

Appendix 4D

Half year report

Name of Entity:	Advanced Braking Technology Ltd
ABN:	66 099 107 623
Reporting period:	Half-year ended 31 December 2023
Previous corresponding period:	Half-year ended 31 December 2022

Results for announcement to the market

			31-Dec-23 \$A'000	31-Dec-22 \$A'000
Revenue from ordinary activities	Up	7.82%	7,805	7,239
Profit / (Loss) from ordinary activities after income tax attributable to members	Up	1.78%	788	774
Net Profit / (loss) for the period attributable to members	Up	1.78%	788	774
Dividends				
There is no proposal to pay dividends for the half year ended 31 December 2023				

	31-Dec-23	30-Jun-23
Net tangible assets	cents	cents
Net tangible assets per share (cents)	1.66	1.41

This information should be read in conjunction with the 2023 Annual Report and the Half Year Report for the period ended 31 December 2023.



ADVANCED BRAKING TECHNOLOGY LTD

ABN 66 099 107 623

HALF-YEAR REPORT

31 DECEMBER 2023

TABLE OF CONTENTS

CORPORATE DIRECTORY.....	2
DIRECTORS' REPORT.....	3
REVIEW OF OPERATIONS.....	3
AUDITOR'S INDEPENDENCE DECLARATION.....	5
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	6
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	7
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	8
CONSOLIDATED STATEMENT OF CASH FLOWS.....	9
NOTES TO THE FINANCIAL STATEMENTS.....	10
DIRECTORS' DECLARATION.....	15
INDEPENDENT AUDITOR'S REPORT.....	16

CORPORATE DIRECTORY

Directors

Dagmar Parsons
David Slack
Adam Levine
Lee Guthrie

Company Secretary

Kaitlin Smith

Registered Office

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Wangara, WA 6065
Telephone +61 8 1800 317 543
Telephone: + 61 8 9302 1922

Auditors

Moore Australia Audit (WA)
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2 The Esplanade
Perth, WA, 6000

ASX Home Branch

Australian Securities Exchange (ASX)
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152-158 St George's Terrace
Perth, WA, 6000

Chief Executive Officer

Andrew Booth

Chief Financial Officer

Angela Godbeer

Bankers

National Australia Bank Ltd
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Perth, WA, 6000

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
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Telephone: + 61 8 9323 2000
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ASX Code

ABV – Fully Paid Ordinary shares

Country of Incorporation

Australia

DIRECTORS' REPORT

The Directors of Advanced Braking Technology Ltd (**ABT** or the **Company**) and its controlled entities (the **Group** or the **Consolidated Group**) submit the financial report of the Consolidated Group for the half-year ended 31 December 2023.

Directors

The names of Directors who held office during the half year ended 31 December 2023 are:

Name	Position	Appointment Date	Resignation Date
Dagmar Parsons	Non-Executive Chair	22 April 2018	
David Slack	Non-Executive Director	9 September 2009	
Adam Levine	Non-Executive Director	9 April 2013	
Lee Guthrie	Non-Executive Director	1 August 2023	

REVIEW AND RESULTS OF OPERATIONS

Business Overview

Advanced Braking Technology Ltd is an Australian company listed on the Australian Securities Exchange (ASX:ABV) that 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.

Financial Review

The Company's revenue from ordinary activities for the period was \$7,805m (FY23: \$7,239m) with a profit before income tax of \$0.788m (FY23: \$0.774m). Revenue from ordinary activities includes revenue from continuing operations and revenue from other activities. Gross margin for revenue from continuing operations for the period was 51.4% (FY23: 50.4%)

Expenses to 31 December 2023 were \$3.558m (H1 FY23: \$3.000m), representing a 18.6% increase. The cost increase is in line with the strategic roadmap execution through continuing to invest in resources towards the creation and enhancement of new technologies, products and processes through research and development (R&D). Investment in R&D is important for the Company to remain competitive, foster innovation and drive long term growth. As at 31 December 2023, cash and receivables were \$3.927m (June 2023: \$3.987m). Net cash generated in operating activities during the period was \$0.162m (FY23: \$0.662m)

Strategy and Market Review

The mining industry is facing pressure to be more efficient, deliver more minerals for the energy transition, and to achieve that in a more sustainable way. Mining operators continue to make progress on a range of ESG, climate change and license to operate risks but are under pressure to do even more¹.

ABT's strategic roadmap responds to this by designing, and producing innovative braking solutions with the commitment to promoting sustainable business practices that protect our customers' people, assets and the environment. This roadmap aims to deliver market share growth via deepening our mining market penetration of our core and new product innovation.

Our year-to-date revenue performance has been underpinned by achieving growth in ABT's share of the international market, and subsequently have seen an increase in both new customer acquisition and the overall value of our contracts. This includes market development yielding growth in regions including North America, Asia and Africa. ABT's domestic market also performed strongly with a focus on providing unsurpassed technical

and sales support as the leading brand in Failsafe braking systems for commercial fleets. And we have successfully implemented a number of strategic partnerships that have enhanced our distribution capabilities and expanded our geographic reach.

Our FY24 Strategic roadmap encompasses strategies designed to achieve ABT's short term as well as medium term objectives. Light commercial fleet innovation remains a core focus for ABT as the mining sector continues to leverage technology to deliver environment, safety and governance targets. Currently, ABT are developing a fail-safe brake solution for the Toyota Hilux, that has been customer-led in South Africa. The SIBS Hilux design is an evolution of the proven ABT SIBS Landcruiser brake offering Mine Fleet Operators similar benefits which include ABT's market leading Failsafe technology, as well as Total Cost of Ownership benefit over the useful life of the vehicle of Circa 23%² when compared to a standard brake. This demonstrates to our customers a positive rate of return on investment in an ABT SIBS brake Toyota Hilux is a popular light vehicle choice for all mining environments. In South Africa fail safe brakes are mandated for all light vehicles operating underground unlike in Australia. ABT's competitive point of difference is reflected in its strong brand reputation, quality and aftersales service and technical support.

During the quarter, ABT progressed key development projects including the Heavy Vehicle (HV) Sealed Integrated Brake (SIBS) range which targets road trucks 'mine spec'd for underground mine operations.

Outlook

While there are still uncertainties and challenges in the broader economic environment, we believe that ABT is well-positioned to navigate these headwinds successfully. Thus, looking ahead, we remain optimistic about ABT's FY24 year end. We will continue to focus on driving innovation, expanding our market presence, and improving operational efficiency to deliver sustainable long-term growth.

Events subsequent to the balance date

No matters or circumstances have arisen since the 31 December 2023 that have significantly affected, or may significantly affect the Company's operations, results of those operations, or the Company's state of affairs.

Rounding of Amounts

The Consolidated Group has applied the relief available to it in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

Auditor's Independence Declaration

The lead auditor's independence declaration under s307C of the Corporations Act 2001 is set out on page 5 for the half year ended 31 December 2023.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Dagmar Parsons,
Non-Executive Chair

27 February 2024

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ADVANCED BRAKING TECHNOLOGY LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



WEN-SHIEN CHAI
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 27th day of February 2024

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR
THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Notes	CONSOLIDATED GROUP	
		Dec-23 \$'000	Dec-22 \$'000
Revenue from continuing operations	3	7,112	6,989
Cost of sales		(3,459)	(3,465)
Gross Profit		3,653	3,524
Revenue from other activities	3	693	250
Expenses			
Amortisation of Intellectual property		(32)	(32)
Audit and accounting fees		(27)	(25)
Bad and doubtful debts		-	-
Consulting fees		(242)	(268)
Consumables and minor equipment		(203)	(8)
Depreciation expense		(157)	(65)
Employee expenses		(2,134)	(1,708)
Finance expenses		(71)	(23)
Information technology expenses		(132)	(74)
Insurance		(149)	(141)
Inventory obsolescence expense		(23)	(182)
Legal fees		(11)	(15)
Marketing and advertising expenses		(32)	(80)
Patent expense		(27)	(31)
Property expenses		(44)	(75)
Telephone and other communication		(15)	(16)
Travel and accommodation		(163)	(105)
Other expenses		(96)	(152)
Total expenses		(3,558)	(3,000)
Profit / (loss) before income tax		788	774
Income tax		-	-
Profit / (loss) after income tax		788	774
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to profit or loss		-	-
Total comprehensive profit / (loss) for the period		788	774
		Cents	Cents
Basic profit / (loss) per share (cents)		0.207	0.204
Diluted earnings per share (cents)		0.200	0.182

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Notes	CONSOLIDATED GROUP	
		Dec-23 \$'000	Jun-23 \$'000
CURRENT ASSETS			
Cash and cash equivalents		1,947	2,048
Trade and other receivables	4	1,980	1,939
Inventories		3,458	3,425
Other assets		798	1,057
Total current assets		8,183	8,469
NON-CURRENT ASSETS			
Property, plant and equipment		975	882
Right of use assets	5	1,070	1,128
Intangible assets		448	480
Total non-current assets		2,493	2,490
TOTAL ASSETS		10,676	10,959
CURRENT LIABILITIES			
Trade and other payables	6	1,196	2,027
Interest bearing liabilities	7	111	223
Lease liabilities	5	68	41
Provisions	8	356	571
Total current liabilities		1,731	2,862
NON-CURRENT LIABILITIES			
Lease liabilities	5	1,036	1,116
Provisions	8	55	34
Total non-current liabilities		1,091	1,150
TOTAL LIABILITIES		2,822	4,012
NET ASSETS		7,854	6,947
EQUITY			
Issued capital	9	55,893	55,833
Reserves	10	430	372
Accumulated losses	11	(48,469)	(49,257)
TOTAL EQUITY		7,854	6,947

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Issued Capital \$'000	Accumulated losses \$'000	Reserves \$'000	Total \$'000
Balance at 1 July 2023	55,833	(49,257)	372	6,948
Profit for the period	-	788	-	788
Subtotal	55,833	(48,469)	372	7,736
Issue of ordinary shares	-	-	-	-
Exercise of Options	60	-	-	60
Cost of share issue	-	-	-	-
Share-based payments	-	-	58	58
Balance at 31 December 2023	55,893	(48,469)	430	7,854
Balance at 1 July 2022	55,819	(50,731)	237	5,325
Profit for the period	-	774	-	774
Subtotal	55,819	(49,958)	237	6,099
Issue of ordinary shares	-	-	-	-
Conversion of convertible notes	-	-	-	-
Cost of share issue	-	-	-	-
Share-based payments	-	-	21	21
Balance at 31 December 2022	55,819	(49,958)	258	6,120

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	CONSOLIDATED GROUP	
	Dec-23	Dec-22
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	7,504	7,649
Payments to suppliers and employees	(8,041)	(6,995)
Interest received	6	5
Finance costs	22	(5)
Proceeds from grants and research & development incentive	671	7
	<hr/>	<hr/>
Net cash generated by / (used in) operating activities	162	662
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of non-current assets	-	-
Purchase of property, plant and equipment	(191)	(127)
	<hr/>	<hr/>
Net cash generated by / (used in) investing activities	(191)	(127)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	246	210
Repayment of borrowings	(357)	(325)
Borrowing costs	(19)	(19)
Proceeds from issue of shares	60	-
Share issue costs	-	-
	<hr/>	<hr/>
Net cash generated by / (used in) financing activities	(70)	(134)
	<hr/>	<hr/>
Net increase in cash held	(101)	401
Cash and cash equivalents at beginning of period	2,048	1,739
	<hr/>	<hr/>
Cash and cash equivalents at end of period	1,947	2,140
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Advanced Braking Technology Ltd and its controlled entities (referred to as the “Consolidated Group” or “Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the following half-year.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for those as described below.

c. New & Amended Standards Adopted by the Group

The Group has considered the implications of new or amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material for the current financial reporting period.

d. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Advanced Braking Technology Ltd and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

e. Critical Accounting Estimates and Significant Judgments Used in Applying Accounting Policies

The critical estimates and judgments are consistent with those applied and disclosed in the June 2023 annual report.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

NOTE 2: DIVIDENDS

No dividends were provided for or paid during the half year to 31 December 2023 and no dividends were provided for or paid during the preceding half year to 31 December 2022.

	CONSOLIDATED GROUP	
	Dec-23	Dec-22
	\$'000	\$'000
NOTE 3: REVENUE		
Revenue from continuing operations		
Continuing Operations	7,106	6,369
Engineering Services	6	620
	7,112	6,989
	Dec-23	Dec-22
	\$'000	\$'000
Revenue from ordinary activities		
- interest received	5	5
- net foreign exchange (loss) / gain	(2)	(3)
- R&D Tax Incentive	689	240
- CDIC defence grant	-	7
- Other income	1	1
Total revenue from other activities	693	250

During the period ended December 2022, the Group jointly with Glencore embarked on the Heavy Vehicle Sealed Integrated Brake Systems (SIBS) development for the VOLVO FMX, which resulted in Engineering Revenue of \$620,000.

In period ending December 2023, the group recognised \$689,000 in reflection of increased activities in self funded Research & Development (December 2022 \$240,000).

	CONSOLIDATED GROUP	
	Dec-23	Jun-23
	\$'000	\$'000
NOTE 4: TRADE & OTHER RECEIVABLES		
Current		
Trade debtors	2,000	1,959
Provision for doubtful debts	(20)	(20)
Total current	1,980	1,939

NOTE 5: LEASES

The Group has signed a lease on a property on 8 March 2023. The lease will run for a 5 year period, with an reasonable certainty to renew for a further 5 year, on a 4 month rent free basis but will be liable for outgoings from the start of the lease.

The Company recognises the right of use asset and liability on the Balance Sheet from the date of commencement of the lease. Right-of-use assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	CONSOLIDATED GROUP	
	Dec-23	Jun-23
	\$'000	\$'000
Right of use assets		
Leased building	1,371	1,371
Accumulated depreciation	(301)	(243)
Total	1,070	1,128

Lease Liability		
Current	68	41
Non Current	1,036	1,116
Total	1,104	1,157

NOTE 6: TRADE & OTHER PAYABLES

Current		
Trade creditors	1,224	1,830
Other payables	43	(129)
Accrued expenses	(71)	326
Total current	1,196	2,027

NOTE 7: INTEREST BEARING LIABILITIES

Current		
Insurance Premium Funding	111	223
Total current	111	223

NOTE 8: PROVISIONS

	CONSOLIDATED GROUP	
	Dec-23	Jun-23
	\$'000	\$'000
(a) Current		
Employee entitlements	215	430
Warranty	141	141
Total current	356	571

(b) Non-current

Employee entitlements	30	9
Make Good	25	25
Total non-current	55	34

NOTE 9: ISSUED CAPITAL

(a) Ordinary Shares

	Dec-23		Jun-23	
	Number of Shares	\$'000	Number of Shares	\$'000
Fully paid ordinary shares	379,466,944	55,833	379,148,766	55,819
At the beginning of the financial period / year	379,466,944	55,833	379,148,766	55,819
Employee Share Issue			318,178	14
Sub-total	379,466,944	55,833	379,466,944	55,833
Exercise of KMP Options ¹	1,489,527	60	-	-
Transaction costs relating to share issues				
Balance at end of financial period / year	380,956,471	55,893	379,466,944	55,833

1. On 5 December 2023, 1,489,527 shares were issued as a result of exercise of KMP Options by Andrew Booth at an exercise price of \$0.04.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

(b) Options	Number of options	Exercise price	Expiry date
Unlisted options			
Balance at beginning of the financial period 1 July 2022	29,790,544		
11 July 2022 – Lapse of KMP Options	(11,916,217)	0.04	30-Jun-23
12 August 2022 – Lapse of KMP Options	(5,958,109)	0.04	30-Jun-23
20 August 2022 – Lapse of KMP Options	(5,958,109)	0.04	30-Jun-23
25 October 2022 – Issue of KMP Options	5,958,109	0.06	30-Jun-25
1 December 2022 – Issue KMP Options	5,958,109	0.06	30-Jun-25
9 January 2023 – Issue KMP Options	5,958,109	0.06	30-Jun-25
Balance at the end of the financial period 30 June 2023	<u>23,832,436</u>	0.049	WAEP(i)
5 December 2023 - Exercise of Options	(1,489,527)	0.04	
Balance at the end of the financial period 31 December 2023	<u>22,342,909</u>	0.049	WAEP(i)

(i) Weighted Average exercise price of options on issue

CONSOLIDATED GROUP

31-Dec-23 30-Jun-23

\$'000 \$'000

NOTE 10: RESERVES

Option reserve	64	64
Share based payment reserve	366	308
Total reserves at the end of the financial period / year	<u>430</u>	<u>372</u>

NOTE 11: ACCUMULATED LOSSES

Accumulated losses at the beginning of the financial period / year	(49,257)	(50,731)
Net profit attributable to members of the parent entity	788	1,474
Accumulated losses at the end of the financial period / year	<u>(48,469)</u>	<u>(49,257)</u>

CONSOLIDATED GROUP

31-Dec-23 30-Jun-23

\$'000 \$'000

NOTE 12: SHARE-BASED PAYMENT EXPENSE

a) Share based payment expense during the period	<u>58</u>	<u>134</u>
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Schedule of share-based payments

i) Options

	\$'000	\$'000
Employee Share Plan ₁	-	14
Accumulated losses at the end of the financial period / year	<u>-</u>	<u>14</u>

1. The group provides benefits to its employees in the form of share based payments in which the employees render services for ordinary shares in the Group. Under the plan, each eligible employee is offered fully paid ordinary shares to a maximum value of \$1,000 per annum.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

NOTE 13: SEGMENT REPORTING

The Group's principal activities are research and development, commercialisation, manufacture and installation of the Failsafe® wet sealed braking systems. The Group's activities are predominantly conducted in Australia and via distribution arrangements to other countries.

For management purposes, the Group is organised into one main operating segment. All the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. The financial results from this segment are equivalent to the financial statements of the Group.

The performance of the operating segment is evaluated based on pro fit before tax and net finance costs (profit before interest and tax) and is measured in accordance with the Group's accounting policies. The Group's financing requirements, finance income, finance costs and taxes are managed on a group basis.

Revenue attributable to external customers is disclosed below, based on the location of the external customer.

i) Revenue by geographical region	For the six months ended	For the six months ended
	31-Dec 2023 \$'000	31-Dec 2022 \$'000
Australia	4,333	5,195
Overseas / Export	2,779	1,794
Total revenue from continuing operations	7,112	6,989

ii) Assets by geographical region

The location of assets is disclosed below by geographical location of the assets:

	31-Dec 2023 \$'000	30-Jun 2023 \$'000
Australia	10,676	10,959
Total assets	10,676	10,959

Intangible assets are treated as located in Australia.

NOTE 14: RELATED PARTY TRANSACTION

	Note	31-Dec 2023 \$'000	31-Dec 2022 \$'000
Directors			
Company Secretarial Services	a)	-	16
Director's fees	b)	34	25
Total		34	41

a) AE Administrative Services Pty Ltd provides company secretarial services to the Company, which is a related party of Director, Mark Lindh.

b) Rockwell Group Holdings Pty Ltd received director's fees, which is a related party of Director, Adam Levine.

NOTE 15: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 16: EVENTS OCCURRING AFTER REPORTING PERIOD

The Directors are not aware of any other significant events since the end of the reporting period.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1 The financial statements and notes, as set out on pages 6 to 14 are in accordance with the Corporations Act 2001, including:
 - a.complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b.giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.

- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Dagmar Parsons
Non-Executive Chair
27 February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ADVANCED BRAKING TECHNOLOGY LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Advanced Braking Technology Limited (the Company) and its controlled entities (the Consolidated Entity or Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard *AASB 134: Interim Financial Reporting* and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ADVANCED BRAKING TECHNOLOGY LIMITED (CONTINUED)**

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and
- ii. complying with *Accounting Standard AASB 134: Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



WEN-SHIEN CHAI
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 27th day of February 2024.