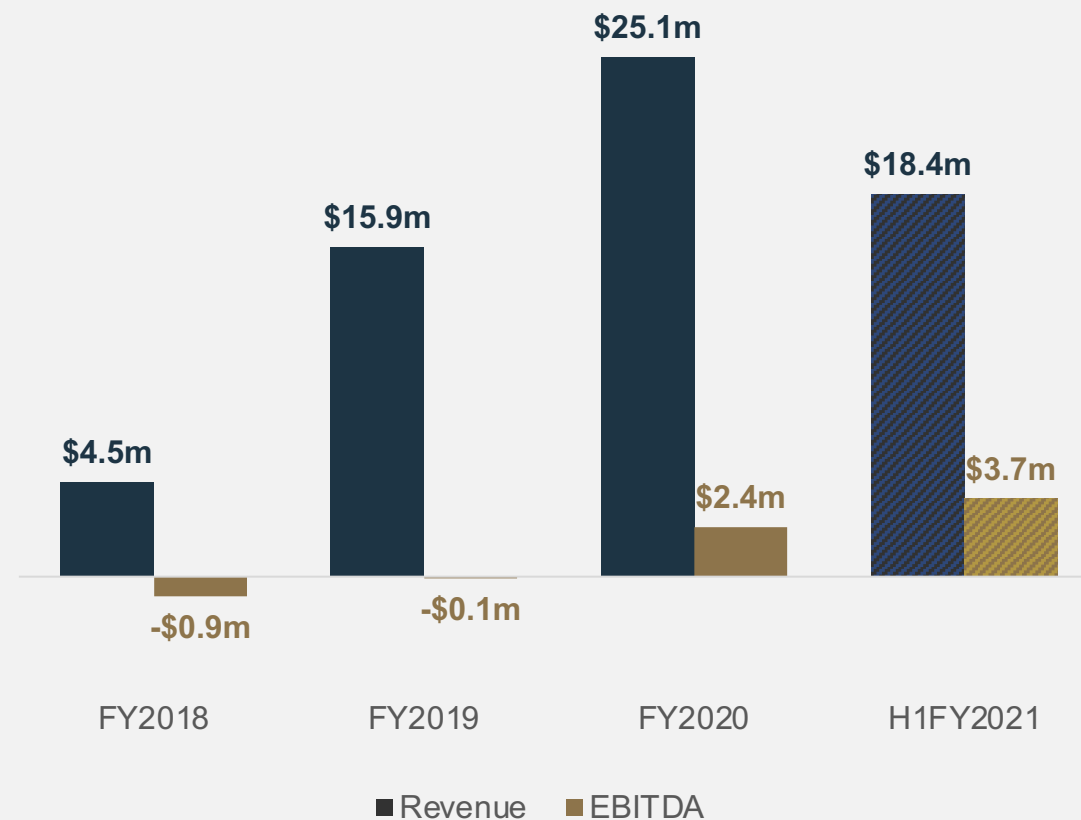


SERVICES DIVISION

- Global provider of secure international logistics of high-risk valuables, precious metals and currency
- Highly scalable partner model provides ability to expand customer base globally
- Investment in technology to automate processes and realise significant operational efficiencies
- Strong revenue growth drives turnaround in profitability
- Further expansion into Latin America via strategic partnerships

US\$0.6-1.0bn
est. addressable market¹

100+
Countries



1. Ava Risk Group estimate

A city skyline at sunset, with a large blue 'V' graphic overlay on the right side. The sky is filled with warm, golden light from the setting sun, and the buildings are silhouetted against it. The 'V' graphic is a dark blue color and is positioned on the right side of the image, pointing downwards.

FINANCIALS & OUTLOOK

YEAR TO DATE FY2021 FINANCIAL HIGHLIGHTS

Group Revenue

\$48.5m

Up 48.2% on pcp¹

Technology Revenue

\$19.8m

Up 16.6% on pcp

Services Revenue

\$28.7m

Up 82.4% on pcp

Gross Profit

\$25.3m

Up 59.2% on pcp

Group EBITDA

\$13.1m

Up 138.3% on pcp

Group EBITDA margin

27%

vs 17% in pcp

Strong financial position with cash of \$11.7m and no debt

OUTLOOK

- ▶ **FY2021 Guidance:** Group Revenue forecast of \$60-64m and Group EBITDA of \$13-15m
- ▶ \$6.0m in backlog and anticipated orders for **Technology Division** expected to be deferred to FY2022
- ▶ Generate meaningful revenue from partial conversion of **Aura-IQ** sales pipeline

- ▶ New client wins and higher contracted customer spend to drive **Services Division** revenue growth in FY2022
- ▶ Leverage **BQT**'s key distributor partners to drive sales in the US and Europe
- ▶ Expand long-term maintenance contracts and remote servicing solutions to **grow annual recurring revenue**

QUESTIONS

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FORWARD LOOKING STATEMENTS

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Any forward-looking statements are based on the current beliefs of the Company's management as well as assumptions made by, and information currently available to, the Company's management. Forward-looking statements are inherently uncertain and must be read accordingly. There can be no assurance that the underlying assumptions will prove to be valid.

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