

FFT Group Update Australia Roadshow



FUTURE FIBRE
TECHNOLOGIES



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Forward Looking Statements

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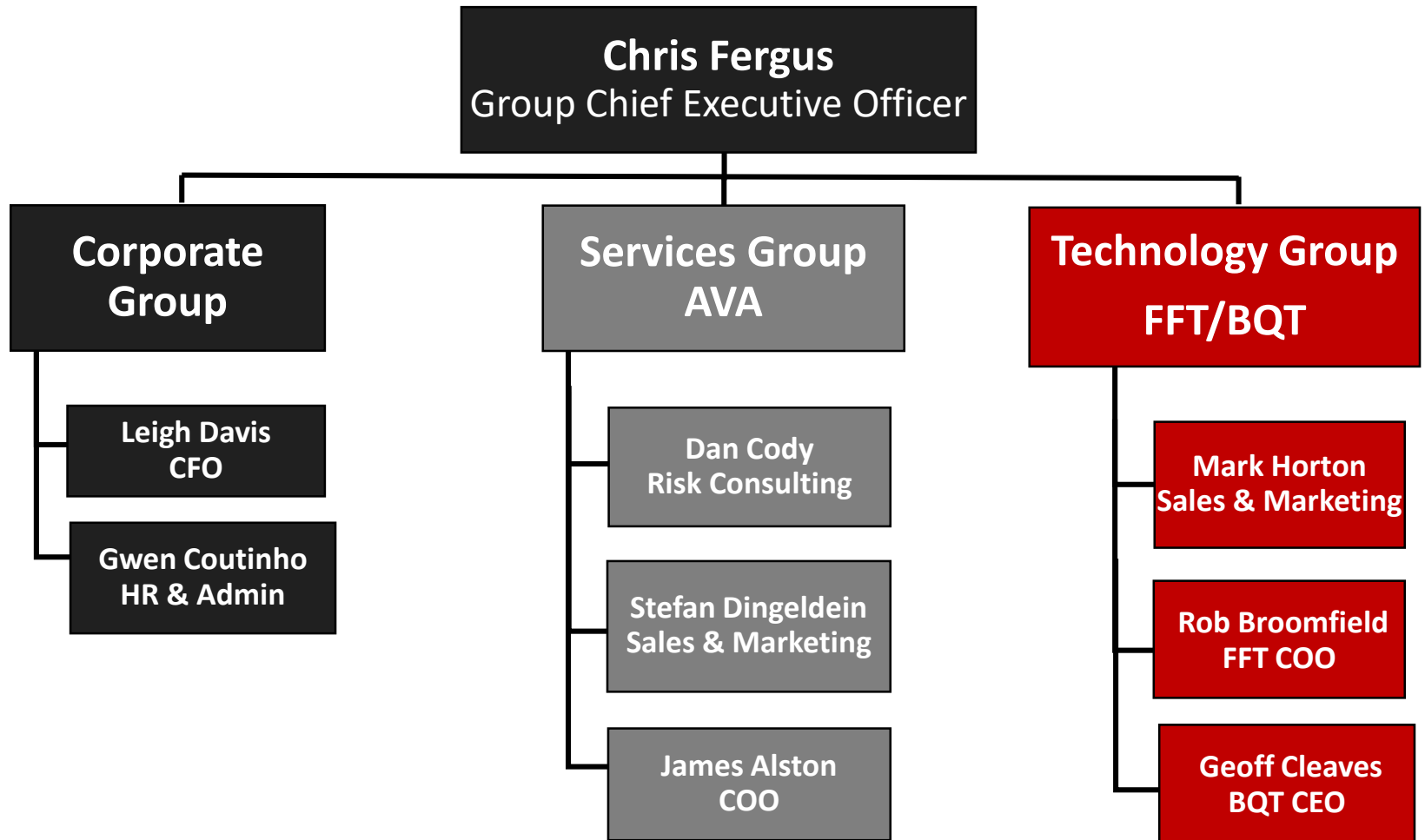
Future Fibre Technologies & MaxSec Merger

- Off-market takeover bid for MaxSec Group Limited (ASX: MSP) closed 21 December 2017 with FFT now holding 86.8% of MSP.
- The merger seeks to take advantage of clear synergies between FFT's perimeter security solutions, global presence and MSP's access control (BQT) and international valuables logistics offering (AVA).
- The combined entities operates as two divisions, Technology (FFT/BQT) and Services (AVA).
- Annual cost savings of \$775k (+50% already delivered) have been identified, increasing to \$975k post proposed delisting of MSP from the ASX.

Group Leadership

- Leading industry veteran Chris Fergus was appointed in Feb 18 to lead the expanded group as Chief Executive Officer.
- For the past 20 months Chris has been the CEO of AVA Global, and SVP Strategy and Business Development for MaxSec Group Limited (MSP), and also serves as an Executive Director on the board of MSP. Chris has served as a Director of FFT for the past 15 months. Chris was previously employed for 20 years with G4S, a world leading security services provider. Joining G4S in 1994, Chris worked across a number of continents, most recently as Regional Managing Director, Middle East, managing a portfolio of Security & FM joint ventures, with a total revenue in excess of US\$1 billion. Chris has extensive experience within the security integration and services sectors.

Group Organisation



Strong Investment Fundamentals

- Strong growth outlook, 1HFY2018 revenues up 44% on PCP
- 1HFY2018 \$9.5M cash at bank (4.5 cps), NTA 7.1 cps, 1HFY2018 operating cashflow +\$3M
- Significant sales pipeline across both divisions, close rate accelerating. Note recent announcements regarding Oil & Gas Sector wins and BQT distribution agreements
- Untapped cross selling opportunities will be realised within 12-18 months
- Proven products with clear competitive advantages
- Profitable security products division, growing services division, \$1m synergy
- Experienced management team, with significant global experience in scaling security and risk management businesses.

About FFT

- FFT is a global leader in fibre optic intrusion detection systems, with a track record of delivering highly intelligent, extremely reliable, and award-winning solutions for the protection of critical sites and infrastructures.
- FFT's advanced security systems detect and locate perimeter intrusions, oil and gas pipeline third-party interference and data network tapping and tampering.
- With over 1,600 systems deployed in more than 65 countries, FFT has established a solid reputation for delivering advanced and cost effective intrusion detection solutions for the Transport, Government, Military, Oil & Gas and Utility sectors.
- FFT's new Aura Ai platform uses the latest advanced optical signal processing algorithms, combined with artificial intelligence, to discriminate between intrusions, nuisance alarms and other causes of fence disturbance.

The FFT Perimeter solution



About BQT Solutions

- BQT's secure, reliable smart reader and card systems, biometric solutions, electric locking and access control products utilised at over 3,500 sites in more than 50 countries.
- A leader in high security access control technology used in some of the most high security, critical applications in the world.
- Offers custom and “off the shelf” products to deliver market-wide access control security including military, critical infrastructure, commercial, industrial and residential applications.






About AVA Global

- AVA is a growing global provider of secure international logistics of high-risk valuables, precious metals and currency.
- Fully insured (underwritten by Lloyds), door to door services, utilising a network of highly experienced security companies, freight forwarders, airlines and customs brokers, all operating under AVA's strict risk management guidelines.
- Global footprint with offices in New York, London, Frankfurt, Dubai & Singapore.
- Partner model: ability to provide service in 100+ countries.
- 150+ years management experience.
- Blue chip client base.



Shared Security Market Opportunities

	Estimated Total Market Value	Current Estimated Addressable Market**
	<p>Perimeter Security (sensors) US\$11bn (CAGR 13.6%)* Few key competitors Avg. Margin Range 60-65%</p>	<p>US\$1bn - \$2bn</p>
	<p>Access Control Systems US\$6.3bn (CAGR 12.2%)* Many key competitors Avg. Margin Range 45-50%</p>	<p>US\$0.6bn - \$1.5bn</p>
	<p>International Valuable Logistics US\$1.0bn - \$1.5bn Few key competitors Avg. Margin Range 25-30%</p>	<p>US\$0.6bn - \$0.75bn</p>

* Markets and Markets: Perimeter Security Market Global Forecast to 2020.

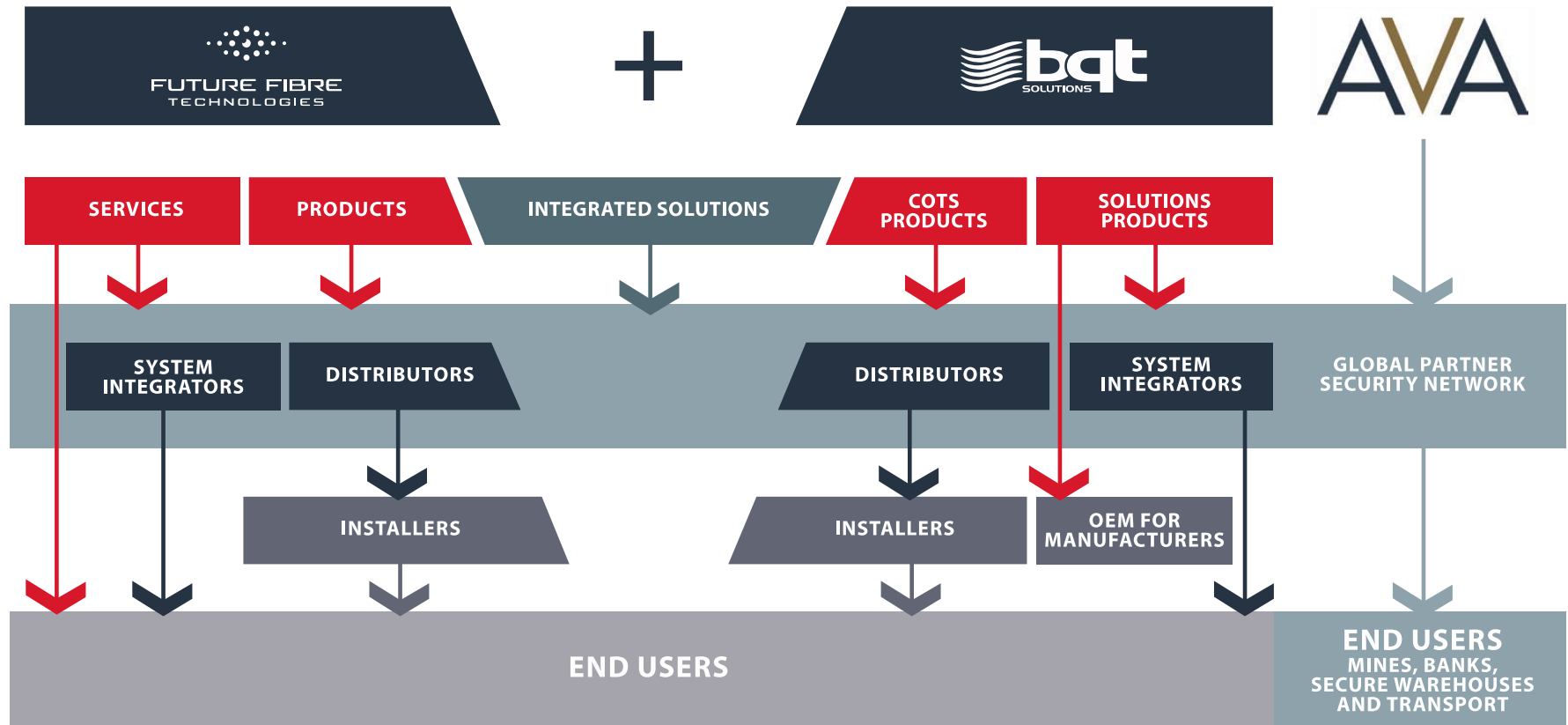
** FFT Management assessment.

Combined Global Footprint



- **FFT** – Melbourne, Brisbane, San Francisco, Los Angeles, Houston, Mexico City, Omaha, Minneapolis, Atlanta, Baltimore, Sao Paulo, London, Brussels, Warsaw, Istanbul, Johannesburg, Dubai, New Delhi, Singapore, Ho Chi Minh
- **BQT** – Sydney, Auckland, San Diego, London, Dubai, Singapore
- **AVA** – Dubai, Singapore, New York, London, Frankfurt

Go To Market Synergies



- Common and complimentary System Integrator and Distributor Partnerships.
- Sales growth opportunities via AVA's global partner security network in 100+ countries.
- Creation of new integrated solutions for common vertical markets.

Complimentary Vertical Markets

END USERS	FFT	BQT	AVA
Utilities	✓	✓	
Chemical, Oil & Gas	✓	✓	✓
Mining	✓	✓	✓
Military	✓	✓	
Government	✓	✓	✓
Transport	✓	✓	→
Commercial & Residential	✓	✓	✓
Banking	✓	✓	✓
Correctional & Borders	✓	✓	

✓ Direct

→ Indirect

Merger Benefits

	FFT	BQT	AVA
Business			
Wider sales network/geographic reach	✓ ✓	✓ ✓	✓
Ability to leverage existing relationships to expand into new markets	✓ ✓	✓ ✓	✓
Stronger and more strategic partnerships through broader security solutions offering	✓	✓	✓ ✓
Larger balance sheet – offering access to customers with asset based compliance hurdles	✓	✓	✓ ✓
Cost savings through operational efficiencies and shared resources	✓ ✓	✓ ✓	✓
Shareholder			
Low integration risk due to management understanding of business operations	✓ ✓	✓ ✓	✓ ✓
Greater market capitalisation and shareholder spread increasing liquidity	✓ ✓	✓	✓

Strategic Priorities

- Implementation of new structure and delivery of cost savings and operational efficiencies.
- Transition from a pure Security Technology manufacturing company to a Risk Management Group.
- Sales & Marketing driven Group with a continued focus on product and services innovation.
- Leverage existing and develop further key client sector expertise
- Expansion of our risk consulting capability to drive growth to both divisions
- Leverage the comprehensive network of AVA Global's security partners.

Group Outlook

- FFT Group FY2018 guidance for sales revenues of between \$26 million and \$33 million, which includes an estimated contribution of \$8 million to \$12 million from MSP (7 months) and \$18 million to \$21 million from FFT.
- FFT Group first half FY2018 generated positive cashflow of \$3.0 million, which includes one month MSP contribution of (\$0.15 million).
- The Group finished the half with cash at bank of \$9.5 million, which included \$1.65 million of cash from the consolidation of MSP.
- The Technology Division (FFT/BQT) is expected to be EBITDA and cashflow positive for FY2018.
- The Services Division (AVA) continues to expand its global client base and is expected to be profitable from Q1 FY2019.



FFT Capital Structure

Number of FFT Shares on issue	211,094,439
Total number of FFT Options on issue	15,075,000
Top 20 Shareholders holding	72.4%
Market Capitalisation @ 14.5c	\$30.6 million

