

23 July 2020

Services Division achieves \$9.7m Q4 FY2020 and full year revenue of \$25.1m with positive outlook for further growth in FY2021.

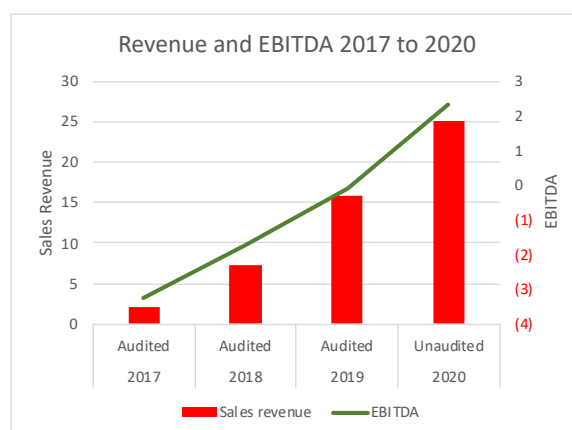
Ava Risk Group Limited (ASX: AVA) (Ava Group or Company) today provides the following market update with respect to its Services Division, Ava Global:

Following the completion of the 3rd full year of trading, Ava Global is pleased to report significant Revenue and EBITDA growth versus all prior corresponding periods. The Services Division has benefited from the implementation of a dedicated Board structure in FY2019 which has helped propel the Division to record performance.

Q4 & FY2020 Highlights*

Transformational year with all fundamentals ahead of internal budget and external guidance:

- Despite the reduction in airfreight capacity around the world due to COVID-19, Q4 FY2020 revenues increased by \$3.5m to \$9.7m over Q3 FY2020 and full year FY2020 revenues increased by \$9.2m over FY2019.
- Formation of an independent and very experienced Board of Directors, complementing the 150+ years of Management's industry sector experience.
- Large increase to addressable market with a threefold increase in new clients during the year, including several Central Banks, Mining companies, Precious Metals Refiners and Commercial Banks.
- 25% Gross Margin in FY2020, compared to 21% in FY2019.
- EBITDA improved by \$2.4m to \$2.3m following increases in previous trading years.



- All figures for FY2020 are unaudited.

FY2021 Outlook

Management expect continued and consistent revenue and EBITDA growth in FY2021, building upon the performance in FY2020. Growth in FY2021 will come from a combination of the annualised impact of recent customer wins and the anticipated continued growth in Ava Global's pipeline of new customers and major opportunities. In addition, market share opportunities, will likely play a part in FY2021 due to recent market consolidation with the acquisition of the 2nd largest market participant by the largest. Total addressable market spending is estimated to be well in excess of \$1bn.

For further information, please contact:

Chris Fergus, CEO – Services Division
chris.fergus@theavagroup.com
+971 4 4210665

Leigh Davis, Group CFO & Company Secretary
leigh.davis@theavagroup.com
+61 3 9590 3103

Please refer to Note 1 below.

Approved for release for and on behalf of the Board of Directors by:



Leigh Davis

Company Secretary

-||-

About the Ava Group

The Ava Group, comprising world leading technology divisions Future Fibre Technologies (FFT) and BQT Solutions (BQT) is a market leader in the provision of risk management services and technologies, trusted by some of the most security conscious commercial, industrial, military and government clients in the world.

The Group features a range of complementary solutions including intrusion detection for perimeters, pipelines and data networks, biometric and card access control as well as the secure international logistics (Ava Global) and storage of high value assets. Through decades of innovation, the Ava Group continues to build upon a comprehensive portfolio of premium services and technologies for the most complex and demanding markets.

Our business truly serves a global market, with our knowledgeable team spread across six continents, providing market and industry expertise directly to customers. With thousands of sites protected, the Ava Group is proven to deliver first class services and technologies that surpass the expectations of our partners and end users.

-||-

Note 1

Forward Looking Statements

Information in this release is for general information purposes only. Certain statements in this document regarding the Company's financial position, business strategy and objectives, contain forward-looking statements (rather than being based on historical or current facts) and as such, are not able to be verified.

All forward-looking statements are based on the current views of the Company's management as well as reasonable 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 some or all of the underlying assumptions will prove to be valid. If assumptions are invalid this is likely to have an impact on the accuracy of the statement itself.

All data presented in this document reflects the current views of the Company with respect to future events. Forward-looking statements are subject to a variety of risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company. Forward looking statements are also subject to external matters outside the control 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.