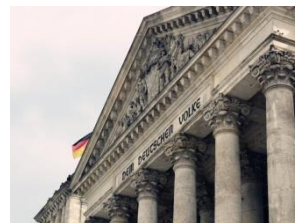


MaxSec Group Limited (ASX:MSP)

Leading edge access control and locking solutions

Investor
Presentation
June 2016



Forward Looking Statements

Notes to Presentation

This presentation is given on behalf of MaxSec Group Limited (MSP).

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 MSP.

Certain statements throughout this document regarding the Company's financial position, business strategy and objectives of Company management for future operations, are forward-looking statements rather than historical or current facts.

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

All data presented in this document reflect the current views of the Company with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to operations, results of operations, growth strategy and liquidity of the Company.

Shareholders

- The current top 20 Shareholders hold 76.45% of shares currently on issue

Holder	No. Shares	% Shares
HSBC Custody Nominees (Australia) Ltd	26,551,931	6.47
Poploch Pty. Limited	22,090,870	5.38
Bell Potter Nominees Ltd	21,018,000	5.12
Pierce Atlantic Pte. Ltd	20,836,289	5.08
Pandon Holdings Pte Ltd	20,542,146	5.00
Ekoglobal Pty. Ltd	19,260,788	4.69

Investment Highlights

- Joining Executive Director (and CEO of AVA), ex G4S Regional Managing Director, MENA
- Growing portfolio of products and services
- Expanding global footprint
- Experienced management team
- Reliable, secure technology
- High IP content products
- Respected high security provider
- Accelerated growth strategy
- Blue chip clients
- Strong client and supplier relationships



Senior Management Team



Geoffrey Cleaves, Executive Director and Group CEO has over 25 years' experience in finance & operations management within the property, media, print, manufacturing, oil & gas & investment sectors, last 20 years in senior management positions with both listed and unlisted corporations such as Stockland Group, Chase Corporation, Milton Corporation, Trafalgar Corporate Group, Australian Petroleum Fund and the Independent Print Media Group. Geoff is a professional manager and his core competencies include general management, investment, asset and funds management, treasury and finance.



Chris Fergus, Executive Director, CEO AVA Global, SVP Strategy and Business Development. Based in Dubai, Chris is a UK national and has worked for the FTSE 100 and world's leading security services provider, G4S, for over 20 years. Joining the company as a graduate trainee in 1994, he has since 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 USD 1bn. Chris has extensive experience of the security integration and services sectors, including the IVL sector, having previously led the global IVL division within G4S, based in both New York & London.



James Alston, CFO - international operations is a UK National with 26 years' work experience in both the professional services sector and industry. James qualified as a Chartered Accountant in 1992 with PwC, where he worked for a further 11 years, including two secondments over a 5 year period to NatWest Acquisition Finance and PwC South Africa. James spent 11 years at G4S in various roles in the UK including; Group Finance, Cash Services and Justice Services. Latterly, he worked directly with Chris Fergus as Regional Finance Director of G4S Middle East. He had direct responsibility for businesses up to \$520m revenue in the UK and in the Middle East, regional oversight of businesses with a total revenue of USD1bn. James was most recently the FD of the African Region of leading Hotels and Hospitality Group, Starwood, with 35 business units across Africa and revenues in excess of USD420m.



Chris Haslem, Group Sales & Marketing Executive has over 28 years of experience in Project Management, Service Delivery and Quality Control. Chris has a deep technical knowledge and extensive experience in the design, deployment and commissioning of Major integrated access control projects and a vast knowledge of security distribution within Australia and overseas. Chris also has a vast network of contacts globally and is highly respected within the Security Industry

BQT Solutions secure, reliable smart reader and card systems, biometric solutions, electric locking and access control products are trusted globally at over 3,500 sites in over 50 countries.

BQT Solutions has recently emerged as leader in high security access control technology and our technology is used in some of the most high security, critical applications in the world, we have now introduced a range of distribution and “off the shelf” products to provide access control security to market wide, from military and critical infrastructure right through to secure products for commercial, industrial and residential applications.

BQT Solutions’ network of offices is growing globally, with representation in the United Kingdom, United States of America, United Arab Emirates, Australia, New Zealand and Singapore.

The BQT Solutions Advantage



- A trusted, quality product range with a reputation for high security and reliability.
- A leading supplier of high security access control smart card and reader products.
- Established Portfolio of multinational blue chip clients in the higher security marketplace.
- Growing portfolio of branded distributors.
- New innovative products for emerging trends in security.
- Competitively priced higher security “out of the box” solutions.
- Flexible, agile, timely and cost effective custom and tailored access control solutions.
- Ability to supply and provide support globally.



Movements in Technology



- Many organisations are using 30 year old 125kHz legacy technology or have moved to CSN/UID access control technology that offers no security against hacking and cloning.
- A popular proprietary access control smart card and reader technology used by a vast number of organisations and businesses has been hacked and the entire system has had its secret encryption keys exposed, making all users and assets potentially subject to unauthorised intrusion.
- The use of these insecure legacy access control technologies no longer meets the needs and requirements of security conscious end users who are looking to adopt high security products such as:
 - Encrypted, uncompromised Smart Card and Reader Systems,
 - Multi factor authentication (Card, PIN and Biometrics),
 - Verification and Authentication Biometric devices.
- Mandatory and best practice standards are also guiding security and safety conscious end users into implementing technology which mitigates risk against liability (e.g. locks that release upon request under side-load pressure).

BQT Solutions Major Players



A selection of the major players operating in BQT Solutions markets:

- Smart Card Readers and Biometrics
 - HID Global (Part of Assa Abloy Group, Sweden)
 - Farpointe Data (Part of Dorma Group, Germany)
 - 3m Cogent (US)
 - Gallaher Group (NZ)
 - SAFRAN Group (France)
 - Suprema (South Korea)
 - Samsung Techwin Co. Ltd (South Korea)
 - NEC Corporation (Japan)
 - Salto (Spain)
- Electric Locking
 - Assa Abloy, Sweden
 - Kaba, Switzerland
 - FSH (Part of Allegion Group, Ireland)
 - Schlage (Part of Allegion Group, Ireland)
 - Salto (Spain)

MSP's newest business, AVA Global provides international secure logistics of high value cargo on a fully insured door to door basis, it's services include:

- “Powered by BQT” supply of access control and locking products to secure the AVA secure logistics supply chain (vehicles, storage, collection points);
- armoured vehicle collection and delivery at origin and destination,
- secure storage of cargos;
- air and sea freight (commercial and chartered); and
- customs brokerage services.

AVA Global now has a truly global service capability, delivered from its own strategically located offices (New York, London, Frankfurt, Dubai & Singapore) and through a network of strategic partners (+100 countries)

The key sectors where Ava provides services include:

- **Precious Metals Mining** - Transportation of pre-refined precious metal from mine site to refiner. Mine sites are generally in remote locations requiring complex logistical solutions.
- **Bullion** - Transportation from refinery or secure storage location to central bank, investment bank or jewellery manufacturers.
- **Currency** - Large scale foreign currency transportation between central banks, commercial banks, wholesale bank note dealers and foreign exchange houses.
- **Security Print** - Transportation of secure paper, credit cards, tax stamps, holograms and other secure print items.

AVA Management Team



Chris Fergus, CEO Based in Dubai, Chris is a UK national and worked for the FTSE 100 and world's leading security services provider, G4S, for over 20 years. Joining the company as a graduate trainee in 1994, he has since worked across a number of continents, most recently as Regional Managing Director, Middle East, managing a portfolio of Security & FM joint ventures. Chris has extensive experience of the International Valuables Logistics (IVL) sector, having previously led the global IVL division within G4S, based in both New York & London.



James Alston, CFO is a UK National with 26 years' work experience in both the professional services sector and industry. James qualified as a Chartered Accountant in 1992 with PwC, where he worked for a further 11 years, including two secondments over a 5 year period to NatWest Acquisition Finance and PwC South Africa. James spent 11 years at G4S in various roles in the UK including; Group Finance, Cash Services and Justice Services. Latterly, he worked directly with Chris Fergus as Regional Finance Director of G4S Middle East. He had direct responsibility for businesses in the UK and in the Middle East and he also had regional oversight of businesses. James was most recently the FD of the African Region of leading Hotels and Hospitality Group, Starwood, with 35 business units across Africa.



Daniel Cody has over 15 years of experience in the security industry with a significant overall focus on global high-value logistics, most recently as the Head of Security with Sequel Global, and previously as the Regional Security Manager, Americas with G4S International. He has a proven track record of conducting complex risk audits, loss investigations and managing international security teams and partner operations. Daniel lives in New Jersey, USA and has an MBA from Regis University and a BSc from Rutgers University



Stefan Dingeldein, RMD Europe & India is a German national and has worked for the FTSE 100 world's leading security services provider, G4S for the past 10 years. He joined the company as a Sales Executive and went on to become the Regional Head of Commodities Europe and more recently lead the Europe and Middle East as the Regional Director where he was responsible for delivering strategy and managing key accounts across the region. In his various roles within G4S he was managing revenues up to USD30m, built a new network of strategic partnerships in India and managed several global strategic accounts.

AVA Management Team



Dane McSpedon, RMD Americas is a US national. With over 20 years experience, Dane started his career in Russia establishing and managing the local affiliates for Honeywell Inc, and Kelly Services Inc. More recently, Dane was CEO at Currency Partnership International a privately held company which sells banknotes, coins, secure documents, cash handling machinery and consulting services to Central Banks and major commercial banks worldwide. Dane also ran global sales and services for the UK banknote producer De La Rue, managing the growth of the Cash Processing Division, including the outsourcing of cash handling for major Central Banks and Tier 1 Commercial Banks globally.



Neil Evans, RMD Asia is a UK national and has worked for G4S for the past 7 years. He joined the company as an Account Director and went on to spearhead the banking relationships and strategy in the UK developing new products. Neil then went on to lead the Middle East cash business in G4S a remit of 8 countries. Prior to his time in G4S, Neil has extensive experience in logistics, retail and consumer loyalty. Neil has delivered the first online shopping solutions for retail businesses such as Harvey Nichols, Fortnum & Mason and House of Fraser in the UK.



Andreas Ploesser, GM Frankfurt is a German national and has worked for the FTSE 100 world's leading security service provider, G4S, for the last 8 years. He started as an Operations Coordinator in Frankfurt and went on to become European Tradeshow Manager and Sales Executive. He then moved to the Antwerp Office as Operations Manager and then moved to the role of Operations Manager in Frankfurt. Andreas has been responsible for building the D&J Sector across the European Region of G4S

AVA Management Team



Nancy Merlo-Cach, GM New York is a US national and has over 25 years experience in the IVL sector. Nancy joined G4S' IVL business in 1998 and later took on the role of Operations Manager. In 2009 she moved on as General Manager and lead key account management and operations for the Americas division. She has created high performing teams that promote and instill high quality customer service. During her tenure, Nancy has been responsible for implementing strategy, negotiating several exclusive vendor contracts and full P&L accountability.



Gwen Coutinho, HR & Administration Manager is an Indian national and worked for G4S for close to 19 years. She held various roles in the UAE including HR Administration Manager and Employee Engagement Manager. She moved on to work for the Asia Middle East Region as HR Services Manager and HR information Systems Manager. Gwen has managed projects relating to annual HR initiatives like Performance Management, Talent Reviews and Succession Planning and has supported the HR leads in sharing best practices across the region.

Global Market Growth

- The Global Access Control Market for Cards and Readers, Biometric Controllers and Management Software is expected to reach **USD10.4 billion by 2020**, growing at a CAGR of 10.6% between 2014 and 2020.¹
- The wider Electronic Access Control Systems (EACS) market is forecast to reach **USD16.3 billion by 2017**, growing at a CAGR of 7.0% from 2012 to 2017.²

‘The need for Electronic Access Controls has grown manifold in the wake of threats becoming increasingly complex.’²

The sudden civil uprisings in the Middle East and Africa are compelling the governments and enterprises to rethink of their security measures.’²

1. Marketsandmarkets.com/Pressreleases/access-control.asp (Application: Commercial, Residential, Military and Defence, Government, Industrial, Healthcare, Education) Global Forecast and Analysis to 2020.
2. Marketsandmarkets.com/Pressreleases/access-control.asp (EACS: Authentication Systems, Biometrics, Card Based, Touch Screens & Keypads, Door Contacts, Intruder Alarms & Perimeter Security) Global Forecast & Analysis to (2012 -2017).

Examples of our Customers – System Integrators

SIEMENS

Schneider
Electric

Honeywell

SECOM

 **United
Technologies**

 ***Security & Technology Services***

**Johnson
Controls** 


mitie

STANLEY
Security Solutions

 **Sielox**

Examples of our Customers - Distributors

Honeywell

NESS
Security Products

HILLSTM

seadan
security & electronics



LSC
locksmiths supply company

SAT
SECURE ACCESS TECHNOLOGIES

Examples of our End Users



FY 2015 Key Financials (30 June 2015)

(\$'000)	<u>2014</u>	<u>2015</u>	<u>Year on Year %</u>
Revenue	3,144	5,202	65%
Gross Margin %	64.6%	50.2%	-14.4%
Operating Expenses	2,117	2,412	14%
EBITDA	251	570	127%
Net Margin %	5.5%	7.6%	2%
EBIT	192	417	117%
NPBT	187	411	123%
NPAT	187	411	123%

Balance Sheet (30 June 2015)

	(\$000's)	<u>2014</u>	<u>2015</u>	<u>Year on Year %</u>
Current Assets	Cash and cash equivalents	1,054	682	-35%
	Receivables	653	2,177	233%
	Inventories	663	879	33%
	Other assets	80	94	18%
	Total current assets	2,450	3,831	56%
Non-current Assets	Plant and equipment	42	64	52%
	Intangibles	1,577	1,893	20%
	Total non-current assets	1,619	1,957	21%
	Total Assets	4,069	5,788	42%
Current liabilities	Payables	342	1,567	358%
	Provisions	208	172	-17%
	Total current liabilities	550	1,738	216%
Non-current liabilities	Provisions	39	44	13%
	Total liabilities	589	1,782	203%
	Net Assets	3,480	4,006	15%

Fully funded for international growth strategy,
cash at bank as at 31 March 2016 was \$6.1M.

Contacts

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