

## Appendix 4E

### Preliminary final report

Rule 4.3A  
Introduced 1/1/2003

**Name of entity:** Advanced Braking Technology Ltd

**ABN:** 66 099 107 623

**1. Reporting period ("current period"):** Year ended 30 June 2022  
**Previous corresponding period:** Year ended 30 June 2021

**2. Results for announcement to the market**

**\$A'000**

2.1 Revenue from ordinary activities up 12% to 11,741

2.2 Profit from ordinary activities after tax attributable to members up 4% to 644

2.3 Profit for the period attributable to members up 4% to 644

	<b>Amount per share cents</b>	<b>Franked amount per share cents</b>
2.4 <i>Dividends</i>		
Final	Nil	N/A
Interim	Nil	N/A

Record date for determining  
entitlements to dividends: N/A

**Summary**

Advanced Braking Technology Ltd ("ABT" or the "Company") advises that for FY22, the Company has achieved revenues of \$11.74m, which represents an increase of approximately 12% on the prior year result of \$10.45m. Revenue from trading activities for FY22 is \$11.08m, which is an increase of 14.3% on the prior year result of \$9.70m.

ABT continually reviews the COVID-19 operating environment and has amended its business operations to reflect the changing operating environment.

During FY22, the Company continued to deliver improvements in financial and operational performance. These improvements included:

- improving the financial position through increased sales and a control of expenditure;
- diversifying the product portfolio, customer base and the industries to which the Company supplies its innovative braking solutions; and
- strengthening Intellectual Property and patent protection.

The Company also continues to focus on strategic growth opportunities and are currently assessing key initiatives to drive scale, revenue diversification and enhanced innovation for the business.

### **Revenues and Cost Management**

Revenues from ordinary activities of \$11.74m (FY21: \$10.44m) for FY22 were primarily derived from sales of the Company's core Failsafe product and associated spares and consumables into the mining and civil construction industries.

During FY22, cost saving initiatives by the Company continued. The impact of these cost savings have materialised in the business, which when combined with the improved sales performance, has resulted in an audited net profit for FY22 of \$0.64m (FY21: \$0.62m).

### 3. Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Current Period	Previous Corresponding period
	\$'000	\$'000
Revenue from trading activities	11,088	9,701
Cost of sales	(6,163)	(5,211)
<b>Gross Profit</b>	<b>4,429</b>	<b>4,490</b>
<b>Revenue from other activities</b>	<b>653</b>	<b>747</b>
<b>Expenses</b>		
Amortisation of Intellectual Property	(64)	(64)
Audit and accounting fee	(58)	(71)
Bad and doubtful debts	(20)	-
Consulting fees	(248)	(305)
Consumables and minor equipment	(121)	(177)
Depreciation expense	(203)	(180)
Employee expenses	(3,042)	(2,905)
Finance expenses	(85)	(83)
Information & Technology expenses	(127)	(84)
Insurance	(254)	(207)
Inventory obsolescence expense	(80)	(79)
Legal fees	(32)	(17)
Marketing and advertising expenses	(57)	(68)
Patents expense	(46)	(49)
Property expenses	(51)	(52)
Telephone and other communication	(32)	(33)
Travel and accommodation	(107)	(70)
Warranty expense	(21)	(24)
Other expenses	(286)	(149)
<b>Total expenses</b>	<b>(4,934)</b>	<b>(4,617)</b>
<b>Profit / (loss) from continuing operations</b>	<b>644</b>	<b>620</b>
<b>Profit / (loss) before income tax</b>	<b>644</b>	<b>620</b>
Income tax	-	-
<b>Profit/loss after income tax</b>	<b>644</b>	<b>620</b>
<b>Other comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income / (loss) for the period</b>	<b>644</b>	<b>620</b>

#### 4. Consolidated Statement of Financial Position

	Current Period	Previous Corresponding period
	\$'000	\$'000
<b>CURRENT ASSETS</b>		
Cash and Cash equivalents	1,739	1,411
Trade and other Receivables	1,993	1,426
Inventories	2,244	1,773
Other current assets	756	743
<b>Total current assets</b>	<b>6,732</b>	<b>5,353</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	383	450
Right of use assets	-	422
Intangibles	543	607
<b>Total non-current assets</b>	<b>926</b>	<b>1,479</b>
<b>TOTAL ASSETS</b>	<b>7,658</b>	<b>6,832</b>
<b>CURRENT LIABILITIES</b>		
Trade and other Payables	1,851	1,147
Interest bearing liabilities	191	283
Provisions	285	256
<b>Total current liabilities</b>	<b>2,327</b>	<b>1,686</b>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing liabilities	-	406
Provisions	6	18
<b>Total non-current liabilities</b>	<b>6</b>	<b>424</b>
<b>TOTAL LIABILITIES</b>	<b>2,333</b>	<b>2,110</b>
<b>NET ASSETS</b>	<b>5,325</b>	<b>4,722</b>
<b>EQUITY</b>		
Issued Capital	55,819	55,819
Reserves	237	278
Accumulated losses	(50,731)	(51,375)
<b>TOTAL EQUITY</b>	<b>5,325</b>	<b>4,722</b>

**5. Consolidated Statement of Cash Flows**

	Current Period	Previous corresponding period
	\$ '000	\$ '000
<b>Net cash flows from operating activities</b>		
Receipts from customers	11,164	10,209
Payments to suppliers, consultants and employees	(11,413)	(9,727)
GST paid	(1)	-
Interest paid	(10)	(9)
Interest received	4	4
Other – Grants and R&D tax incentive	654	735
<b>Net cash provided by / (used in) operating activities</b>	<b>1,212</b>	<b>1,212</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	26	-
Purchase of property, plant and equipment	(54)	(274)
<b>Net cash provided by / (used in) investing activities</b>	<b>(28)</b>	<b>(274)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	-
Repayment of borrowings	(22)	(18)
Borrowing costs	(20)	(25)
Proceeds from issue of shares	-	-
Costs of issuing shares	-	-
<b>Net cash (used in) / provided by financing activities</b>	<b>(42)</b>	<b>(43)</b>
<b>Net increase / (decrease) in cash and cash equivalents held</b>	<b>328</b>	<b>895</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>1,411</b>	<b>516</b>
<b>Cash and Cash equivalents at the end of the month</b>	<b>1,739</b>	<b>1,411</b>

## 6. Dividends

### *Amount per security*

	Amount per security cents	Franked amount per security at 27.5% tax cents	Amount per security of foreign source dividend cents
Final dividend - current year	Nil	N/A	N/A
- previous year	Nil	N/A	N/A
Interim dividend - current year	Nil	N/A	N/A
- previous year	Nil	N/A	N/A

### *Total dividends on all securities for the year*

	Current period \$'000	Previous corresponding period \$'000
Ordinary securities	-	-
Preference securities	-	-
Other equity instruments	-	-
	<hr/>	<hr/>
Total	-	-
	<hr/>	<hr/>

## 7. Dividend reinvestment plans

The dividend reinvestment plans shown below are in operation:

None

Last date for receipt of election notices for the dividend reinvestment plan: N/A

## 8. Retained earnings

	Current period \$ '000	Previous corresponding period \$ '000
(Accumulated losses) at the beginning of the financial period	(51,375)	(51,995)
Net profit / (loss) attributable to members of the parent entity	644	620
(Accumulated losses) at the end of the financial period	<hr/> (50,731) <hr/>	<hr/> (51,375) <hr/>

**9. Net tangible assets**

	Current period  cents	Previous corresponding period cents
Net tangible asset backing per ordinary share	1.26	1.09

**10. Details of entities over which control has been gained or lost**

Control gained over entities	N/A
Control lost over entities	N/A

**11. Details of associates and joint venture entities**

N/A

**12. Any other significant information**

Details of any other significant information needed by an investor to make an informed assessment of the entity's financial performance and position:

N/A

**13. Accounting standards**

The set of accounting standards used in compiling report are the International Financial Reporting Standards.

**14. Results for the period**

**14.1 Earnings per security**

	Current period  cents	Previous corresponding period cents
Basic profit / (loss) per share	0.17	0.16
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares during the period used in the calculation of basic EPS	379,148,766	379,148,766

Diluted EPS are not shown for either the current period or the previous corresponding period as it would dilute the actual profit per share attributable to existing shareholders.

**14.2 Returns to shareholders**

N/A

**14.3 Significant features of operating performance**

Market demand for ABT products remains strong and will drive operating revenue growth during FY23.

**14.4 Segment results**

The Group has identified its operating segment based on the management reports that are reviewed and used by the executive management team (chief operating decision makers) in assessing performance and in determining the allocation of resources.

Management has identified a single operating segment, which is the design, manufacture and distribution of improved vehicle braking systems based on the Failsafe Braking System and Terra Dura Braking System to customers worldwide.

The performance of the operating segment is evaluated based on profit before tax and net finance costs (profit before tax and interest) 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.

**14.5 Trends in performance**

N/A

**14.6 Any other factors which have affected the results in the period or which are likely to affect the results in the future, including those where the effect could not be quantified:**

N/A

**15. This report is based on accounts to which one of the following applies:**



The accounts have been audited.



The accounts have been subject to review.



The accounts are in the process of being audited or subject to review.



The accounts have *not* yet been audited or reviewed.



**16.** Description of any likely audit dispute or qualification.

Nil

Date: 31 August 2022

Approved for release by the Board of Advanced Braking Technology Limited