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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



Global leader in fibre optic intrusion detection systems

- Perimeter Intrusions
- Pipeline Intrusion
- Condition Monitoring
- Data Network Protection

- 2,500+ Systems Deployed

- Products & Services Model



Leader in high security access control technology

- Access Control Readers
- High Security Locking
- Custom Encryption
- Biometric Solutions

- 3,500+ Sites

- COTS¹ & Custom Product

SERVICES DIVISION



Global provider of secure international logistics

- Risk Consulting
- Precious Metals
- High Risk Valuables
- Banknotes

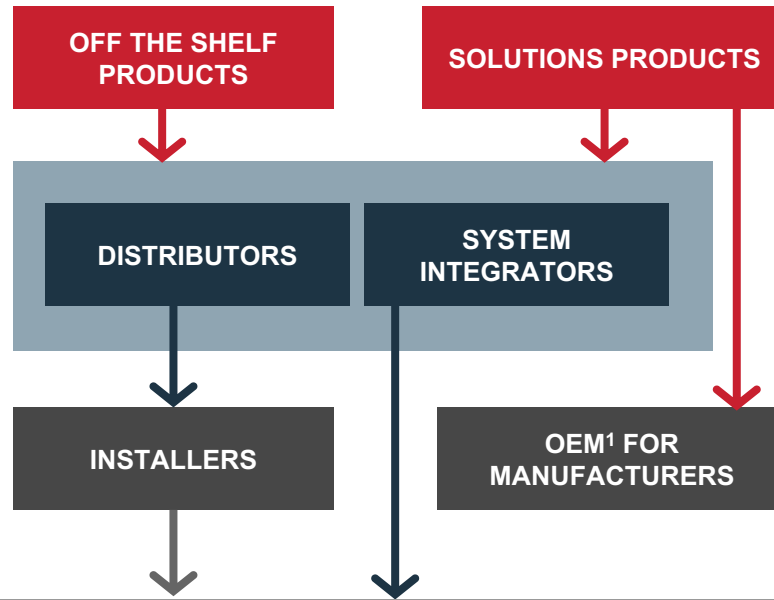
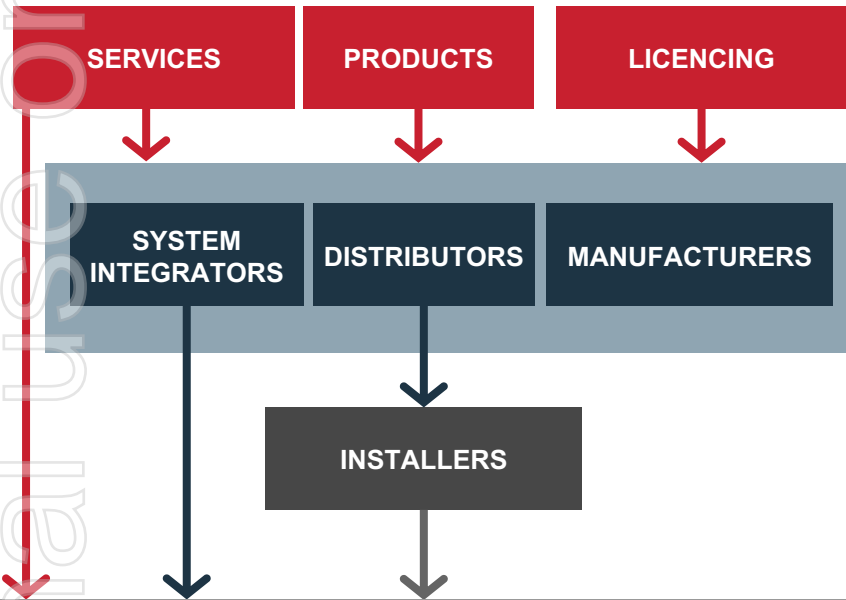
- Partners in 100+ Countries

- Recurring Services Model

1. Commercial off-the-shelf

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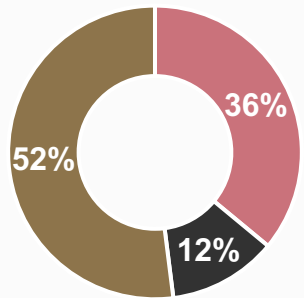
PROVEN GO-TO-MARKET STRATEGIES



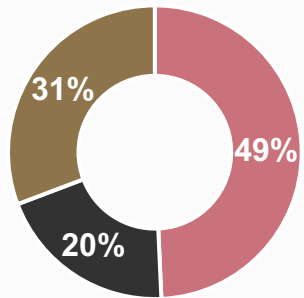
1. Original Equipment Manufacturer

MARKET LEADER IN RISK MANAGEMENT SERVICES & TECHNOLOGY

H1 FY2021 REVENUE

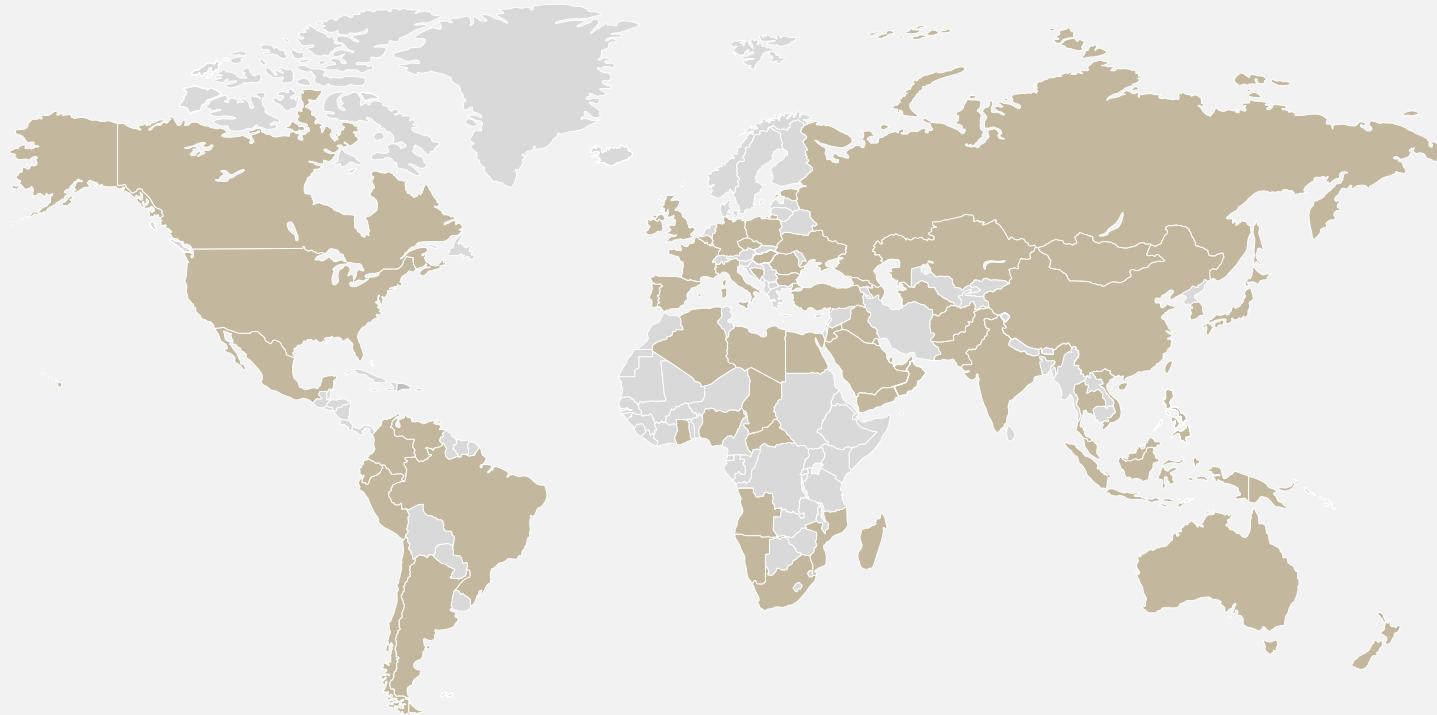


H1 FY2021 EBITDA



- AVA Global Logistics
- Future Fibre Technologies
- BQT Solutions

EXTENSIVE GLOBAL FOOTPRINT



+100 countries

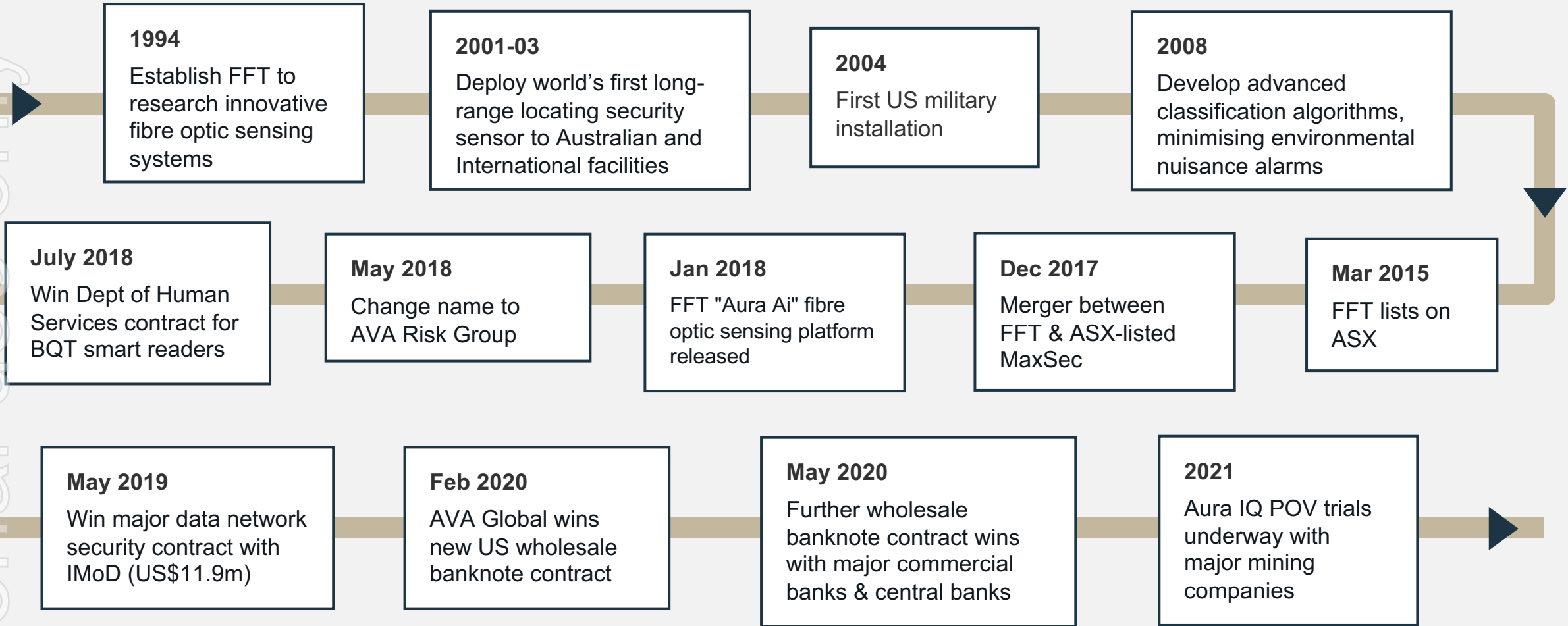
+2,500
systems deployed

+3,500
sites protected

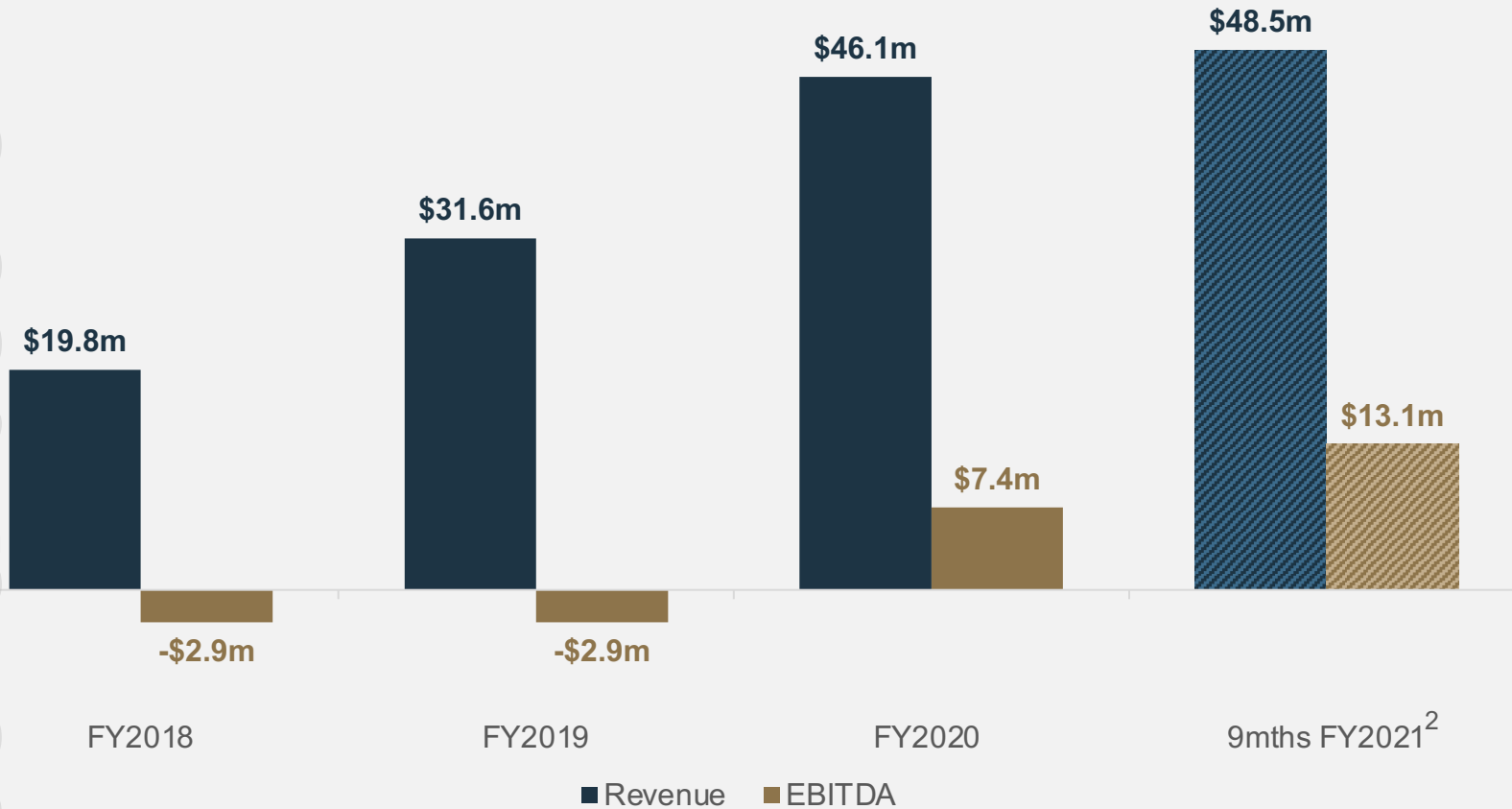
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PROVIDER OF INNOVATIVE PRODUCTS & SERVICES

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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

1. TCO - Total Cost of Ownership

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Slide divider

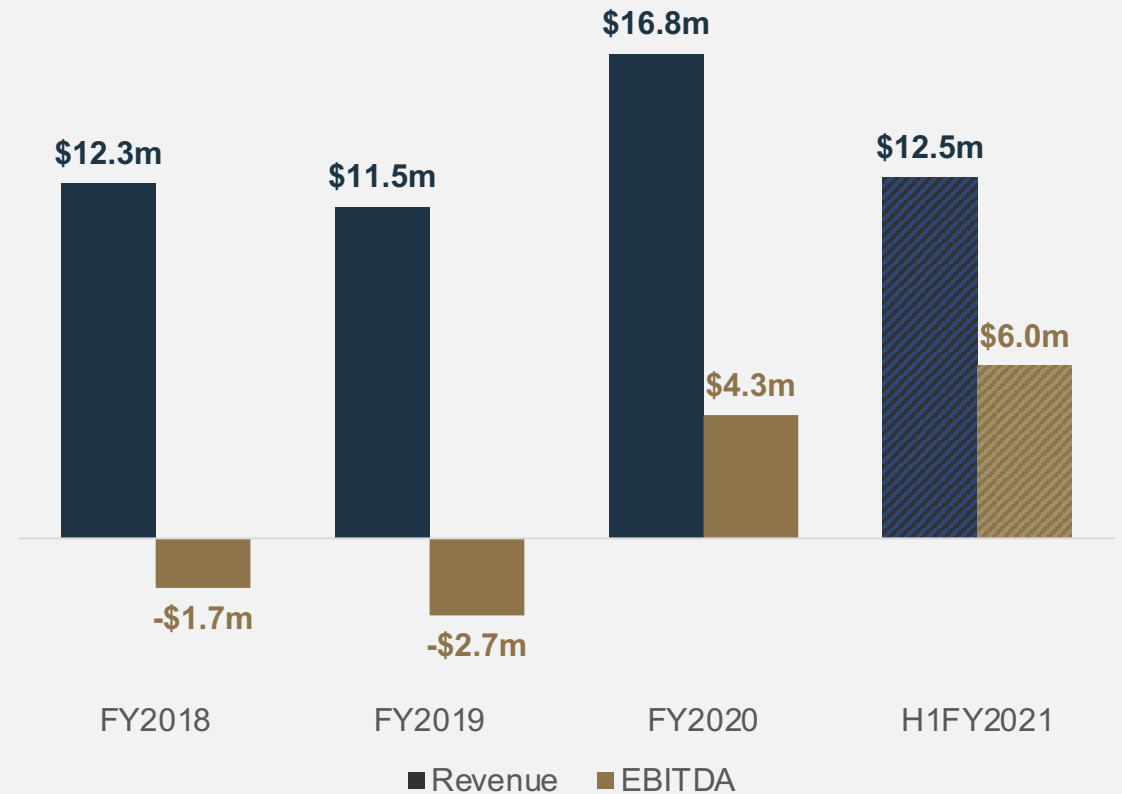


TECHNOLOGY DIVISION

- 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

SYSTEM INTEGRATORS / DISTRIBUTORS

Honeywell

WESCO®

M.C. DEAN™
BUILDING INTELLIGENCE

ANIXER

Chubb

BOEING

KBRwyle

Johnson
Controls

AECOM

leidos

ABB

ATHENA
SECURITY SOLUTIONS

JACOBS®

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



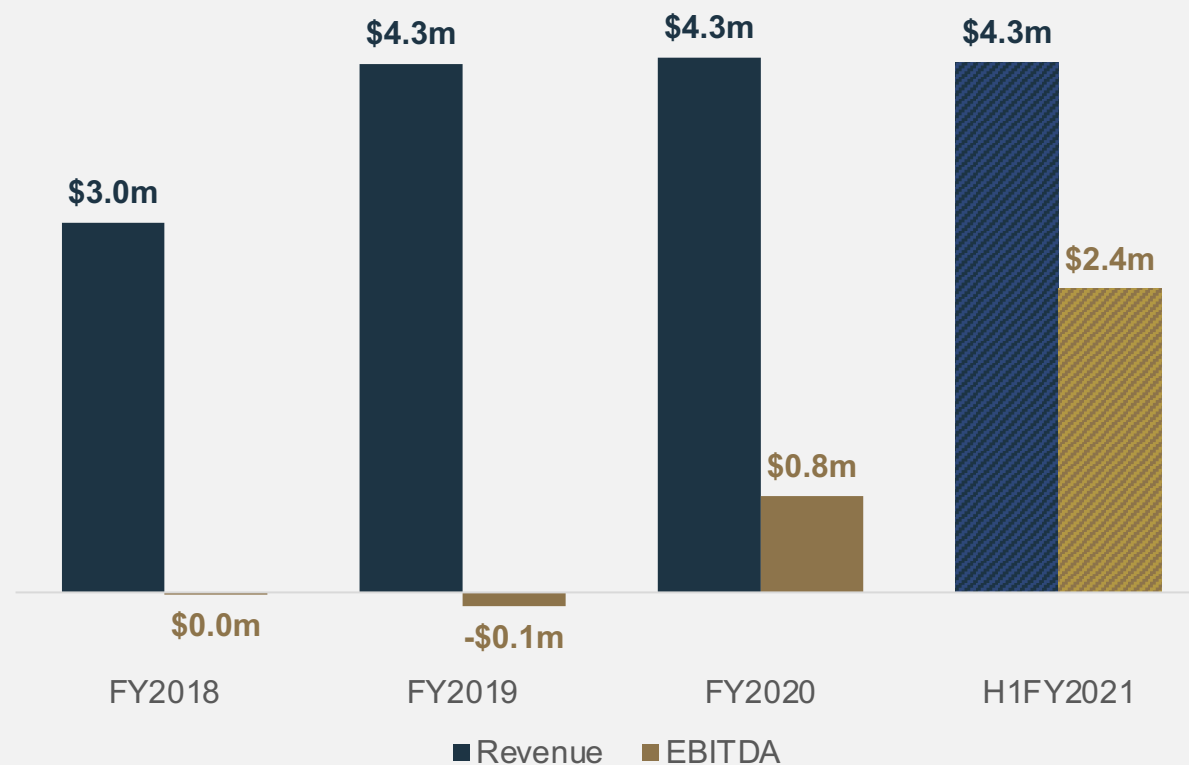
Conveyor health monitoring and intelligence platform

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- 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



ASSA ABLOY



END USERS



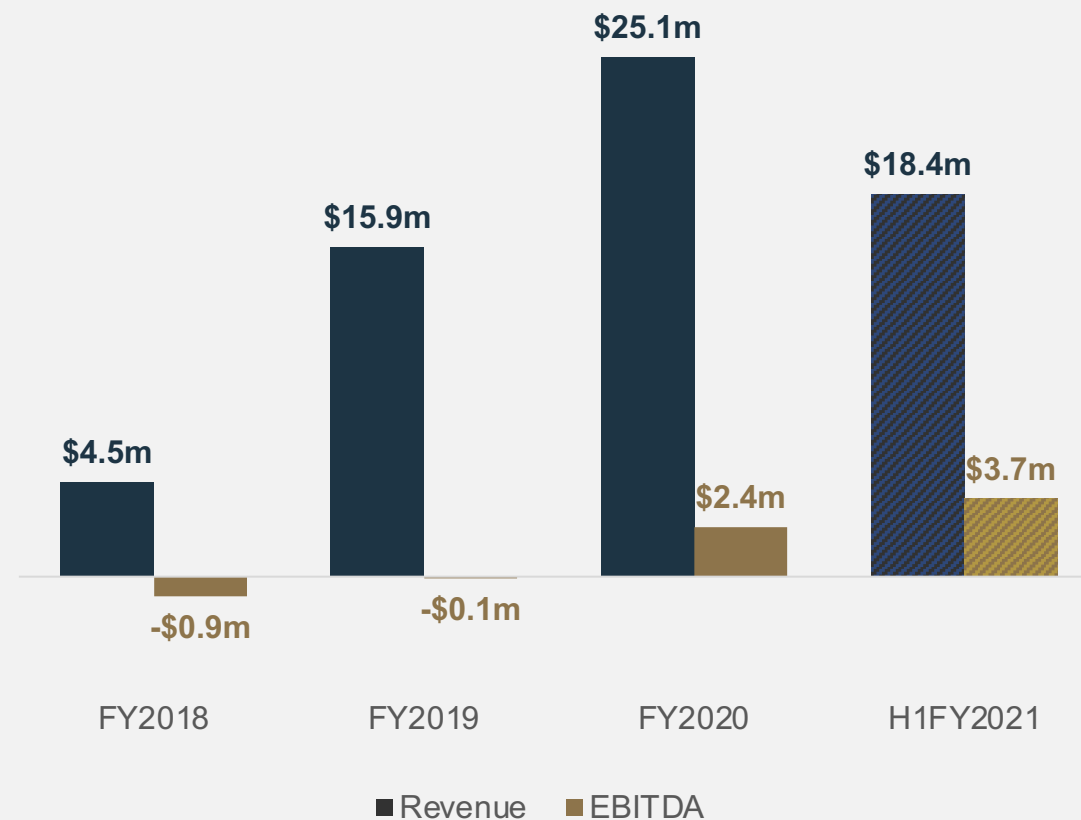
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SERVICES DIVISION

- 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

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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

1. All figures compare 9 months to 31 March unless otherwise indicated; unaudited financial information

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**

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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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