



Advanced Braking Technology Ltd

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28 November 2014

**AUSTRALIAN STOCK EXCHANGE LIMITED**

**Electronic Lodgment**

**PRESENTATIONS TO BE DELIVERED AT THE 2014 AGM**

Appended are copies of the Chairman's address and the Chief Executive Officer's presentations to be delivered to Shareholders at the Company's 2014 Annual General Meeting to be held at 10:30am AEDT this morning.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Neville Walker', is written over a light blue horizontal line.

Neville Walker  
Company Secretary





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28 November 2014

**ASX/MEDIA RELEASE**

**Chairman's Address to the 2014 Annual General Meeting  
Advanced Braking Technology Ltd**

Dear Shareholder,

The 2013/14 financial year has proved to be an extremely difficult one for ABT. The business has gone through significant change.

I was pleased to announce the appointment of Graeme Sumner as Managing Director in January 2014. Graeme was tasked with undertaking a full review of the company's position and developing a refreshed strategy in conjunction with the board. To date, the board is very pleased with the progress that has been made in turning the organisation around.

I am sure shareholders will be disappointed to learn that the truck brake development has not delivered on the promise that we were all expecting. Graeme addresses this point in the following CEO's Operational Review.

In reviewing the strategy, management and the board have determined that ABT is primarily an application engineering company which has benefited from a lot of foundation research and development into wet brake technology. Many of the opportunities that this research has identified have not been fully developed, particularly in the mining sector. As I noted in last year's report, the Company's existing products in the mining sector offer compelling cost and safety benefits to our customers, but it is apparent that there is significant scope for the development of the product range and the geographies in which it operates. To that end it is pleasing to note the early progress shown by the company in developing its international markets. These can take a long time to develop but ABT has already seen orders this financial year from new distributors in South Africa, Indonesia, The Netherlands and Poland, with strong interest also coming from Germany, the United Kingdom and an expanded Canadian relationship. Together with the local support ABT has enjoyed from Australian customers such as Glencore, BHP and Byrncut, I feel that the company is now well placed to become a sustainably profitable business with significant opportunities for growth.

During the year, ABT raised over \$2.58million by way of a rights issue and placement. I would like to express my gratitude to existing shareholders for their support and welcome those new shareholders to ABT. The Board and Management are very aware of the trust you have placed in us to turn ABT into a profitable business.

Finally I would like to thank Ken Johnsen for his leadership of ABT over the past 7 years. ABT has created an impressive list of unique products in Ken's time, and has given the company the opportunity to create a strong, commercially sustainable future.

**- ENDS -**

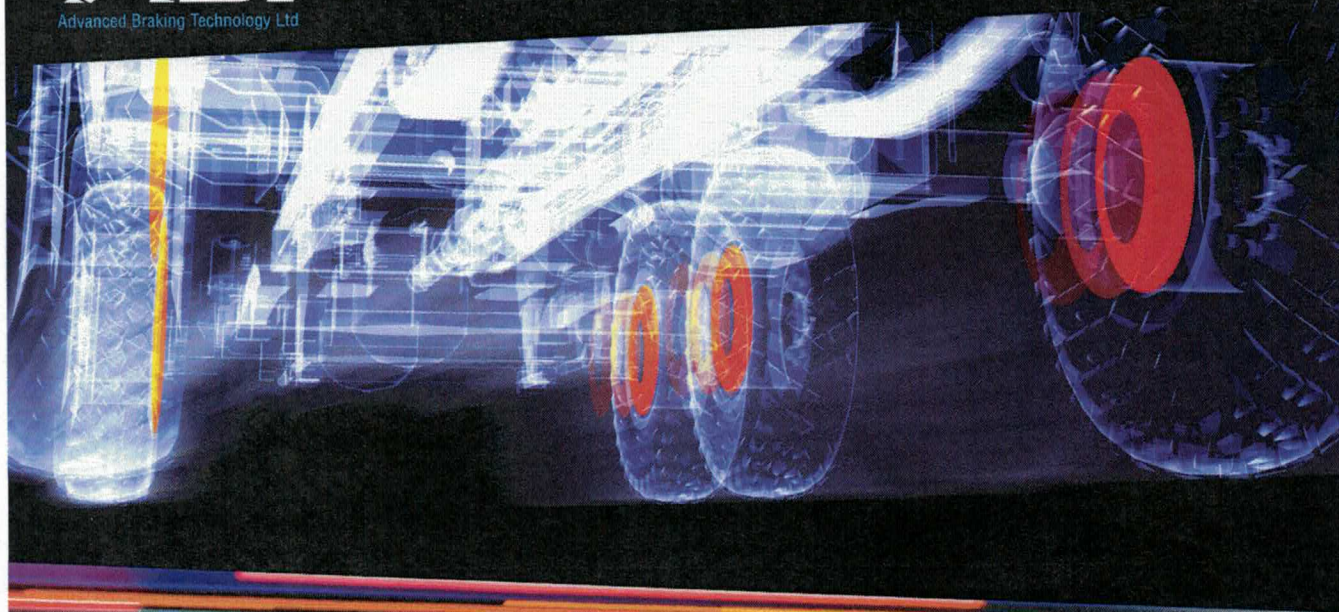
**For Further information, please contact:**

Mr Graeme Sumner  
Chief Executive Officer  
Advanced Braking Technology Ltd  
Telephone: +61 (0)8 9273 4800  
[www.advancedbraking.com](http://www.advancedbraking.com)

## About Advanced Braking Technology Ltd

Advanced Braking Technology Ltd (ASX: ABV) develops innovative braking systems, with its main product being the Sealed Integrated Braking System (SIBS®), a comprehensively patented Australian invention, now used widely in light commercial vehicles in the mining industry.





# Advanced Braking Technology Limited

## Annual General Meeting 2014

### Agenda

- Board Introduction
- Chairman's Address
- Formal Business
- CEO's Report
- Questions and Answers

## Board and Other Introductions

**Mr Bruce Grey**  
**Chairman**



## Formal Business

## Proxies – Summary of the 6 Resolutions

#	Resolution	For	Against	Open	Abstain	Total
1	Adoption of Remuneration Report	74,058,154	13,360,729	2,456,320	1,650,834	91,526,037
2	Re-election of Mr Adam Levine	297,098,546	1,567,172	5,581,320	456,180	304,703,218
3	Approval of New Employee Share Options Plan	72,116,561	15,098,561	2,456,320	215,031,776	304,703,218
4	Approval to Issue Options to Mr Graeme Sumner (or his nominee) under the Employee Share Option Plan	71,456,781	15,269,661	2,456,320	215,520,456	304,703,218
5	Ratification of Prior Issue of Shares	296,313,029	2,287,608	5,581,320	521,261	304,703,218
6	Approval of 10% Placement Facility	288,803,442	8,787,834	5,581,320	1,530,622	304,703,218

## Financial Statements and Reports

## Proxies – Resolution 1

<b>Resolution 1:</b>			
<b>Adoption of Remuneration Report</b>			
<b>Vote</b>	<b>Votes</b>	<b>%</b>	
For	74,058,154	82.40%	
Against	13,360,729	14.87%	
Open Usable Board	2,456,320	2.73%	
Abstain	1,650,834	n/a	



## Proxies – Resolution 2



<b>Resolution 2:</b>			
<b>Re-election of Mr Adam Levine</b>			
<b>Vote</b>	<b>Votes</b>	<b>%</b>	
For	297,098,546	97.65%	
Against	1,567,172	0.52%	
Open Usable Board	5,581,320	1.83%	
Abstain	456,180	n/a	

## Proxies – Resolution 3



<b>Resolution 3:</b>			
<b>Approval of New Employee Share Options Plan</b>			
<b>Vote</b>	<b>Votes</b>	<b>%</b>	
For	72,116,561	80.42%	
Against	15,098,561	16.84%	
Open Usable Board	2,456,320	2.74%	
Abstain	215,031,776	n/a	



## Proxies – Resolution 4

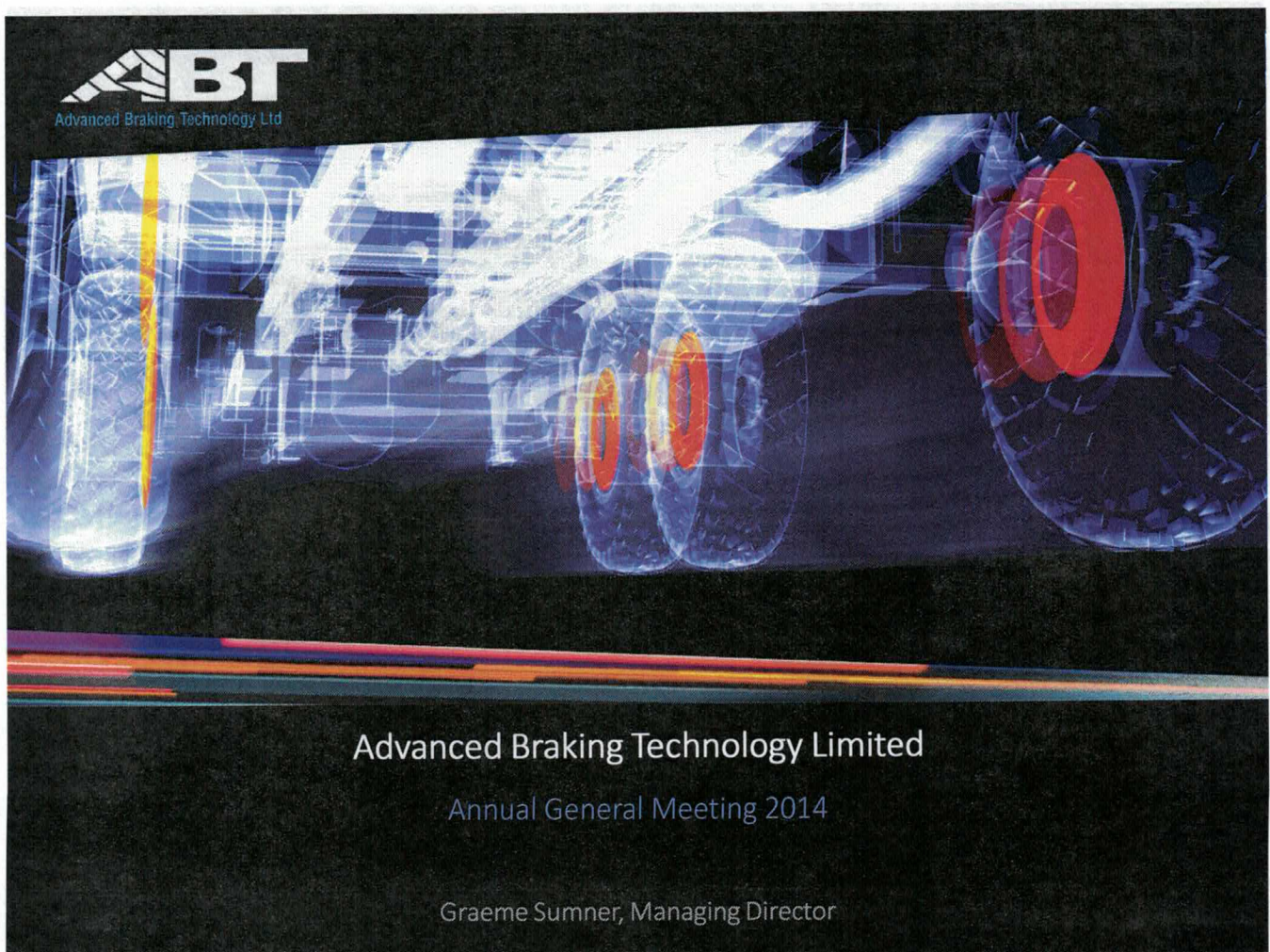
<b>Resolution 4:</b>		
<b>Approval to Issue Options to Mr Graeme Sumner (or his nominee) under the Employee Share Option Plan</b>		
<b>Vote</b>	<b>Votes</b>	<b>%</b>
For	71,456,781	80.13%
Against	15,269,661	17.12%
Open Usable Board	2,456,320	2.75%
Abstain	215,520,456	n/a

## Proxies – Resolution 5

<b>Resolution 5:</b>		
<b>Ratification of Prior Issue of Shares</b>		
<b>Vote</b>	<b>Votes</b>	<b>%</b>
For	296,313,029	97.42%
Against	2,287,608	0.75%
Open Usable Board	5,581,320	1.83%
Abstain	521,261	n/a



Resolution 6:			
Approval of 10% Placement Facility			
<b>Vote</b>	<b>Votes</b>	<b>%</b>	
For	288,803,442	95.26%	
Against	8,787,834	2.90%	
Open Usable Board	5,581,320	1.84%	
Abstain	1,530,622	n/a	





## Mr Graeme Sumner Chief Executive Officer

## Agenda

1. Results overview
2. Strategy & outlook



- ABT is a developer, manufacturer and distributor of its patented Sealed Integrated Braking System (SIBS®)
- ABT has over 10 years experience in developing products for the light and heavy truck and trailer markets
- ABT is in the process of expanding its light vehicle products to gain greater penetration into global markets
- Development carried out in Australia. Manufacturing and assembly in Australia from Dec 2014

## ABT is listed on the ASX

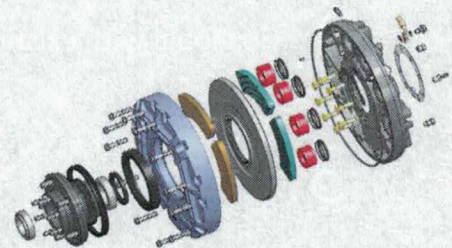
ASX Code	ABV
Shares on Issue	1.476 billion
Market Cap	\$10.3m
Share Price	\$0.07

## Directors of ABT

Bruce Grey	Chairman. Former MD of Advanced Manufacturing CRC Former MD Bishop Technologies
David Slack	Managing Director of Karara Capital
Adam Levine	Executive Chairman Rockwell Financial Services Group Chairman Rockwell Foundation
Graeme Sumner	Managing Director ABT Non Executive Director Kordia Ltd

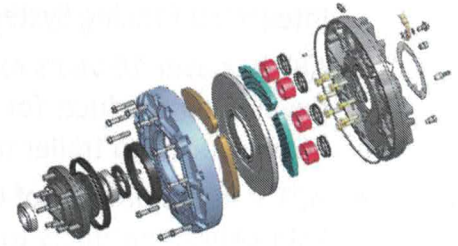
# Results

- NPAT Loss of \$7.54m
- \$3.7m one time write-downs associated with truck brake development
- \$4.45m revenue from trading activities
- \$2.03m capital raised by way of rights issue





- Successful placement with Cashel House yielded \$0.53m of additional funds
- Closure of Thailand production facility in order to improve margins and lift quality
- Cost reduction program initiated to reduce operating costs by > 50%
- Non core asset sales including plant & equipment, surplus light vehicles and trucks
- Substantial rationalisation of suppliers



## Strategy

1. Optimise operating model
2. Go global with existing products
3. Adapt existing products for new applications
4. Evolve products for new markets





## 1. Optimise Operating Model



- Freeze on garbage truck and heavy trailer developments until there is sufficient customer and partner support to operate profitably. Focus on light vehicles
- Closure of Thailand operation will be completed by November 30 2014
- Substantial opportunities identified and implemented to lower costs, improve quality, improve supplier lead times and reduce working capital
- Scalable capacity now available at no additional overhead cost to ABT
- Operating Costs of \$10.1m pa (excluding write-downs) reduced to \$4.5m pa by December 2014.

## 2. Go Global with Existing Products



- ABT's market penetration of the addressable mining vehicle market is only 1-2%. Substantial expansion opportunities exist.
- New distribution partners and sales agents signed up in South Africa (4), Europe (1), New Zealand (1). Our relationship with our Canadian partner has also been expanded.
- 6 more distribution partners to be brought on board by March 2015
- Current sales pipeline now has > 70% overseas opportunities

### 3. Adapt Existing Products to New Applications

- Numerous low cost product development opportunities available that address new applications and new vehicle types
- Capitalising on existing IP means that lead times for new product to market can be as low as 3 months
- Ford Ranger and SIBS 4 product releases announced for December 2014 launch

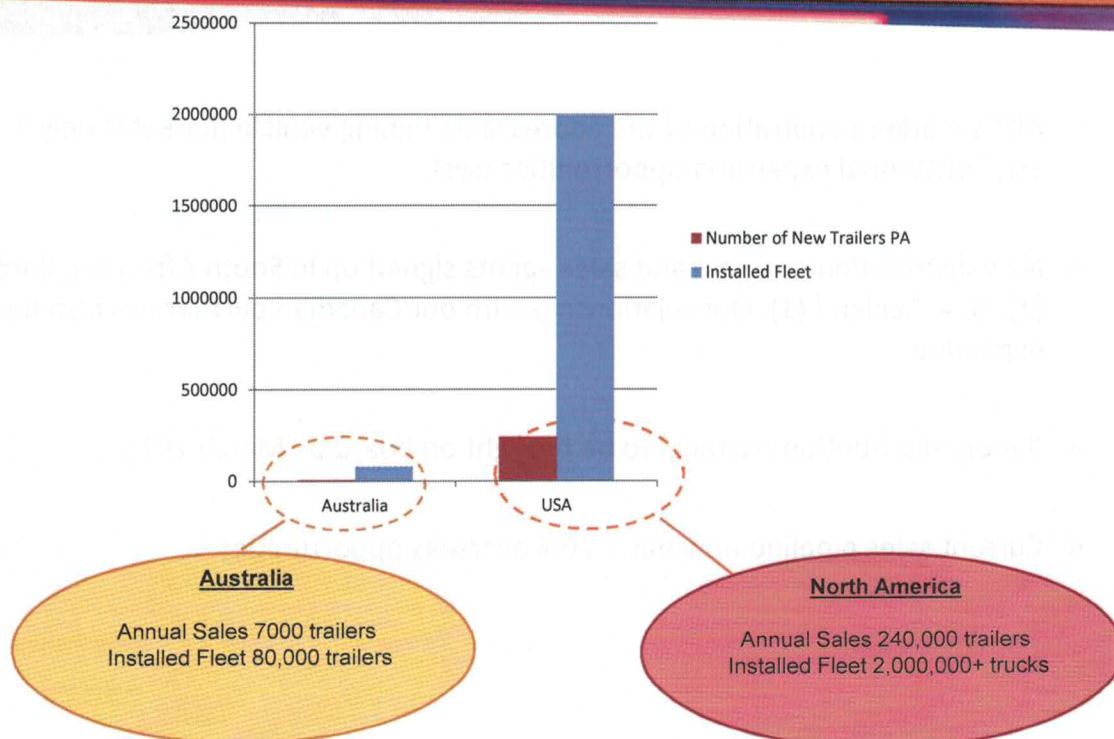
ASX RELEASE

14 October 2014

#### Advanced Braking Technology announces New Products

- New SIBS®4 brake being released in December 2014
- SIBS®4 has improved functionality and smaller foot print
- SIBS®4 braking solution developed for the widely used Ford Ranger
- Hilux, LandCruiser, Isuzu and Hino will migrate seamlessly to SIBS®4

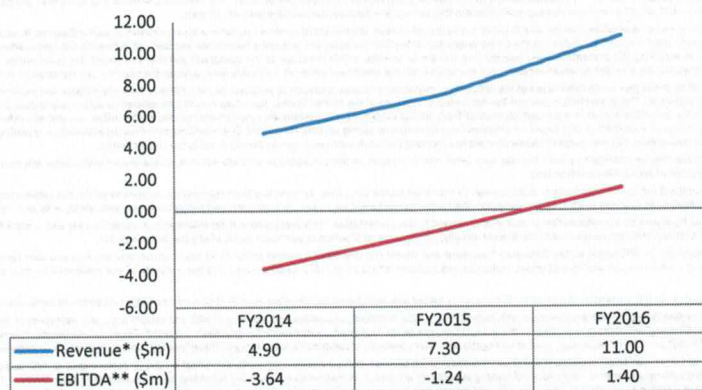
### 4. Evolve Products for New Markets: Trailer Brakes





## EBITDA and NPAT Positive by December 2015

### Earning Outlook (FY14 – FY16)



\*Revenue in 2014 excluding non recurring R&D rebates

\*\* Excludes 0.8m of stock write-downs

## Contacts

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**Advanced Braking Technology Ltd**

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## Formal Business

# Questions and Answers