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## ASX RELEASE

Advanced Braking Technology Limited (ASX: ABV)

Date: 26 July 2017

Release: Immediate

Topic: **Appendix 4C – Quarter ending 30 June 2017.**

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## Advanced Braking Technology achieves record operating sales for the Quarter

### Highlights:

#### Record Operating Revenue

As per the ASX announcement of 26 June 2017, the Company achieved a material increase in Operating Revenue of \$0.8m from the previous corresponding period, taking total Operating Revenue for the Quarter to \$2.5m.

Operating Revenue year to date is now \$6.7m and Total Revenue to \$7.7m.

During the period, the Company also relocated premises. Whilst this resulted in some one-off expenses in the quarter, this relocation significantly reduces leasing costs going forward and introduces significant operational efficiencies.

#### Post Balance Date Events

The company expects the cash balance to materially increase in the next quarter as a result of sales achieved during the period ended 30 June 2017. This is primarily a result of trading terms associated with the bulk of these sales.

In addition, the company expects to be in receipt of an R&D rebate of circa \$0.8m in October 2017.

The company also expects sales results to be positively impacted from the first recorded sales and delivery of the Company's Terra Dura<sup>®</sup> products.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Neville Walker". The signature is written in a cursive style with a large initial 'N'.

Neville Walker  
CFO & Company Secretary

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

ADVANCED BRAKING TECHNOLOGY LTD

**ABN**

66 099 107 623

**Quarter ended ("current quarter")**

30 June 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,616	6,396
1.2 Payments for		
(a) research and development	(190)	(760)
(b) product manufacturing and operating costs	(1,192)	(3,828)
(c) advertising and marketing	(13)	(63)
(d) leased assets	(6)	51
(e) staff costs	(611)	(2,297)
(f) administration and corporate costs	(283)	(1,005)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	19
1.5 Interest and other costs of finance paid	(47)	(152)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	16	832
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(706)</b>	<b>(807)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(140)	(363)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	98
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(140)</b>	<b>(265)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	2,700
3.2	Proceeds from issue of convertible notes	-	1,250
3.3	Proceeds from exercise of share options	-	2
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(189)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of convertible notes)	-	(1,845)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,918</b>

## Quarterly report for entities subject to Listing Rule 4.7B

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	2,579	887
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(706)	(807)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(140)	(265)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,918
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>1,733</b>	<b>1,733</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	250	250
5.2	Call deposits	1,431	2,277
5.3	Bank overdrafts	-	-
5.4	Other (term deposit)	52	52
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,733</b>	<b>2,579</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	(54)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7.	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8.	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	500	-
8.3	Other (please specify)	-	-
8.4	<p>Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.</p> <p>The only facility under 8.2 above is a NAB Invoice Finance Facility, which presently provides finance of 80% of Australian Trade Receivables up to the value of \$500,000.</p> <p>This facility is secured by the company's debtors and has been in place since 2013, but has never drawn down on it.</p> <p>The interest rate for the NAB Invoice Finance Facility as at 30 June 2017 is 7.62%</p>		

9.	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	(189)
9.2	Product manufacturing and operating costs	(1,750)
9.3	Advertising and marketing	(51)
9.4	Leased assets	(6)
9.5	Staff costs	(777)
9.6	Administration and corporate costs	(245)
9.7	Other (provide details if material)	
	Interest and other costs of finance paid	(31)
	Payments to acquire property, plant and equipment	(185)
	Repayment of convertible notes	-
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>(3,234)</b>

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Company Secretary)

Date: 26 July 2017

Print name: Neville A Walker

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.