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ASX ANNOUNCEMENT

13 September 2021

FY21 Full Year Results Presentation

Advanced Braking Technology Ltd (ASX: ABV), the pre-eminent supplier of fail-safe brakes for commercial vehicles in Australia, today released its FY21 Results Presentation.

Following this release, CEO, John Annand will today be providing an investor webinar to provide an overview of the business, discuss the full year results and the outlook. The presentation will last approximately 45 minutes and will be inclusive of an opportunity for question time.

Webinar

To register for the webinar please follow the link below.

Date: Monday, 13 September 2021

Time: 12:30pm AEST

Registration Link: https://us02web.zoom.us/webinar/register/WN_IbDbC1D8QU2sY9ncwmTc_A

For further information, please find attached today's announcement.
This release is authorised by the Board of Directors.

- ENDS-

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About Advanced Braking Technology

Advanced Braking Technology Ltd (ABT) designs, manufactures and distributes its innovative braking solutions worldwide. From its head office in Perth, Western Australia, ABT continues to develop its product portfolio for a diverse range of industries that have a strong requirement for safety and environmental responsibility, including the mining, defence, civil construction and waste management industries.

ABT's innovative braking solutions are well known for their unparalleled safety, improved productivity, zero emissions and durability in the world's harshest conditions. As its reputation has grown, demand for ABT's brakes has expanded internationally with its braking solutions being used in all seven continents across the globe.



ABT

ADVANCED BRAKING
TECHNOLOGY

Investor Update FY21 Full Year Results



Company Overview

'Protecting your brakes from the environment, protecting the environment from your brakes'

Over 20 years experience and the **original manufacturer** of sealed wet brake technology

Designed, developed, tested and manufactured **in Australia**

Heavy duty braking solutions to the **mining, defence, waste management and civil construction** industries with further diversification underway

Focused on **innovation, safety and environmental responsibility** and reduction in downtime costs and increased **operational efficiencies for our customers**



WE BELIEVE IN SAFETY – IT IS CENTRAL TO EVERYTHING WE DO

Through embracing 'Safety Principles' in everything we do, we aspire to create prosperity for everyone that is touched by our business.

We aim to produce and sell innovative braking solutions with the commitment to promoting sustainable business practices that protect people and the environment.

Results Overview

Strategy execution demonstrated through improvements across key metrics

EBITDA
\$0.91m

40% increase on pcp

Stable Gross Margin
46.3%

Net Profit
\$0.62m

263% increase on pcp

Sales Revenue
\$9.7m

16% increase on pcp

Substantially
debt free

Cash Balance
\$1.41m

\$1.48m at 31 Dec 2020

Market Overview

Growing global distribution and customer network

ABT is well-positioned to take innovative solutions to market and capture additional business development opportunities globally

Sales & Distribution network covering

>16 countries

>20 years

experience and the original
manufacturer of sealed
brake technology

Further growth

planned through expansion of our
Australian and international
footprint



Value proposition

The ABT product portfolio provides solutions to a number of identified problems

Problems identified

Damage suffered to OEM braking systems operating in harsh off-road environments

- Abrasion and corrosion - contamination by dust, mud, chemicals leading to premature brake wear, poor and often unsafe braking performance

Unintended vehicle movements

- Risk to both people and equipment due to vehicle roll aways

Impact to both people and the environment

- Harmful brake dust emissions

ABT solution

Enclosed and sealed braking systems

- Prevents contaminants from causing premature brake wear and poor braking performance

Failsafe technology

- Spring applied hydraulic release, failsafe capability

Wet brake technology

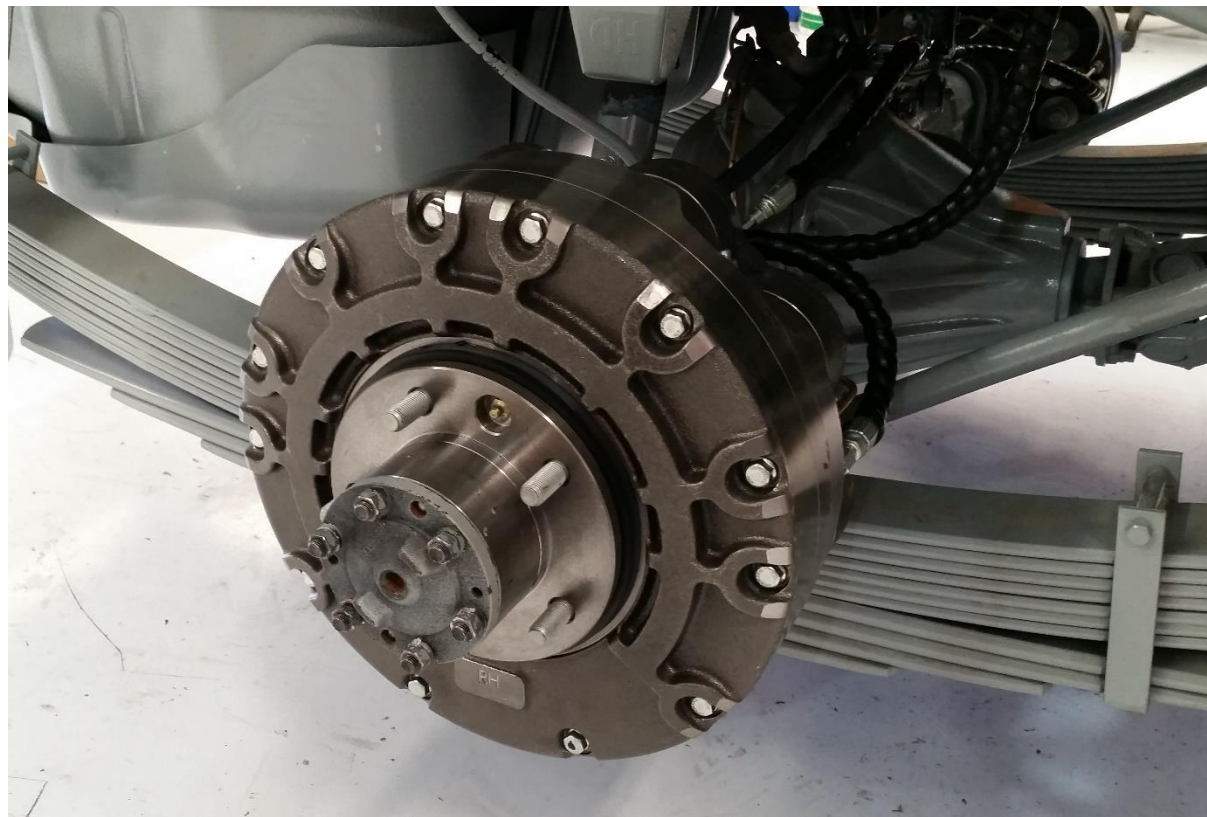
- Fluid filled braking system

Customer benefits

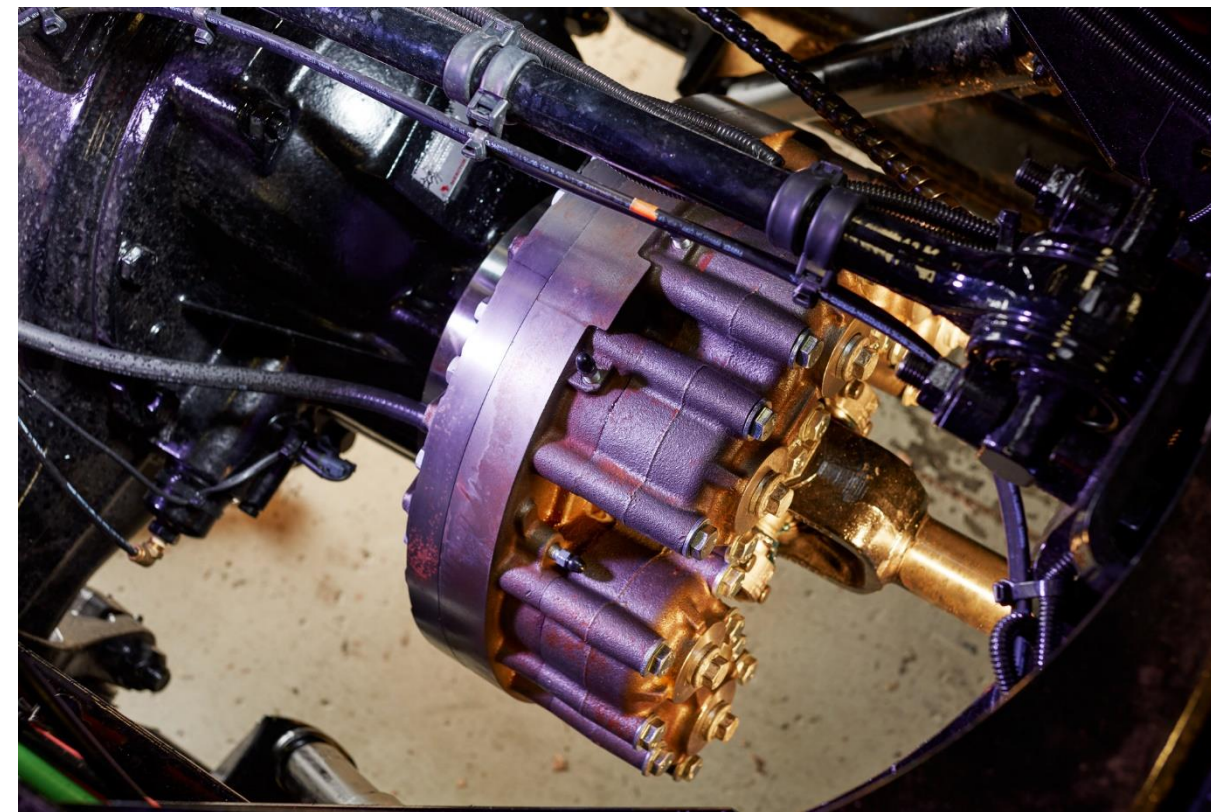
- Significantly **improved safety** for both people and equipment
- Improved Total Cost of Ownership through **reduced maintenance costs**
- **Increased vehicle uptime** & fleet availability
- **Excellent braking performance** even in the harshest operating conditions
- Zero brake particulate emissions **improves safety and lowers environmental impact**
- Improved heat management results in **reduction in brake fade and bearing overheating**

Product and Customer Overview

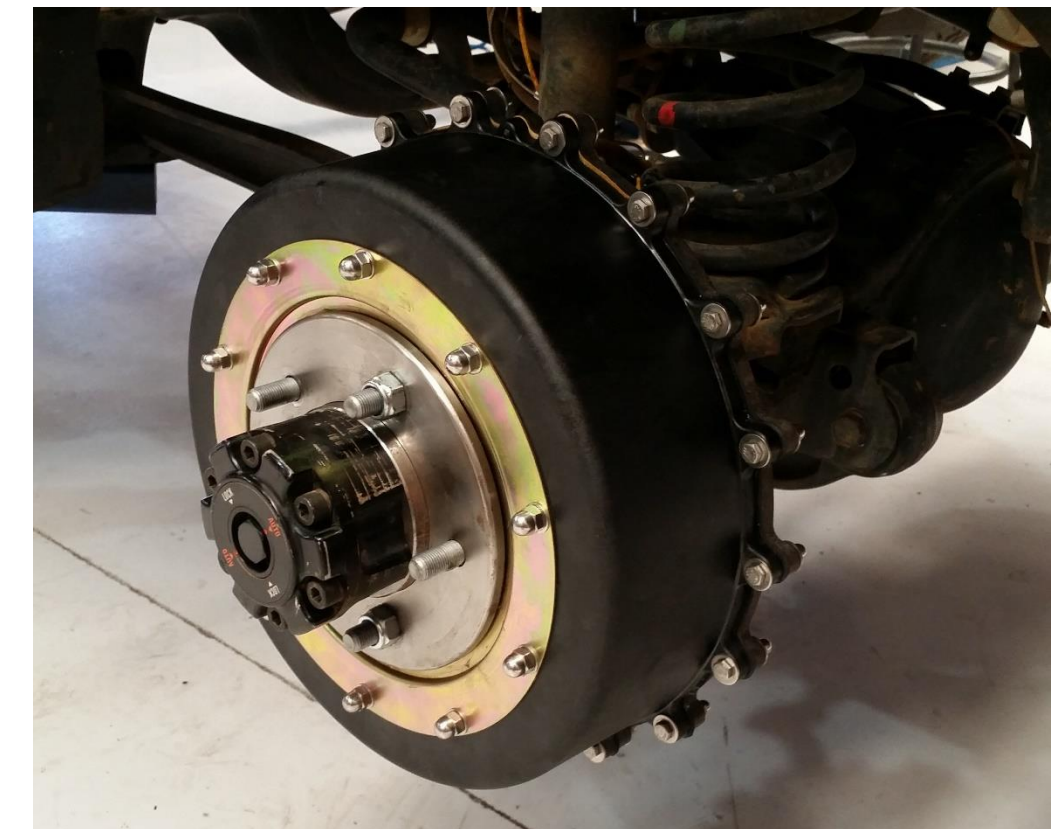
Current core products



Fully Sealed With
Failsafe Capability



Failsafe Driveline Brakes



Terra Dura ® Fully Sealed
For Durability

Current core products

Product portfolio suitable for a number of different applications



- **Maximum safety** 4WD brake
- **Fully enclosed** wet brake design equipped with **failsafe technology**
- Exceptional **reliability and durability, with low maintenance requirement**
- **Mandated for use** in many underground mines to prevent vehicle runaway
- Field proven by **blue-chip customers for 20+ years**
- **Zero brake dust emissions**
- Now in 4th generation



- **Maximum safety driveline** brake
- Contains all the safety features of Failsafe
- Technology suitable for numerous applications from underground mining to high speed open road use
- **Mandated for use** in many underground mines to prevent vehicle runaway
- Field proven by **blue-chip customers for 20+ years**
- **Zero brake dust emissions**

TERRA DURA

- **Exceptionally durable** 4WD brake
- **Fully enclosed** design protects internal brake components from abrasion and corrosion
- Sealed design specifically for **harsh** environments (mining, construction, agriculture & off-road)
- Provides **significant costs savings**
- **Zero brake dust emissions**
- **Updated product launch in June 2019** – greatly improved durability and reliability

Product innovation

ABT continues to innovate to secure new market opportunities across a range of industries



Design, prototype testing and long-term supply agreement with Thales Australia for a **hill-hold brake** for use on the Hawkei light protected vehicle

Design, prototype testing and deployment within Fortescue Metals Group for a dry **driveline brake** for use on a fully autonomous light vehicle application



Continuous improvement of original design concept

- design review undertaken
- metal cover version released to market for use within the most extreme operating environments
- International patent for improved concept design lodged

Future innovation will focus on continuous improvement of our existing product portfolio to address the automotive megatrends of autonomous, electric and connected vehicles

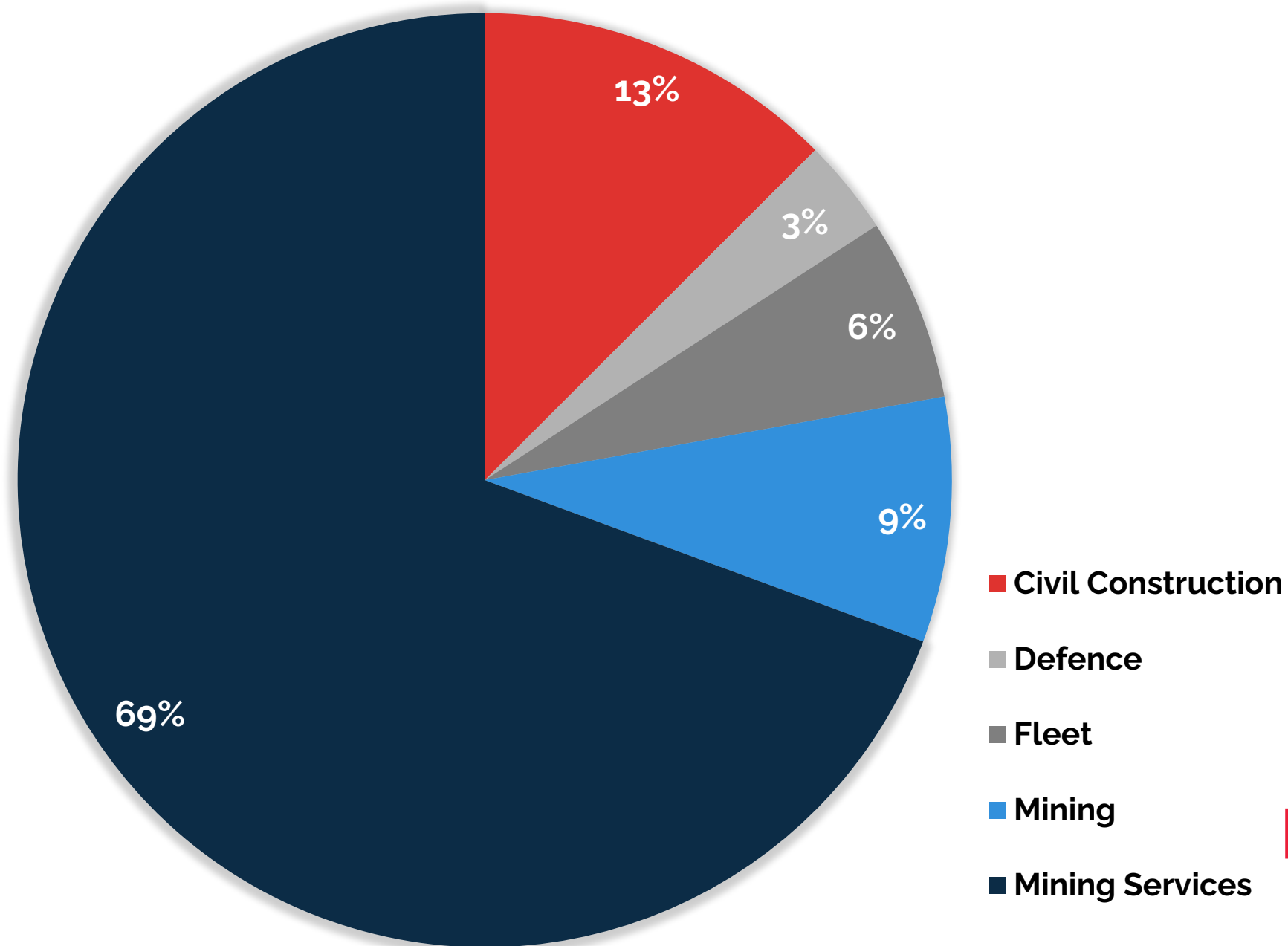
Customers and end users

ABT continues to grow its blue chip customer base



Product, customer and industry diversification

Sales by Industry (rolling 12 months)



THALES



CLEANAWAY



Rozelle Interchange

WestConnex

JOHN HOLLAND

CPB CONTRACTORS



Pipeline Opportunities

Sales pipeline and forward order book remains strong

Product Opportunities

Failsafe

Penetration into non-ABT mine sites

Failsafe mandated mine sites creating opportunities with new vehicle applications requiring Failsafe capability

New international markets engaged – Chile, Indonesia, Zambia, New Caledonia, Botswana

Terra Dura

Metal cover variant "Terra Dura X" released to market

Targeting "sweet spot" opportunities within wet/abrasive operating environments

Engagement with non-traditional ABT customer base (eg salt, bauxite)

New international markets engaged – Chile, Indonesia, New Caledonia

Industry Opportunities

Global Mining

Failsafe mandated mine sites

High maintenance environments

Autonomous vehicle applications

Heavy haulage applications

Civil Construction

Foothold gained within tunneling projects in Australia

Other

Defence:
Hawkei Project

Rail:
Hi-Rail applications

Environmental:
Brake dust emissions

Financial Performance

Financial performance

Continued positive net profit result

- Solid increase in total revenue of \$10.45 million, up 15% on previous corresponding period (pcp)
- Operating Sales increased to \$9.70 million, up 16% on pcp with product sales margins stable at 46.3%
- Continued positive Net Profit result of \$0.62 million (FY20: \$0.17 million) and positive EBITDA result of \$0.91 million (FY20: \$0.65 million) a 263% and 40% increase respectively on pcp
- ABT received approximately \$0.1 million in COVID-19 related financial assistance payments, provided by both the Federal and Western Australian governments

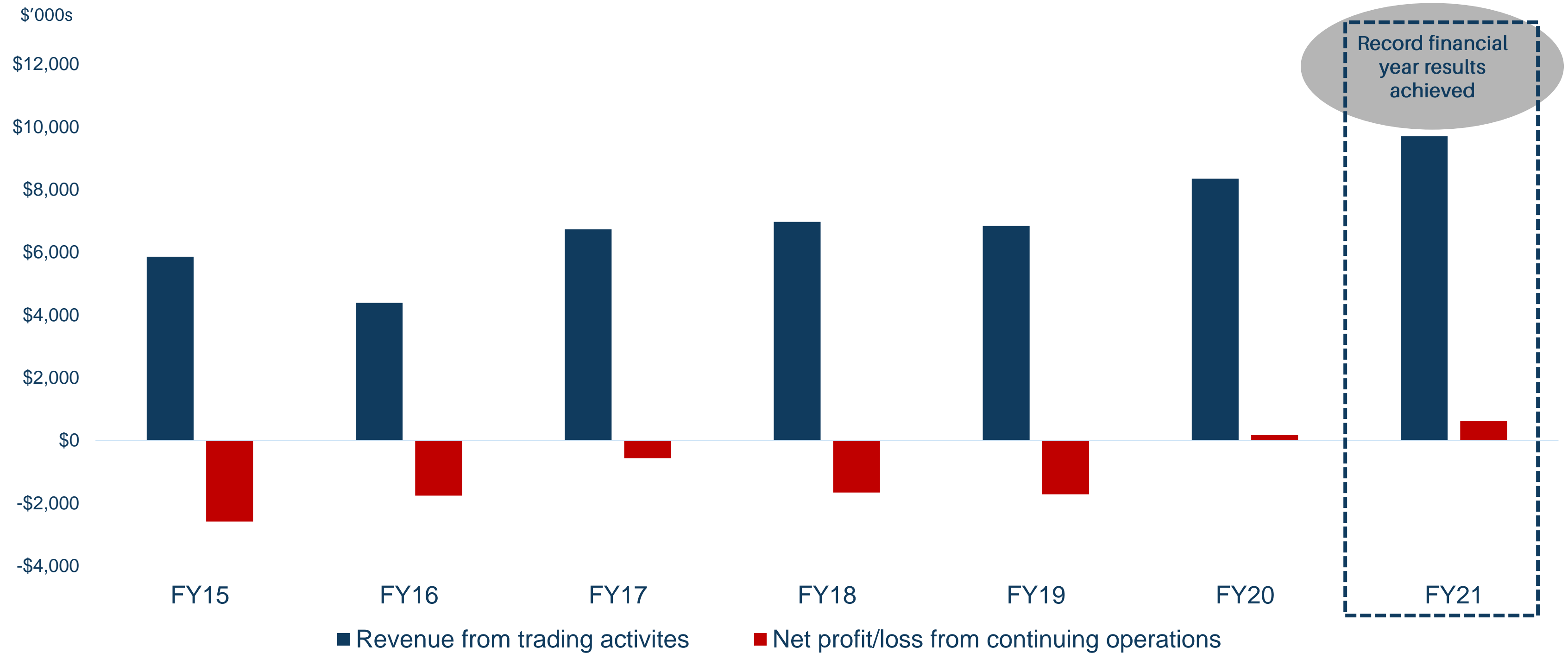
| | FY21 | FY20 | Change |
|--------------------------------|----------|---------|--------|
| Total Revenue | \$10.45m | \$9.08m | 15% |
| Operating Revenue | \$9.70m | \$8.35m | 16% |
| Gross Margin | 46.3% | 46.3% | - |
| Total Expenses | \$4.62m | \$4.43m | 4% |
| EBITDA | \$0.91m | \$0.65m | 40% |
| Profit / (Loss) for the period | \$0.62m | \$0.17m | 263% |

Cash Flow performance

- Improved cash position of \$1.41 million following three consecutive quarters of positive cashflow
- Improved sales and focus on cost management
- Cash balance broadly stable at \$1.41 million compared to 31 December 2020 of \$1.48 million but a strong increase on FY20 following receipt of tax offset for R&D of \$0.53 million in 1H21
- Slight decline in cash reflective of investment in in-house manufacturing with the purchase of a CNC lathe machine following the awarding of a Defence Competitiveness Grant

| (\$m) | FY21 | FY20 |
|-------------------------|--------|--------|
| Net cash from operating | 1.21 | 0.24 |
| Net cash from investing | (0.27) | 0.05 |
| Net cash from financing | (0.04) | (0.50) |
| Cash balance | 1.41 | 0.52 |

Improving financial position

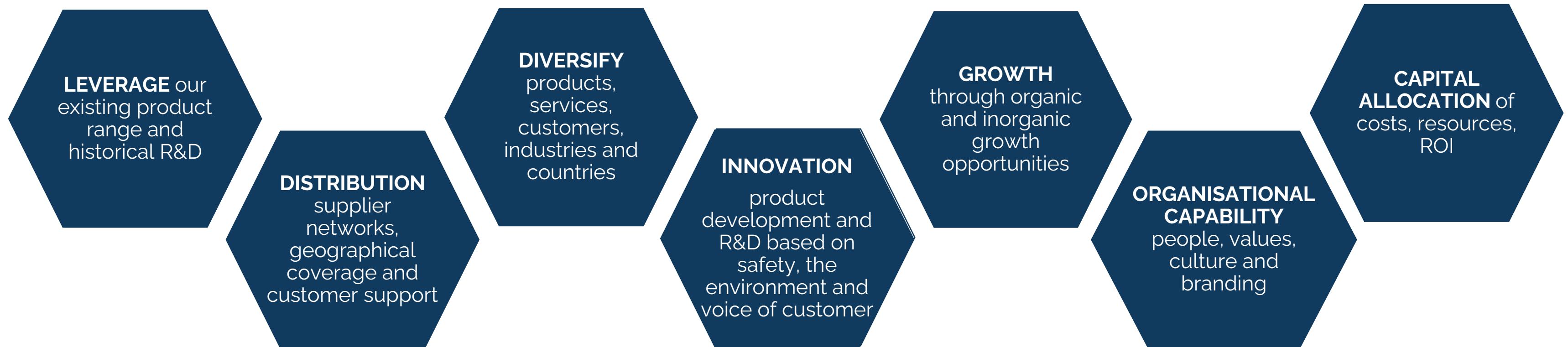


Strategy and Outlook

Strategy

By 2023

Generate material growth in both revenues and earnings by offering innovative braking solutions to a global customer base



Deliver shareholder value

A strong future

Recent progress to support our strategy

-  Leadership team and internal capability strengthened
-  Significantly improved financial position; increased sales and cost management
-  Substantially debt free
-  Cash flow and EBITDA positive and record net profit result achieved for FY21
-  Product innovation and diversification; new products released to market
-  Customer diversification; first long term supply agreement achieved
-  Industry diversification; sales revenue from new industries achieved
-  Patent portfolio strengthened; international patent lodged

Outlook for FY22

The foundations for growth are now in place

- Continue to drive:
 - **Innovation** through Voice of Customer and identification of market gaps
 - **Diversification** by leveraging our current product offering to both existing and new customers across a range of industries
- Assess **organic and inorganic growth** opportunities that can provide expanded product offering or increase in distribution footprint through acquisitions, strategic partnerships joint ventures and other initiatives
- Expand our **Australian and international distribution footprint** by partnering with local businesses within key geographic regions
- Continue to **improve financial performance**
- Position ABT for the future to participate in the **automotive megatrends** of automated, electric and connected vehicles



Appendices

Board and Management Team



Dagmar Parsons
Non-Executive Chair



David Slack
Non-Executive Director



Adam Levine
Non-Executive Director



Mark Lindh
Non-Executive Director



John Annand
Chief Executive Officer

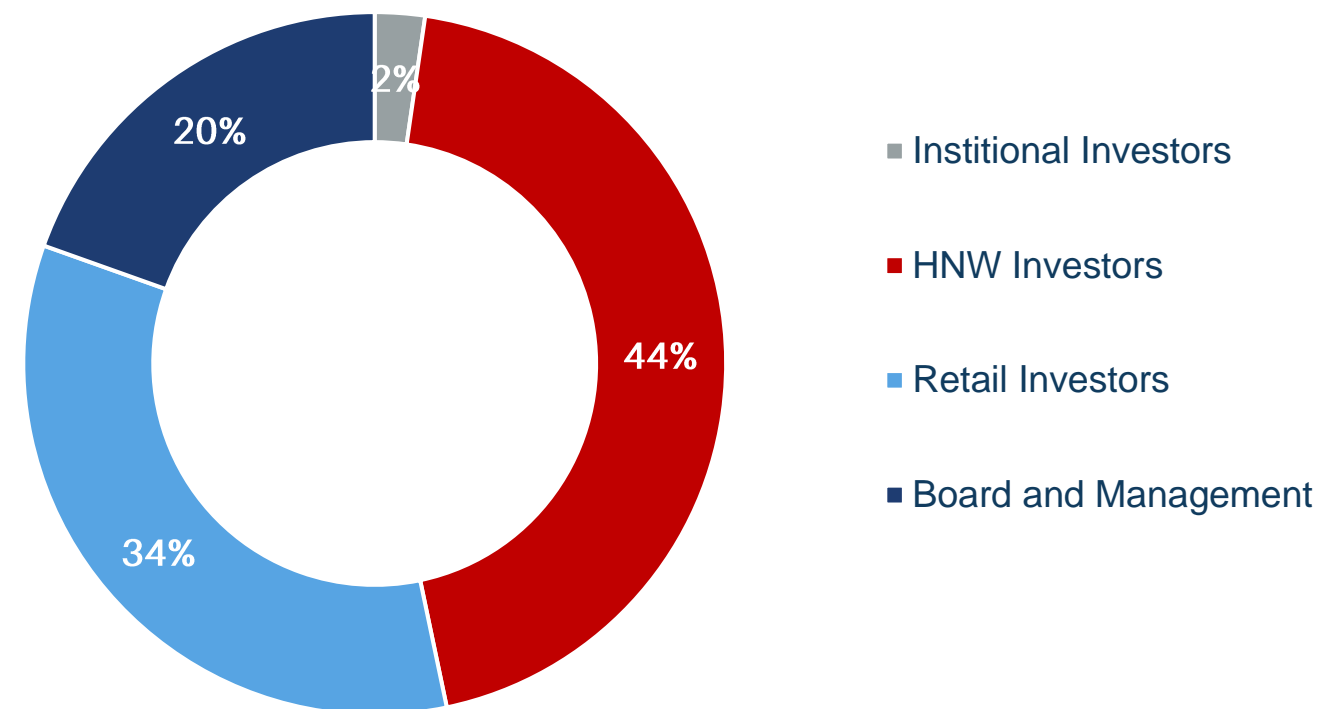


Paige Exley
Chief Financial Officer

Corporate Overview

ABT is substantially debt free with a supportive register

Top 50 share registry breakdown



Board of Directors

| | |
|----------------|------------------------|
| Dagmar Parsons | Non-Executive Chairman |
| David Slack | Non-Executive Director |
| Mark Lindh | Non-Executive Director |
| Adam Levine | Non-Executive Director |

Substantial Shareholders

| | |
|-------------------------------|---------------|
| Keith Knowles/Parks Australia | 27.45% |
| David Slack | 18.24% |
| Total | 45.69% |

Financial Information

| | |
|-------------------------------------|----------------|
| Share price as of September 9, 2021 | 3.5 cents |
| Ord Share on Issue (M) | 379.1 |
| 52-week trading (low/high) | 0.027/0.050 |
| Market Cap (\$M) | \$12.89 |
| Cash (30 June 2021) | \$1.41M |
| Debt (30 June 2021) | nil |

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