

Q4 FY2023 Trading Update

Ava Risk Group Limited (ASX: AVA) (“Ava Risk Group” or “the Company”) is pleased to provide the following update on its Q4 FY2023 trading performance:

- Expected FY2023 revenue of **\$28.4 million to \$28.7 million**, in line with previous guidance range.
- Continued strong momentum in confirmed sales orders received during Q4 of **\$7.7 million**, up 41% on the previous year, up 13% excluding Illuminate segment orders from GJD (acquired in August 2022).
- Full year confirmed sales orders of **\$30.9 million**, up 71% on the previous year, and up 36% excluding Illuminate segment orders.
- Confirmed sales order backlog of **\$3.5 million** relating to equipment orders expected to be fulfilled during Q1 FY2024 and multi-year services contracts.

Ava Group CEO Mal Maginnis commented: “Since joining Ava Risk Group in January, my focus has been on developing our global sales capability to better exploit our existing market leading technologies in each of our business segments. The growth in full year sales order intake is pleasing as it affirms the investment we are making. Of particular note is the sales order intake of \$16.5 million in the second half, double that of the prior corresponding period. We expect to see continued sales order and revenue growth as our enhanced sales capability drives new opportunities while we ensure that our products and technologies remain market leading.”

Q4 FY2023 confirmed sales orders

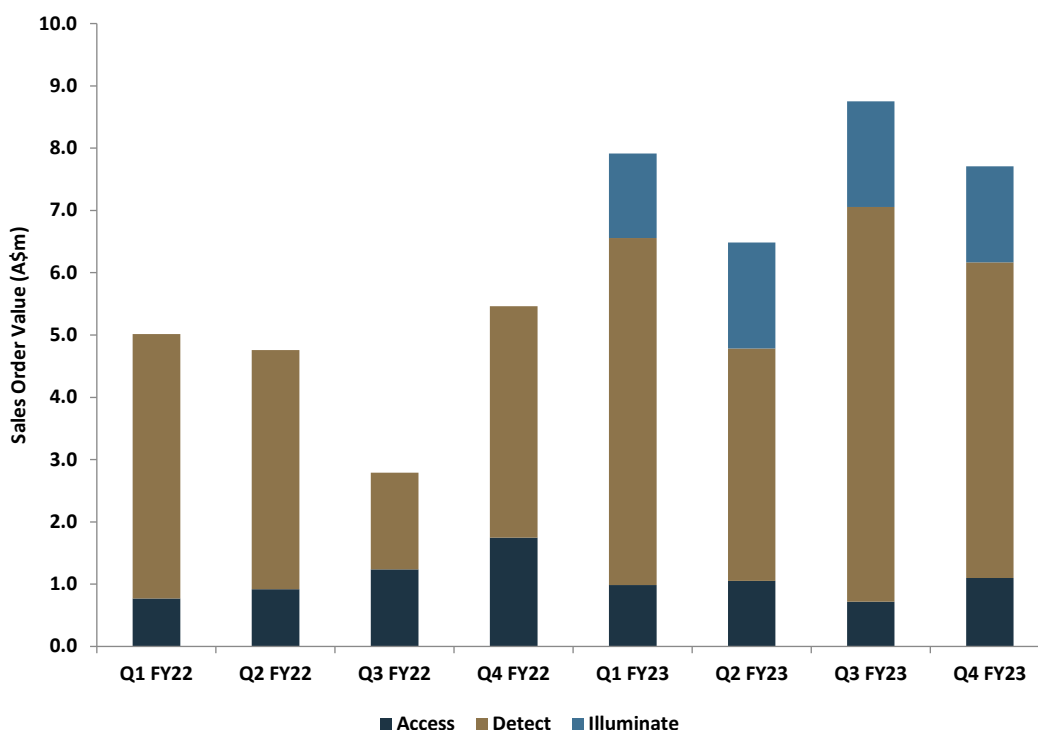
The Company received sales orders of \$7.7 million during Q4, an increase of 41% compared to the final quarter of the prior year primarily driven by strong sales order intake in the Detect segment. This resulted in full year sales order intake of \$30.9 million, up 71% on the prior year driven by growth in the Detect segment and the addition of the Illuminate segment following the acquisition of GJD in August 2022. Highlights from fourth quarter sales orders include:

- **Detect:** Total Q4 order intake of \$5.1 million, resulting in full year order intake of \$20.7 million, up 55% on the previous year. Customer demand for Aura Ai-X fibre sensing technology was strong with additional new orders received during Q4. Aura-AiX was launched during Q3 and is the Company’s latest generation, data driven intrusion detection system.
- **Access:** Total Q4 order intake of \$1.1 million, up 50% on Q3 order intake. Full year order intake of \$3.9 million was down 17% on the previous year. Much of the focus during FY2024 has been on attaining product certifications in key distribution channels, which are anticipated to be completed during Q1 FY2024. The strength of its distribution contracts is expected to drive sales order growth in the Access segment in FY2024.

- Illuminate:** Total Q4 order intake of \$1.5 million, resulting in full year order intake of \$6.3 million. The Illuminate segment continues to experience a slowdown in domestic orders in the U.K., reflective of challenging economic conditions. The Company is confident of growing orders during FY2024, particularly via its export channels.

As at the end of FY2023, the Company carried an order backlog of \$3.5 million which represents sales orders received that are still to be fulfilled. These orders relate to equipment orders expected to be fulfilled in Q1 FY2024 and multi-year service contracts.

Chart 1 – Sales Order Intake



FY2023 Results

Ava Risk Group will release its financial results for the year ending 30 June 2023 on Monday 26 August 2023. Details on an investor webcast will be provided to the market in due course.

ENDS

Approved for release by the Board of Directors.

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About Ava Risk Group

Ava Risk Group is a global leader in providing technologies and services to protect critical and high value assets and infrastructure. It operates three business segments – Detect, Access and Illuminate. The Detect segment manufactures and markets ‘smart’ fibre optic sensing systems for security and condition monitoring for a range of applications including perimeters, pipelines, conveyors, power cables and data networks. Access is a specialist in the development, manufacture and supply of high security biometric readers, security access control and electronic locking products.

Illuminate specialises in the development and manufacture of illuminators, ANPR cameras and perimeter detectors.

Ava Risk Group products and services are trusted by some of the most security conscious commercial, industrial, military and government clients in the world. www.avariskgroup.com