

**ASX RELEASE**

**6 July 2020**

**ASX code: ABV**

## **Operational Update**

### **Highlights:**

- **Business operations continue to function effectively despite COVID-19**
- **Q4 FY20 operating sales 5% greater than Q4 FY19 period and 30% greater than Q4 FY18 period**
- **Total Operating Sales for FY20 total \$8.35m (unaudited), an increase of 22% over FY19**
- **Full year FY20 financial result expected to be an improvement on the 1H FY20 result**

Advanced Braking Technology Limited (ASX: ABV) ('ABT' or 'the Company') is pleased to provide an operational update that demonstrates the business continues to perform strongly despite the broader economic conditions.

### **COVID-19**

ABT reiterates its previous communication to shareholders on 30 April 2020 whereby business operations continue to function effectively and service levels are being maintained.

The Company's primary customer base remains within the mining and civil construction industries which to-date continue to operate during this challenging period.

At present, our supply chain continues to function as per our business requirements. Current travel restrictions are not adversely impacting supply and delivery of products, which has ensured the continuity of business operations, without compromising the supply of products to our customers, both here in Australia and internationally. ABT is continually reviewing our customer activity and supply chain and will amend its business operations as required to reflect any change in the operating environment.

The Company has benefited from the financial assistance measures provided by both the Federal and Western Australian governments, to help protect both the business and its employees and will seek to utilise additional government assistance should it become eligible. During FY20, the Company received approximately \$0.1 million in financial assistance.

### **Revenues**

The Company was impacted by a temporary deferral of sales orders during April and May, however strong sales in June has resulted in total operating sales for Q4 FY20 of \$2.1 million (unaudited).

This unaudited result represents:

- a 11% increase over the prior Q3 FY20 period;
- a 5% increase over the corresponding Q4 FY19 period; and
- a 30% increase over the corresponding Q4 FY18 period.

Total Operating Sales for FY20 total \$8.35 million (unaudited), an increase of \$1.5 million (22%) over FY19 Total Operating Sales of \$6.85 million.

Subject to year-end adjustments and the external audit, the Company is expecting an improved full year FY20 financial result on the 1H FY20 reported net loss of \$0.006 million (FY19: Net Loss of \$1.71 million).

ABT CEO, Mr John Annand stated, *“the Company has worked hard to increase sales during this challenging period and has benefited from the diversification strategy implemented during FY20 whereby our products are sold to an expanding customer and industry base. Whilst these results are positive, the Company will continue to monitor the broader economic environment and amend its business operations as required.*

*It is satisfying to report to shareholders the expected improvement in the financial result for FY20 over FY19. This is the outcome of over 12 months of strengthening the business and sets the foundations for continued growth through the ongoing implementation of the Company’s strategy.”*

This release is authorised by the Board of Directors.

**- ENDS –**

**For further information, please contact:**

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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.