

12 March 2019

Services Division Update and Senior Management Change

Ava Risk Group Limited (ASX:AVA) today announced that it is considering corporate options for its International Valuables Logistics (IVL) subsidiary, Ava Global DMCC, after receiving multiple expressions of interest from secure logistics corporation(s) that wish to explore a potential equity investment with respect to that division.

As part of these discussions, Ava is undertaking an internal review and valuation of its IVL business and will consider its strategic investment options. Whilst preliminary in nature, any potential investment is understood to involve management equity for key staff. Chris Fergus, Ava's current Group Chief Executive, and Founder of Ava Global, will step down as Group CEO, and executive director of Ava Risk Group Limited, and transition to a role where his focus will be dedicated to leading the Ava's International Valuables Logistics (IVL) Services Division.

Founder and CEO of Ava Global, Chris Fergus, said "I am pleased to have received external interest in our business at this stage of our development. Since founding Ava's IVL business in 2016, the division achieved record revenue growth of 159%, over the prior corresponding period, for the first half of FY2019. The business has substantial growth opportunities, with an addressable spend with its current major clients of over \$63m, of which Ava is trending towards winning 1/3rd of this business. In addition, we have an increasing pipeline of potential new clients, with annual addressable spend in excess of \$50m. I look forward to continuing to provide leadership to Ava's IVL business and believe that we are well positioned to deliver additional shareholder value".

For the avoidance of doubt, it is important to note that the investment discussions are at an early stage and the parties are yet to conclude due diligence and/or agree on key material terms. Further updates will be provided when information is available.

A separate announcement of today's date will be made with respect to the incoming Group CEO.

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About the Ava Group

The Ava Group is a market leader in the provision of risk management services and technologies, trusted by some of the most risk conscious commercial, industrial, military and government clients in the world.

The Group features a range of complementary solutions including Future Fibre Technologies (FFT) for intrusion detection for perimeters, pipelines and data networks, BQT Solutions (BQT) for biometric and card access control as well as AVA Global for secure international logistics 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.

Contact

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