Ava Risk Group Limited
10 Hartnett Close,
Mulgrave, Victoria 3170, Australia
+61 3 9590 3100
+61 3 9560 8000
info@theavagroup.com
www.theavagroup.com
ABN: 67 064 089 318

31 October 2024

ASX ANNOUNCEMENT – ANNUAL GENERAL MEETING PRESENTATIONS

In accordance with the ASX Listing Rules, the Chairman's and CEO addresses and presentations to the 2024 Annual General Meeting ("AGM"), are appended.

This announcement has been approved for release by the Board of Directors.

Kim Larkin Company Secretary

Ph: 0448 690 364

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 – Future Fibre Technology (FFT), BQT Solutions (BQT) and GJD Manufacturing. FFT 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. BQT is a specialist in the development, manufacture and supply of high security biometric readers, security access control and electronic locking products. GJD is a specialist in the development and manufacturer of perimeter detectors, illuminators and ANPR cameras. 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

CHAIRMAN'S ADDRESS

On behalf of my fellow Directors, I would like to welcome all participants to the Ava Risk Group Annual General Meeting either here in Melbourne or joining us online.

I will start by updating shareholders on the significant progress that the Company has made during FY2024 in building our position as a global leader in sensing and risk management technology. I'll then handover to Group CEO Mal Maginnis who will provide further insight on the Company's operations and discuss our plan to drive revenue and earnings growth.

During FY2024 we continued the significant investment in both our technology and commercial capability that commenced when Mal joined us in January 2023.

In the **Detect** segment, we continued to invest in the technology that supports the Company's product offering. Aura Ai-X is a market leading fibre optic sensing solution that has enormous versatility in its application. It is rapidly becoming a solution of choice for diverse industries ranging from telecommunications, sovereign border detection and energy infrastructure protection.

In the **Access** segment we completed product certifications for the Cobalt series locks which enabled initial stocking orders from dormakaba under its global framework agreement. Total sales order intake for Access grew by 48% on the previous year underlining the importance of the dormakaba framework agreement. Access is well placed to continue its growth trajectory in FY2025.

In the **Illuminate** segment we have developed a new wireless solution based on LoRa which enables the integration of up to 500 devices without the need for data cables to provide a unified control and security network. The LoRa product has been successfully launched in FY2025 and we are seeing first direct sales.

Total sales order intake for the Company was $35.3 million, an increase of 14% on the previous year. This has resulted in revenue and other income of $30.2 million for FY2024, an increase of 6% on the previous year. The difference between sales order intake and revenue is reflected in growth in the sales order backlog to $8.5 million, including $2.0 million in contracted ARR. Growing ARR remains a key element of the Aura Ai-X market offering. Pleasingly the Company recorded positive underlying EBITDA during H2 FY2024 as revenue increased and the cost base stabilised.

While the investments made in our commercial team and technology impacted underlying EBITDA in FY2024, these investments have positioned the Company well for future growth. We remain committed and focused on the strategy to grow revenue and profits and have a clear path to continued growth over the next 24 months, underpinned by:

- Growth in sales order intake.
- Strong sales order backlog.
- Increasing recurring revenue.
- Maintain high gross margins of 60 – 65%.
- Scalable cost base generating positive EBITDA.

Reflecting the strength of the opportunities before us, the Company undertook a successful equity raise during H2 FY2024 which raised $4.3 million from an institutional placement and oversubscribed Share Purchase Plan. I welcome

new shareholders who participated in this process as well as the existing shareholders for their participation. Funds raised have been used to support major contract delivery and ongoing technology development.

Critical to the financial performance of the Company is driving growth in the sales order intake. During FY2024, our sales order intake grew by 14% to $35.3m, underpinned by growth in the Detect and Access segments. The improved sophistication in our commercial capability is best demonstrated by the significant agreements that the Company progressed during FY2024. Following extensive collaboration and product trials, Ava Risk Group signed a supply agreement with Telstra Group for the supply of its technology and services to Australia's largest telecommunication provider and owner of Australia's largest fibre optic network. This is an exciting opportunity for the Company to deploy its technology to an existing fibre network, transforming the sensing capability of the network.

Ava Risk Group also entered an agreement with UGL Limited to deploy its fibre optic sensing technology on a major Sydney transportation project. Using the Company's market leading Aura Ai-X technology, we received Safety Integrity Level 2 certification, a safety standard specific to railway control and protection applications. This is a globally recognised certification, and Mal will shortly talk to the opportunities ahead of us in railway protection and transportation.

The Board is optimistic about the opportunities ahead of the Company.

We have a proven track record of growth, highlighted by increased sales order intake over FY2024 and our high-quality customer base. We expect to maintain our strong gross margin as our key technologies have been developed and we have established products in the market.

Our business model is highly scalable. The cost base has stabilised as we have completed the investment in our commercial capability. Our EBITDA margins will grow as we grow our revenue. Our key technologies are developed and proven and whilst will continue to invest in our technology we do not require significant near term investment in order to penetrate large addressable markets.

Our leadership team is stable and are very experienced in leading international businesses. We have invested in upskilling our sales and commercial capability as demonstrated by the addition of high-quality key partners such as Telstra, UGL, dormakaba and Siemens.

Catalysts for growth exist in each of our segments and it is my pleasure to introduce Mal who will provide further details on the future performance of the Company.

CHIEF EXECUTIVE OFFICER'S ADDRESS

It's been a little over 18 months since I joined Ava Risk Group, so I appreciate the opportunity to discuss the progress we have made and, importantly, share some of the exciting opportunities that are ahead of us.

Upon joining the Company I had several priorities. I organized the business to better align our technology and products with customer solutions. The resulting three operating segments focus on their go to market strategy but also seek opportunities where we can offer multiple solutions to a customer. This is creating a growing larger program opportunity, particularly between the Detect and Illuminate segments and I will share some insight into this when I shortly discuss some case studies that are in progress.

I also reviewed the technology and products that supports each segment and we have made significant progress in ensuring that our technology remains market leading in each segment. Aura Ai-X is a market leading fibre optic sensing product that has achieved significant customer uptake since its launch in March 2023. It is at the forefront of transforming the deployment of our technology from its security-based heritage to fibre sensing applications which generate sensing data for end users.

Its versatility is demonstrated by the wide range of applications to which it has been deployed during FY2024 – sovereign border protection in Europe, energy infrastructure in the U.S., telecommunications in Australia. We have grown our contracted recurring revenue base to $2.0 million as the subscription model becomes an integral element of the Aura Ai-X product. In addition, we launched a second product within the Aura Ai-X family, Aura Ai-XS, to cater for shorter range applications and integrate with our successful Illuminate range of sensors. We will shortly be adding two additional products within the family to continue to broaden our market sector engagement.

In Access, the product development and certification of the Cobalt series locks was finalised in FY2024. This enabled us to fulfill initial stocking orders with dormakaba under a global framework agreement and was a key driver of the impressive sales order growth of 48% that was recorded in FY2024. Recently we added a Bluetooth version of our highly successful large entrance lock, the YG80 Blue which will continue to expand our growth.

In the Illuminate segment, development of the LoRa wireless connection solution was completed during late FY2024. LoRa is a system that can connect up to 500 devices without the need for data cables. It incorporates devices into a unified network alongside other control, automation and security systems and offers configuration capabilities that enable intelligent responses to events. It has been successfully launched and we are seeing its first direct sales. More importantly it is underpinning the Illuminate entry into larger program business combined with Detect, and I will speak about this when looking at the market sectors.

Combined with our existing high quality customer base and strong commercial capability, the technology supporting our products leaves us well placed in each segment to pursue growth.

The technology supporting each segment is unique to the segment but is also complementary in terms of its application. We can sell each technology individually and we can also integrate in a more holistic solution. The diagram depicts the deployment of our technology to a correctional facility. Our fibre optic detection products provide perimeter detection capability, our Access products can manage staff access to restricted areas and our Illuminate products can secure critical assets and buildings within the facility.

The key aspect of this slide is the commercial impact of turning passive objects – fences, walls, ditches etc – into live 24/7 sensors. This is combined across all three divisions, although the biggest impact is clearly in Detect and Illuminate. I will speak later in the market sectors about the impact of this sensing beyond security and sensing using in-place critical infrastructure.

Each segment has a proven go to market strategy. The Detect segment typically uses system integrators to reach the end user, though supply agreements such as the one we signed with Telstra provide for direct supply of all our products to Telstra. The Illuminate and Access segments typically use high quality distributors such as Bosch and dormakaba to reach the end user. We have a strong mix of high-quality system integrators and distributor relationships which enable us to provide our solutions globally and in remote and challenging locations.

The resultant revenue model can the split as follows:

- **Product sales** – Project based revenue in Detect supporting system integrators to end users. Key distributor relationships driving product sales in Access and Illuminate.
- **Services** – Support for the installation and commissioning of Detect systems.
- **Recurring Subscriptions** – Multi-year support agreements providing access to machine learning algorithms and data libraries to improve Detect system performance.

Each Aura Ai-X system sold has an attached service and subscription model, which gives the user access to improved system performance via our data libraries. The duration of the subscription is typically between three and five years. As such, we expect our recurring revenue to grow as our installed system base continues to expand. During FY2024 we realised $0.8 million of recurring revenue, at the end of FY2024 we had $2.0 million of recurring revenue under contract for realisation in the future. This number will naturally compound as we are continually selling more Aura Ai-X units.

Anticipated future revenue growth is supported by a strong sales pipeline in the Detect segment. Our current pipeline with expected close dates in FY2025 is around A$100 million, excluding any opportunities that we are working with Telstra.

We separate our pipeline between “High Probability” opportunities, “In Progress”, and “Early Stage”. High Probability represents prospects that we expect to win based on customer feedback and the maturity of the opportunity. Generally, the only thing being finalised is the timing of a confirmed order. In Progress represents opportunities that have come to market and are being actively bid. We need to proactively manage the timing and win rate for these opportunities. As the name suggests, Early Stage represent opportunities that we are aware will come to market but have not yet done so or are in their infancy. Our key focus on these opportunities is to ensure that relevant specifications and tender requirements are consistent with our technology.

Importantly the pipeline includes a number of large-scale programs which are essential to enable us to hit our growth targets. In the past year we have won a number of these opportunities such as the contract with UGL to deploy our systems to Sydney Metro and pipeline detection in Chile. It is important we continue to win such opportunities and build on the enhanced commercial capability we have developed over the past year. Specifically, the pipeline includes some opportunities which we believe we are well positioned to win:

- Next stage European border protection program – approx. $5 million
- Western Sydney Airport Metro – approx. $3 million

- Western Sydney Metro - approx. $1.5 million
- City and Southwest – further extension - approx. $1 million+

The pipeline is supported by our high-quality relationships with key partners. I won't talk to all of them but wanted to call out some key changes over the past year.

We've added a couple of new logos over the past year, specifically UGL, Exxon, Woodside, Siemens and Telstra. These relationships are crucial to expanding our presence in various global markets and the Australian transportation, oil and gas and communications sectors. We also deepened our relationship with dormakaba following final certification of our locking devices.

I have included two slides to address some previous discussion on marketing. We have been working hard to update and improve our overall marketing effort and we have seen a fabulous response to our new website. This has shown a significant increase in traffic plus a much wider global engagement which has led to some of the pipeline opportunities I'll discuss shortly.

Coupled with the new website and our newsletters we have updated and renewed all our customer facing technical and product documents in addition to their sector and product branding. This is obviously a continuous effort, but I have been encouraged by the client response to date.

I'll now provide insight into some work we are undertaking and why I'm excited for the opportunities before us.

We are actively engaged with Telstra on several solutions. As we speak, we are performing a trial for pit lid intrusion and tampering in Western Australia. Interestingly and pleasingly this trial is using our Illuminate products to provide the sensing technology on the pits.

We are currently providing a new Aura Ai-X option to provide monitoring of subsea cables as they come ashore. As you would expect, the point at which cables reach land is a key point of vulnerability for their network. We expect detailed evaluation to start in late November.

You may also have seen some recent media coverage of vandalism occurring at mobile network towers. Again, this is a point of discussion with Telstra around how our products can provide better security and detection capability for sites that are often in remote locations and are otherwise protected by fencing.

We highly value the relationship with Telstra, and it is a very credible reference point for the capability of our technology. It has helped us to develop technology and products that will have a long-term global revenue impact. I remain very optimistic about what this relationship will deliver in FY2025 and beyond.

Another major success story from FY2024 has been the work we have done with our partners on a critical Eastern European border. This represented the first deployment of Aura Ai-X, and it has been very successful. We have provided a buried fibre solution which performed strongly in a challenging environment, significantly reducing nuisance alarms while maintaining a strong level of detection.

During FY2024 we fulfilled a further order and are now monitoring 200km along the border. We are currently bidding to potentially replace a competitor's solution on another part of the border. In addition, geopolitical uncertainty in

several jurisdictions has created further pipeline opportunities for our successful solution. Overall, the success in this sector has created a pipeline in five countries with over $12m of opportunities in FY2025 and well into FY2026.

The contract we signed with UGL during FY2024 is a further example of using a major project to open further opportunities in a new industry vertical.

We are deploying Aura Ai-X to provide perimeter security on the fully automated Sydney Metro line. As part of this project, an independent third party completed testing of Aura Ai-X to ensure prescribed performance metrics were satisfied. Additionally, the system needed to achieve Safety Integration Level 2, a globally recognised safety certification within the rail sector. This certification is a key enabler for further rail related opportunities both in Australia and internationally.

All equipment under the original order has been supplied to UGL and we are currently finalising commissioning. Within the sales pipeline there are several further opportunities within the rail sector, both within Australia and elsewhere. We have also commenced discussions on deploying Illuminate products to the Sydney Metro project to assist in railway platform management. Again, this is a great example of the complementary nature of our product solutions and leveraging key relationship to expand our solution footprint.

Finally, in the Transport Sector I would like to comment on an emerging area of opportunity, Airport Security. I have significant experience in this sector and I am certain this will be a major new sector for us to complement our current growing success in transportation. Airports are facing a unique threat from various activist groups around their long perimeters, and we have major interest within Australia, Europe, North Africa and the Middle East.

The final market sector I would like to address is Mining, Oil & Gas. While we have been in this sector for some time, we are seeing a major renaissance in the market which is mainly coupled with the performance of Aura Ai-X and the impact of major infrastructure programs across various regions.

We are seeing a very large opportunity pipeline for oil & gas linked to the renewal of older systems, plus new build infrastructure in Australia, PNG, Middle East, South Africa and LATAM. The current active projects are over $4m with a solid pipeline greater than $12m in FY2025 and into FY2026. I will update you further as we close large programs this year.

The Company remains well placed to accelerate revenue and earnings growth across FY2025 and FY2026. Given our business capability and technology investment, earnings growth will be driven by increased revenue leveraging a stable cost base.

We have catalysts for revenue growth in each segment. In Detect we carry a strong global sales pipeline of infrastructure protection opportunities. The focus is on increasing the market penetration of Aura Ai-X, a market leading sensing technology which has been successfully deployed to multiple applications. We will consolidate our position in both the North American corrections and energy sectors. We will complete the UGL transportation project in FY2025 and use that to position ourselves for future rail infrastructure projects, both in Australia and internationally. The successful deployment of our technology to sovereign border protection has led to several other opportunities in Europe and Asia which we expect to close in FY2025.

Our supply agreement with Telstra provides tangible evidence of the ability to use our technology in adjacent sensor-based applications. We are actively working with Telstra to generate use-cases of how our technology can be installed

on Telstra's fibre network to transform it to sensors. This is an incredibly exciting opportunity which will propel growth in Australia and provide additional opportunities in the international telecommunications sector.

Building on the strong growth in Access in FY2024, we will exploit our key distribution channels for our market leading locks. dormakaba is an important relationship to drive increased volume as it enables our products to access a global distribution network. We also continue to grow our other distribution channels particularly in Europe, U.K. and Asia Pacific. We are refreshing our reader technology and are confident that this will generate opportunities for equipment upgrades to existing customers while also attracting new customers.

The Illuminate segment provides a complementary product offering to the Detect segment. Increasingly through FY2025 I expect to see close collaboration across the Illuminate and Detect segments to provide a more holistic solution to our customer's requirements. It remains a priority to leverage our position in North America and Asia Pacific to grow the Illuminate segment. The launch of the LoRa System in early FY2025 will provide another strong growth catalyst.

Given the maturity of the technology I am confident that we can maintain gross margins at their current levels while minimising incremental operating costs to support sales, service and technology development. The leveragability of our model is illustrated by the anticipated expansion in EBITDA margins to around 25% as revenue grows.

This morning we released to the market a trading update of performance for the first quarter of FY2025. Our sales order intake of $8.9m was strong, particularly given that the first quarter tends to be soft in the northern hemisphere markets due to the summer holiday period. We recorded growth compared to the same period last year in both the Detect and Illuminate segment, while Access had its strongest quarter since receiving initial stocking orders from dormakaba a year ago.

As I discussed on earlier slides, our sales opportunity pipeline has continued to grow and contains several large-scale programs. We have strong relationships with key customers and partners which leaves us well placed to close these opportunities.

Based on our existing sales order backlog and out view of near-term sales pipeline opportunities we have provided revenue guidance to the market for the first half year of between **$16.5m - $17.5m**. Based on this revenue guidance the Company expects to be EBITDA positive in the first half of FY2025.

DETECT • ACCESS • ILLUMINATE

Global leader in smart security and sensing technologies

ANNUAL GENERAL MEETING

31 OCTOBER 2024

CHAIRMAN'S ADDRESS
DAVID CRONIN

FY24 PERFORMANCE HIGHLIGHTS

- Continued investment in our core technologies and commercial capability to drive growth:
  - **Aura Ai-X** – market leading fibre optic sensing technology demonstrating enormous versatility in its application.
  - Certification of **YD30 Cobalt series** locks which has accelerated growth in the Access segment via key distribution channels.
  - Development of **LoRa** wireless solution to integrate up to 500 devices forming a unified control and security network.
- **Group revenue / Other Income of $30.2m**, up 6% on previous year. As expected, H2 revenue grew by 16% on H1.
- **Positive EBITDA in H2** demonstrating the scalable cost base. Full year EBITDA loss of $0.9m reflecting investment in commercial capability and technology during FY2024.
- The Group successfully **raised $4.3m via institutional placement and share purchase plan** to support delivery of projects and provide working capital
- **Cash balance of $5.1m on** 30 June 2024, leaving the Group well funded for growth.

$35.3m — **Sales order intake up 14%**

$30.2m — **Total revenue / income up 6%**

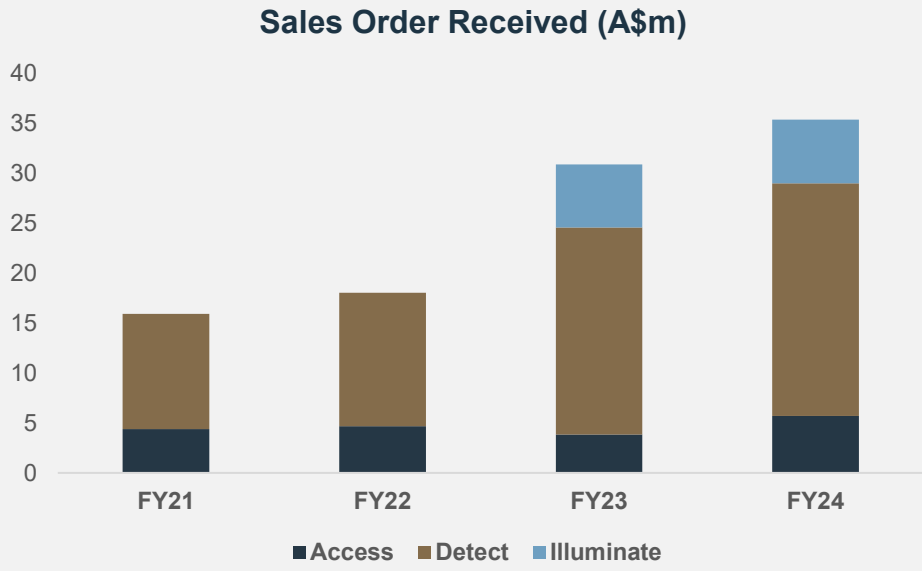
$8.5m — **Sales order backlog deliver revenue in FY25**

$5.1m — **Cash balance well-funded to deliver on projects**

FY24 PERFORMANCE HIGHLIGHTS

FY24 sales order intake up 14%, sales order backlog of $8.5m to support FY25 revenue

- **Growth in sales order intake to $35.3m,** up 14% on the prior year.
  - **Detect** up 12% driven by strong demand for Aura Ai-X, the Company's latest generation data-driven detection system.
  - **Access** up 48% primarily driven by orders from dormakaba for the YD30 Cobalt series locks.
  - **Illuminate** flat order intake as focus on refreshing LoRa technology. First orders from US correctional facilities highlighting the opportunity for Illuminate to complement the Detect segment's fibre optic sensing solutions.
- Progress building sophisticated partner relationships globally with key customers and distributors including Telstra, UGL, Siemens, dormakaba



COMPELLING CASE FOR INVESTMENT

Leading technology with scalable model and organisational capability to support growth plans

TRACK RECORD OF GROWTH AND RESULTS

- FY24 sales order intake up 14%
- High gross margins – circa 60% - 65%
- Trusted by blue chip and government customers

STRONG COMPETITIVE ADVANTAGES

- Defensible competitive position and investments in innovation including AI and deep learning
- Experienced leadership team
- Customer-centric focus with customised, flexible, and scalable solutions

HIGHLY SCALABLE MODEL

- Blue chip customer base and long-term recurring revenue potential
- Efficient, scalable go-to-market strategies which include key distributor partners
- Target revenue range of $57.1m to $71.6m by FY26 with operating leverage

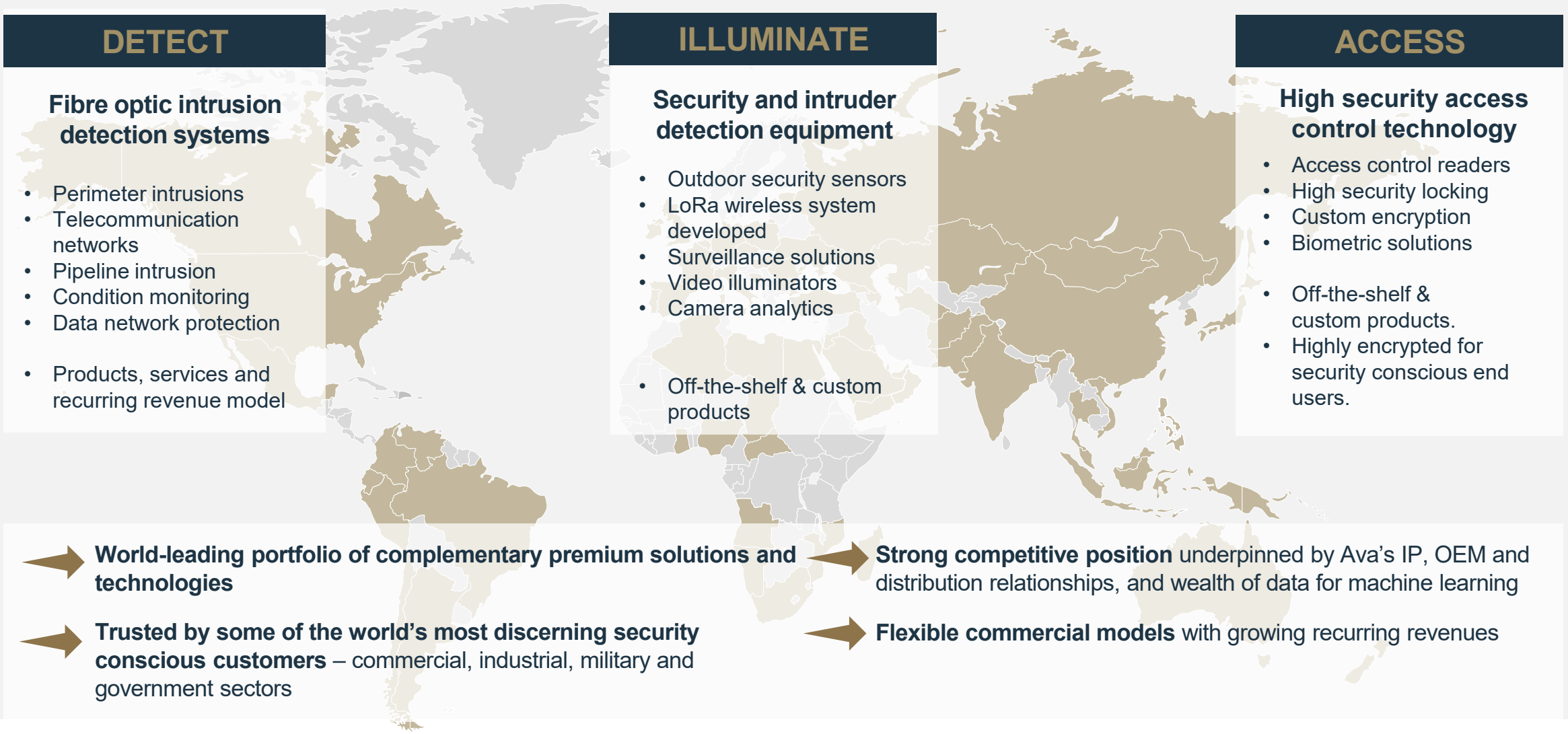
GLOBAL OPPORTUNITY

- Well-placed to become a global leader in smart digitisation for security and asset protection, thousands of products installed in +70 countries
- Emerging global partnerships with large multinationals
- Existing global revenue base

CEO’S ADDRESS
Mal Maginnis

GLOBAL LEADER IN RISK MANAGEMENT TECHNOLOGIES

Protecting high value assets and critical infrastructure globally



DETECT

Fibre optic intrusion detection systems

- Perimeter intrusions
- Telecommunication networks
- Pipeline intrusion
- Condition monitoring
- Data network protection

- Products, services and recurring revenue model

ILLUMINATE

Security and intruder detection equipment

- Outdoor security sensors
- LoRa wireless system developed
- Surveillance solutions
- Video illuminators
- Camera analytics

- Off-the-shelf & custom products

ACCESS

High security access control technology

- Access control readers
- High security locking
- Custom encryption
- Biometric solutions

- Off-the-shelf & custom products.
- Highly encrypted for security conscious end users.

- **World-leading portfolio of complementary premium solutions and technologies**
- **Trusted by some of the world's most discerning security conscious customers** – commercial, industrial, military and government sectors
- **Strong competitive position** underpinned by Ava's IP, OEM and distribution relationships, and wealth of data for machine learning
- **Flexible commercial models** with growing recurring revenues

SENSING BEYOND SECURITY

Building on success in existing deployments in multiple infrastructure types

USE OF SOLUTIONS FOR SENSING APPLICATIONS

- Identifying and responding to a threat at the perimeter, or within a facility.
- Managing personnel access to restricted areas.
- Securing critical assets and buildings.

AVA RISK GROUP'S SOLUTIONS

DETECT

- Borders, Perimeters, Critical Infrastructure.
- Data investigation on patterns of intrusion.
- Data generation and analytics using existing fibre networks targeting telecommunications sector.

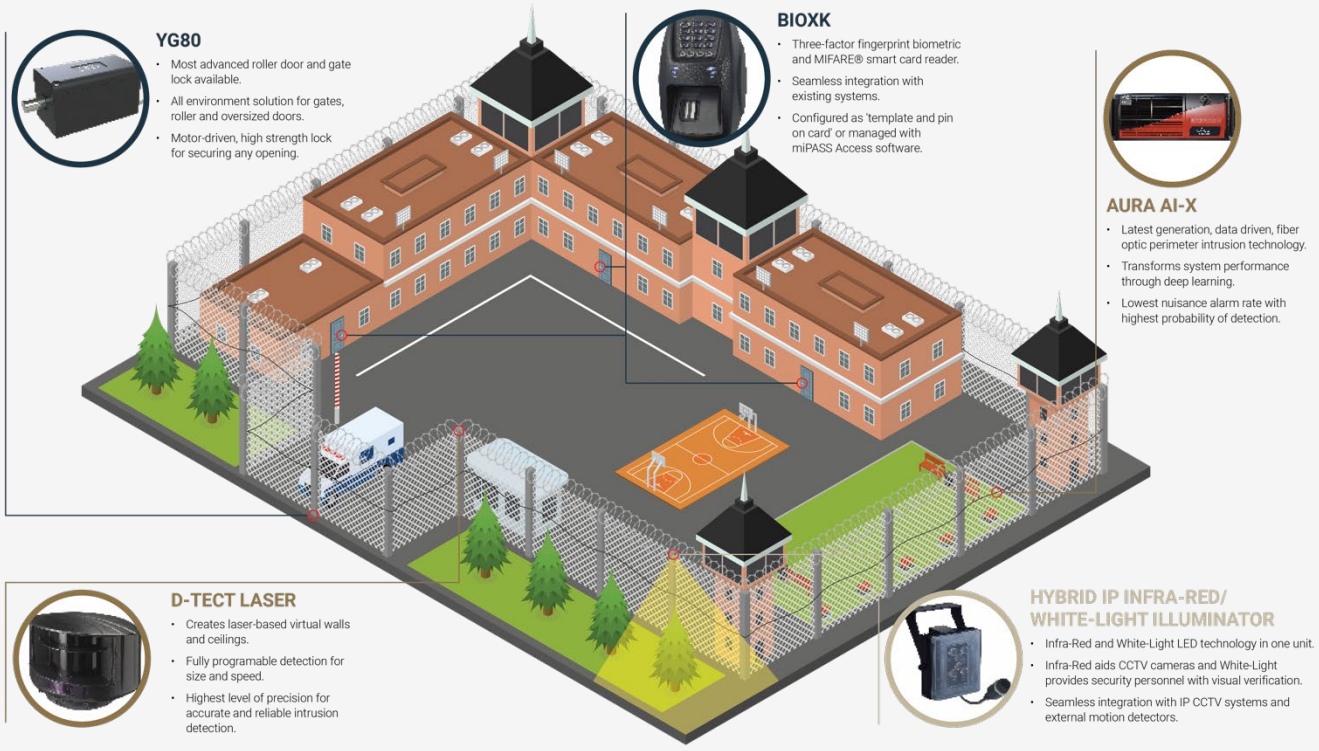
ILLUMINATE

- Supports Detect's smaller physical sites, targeted customer designs, illuminate CCTV images, identifying activity.

ACCESS

- Protect key infrastructure assets and strengthen vulnerable access points.

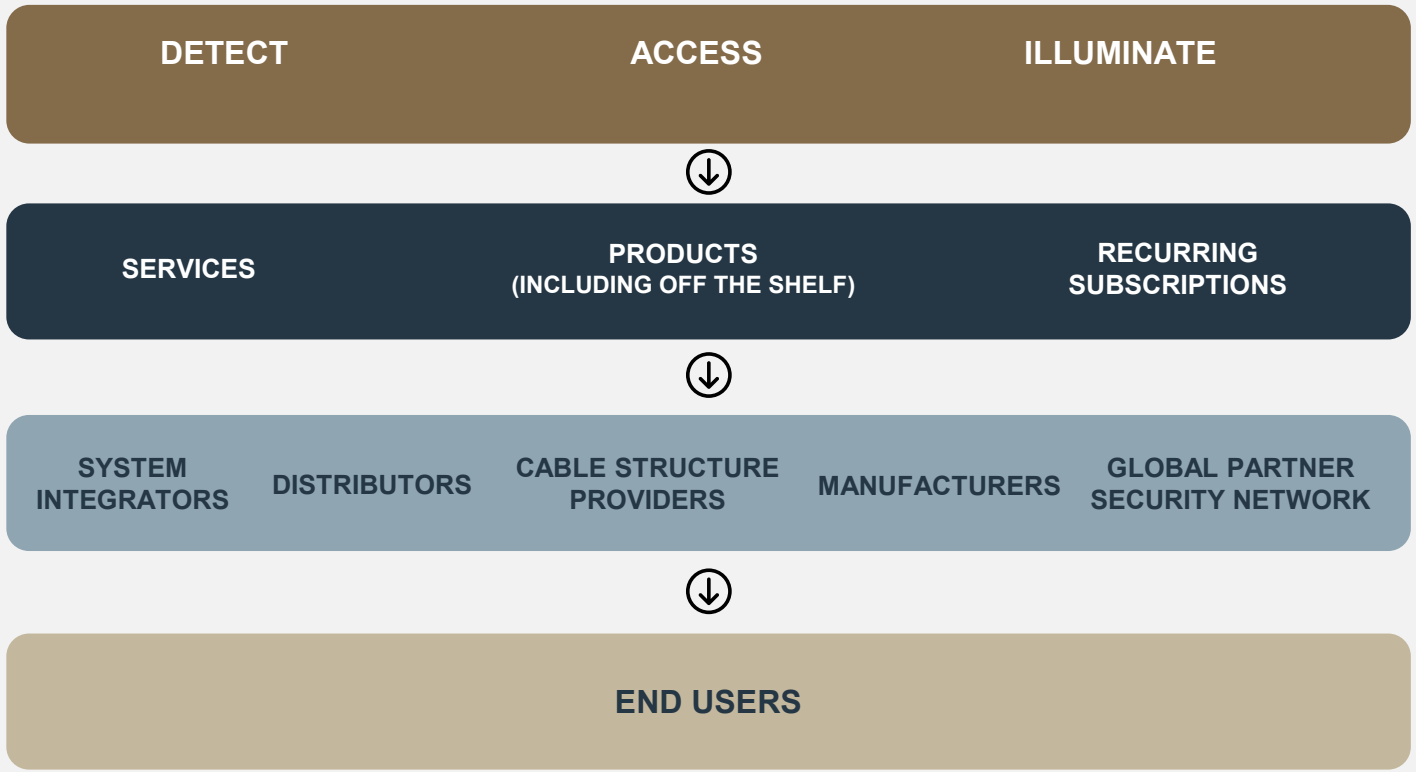
Example of solutions at a correctional facility



DETECT ILLUMINATE ACCESS

GO TO MARKET AND REVENUE MODEL

PROVEN GO-TO-MARKET STRATEGIES WITH GLOBAL REACH



Products:
Project based revenue in Detect supporting system integrator solutions to end users. Key distributor relationships driving product sales in the Access and Illuminate segments.

Services:
Support for the installation and commissioning of Detect systems.

Recurring Subscriptions:
Multi-year support agreements providing access to machine learning algorithms and data libraries to improve Detect system performance.

Established go to market through extensive global partner network:
Mix of system integrators and direct distribution partners allows us to provide our solutions worldwide and in remote and challenging locations.

1. Original Equipment Manufacturer

STRONG SALES PIPELINE TO DRIVE GROWTH IN FY25 AND BEYOND

Building on our market verticals and geographies with sophisticated global partners

Proven technology

- Aura Ai-X
- Cobalt YD30 series development
- LoRa Connect wireless system
- Growing recurring revenue via subscription

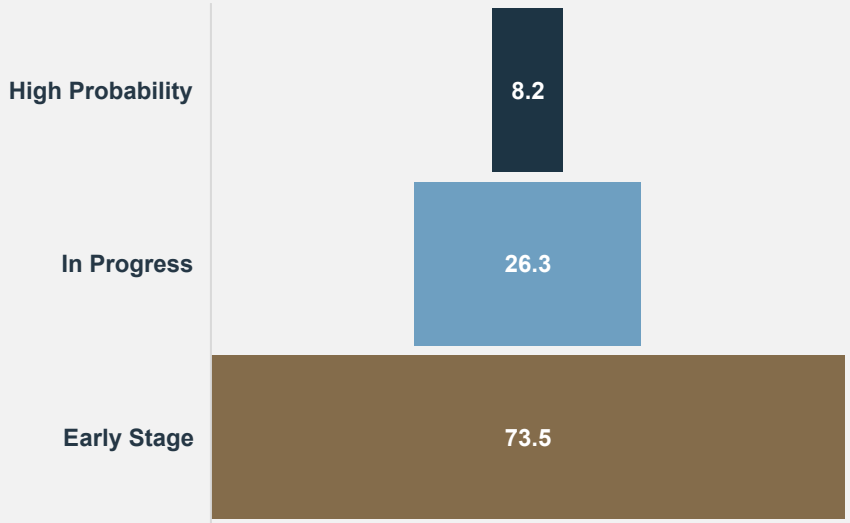
Enhanced commercial capability with high profile, quality partners

- Telstra
- UGL
- Siemens
- dormakaba
- Other key partners

Grow annual recurring revenue:

- Currently $2m ARR under contract
- Sell subscription contract with every sale of Aura Ai-X

Detect Sales Opportunity Pipeline (A$m)

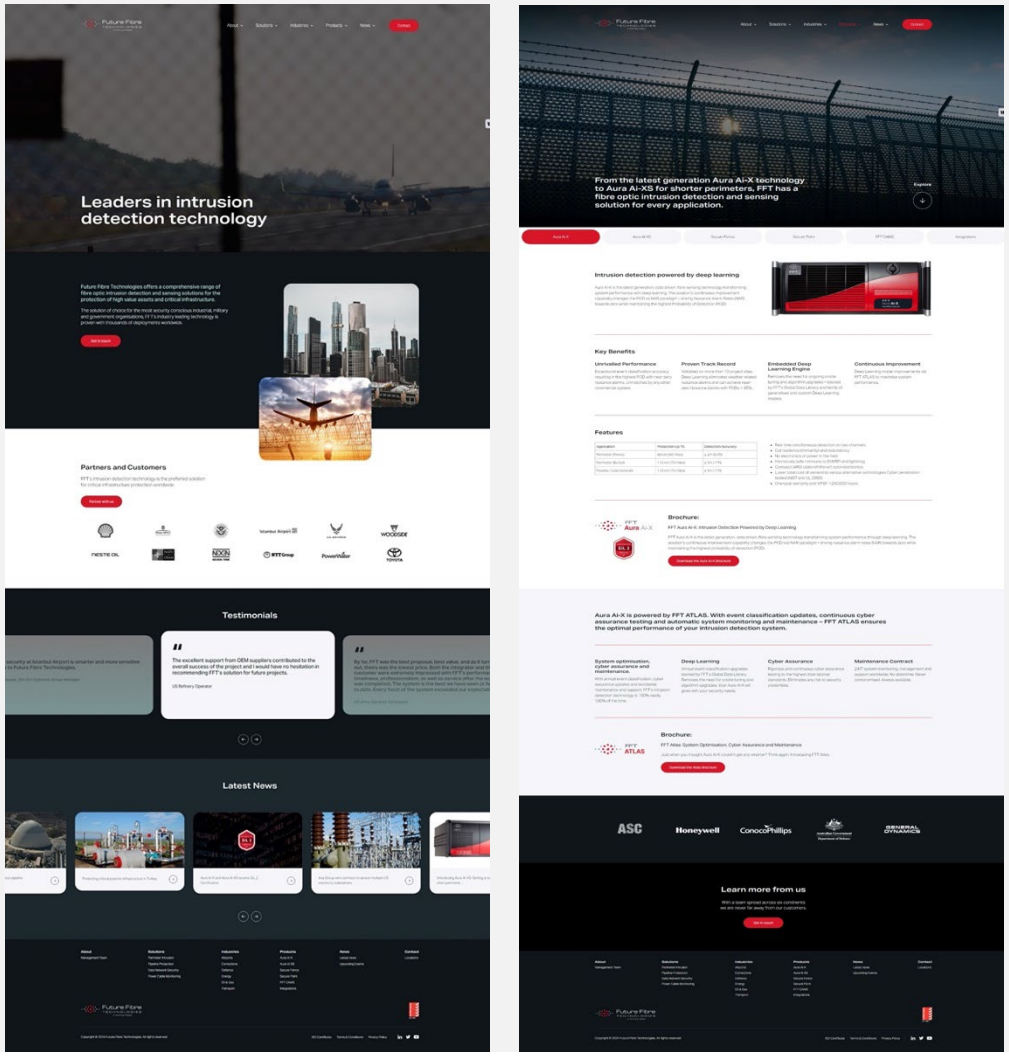


- Total Pipeline with expected close dates in FY25 is currently greater than **$100m** (excludes expected telco sector orders)
- Opportunities across key geographies – APAC, Americas, Europe and Middle East.
- 12 opportunities > $1m ($38m of the pipeline)
- Pipeline excludes **Access / Illuminate,** expected to deliver revenue of $12m - $15m in FY25.

HIGH QUALITY PARTNER AND END USER BASE

Strong network of OEM and distributor relationships worldwide

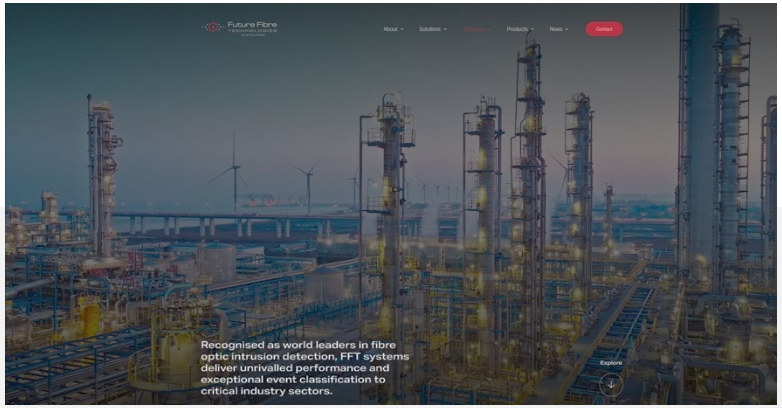
DETECT WEBSITE REFRESH

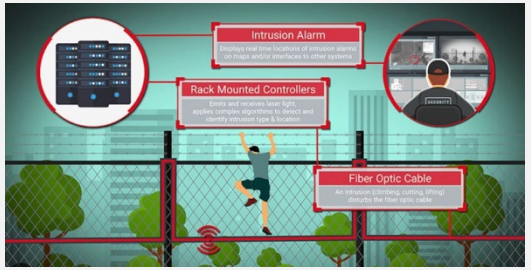


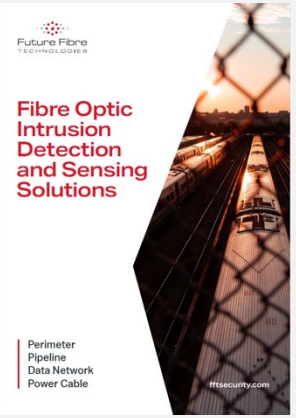
- 40.78% increase in average monthly website traffic, comparing pre-launch to post-launch periods.
- 452 document downloads directly from the website in the last 2 months, indicating strong engagement with our resources.
- 97 MQL (marketing qualified leads) generated through the website, with several showing real potential for business opportunities.

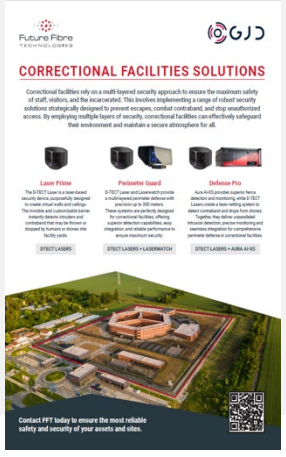
Data as of 24th October 2024

DETECT BRAND EVOLUTION









CASE STUDY: TELSTRA OPPORTUNITIES

Securing mobile tower access

Opportunities:

- Protection of data cabling via surface and subsea sensing
- Intrusion events on major communication Towers
- Access to critical assets
- Pit lid intrusion / lifting, cable tampering, digging

- ✓ Technology demonstrated the superior ability of Aura Ai-X DAS technology in detecting events and providing appropriate classification and reporting.
- ✓ Illuminate products demonstrated an excellent capability in point and small site detection and sensing of interference.
- ✓ Protects the assets, the public and the network performance.

Protection of communication pits

Monitoring of subsea telco cables

MARKET VERTICAL : GLOBAL BORDERS

Ava Risk Group successfully completed installation and support for highly critical European borders

- **Monitoring of a 200km+ Border perimeter fence, buried with extremely challenging environmental conditions**

  - New Aura Ai-X reduced alarms substantially, nuisance alarms down to under 2 per day.
  - Replaced incumbent due to too many alarms and lacking functionality The fence is currently operating at 96% probability of detection (POD) and 4% nuisance alarm rates (NAR).
  - Customer upgrading other borders now (replacing the failed incumbent competitor) with further orders expected.

Development: Aura Ai-X is now being deployed in additional sites globally including additional Eastern Europe, plus Southeast Asia, LATAM and Southern Africa. The current border pipeline is in excess of 12m for FY25 and FY26.

Fence along border

Covert sensing

MARKET VERTICAL: TRANSPORT INFRASTRUCTURE - METRO

- Major new adjacency for Ava Group – Metro 7-8m+ in FY25

- **Sydney:**
  - Sydney Metro – City & Southwest line 3m+, installing
  - Sydney Metro – fallen object project – submitted 1m+
  - Sydney Metro – West - bid 1.5m+ submitted
  - Sydney Metro – Western Sydney Airport – bid 3m+ submitted

- **Global**
  - Nepal enquiry – early stage.
  - Turkey – Istanbul – early stage.
  - Southeast Asia – Various early stag.
  - Australia – Metro Trains Melbourne, Suburban Rail Loop, Queensland Rail various discussions linked to Sydney.

Driverless train

Security fence for rail corridor

MARKET VERTICAL: TRANSPORT INFRASTRUCTURE - AIRPORTS

- Major new adjacency for Ava Group – Airports perimeters FY26 – 5m plus. Driven by activism and civil disobedience.

- **Australia:**
  - Melbourne – March 2025 project kick off
  - Adelaide – FY26
  - Brisbane, Gold Coast, Darwin part of the Melbourne Airport FIDS working group

- **Global Airports:**
  - Turkey Istanbul Extension – 0.5m incumbent.
  - Australia – Melbourne / Adelaide early stage.
  - France – Aeroports de Paris – Various plus Lyon and global.
  - UK – Heathrow, Stansted, Edinburgh.
  - Vietnam – Long Thanh Airport.

Security breach extinction rebellion

Security breach Airports

MARKET VERTICAL : MINING, OIL AND GAS

Ava Risk Group has recently successfully won major upgrades to Oil and Gas facilities worldwide. These include new and upgrade installations with Aura Ai-X.

- **Australia – Woodside, Santos, Exxon, Various.** Value YTD >1.5m, pipeline >3m plus recurring revenue.
- **Middle East – Qatar gas, Dubai, Hail and Ghasha, Various.** Value YTD1.2m, pipeline >8m plus recurring revenue.
- **US – Atlas Sands – 80 kms buried system.** Preventing access to critical delivery system.
- **Global major opportunities South Africa, LATAM in protecting critical infrastructure.** YTD 0.5m, pipeline >3.5m

Impact: Aura Ai-X has been proven as the most effective Detection sensor coupled with low alarms and successful integration into total security systems

Major facility installed PIDS

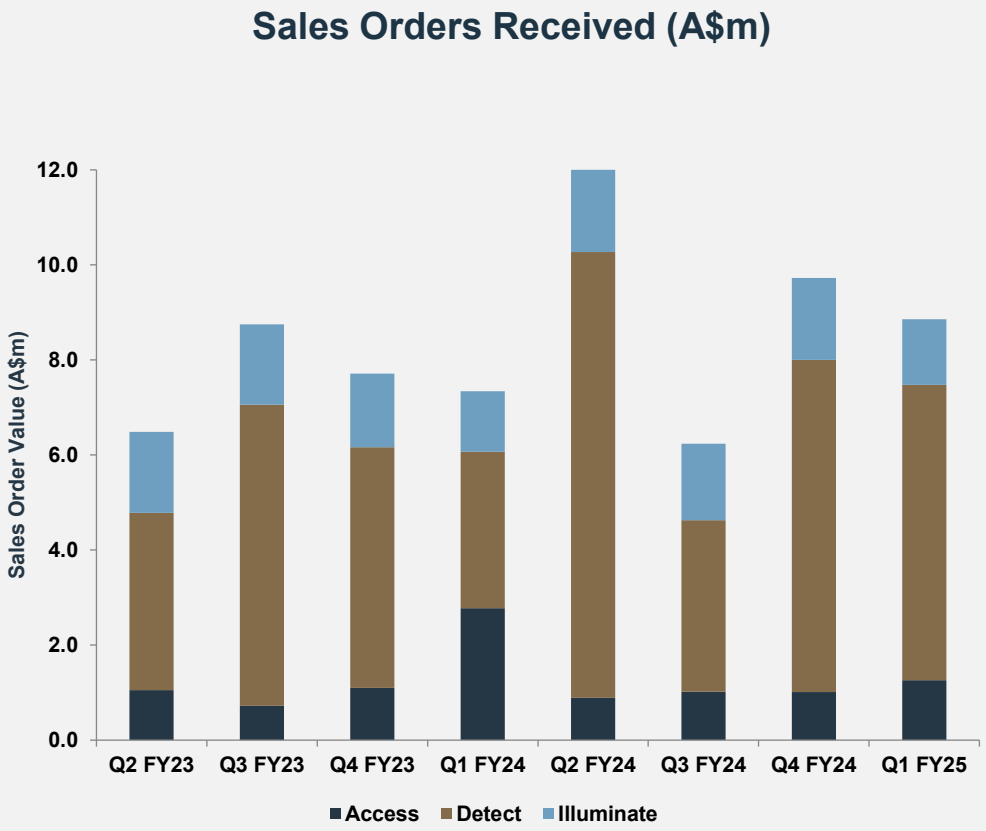
New Infrastructure Sites

CLEAR PATH TO DELIVER ON GROWTH PLANS IN THE MID-TERM

$m	FY24 Actual H1	FY24 Actual H2	FY24 Actual Total	FY25 Low	FY25 High	FY26 Low	FY26 High
Core Revenue				37.7	45.2	47.1	56.5
Adjacencies				5.0	10.0	10.0	15.0
Total Revenue	**14.2**	**16.0**	**30.2**	**42.7**	**55.2**	**57.1**	**71.5**
Gross Profit	8.7	9.4	18.1	27.3	35.3	36.5	45.8
GM%	*61%*	*59%*	*60%*	*64%*	*64%*	*64%*	*64%*
Opex	9.6	9.4	19.0	19.7	22.0	22.0	24.0
EBITDA	**(0.9)**	**0.1**	**(0.9)**	**7.6**	**13.3**	**14.5**	**21.8**
			-3%	*18%*	*24%*	*25%*	*30%*
FX Movement	(0.1)	(0.0)	(0.1)				
Impairment of Goodwill		(1.5)	(1.5)				
D&A	1.1	1.4	2.5	2.6	2.6	2.9	2.9
EBIT	(2.1)	(2.8)	(5.0)	5.0	10.7	11.6	18.9

- **Revenue growth** driven by pipeline conversion in Detect and expansion in adjacent markets**.**
- **Leverage the existing drivers of growth** across all business segments:
  - Adjacencies such as telecommunications in Detect.
  - Grow recurring revenue via annual upgrade path in the Detect segment to improve system performance.
  - OEM / Distribution channels to support the Access and Illuminate segments.
  - Improved gross margin due to growth in higher margin Detect segment.
- Operating cost base stabilised in H2 FY24 and demonstrates leverage of revenue growth in H2 to improve EBITDA performance.

Q1 FY25 SALES ORDER INTAKE AND H1 REVENUE OUTLOOK



- Total sales order intake of $8.9m in Q1
- Growth in both Detect and Illuminate segments compared to same period in the prior year.
- Access recorded its strongest quarter since receiving initial stocking orders for Cobalt series locks from dormakaba a year ago.
- Revenue guidance for H1 FY25 in the range of $16.5m - $17.5m.
- Based on revenue guidance expect to be EBITDA positive in H1 FY25.
- Second half revenue is expected to be substantively stronger than the first half.

FORWARD LOOKING STATEMENTS

This presentation is given on behalf of Ava Risk Group Limited (AVA)

Information in this presentation is for general information purposes only, and is not an offer or invitation for subscription, purchase, or recommendation of securities in AVA. Certain statements in this document regarding the Company's financial position, business strategy and objectives may contain forward-looking statements (rather than being based on historical or current facts).

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.

All data presented in this document reflects the current views of the Company with respect to future events. Forward-looking statements are subject to risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company. To the maximum extent permitted by law, the Company, its officers, employees and agents do not assume any obligation to release any updates or revisions to the information (including any forward-looking statements) in this presentation to reflect any change to expectations or assumptions and disclaim all responsibility and liability for any loss arising from reliance on this presentation or its content.