



FBR Limited Quarterly Report | June 2024

Thursday, 11 July 2024 – Robotic technology company **FBR Limited (ASX: FBR)** ('FBR' or 'the Company') is pleased to provide its quarterly update for the period ended 30 June 2024.

Highlights

- FBR's Hadrian X[®] arrives in the United States ahead of Demonstration Program with CRH Ventures
- FBR commences trading on U.S. OTCQB Market
- A\$3.74 million cash balance (excluding cash guarantees) at the end of June quarter

Business Activities Update

FBR Ships the Next-Generation Hadrian X[®] to the United States

On 18th January 2024, the Company announced it had executed a binding suite of agreements with CRH Ventures Americas, Inc. ('CRH Ventures'), a subsidiary of CRH plc, which included an agreement to conduct a Demonstration Program in the United States with CRH Ventures utilising FBR's Hadrian X[®] robotic bricklaying technology, and an exclusive Option to trigger a United States joint venture.

On 21st February 2024, FBR announced that in accordance with the announcement above it had completed Factory Acceptance Testing with CRH Ventures representatives in attendance to observe the test.

As a further step forward in FBR's expansion to the United States, on 17th May 2024 the Company announced that the Hadrian X[®] had departed Western Australia by ship, bound for the United States to undertake the Demonstration Program. Subsequent to the end of the quarter, the Hadrian X[®] arrived at its destination port in the United States ahead of Site Acceptance Testing and the Demonstration Program with CRH Ventures.

Construction Activities

During the quarter FBR continued construction of the St James project, with the ground floors of eight townhouses completed and the team preparing to mobilise to complete the second storey.

FBR commences trading on US OTCQB Market

During the quarter, FBR advised that the Company's shares have commenced trading on the OTCQB Venture Market under the ticker "FBRKF".

The OTCQB Venture Market is a U.S. trading platform operated by OTC Markets Group in New York, United States. The structure provides U.S. investors with live-market access to OTC-listed securities during North American trading hours, in U.S. dollar denominated terms. FBR's listing on the OTCQB Venture Market comes as part of the Company's planned market entry into the United States, where it will undertake a 5-10 house Demonstration Program in Florida with CRH Ventures. It is expected that FBR's planned activities in the U.S. will increase exposure to, and generate increased interest from, U.S. domiciled retail and institutional investors and by listing on the OTCQB Venture Market, the Company can improve accessibility to FBR for that investor base.

OTCQB compliance requirements such as financial reporting and disclosure requirements, and ongoing compliance in relation to the company's capital structure and market capitalisation, will be satisfied by FBR through ongoing satisfaction of ASX primary listing obligations. There will be no additional disclosure requirements in respect of the OTCQB listing.

FBR Board appointments

During the quarter, FBR announced the appointment of Ms Shannon Robinson and Mr Glenn Cooper as Independent Non-Executive Directors of the Company and the retirement of Mr Grant Anderson and Mr Greg Smith from the Board.

ASX Announcement

FBR Limited



Ms Robinson is an experienced company director and a former corporate lawyer with 20 years of corporate experience. Ms Robinson is a graduate member of the Australian Institute of Company Directors (AICD) and a fellow of the Governance Institute of Australia (GIA). Ms Robinson has been a director of several ASX-listed technology companies, including as Chair of FBR Limited from 2015 to 2018, and is currently a Non-Executive Director of Yojee Limited (ASX:YOJ).

Mr Cooper has an engineering, sales and business operations background with over 25 years' experience as a senior executive in the construction, manufacturing and quarrying industries working with and for global OEMs such as Liebherr, Sandvik and Hitachi. He is experienced across all business functions in the construction equipment industry including sales, commercialisation and operational management. Mr Cooper has held previous (and current) directorships and senior executive roles at regional and global levels for major global OEMs and has recently been group CEO of ASX listed company, Bisalloy Steel Group Limited (ASX:BIS). Mr Cooper is a Member of the AICD.

Corporate and Finance

During the quarter FBR drew down \$2.47 million of its revolving R&D tax loan facility with FC Capital.

Receipts from customers for the June quarter was A\$131,000 for Wall as a Service® construction activities.

During the quarter, FBR spent A\$6.7 million on payroll, overheads and corporate costs, an increase from the previous quarter. FBR spent A\$1.7 million directly developing and manufacturing the Hadrian X® technology, a decrease from the previous quarter. FBR spent approximately A\$0.5 million developing its house and land properties in Western Australia.

Note to item 6 in Appendix 4C: Payments to related parties and their associates were made in the quarter. Approximately A\$391,000 was paid to related parties as Executive and Non-Executive Director fees, salary and superannuation.

FBR's cash balance at the end of the quarter was A\$3.74 million. The Company continues to engage with various stakeholders as part of its capital strategy. The funding initiatives under consideration contemplate the operational requirements of the Company and its strategic endeavours, and includes non-dilutive methods. For the avoidance of doubt, this process remains ongoing and incomplete.

Events subsequent to the end of the quarter

On 8th July 2024, subsequent to the end of the quarter, FBR confirmed that the Hadrian X® had arrived at its destination port in the United States. The Hadrian X® has cleared customs and is ready to be transported to a facility in Fort Myers, Florida, to undertake Site Acceptance Testing before the commencement of the Demonstration Program, wherein FBR will construct the external walls of between five and ten single-storey houses utilising the Hadrian X®.

This announcement has been authorised for release to the ASX by the FBR Board of Directors.

Ends

For more information please contact:

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ASX Announcement

FBR Limited



About FBR Limited

FBR Limited (ASX: FBR) designs, develops and builds dynamically stabilised robots to address global needs in a safer, more efficient and more sustainable way. These robots are designed to work outdoors using the company's core Dynamic Stabilisation Technology® (DST®).

The first application of DST® is the Hadrian X®, a bricklaying robot that builds structural walls faster, safer, more accurately and with less wastage than traditional manual methods. The Hadrian X® provides Wall as a Service®, FBR's unique commercial offering, to builders on demand.

To learn more please visit www.fbr.com.au



Appendix 4C

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

Name of entity

FBR Limited

ABN

58 090 000 276

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	131	2,418
1.2 Payments for		
(a) Hadrian Development costs	(1,657)	(4,651)
(b) product manufacturing and operating costs	(881)	(1,890)
(c) advertising and marketing and business development	(217)	(1,004)
(d) leased assets	-	-
(e) staff costs	(5,189)	(15,057)
(f) administration and corporate costs	(1,312)	(5,156)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	24	286
1.5 Interest and other costs of finance paid	(120)	(1,123)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	73
1.8 Other (provide details if material) - R & D rebate	-	8,768
1.9 Net cash from / (used in) operating activities	(9,221)	(17,336)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(7)	(6,180)
(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(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	-	113
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
	- Shuttle Development costs	-	(544)
	- Intellectual Property, Patents and Trademarks	(383)	(1,419)
2.6	Net cash from / (used in) investing activities	(390)	(8,030)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	18,792
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	-	(1,443)
3.5	Proceeds from borrowings	2,469	9,342
3.6	Repayment of borrowings	(176)	(9,753)
3.7	Transaction costs related to loans and borrowings	(35)	(227)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	2,258	16,711

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,095	12,397
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9,221)	(17,336)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(390)	(8,030)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,258	16,711
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,742	3,742

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,098	2,767
5.2	Call deposits	1,644	8,328
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
	- Guarantee facilities	-	2,768
	- Term deposits	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,742	11,095

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	(391)
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>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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	6,993	6,993
7.2	Credit standby arrangements	-	-
7.3	Other (corporate credit cards)	200	-
7.4	Total financing facilities	7,193	6,993
7.5	Unused financing facilities available at quarter end		200
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>A secured revolving corporate credit card facility with the Commonwealth Bank of Australia at an interest rate of 17.99% p.a.</p> <p>A senior secured revolving residential construction finance facility with FC Capital at an interest rate of 9.00% p.a., maturing on 31 August 2024</p> <p>A senior secured revolving R&D tax finance facility with FC Capital at an interest rate of 12.50% p.a., maturing on 31 December 2024.</p> <p>A senior secured Hadrian construction robot lease finance facility with FC Capital at an interest rate of 15.00% p.a., maturing on 13 May 2025</p> <p>A secured chattel mortgage equipment loan facility with HP Financial Services (Australia) Pty Ltd at an interest rate of 5.50% p.a., maturing on 30 November 2026.</p> <p>A secured chattel mortgage equipment loan facility with HP Financial Services (Australia) Pty Ltd at an interest rate of 9.04% p.a., maturing on 31 August 2028.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(9,221)
8.1b	Net cash from / (used in) other investing activities (Item 2.5)	(383)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,742
8.3	Unused finance facilities available at quarter end (item 7.5)	200
8.4	Total available funding (item 8.2 + item 8.3)	3,942
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1 and 8.1b)	0.41
	<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: Yes	

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: Yes, the Company continues to engage with various stakeholders as part of its capital strategy. The funding initiatives under consideration contemplate the operational requirements of the Company and its strategic endeavours, and includes non-dilutive methods.

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: Yes, based on funds on hand, further receipts from its R&D tax refund, sale of residential properties, expired director loan funded share sales and unlisted options on issue. In addition, the Company continues to consider equity capital initiatives as required.

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.

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: 11 July 2024.....

Authorised by: Aidan Flynn, Company Secretary.....
(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.