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Ava Risk Group Limited

ACN 064 089 318

and controlled entities

Appendix 4E

Preliminary Final Report

For the year ended 30 June 2018

Lodged with the ASX under Listing Rule 4.3A

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Name of Entity: Ava Risk Group Limited (“Company”, “Ava Group”)

Details of the reporting period

Current Period: 1 July 2017 – 30 June 2018

Previous Corresponding Period: 1 July 2016 – 30 June 2017

Results for announcement to the market

	Up / down	% movement	Amount of change \$'000	2018 30-Jun \$'000	2017 30-Jun \$'000
Revenues from ordinary activities	up	54%	6,921	19,817	12,896
Loss from ordinary activities after tax attributable to members	down	60%	4,704	(3,116)	(7,820)
Net profit/(loss) for the period attributable to members	down	60%	4,704	(3,116)	(7,820)
EBITDA* for the period attributable to members	up	62%	4,627	(2,878)	(7,505)

* Earnings before interest, tax, depreciation and amortisation

Dividends and distributions

Current Period:

No final or interim dividend has been declared or paid.

Previous Corresponding Period:

No final or interim dividend was declared or paid.

Details of dividends/distribution reinvestment plan

The Company does not have a dividend reinvestment plan.

Net tangible assets per security

	Current Period	Previous Corresponding Period
Net asset backing per share	11.0 cents	13.6 cents
Net tangible asset backing per share*	5.0 cents	11.4 cents

Control gained or lost over entities during the period

During the year ended 30 June 2018, Ava acquired a 90.3% controlling interest in MaxSec Group Limited. (2017: None).

Details of associates and joint venture entities

The Company did not have any associated entities or joint ventures during the year (2017: None).

Other significant information

Refer to Commentary on Results below for details on other significant matters and information regarding the Consolidated Entity.

Commentary on significant features of operating performance

The net result for the Consolidated Entity attributable to shareholders for the year ended 30 June 2018 is a loss of \$3.116 million (2017: loss of \$7.820 million).

Revenue

Total revenue and other income for the year was \$20.364 million (2017: \$13.669 million). Refer to Commentary on Results for further explanation of the primary causes of the increase.

Commentary on Results

Review and Results of Operations

Highlights:

- Revenue from ordinary activities of \$19,817,000 for the twelve months to 30 June 2018 (FY2018):
 - 54% increase on FY2017 (\$12,896,000).
- Gross margin of 54% (FY2017: 53%) as a result of lower margins in the new Services Division offsetting the recovery of margins in the Technology Division
- Non-operating income of \$547,000 (FY2017: \$773,000) comprising:
 - Foreign Exchange Gains of \$267,000
 - Research and development tax incentive \$178,000
 - Interest Income of \$89,000
 - Other Income of \$13,000
- Operating expenses excluding depreciation and amortisation of \$14,454,000 (FY2017 \$14,633,000) due to:
 - Annualised positive impact of headcount reductions in Q4FY17
 - Investment in new sales headcount to improve sector and geographical focus
 - Foreign exchange impact of a stronger USD on revenues and certain foreign based expenditure
 - One off costs relating to the acquisition of MaxSec Group Limited (MaxSec)
- Net loss from ordinary activities of \$3,437,000 - a 56% decrease on FY2017 loss of \$7,820,000.
- EBITDA loss of \$3,199,000 - a 57% increase on FY2017 loss of \$7,505,000.
- Net assets of \$23,289,000 (FY2017 \$16,866,000) due to the acquisition of MaxSec's net assets, working capital requirements and operating losses.

Financial Results

Financially, FY18 didn't meet our internal expectations due to certain end user and customer contract delays. Total revenue for 2018 financial year did however, grow 54% to \$19.817 million. Earnings before interest, taxes, depreciation and amortisation (EBITDA) from operations improved from a loss of \$7.505 million to a loss \$3.199 million, incorporating a loss of \$2.916 million from the contribution of MaxSec. Net profit after tax (NPAT) improved from a loss of \$7,820 million in FY17, to a loss of \$3.437 million. At 30 June 2018, our total cash balance was \$5.91 million and the Company is debt free.

This result includes a number of significant one-time items associated with the acquisition, including transaction and redundancy costs and a loss on the fair value of the initial investment in MaxSec of \$246,000.

These improving results demonstrate the benefits of global scale and operating leverage of our business model. By executing our strategy, we delivered solid operating margins, improved cash flow and a material backlog, leaving the Company well positioned for a significant improvement in FY19.

Formation of Ava Group

During the 2018 financial year, FFT acquired MaxSec to form Ava Risk Group Limited (Ava Group). The 2018 financial year was one of significant milestones for the Ava Group as we took a number of steps to secure our position as a global leader in risk management solutions including enhancing our portfolio of products and continuing to drive innovation across the Company.

In December 2017, we finalised our merger with leading high security access control and secure logistics provider, MaxSec. In February 2018, Chris Fergus was promoted to the role of Group CEO, and in May 2018 we changed our name to better reflect our expanded product and solutions offerings.

As a result of the integration of MaxSec, the company reorganised into two divisions, being Technology, including perimeter security, access control and smart locking products and Services, initially secure international logistics and risk consulting.

Around the world, Ava Group customers rely on our products, technologies and expertise to help protect their perimeters, facilities and supply chains, and keep their assets and people safe and secure. With our customers facing growing protection needs, we've remained committed to supporting them with the most advanced and affordable security and risk management solutions available. Our customer focus, strengthening market position and reputation was evidenced by the announcement of a number of key milestones and contract wins in key strategic sectors and territories during the year;

- Several material wins in the global Oil & Gas sector, across the Americas, India and Middle East. The Oil & Gas sector is a key area of strategic focus, evidenced by the appointment of the Group Head of Extractives & Energy, Andrew Hames, to drive the Company's strategy for global growth in the mining, oil and gas and renewable energy industries.
- Awarded as preferred tenderer and subsequent execution of an agreement with the Australian Government for the supply of BQT smart readers to the Department of Human Services (DHS) in the new year. The contract estimates that requirements will be for the provision of approximately 6,500 readers and additional associated equipment over a planned implementation period of approximately two years
- A significant order in the India utilities market for the protection of a number of sub-stations across the country.
- A number of orders relating to the protection of perimeters at high security correctional centres across the United States.
- Major wins in the US, including solutions for secure data protection and perimeter security for a major government department.
- An award of a contract for an initial 5km pilot section of an Asian border protection solution, being the first stage of a 3,000km rollout.
- Distribution agreements executed with Dormakaba Australia Pty. Limited and Dormakaba NZ Limited for the respective non-exclusive and exclusive distribution of BQT Solutions co-branded locking products within Australia and New Zealand.
- An additional Group sales resource, Pieter Botha, recruited as General Manager to lead business development in the Africa region, across both the Technology and Services divisions.

In FY18, our engineering and product development teams remained focussed on significant performance upgrades for our range of highly reliable detection and access control products. Customer deployments and competitive tests have proven our superior competitive position, while our security solutions continued to gain international recognition.

In April 2018, BQT Solutions was selected over billion-dollar access control competitors to be awarded a best in show award at the global security conference, ISC West, USA, while FFT Aura Ai-2 received the MTP Gold Medal at Securex in April for its next generation fibre optic perimeter protection technology.

Our Services Division continues to build a market leading position in the international valuables logistics sector and is already a trusted partner of a number of major companies in the precious metals and wholesale banknote markets.

We also continued to invest in the people, culture and systems that underpin our Company. Our culture is somewhat unique and a key element of our ongoing success. We are a truly diverse company, with employees from 16 nationalities working in our 17 offices across the globe. We are proud of our ability to attract and retain great talent and will continue to invest in our people and culture as the Company grows.

Outlook

At Ava Group, we are confident and optimistic about the future. We believe our strategy combined with our people, performance and portfolio of world leading products and solutions will keep the Company strong for many years to come. Ava Group is well on track for substantial growth in FY19 and will be focused upon;

- Continuing to build and convert a material sales pipeline, through further investment in the global sales team and significant new business development activity.
- Fully leveraging the combined strengths of the merged companies, with a focus upon offering holistic Risk Management solutions to strategic clients in key sectors.
- Successful completion of several major 'Proof of Concepts' and trials already underway
- Continued product and service innovation, with a focus upon adjacent market segment applications
- Lowering operational cost with Aura Ai investment completed and growing economies of scale in the Services division.

The Company will continue to consider acquisition targets that support and drive future growth.

Other than the matters noted above there has been no matter or circumstance, which has arisen subsequent to 30 June 2018 that has significantly affected or may significantly affect the operations of the consolidated entity, or the results of those operations, or the state of affairs of the consolidated entity.

Date 31 August 2018



Chris Fergus
Chief Executive Officer

Consolidated Statement of Comprehensive Income

Ava RISK GROUP LIMITED AND CONTROLLED ENTITIES CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$'000	2017 \$'000
Revenue and other income			
Revenues from sales and services	3	19,817	12,896
Other income	3	547	773
		20,364	13,669
Less:			
Cost of raw materials, consumables used, and labour		(9,023)	(6,030)
Employee benefits expense		(8,692)	(7,483)
Research and development		(532)	(1,278)
Advertising and marketing		(531)	(380)
Travel and entertainment		(949)	(690)
Facilities and office		(977)	(782)
Compliance, legal, and administration		(1,484)	(849)
Provision for impairment of receivables		(56)	(1,364)
Impairment of investments		(246)	-
Depreciation and amortisation expenses		(1,386)	(826)
Finance costs		(3)	(15)
Foreign exchange losses		(137)	(811)
Other expenses		(847)	(981)
Loss for the year before income tax		(4,499)	(7,820)
Income tax benefit / (expense)		1,062	-
Loss for the year		(3,437)	(7,820)
Loss for the year attributable to:			
Equity holders of the parent company		(3,116)	(7,820)
Non-controlling interests		(321)	-
		(3,437)	(7,820)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Exchange differences on translation of foreign operations, net of tax		(763)	82
Total comprehensive loss for the year		(4,200)	(7,738)
Total comprehensive loss attributable to:			
Total comprehensive loss attributable to equity holders of the parent		(3,845)	(7,738)
Total comprehensive loss attributable to non-controlling interests		(355)	-
		(4,200)	(7,738)
Loss per share for loss attributable to the ordinary equity holders of the company:			
Basic and diluted loss per share (cents per share)*		(1.86)	(6.34)
		cents	cents

This Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

* Basic and diluted loss per share amounts are calculated by dividing loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year of 167,919,245 (2017: 123,436,659).

Consolidated Statement of Financial Position

Ava RISK GROUP LIMITED AND CONTROLLED ENTITIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018 \$'000	2017 \$'000
CURRENT ASSETS			
Cash and cash equivalents		5,910	6,945
Receivables		5,317	4,985
Inventories		4,309	4,206
Other assets		463	320
TOTAL CURRENT ASSETS		15,999	16,456
NON-CURRENT ASSETS			
Plant and equipment		932	1,012
Intangible assets	5	12,695	2,758
Other non-current assets		31	-
TOTAL NON-CURRENT ASSETS		13,658	3,770
TOTAL ASSETS		29,657	20,226
CURRENT LIABILITIES			
Payables		4,767	2,220
Borrowings		-	15
Provisions		1,528	1,089
TOTAL CURRENT LIABILITIES		6,295	3,324
NON-CURRENT LIABILITIES			
Non-current provisions		73	36
TOTAL NON-CURRENT LIABILITIES		73	36
TOTAL LIABILITIES		6,368	3,360
NET ASSETS		23,289	16,866
EQUITY			
Issued capital	6	55,187	44,183
Accumulated losses		(31,058)	(27,942)
Reserves		(1,284)	625
Equity attributable to owners of the parent		22,845	16,866
Non-controlling interests		444	-
TOTAL EQUITY		23,289	16,866

This Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

AVA RISK GROUP LIMITED AND CONTROLLED ENTITIES CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR TO 30 JUNE 2018

	Contributed Equity	Share Option Reserve	Foreign Exchange Translation Reserve	Other Equity Reserves	Accumulated Losses	Total attributable to owners of parent	Non- controlling interest	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CONSOLIDATED ENTITY								
Balance as at 1 July 2017	44,183	477	148	-	(27,942)	16,866	-	16,866
Loss for the period	-	-	-	-	(3,116)	(3,116)	(321)	(3,437)
Exchange differences on translation of foreign operations, net of tax	-	-	(729)	-	-	(729)	(34)	(763)
Total comprehensive income for the year	-	-	(729)	-	(3,116)	(3,845)	(355)	(4,200)
Transactions with owners in their capacity as owners								
Shares issued	11,038	-	-	(1,637)	-	9,401	799	9,401
Share issue costs	(34)	-	-	-	-	(34)	-	(34)
Share based payments	-	457	-	-	-	457	-	457
Total transactions with owners in their capacity as owners	11,004	457	-	(1,637)	-	9,824	799	9,824
Balance as at 30 June 2018	55,187	934	(581)	(1,637)	(31,058)	22,845	444	23,289
Balance as at 1 July 2016	43,883	397	66	-	(20,122)	24,224	-	24,224
Loss for the period	-	-	-	-	(7,820)	(7,820)	-	(7,820)
Exchange differences on translation of foreign operations, net of tax	-	-	82	-	-	82	-	82
Total comprehensive income for the year	-	-	82	-	(7,820)	(7,738)	-	(7,738)
Transactions with owners in their capacity as owners								
Shares issued	300	-	-	-	-	300	-	300
Share based payments	-	80	-	-	-	80	-	80
Total transactions with owners in their capacity as owners	300	80	-	-	-	380	-	380
Balance as at 30 June 2017	44,183	477	148	-	(27,942)	16,866	-	16,866

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

Ava RISK GROUP LIMITED AND CONTROLLED ENTITIES CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers	21,376	12,801
Receipts from R&D tax incentives	1,490	1,567
Payments to suppliers and employees	(22,587)	(17,275)
Interest received	89	173
Finance costs	(3)	(15)
NET CASH USED IN OPERATING ACTIVITIES	365	(2,749)
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for security bonds and guarantees	-	(86)
Payment for intangible assets	(1,340)	(2,493)
Proceeds from sale of plant and equipment	-	4
Purchase of plant and equipment	(48)	(193)
Payment for initial investment in MaxSec	(1,845)	-
Cash acquired through acquisition of MaxSec	1,875	-
NET CASH USED IN INVESTING ACTIVITIES	(1,358)	(2,768)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of ordinary shares	-	300
Share issue costs	(34)	-
Repayment of borrowings	(15)	(8)
NET CASH PROVIDED BY FINANCING ACTIVITIES	(49)	292
NET DECREASE IN CASH HELD	(1,042)	(5,225)
Cash and cash equivalents at beginning of year	6,945	12,119
Foreign exchange differences on cash holdings	7	51
CASH AND CASH EQUIVALENTS AT END OF YEAR	5,910	6,945

This Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

Note 1 – Summary of Significant Accounting Policies

The unaudited preliminary final report covers Ava Group and its controlled entities as a consolidated entity (together referred to as the 'Group'). It has been prepared in accordance with ASX Listing Rule 4.3A and has been derived from the unaudited financial report. Ava Group is a company limited by shares, incorporated and domiciled in Australia.

The preliminary final report does not include all the notes of the type normally included in an annual financial report and cannot be expected to provide a full understanding of the financial performance and financial position of the Group.

This report is based on the financial report which is in the process of being audited.

The preliminary financial report is presented in Australian dollars, unless otherwise stated, with the current reporting period being the year ended 30 June 2018, and the previous corresponding period is the year ended 30 June 2017.

Except as described below, the significant accounting policies adopted in the preparation of the preliminary financial report are consistent with those of the annual financial report for the year ended 30 June 2017.

Historical Cost Convention

The preliminary financial report has been prepared under the historical cost convention as modified by revaluations to fair value for certain classes of assets as described by the accounting policies.

Going Concern

The financial report has been prepared on a going concern basis.

Changes in Accounting Policy

There have been no changes in accounting policies during the year ended 30 June 2018.

Rounding of Amounts

The Group has applied the relief Available under ASIC Corporations (Rounding in Financial /Directors' Reports) Instrument 2016/191 and accordingly, amounts in the preliminary financial report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar (where indicated).

Note 2 – Business combinations

Following an earlier purchase of 13% of the voting share of MaxSec for cash consideration of \$1.845 million in September 2017, the Group acquired an additional 45% of the voting shares of MaxSec, a company listed on the Australian stock exchange that specialises in the access control and locking products and international secure logistics services on 29 November 2017. The shares were acquired through an all scrip off-market takeover offer. The offer was subsequently extended until 21 December 2017 and further acceptances during that time brought the Company's total ownership in MaxSec to 86.8%. The Group has acquired MaxSec because it expands both its existing product portfolio and customer base. The acquisition has been accounted for using the acquisition method. During the period 09 March 2018 until 30 June 2018 MaxSec Group Limited conducted an on-market buy back of its own shares. The subsequent cancellation of the shares acquired through this process has increased Ava Group's total ownership in MaxSec to 90.3% at 30 June 2018.

The acquisition accounting remains provisional. The fair value of net assets acquired may subsequently be adjusted, with a corresponding adjustment to goodwill prior to 29 November 2018 (one year after the transaction).

Note 3 – Revenue

	2018	2017
	\$'000	\$'000
Revenue and other income from continuing operations		
Revenue from sales of goods	13,862	11,309
Revenue from provision of services	5,955	1,587
Total revenues from operating activities	<u>19,817</u>	<u>12,896</u>
Other income		
Interest	89	526
R&D Tax incentive	178	228
Gains on foreign exchange – realised	267	-
Other Income	13	19
Total other income	<u>547</u>	<u>773</u>
Total revenues and other income	<u><u>20,364</u></u>	<u><u>13,669</u></u>

Note 4 - Segment Reporting

During the year the Company acquired MaxSec which had two operating segments namely: the Access Control segment and the International Valuable Logistics segment.

The Company further categorised its existing Perimeter Security segment and the newly acquired Access Control segment as a sub group of the Technology segment and has categorised the International Valuable Logistics segment as the Services segment.

2018	Technology		Services	Eliminations	Total
	Perimeter Security	Access Control Solutions	International Valuable Logistics		
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
External customers	12,311	2,969	4,537	-	19,817
Interest Income	83	6	-	-	89
Other revenue	382	76	-	-	458
Inter-segment	209	108	-	(317)	-
Segment revenues and other income	12,985	3,159	4,537	(317)	20,364
Segment operating loss	(1,355)	(1,177)	(905)	-	(3,437)
Total assets	23,001	12,088	1,641	(7,073)	29,657
Total liabilities	(3,008)	(1,793)	(8,642)	7,073	(6,368)

The total amount of external revenue derived from major customers where the revenue is greater than 10% of operating revenue is \$5.2 million (FY2017: \$1.449 million).

2017	Technology		Services	Eliminations	Total
	Perimeter Security	Access Control Solutions	International Valuable Logistics		
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
External customers	12,896	-	-	-	12,896
Interest Income	526	-	-	-	526
Other revenue	247	-	-	-	247
Segment revenues and other income	13,669	-	-	-	13,669
Segment operating loss	(7,820)	-	-	-	(7,820)
Total assets	20,226	-	-	-	20,226
Total liabilities	(3,360)	-	-	-	(3,360)

Note 5 – Intangible assets

	Goodwill	Trade- marks	Develop- ment Costs	Patents	Customer lists & contracts	Right to use	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2018							
Carrying amount at beginning of year	-	13	2,209	536	-	-	2,758
Acquisitions through business combinations	4,976	1,264	1,153	175	2,447	-	10,015
Additions*	-	4	926	45	-	-	975
Disposals	-	-	-	-	-	-	-
Amortisation	-	(74)	(464)	(130)	(385)	-	(1,053)
Carrying amount at end of year	4,976	1,207	3,824	626	2,062	-	12,695
At 30 June 2018							
Cost (gross carrying amount)	4,976	1,281	4,752	2,385	2,447	-	15,841
Accumulated amortisation	-	(74)	(928)	(1,612)	(385)	-	(2,999)
Accumulated impairment charges	-	-	-	(147)	-	-	(147)
Net carrying amount	4,976	1,207	3,824	626	2,062	-	12,695
Year ended 30 June 2017							
Carrying amount at beginning of year	-	13	870	668	-	57	1,608
Additions	-	-	1,526	40	-	-	1,566
Disposals	-	-	-	-	-	(57)	(57)
Amortisation	-	-	(187)	(172)	-	-	(359)
Carrying amount at end of year	-	13	2,209	536	-	-	2,758
At 30 June 2017							
Cost (gross carrying amount)	-	13	2,673	2,164	-	-	4,850
Accumulated amortisation	-	-	(464)	(1,628)	-	-	(2,092)
Net carrying amount	-	13	2,209	536	-	-	2,758

* Net of \$0.414 million research and development tax credits (2017: \$1.526 million).

Goodwill

During the year ended 30 June 2018, the Group recognised Goodwill of \$4.976 million arising from the acquisition of MaxSec.

Development costs

During the year ended 30 June 2018, the Company incurred additional development costs of \$926,000 net of offset from research and development grant (2017: \$1,526,000).

Note 6 – Issued capital

Movements in shares on issue

During the year ended 30 June 2018, the Company issued 87,065,999 shares as consideration in a takeover offer for the shares of MaxSec.

	2018		2017	
	Number of shares	\$'000	Number of shares	\$'000
Beginning of the financial year	124,028,440	44,183	122,228,440	43,883
Issue of shares	87,065,999	11,038	1,800,000	300
Transaction costs relating to shares issued	-	(34)	-	-
End of the financial year	211,094,439	55,187	124,028,440	44,183

Note 7 – Related Party Transactions

Directors

During the current and previous financial year, the Group transacted with related entities of directors, other than in their capacity as director as follows:

The Consolidated entity purchased consulting services from Pierce Asia DWC LLC and Pierce CIM PTE LTD related entities of David Cronin for an amount of \$77,920 (2017: \$Nil). Accounts Payable balance at 30 June 2018 totals \$51,389 (2017: \$Nil)

Key Management Personnel

There were no other transactions with KMP during the year ended 30 June 2018 (2017: none).

There have been no other related party transactions other than those between the Company and its subsidiaries during the year ended 30 June 2018.

Note 8 – Contingent Liabilities

The Ava Global performance plan allows for senior employees of Ava Global to share in a pooled allocation of up to 32.7% of the exit value of Ava Global in excess of \$5 million or the peak debt and equity funding provided to Ava Global to run the business, whichever is greater. In addition, the plan provides for a shared annual bonus pool of up to 32.7% of the net profits that the Ava Global business unit generates. The incentives are payable in cash conditional upon meeting pre-defined KPIs by the executives. The performance plan expires if the executive resigns or their employment is terminated by the company within the first 3 years. Otherwise the performance plan terminates on 1 February 2021.

Other than the above the Group had no contingencies at 30 June 2018 (2017: None).

Note 9 – Subsequent Events

Share Buy-Back

On 17 July 2018, the Company announced an on-market buy-back. The Company intends to buy-back a maximum of 12,402,844 shares for capital management purposes. The on-market share buy-back duration will be for a 12-month period from 10 August 2018 to 9 August 2019.

Director Appointment and Resignations

On 8 August 2018, the Company announced the appointment of Mr. Michael McGeever as a Non-Executive Director. As part of the board renewal process, the Company also announced the resignation of Mr Terrence Winter effective 31 August 2018 and Mr. Fred Davis effective 8 August 2018.

No other matters or circumstances have arisen since the end of the financial year which significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group going forward.

Compliance Statement

Audit/review of accounts upon which this report is based

This report is based on accounts to which one of the following applies (tick one):

<input type="checkbox"/>	The accounts have been audited (refer attached financial statements).	<input type="checkbox"/>	The accounts have been subject to review (refer to attached financial statements)
<input checked="" type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have not been audited or reviewed.

The financial report is not likely to contain an independent audit report that is subject to a modified opinion, marked uncertainty or other matter paragraph.

Signature



Date 31 August 2018
Name Leigh Davis
Position Company Secretary