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ASX ANNOUNCEMENT

16 January 2026

December 2025 Quarterly Activities Report and Appendix 4C

Summary of Reporting Highlights:

- **Product Sales Revenue** of \$5.6m for Q2 FY26, up 34% on prior corresponding period (pcp)¹
- **Reported NPBT** for Q2 expected to be \$0.35m, up 191% on pcp demonstrating strong operating leverage in the business
- **Achieved Gross Margins** of 48.3% for Q2.
- **Continuing to grow ABT install base** of Failsafe safety systems internationally

Perth, Australia: Advanced Braking Technology Ltd (ASX: ABV) ('ABT' or 'the Company' or 'the ABT Group') is pleased to report its quarterly activities report for the period ended 31 December 2025 (Q2).

Q2 saw a continued strategic emphasis on international market penetration, leveraging ABT's reputation as a key provider of safety-critical braking solutions for the global mining industry.

Domestically, ABT achieved +70% growth in sales revenue in Q2 supported by continuing strong pipeline including a mandate for FailSafe brakes from MMG Dugald River, one of the world's top 10 zinc operations, located in Queensland.

Reported NPBT in Q2 is expected to be \$0.35m, representing 191% growth on pcp. The Q2 NPBT result was achieved via increased revenue while also optimising operating cost management throughout the period.

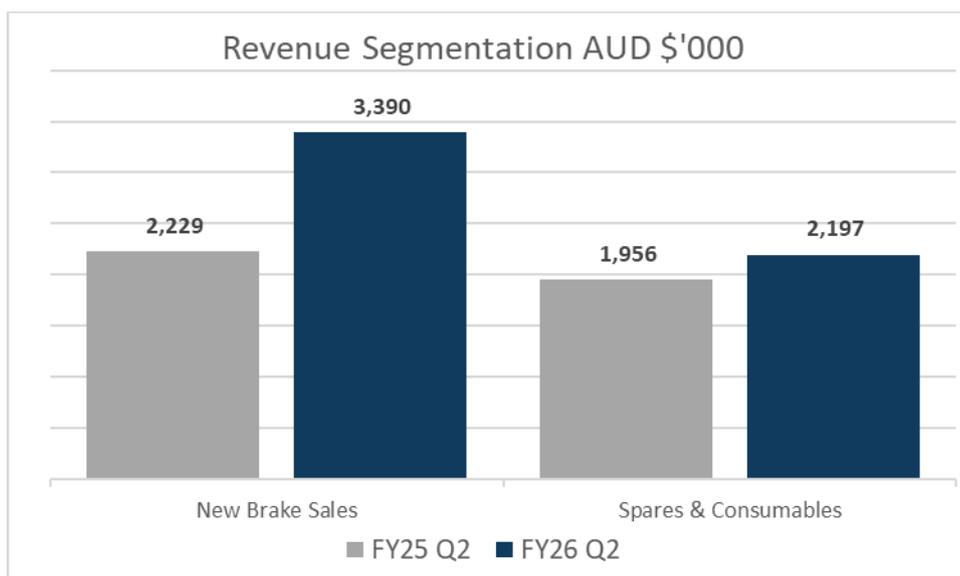
Financial Commentary (versus previous corresponding period)

Reported revenue increased by 34% versus pcp and product sales included light and heavy vehicle brake systems as well as spares and consumables.

New Brake revenue increased 52%, driven by strong customer uptake and continued expansion of the install base.

Spares & Consumables grew 12%, supported by ongoing maintenance demand and utilisation across the installed fleet.

1. Product Sales included sales of light and heavy vehicle brake systems, spares & consumables.
Advanced Braking Technology Ltd (ABN 66 099 107 623)
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Cash & Cash Equivalents at the end of the period were \$4.14m, representing a 44% increase vs FY25 end balance of \$2.88m, and an increase of 76% on the previous corresponding period in FY25. The cash balance included the receipt of the \$0.57m Research and Development tax incentive (RDTI) for the FY24 period during the quarter.

The Company's strong liquidity position, effective working capital management and strong financial performance supported the decision to not renew the existing trade finance facility which expired on 31 October 2025.

The Company's Managing Director and Chief Executive Officer, Andrew Booth, commented on the Q2 performance saying:

"ABT has commenced FY26 with strong momentum, demonstrating our ability to convert our strategic roadmap into robust financial performance, and the growth in products sales revenue is a testament to the growing global demand for our safety-critical braking solutions."

"Whilst our strategic focus on international market penetration is yielding significant results, our domestic performance remained strong during the quarter. The securing of a mandate for our FailSafe brakes from MMG further validates our reputation within the Tier-1 mining sector."

"Financially, the business is leaner and more efficient. We achieved a 191% increase in NPBT by pairing record sales with disciplined operating cost management. ABT's balance sheet has never been stronger, with cash reserves growing to \$4.14m, and we are well-positioned to fund our ongoing growth and innovation through our strong operational cash flows."

This release is authorised by the Board of Directors.

- ENDS -

1. Product Sales included sales of light and heavy vehicle brake systems, spares & consumables.

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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.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ADVANCED BRAKING TECHNOLOGY LTD

ABN

66 099 107 623

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1 Cash flows from operating activities		
1.1 Receipts from customers	5,772	11,292
1.2 Payments for		
(a) research and development	(40)	(70)
(b) product manufacturing and operating costs	(2,809)	(5,924)
(c) advertising and marketing	(22)	(44)
(d) leased assets	(95)	(117)
(e) staff costs	(1,485)	(2,691)
(f) administration and corporate costs	(675)	(1,481)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	12
1.5 Interest and other costs of finance	22	(9)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	579	579
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	1,253	1,564
2 Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses	-	-
(c) property, plant and equipment	(18)	(54)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.6 Net cash from / (used in) investing activities	(18)	(54)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	21	409
3.6	Repayment of borrowings	(106)	(620)
3.7	Transaction costs related to loans and borrowings	(6)	(13)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.1	Net cash from / (used in) financing activities	(91)	(224)

4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,999	2,875
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,253	1,546
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(18)	(54)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(91)	(224)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	4,143	4,143

5	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1	Bank balances	4,035	2,891
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposits)	108	108
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,143	2,999

6	Payments to related parties of the entity and their associates	Current quarter
		\$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	57
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

a) Non-Executive directors fees and superannuation - \$57k

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	78	78
7.2 Credit standby arrangements	-	-
7.3 Other (Vehicle Finance)	-	-
7.4 Total financing facilities	78	78
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>The loan facility at 7.1 above is an unsecured finance arrangement for the Company's annual insurance premiums with Momentum Premium Funding Ltd. The amount outstanding for the remaining period of the arrangement, being 5 months is \$77,529. The interest rate of the funding is a flat rate of 4.59%</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	1,253
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,143
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	4,143
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	n/a
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 16 January 2026

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.