

# FBR Limited

## Appendix 4D

### Half year report

#### 1. Company details

FBR Limited
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ABN	Current period	Prior period
58 090 000 276	31 Dec 2024	31 Dec 2023

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

	% Change	\$
2.1 Revenues from ordinary activities	Down 13%	593,864
2.2 Loss from ordinary activities after tax attributable to members	Up 6%	16,867,245
2.3 Loss for period attributable to members	Up 6%	16,867,245
2.4 & 2.5 No dividends were proposed or paid in the current or prior period		
<p>2.6 Explanations of any of the figures in 2.1 to 2.4 above necessary to enable the figure to be understood.</p> <p>Revenue for the period was \$593,834 (2023: \$683,113) including Wall as a Service and residential housing sales.</p> <p>The loss for the period was \$16,867,245 (2023: \$15,884,805) including cost of goods sold of \$608,284, professional services, corporate administration, director and employee remuneration of \$11,346,657, development costs of \$783,310 non-cash share-based payments, depreciation, amortisation and impairment of \$5,675,550 and USA Deployment costs of \$1,891,123.</p>		

#### 3. Net tangible assets per security

Dec 2024: \$0.01	Dec 2023: \$0.01
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#### 4.1 Control over gained entities

Name of entity	n/a
The date of the gain of control	n/a
Where material, the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period	n/a

Where material, the profit or loss of such entities during the whole of the previous corresponding period	n/a
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#### 4.2 Control loss over entities

Name of entity	n/a
The date of the loss of control	n/a
Where material, the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period	n/a
Where material, the profit or loss of such entities during the whole of the previous corresponding period	n/a

#### 5. Dividends

No dividends were proposed or paid in the current period or prior period. No dividend reinvestment plans were in effect in the current or prior period.

#### 6. Associates and joint ventures

The group has not entered any new joint venture arrangements.

#### 7. Foreign entities

Foreign entities have been accounted for in accordance with Australian Accounting Standards.

#### 8. Audit qualification

Do the accounts contain an independent audit report or review that is subject to a modified opinion, or emphasis of matter or other matter paragraph?

Yes/ ~~No~~

##### Material uncertainty related to going concern

We draw attention to Note 3 in the financial statements, which indicates that the Group incurred a net loss of \$16,867,245 during the half year ended 31 December 2024, and for that period, the Group's cash outflows from operating and investing activities were \$17,995,078. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



**FBR Limited**

**Interim financial statements**

**For the half-year ended  
31 December 2024**

# Directors' Report

The Directors of FBR Limited ("the Company") present their report together with the financial statements of the Consolidated Entity, being FBR ('the Company') and its controlled entities ('the Group') for the half-year ended 31 December 2024.

## **Director details**

The following persons were Directors of the Company during or since the end of the financial half-year:

Mr Michael Pivac (Chief Executive Officer and Managing Director)

Mr Mark Pivac (Chief Technical Officer and Executive Director)

Mr Richard Grellman AM (Chairman)

Ms Nancy Milne (Non-Executive Director)

Ms Shannon Robinson (Non-Executive Director)

Mr Glenn Cooper (Non-Executive Director)

## **Review of operations and financial results**

In the FY25 half year, the Group generated \$593,864 revenue, down approximately \$89,000 on the previous period, derived largely from the proceeds of residential land sales.

In early July 2024, FBR's first next-generation Hadrian X® construction robot arrived in the United States. Soon thereafter, Hadrian X® completed Site Acceptance Testing at Fort Myers ahead of commencement of the Demonstration Program for CRH Ventures. Following completion of the Site Acceptance Testing, FBR received a further tranche of US\$600,000 from CRH Ventures.

Using the Hadrian X® and concrete masonry blocks supplied by an affiliate of CRH Ventures, FBR constructed the external walls of nine homes in the Demonstration Program, with one of the homes being built in a single day. The homes were built for Florida builders New Century USA and Christopher Alan Homes.

The Company reached an agreement with CRH Ventures that the capabilities of the Hadrian X® had been adequately demonstrated throughout the Demonstration Program in the United States and deemed the Program complete.

Each structure was confirmed by independent structural engineers to meet applicable building standards. Through mutual agreement, the period of 45 calendar days for CRH Ventures to exercise its option to enter an exclusive joint venture with FBR for the supply of Wall as a Service® in the United States commenced on 2 January 2025.

FBR signed a Master Trade Contractor Agreement to build a demonstration home with the third largest homebuilder in the USA, PulteGroup. PulteGroup is listed on the New York Stock Exchange,

with a market capitalization of ~US\$30bn and is the third largest homebuilder in the U.S. having built over 750,000 homes since inception, with operations in over 40 major U.S. cities.

FBR agreed to complete at least one demonstration home for PulteGroup under the MTCA and this house was completed in February 2025.

FBR's Perth based construction team completed all Hadrian X® work at an 8-home two storey townhouse development in St James in Perth using the Hadrian 02 prototype robot.

In August 2024, FBR completed a strongly supported Share Placement to raise \$12.5 million, before costs, comprising the issue of approximately 328.9 million shares at an issue price of A\$0.038 per share to new and existing institutional and sophisticated shareholders.

In November 2024, FBR completed a fully underwritten Share Purchase Plan ("SPP") which raised \$8,000,000 (before costs). The SPP offered eligible shareholders the ability to subscribe for up to \$30,000 worth of fully paid ordinary shares in the Company at 3.8 cents per share. At the close of the SPP, FBR had received valid applications from eligible Shareholders totalling \$2.34 million with Bell Potter Securities Limited, the Underwriter to the SPP, filling the shortfall of \$5.66 million.

In July 2024, Change of Directors' interest notices for FBR Executive Directors Mike Pivac and Mark Pivac were issued outlining the disposal of 25,000,000 Long Term Loan Funded Incentive Shares each. The incentive loan periods in respect of the Long Term Loan Funded Incentive Shares, which were issued to the Executive Directors following approval by Shareholders at the 2020 Annual General Meeting, had expired, and the Long Term Loan Funded Incentive Shares were sold by the Company, with all proceeds going to FBR, and no benefit to Executive Directors. Sale of the Long Term Loan Funded Incentive Shares resulted in FBR receiving net proceeds of \$2.0 million.

FBR sold residential land at Treeby in WA and repaid the balance of its construction loan facility with FC Capital following the sale.

The loss for the period was \$16,867,245 (2023: \$15,884,805) including an R&D tax rebate of \$2,257,867, cost of goods sold of \$608,284, professional services, corporate administration, director and employee remuneration of \$11,346,657, Development costs of \$783,310 and non-cash share-based payments, depreciation, amortisation and impairment of \$5,675,550 and USA Deployment costs of \$1,891,123.

Subsequent to the end of the period, ,

- The Company received its R&D tax incentive refund payment of A\$6.3 million from the Australian Taxation Office (ATO) for the year ended 30 June 2024. FBR had drawn down A\$4.3 million from its R&D revolving loan facility with FC Capital and applied part of the refund received from ATO to repayment of this balance owing to FC Capital under the R&D facility.
- Following completion of the United States Demonstration Program, FBR received the final payment of US\$400,000 from CRH Ventures.
- FBR completed construction of a tenth demonstration home. This home was built in Babcock Ranch, a resort lifestyle community, for DiVosta homes, a subsidiary of U.S. builder PulteGroup in Fort Myers, Florida. Whilst not part of the recently completed Demonstration Program with CRH Ventures, this structure was built to demonstrate the capability of the Hadrian X® to PulteGroup and the broader community.

- FBR agreed to sell its last remaining residential property in Wellard, also in WA with settlement due to occur in February 2025.
- On 17 February 2024, the Company announced that it did not receive formal notice of exercise of the Option from CRH Ventures before the end of the option period. Accordingly, the Option has expired and, as a result, FBR is no longer subject to the exclusivity arrangements with CRH Ventures.
- The Company completed a demonstration of its technology to Samsung Heavy Industries, following submission of a technical and engineering study to assess the feasibility of applying FBR's robotic automation technology to the shipbuilding industry, and is now moving forward with negotiations for a joint development agreement.

#### **Auditor's independence declaration**

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is included on the following page of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors:



**Michael Pivac**

Chief Executive Officer and Managing Director

27<sup>th</sup> February 2025

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**Grant Thornton Audit Pty Ltd**  
Level 43 Central Park  
152-158 St Georges Terrace  
Perth WA 6000  
PO Box 7757  
Cloisters Square  
Perth WA 6850  
T +61 8 9480 2000

## Auditor's Independence Declaration

### To the Directors of FBR Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of FBR Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



L A Stella  
Partner – Audit & Assurance  
Perth, 27 February 2025

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# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2024

	Notes	31 December 2024 \$	31 December 2023 Restated (Note 22) \$
<b>Continuing operations</b>			
Revenue	6	593,864	683,113
Cost of sales		(608,284)	(639,901)
<b>Gross profit/(loss)</b>		<b>(14,420)</b>	<b>43,212</b>
Interest income		135,899	112,419
Research and Development tax refund		2,257,867	1,883,840
Other income		922,190	2,407
Professional services		(1,086,802)	(1,797,469)
Directors' and employees' benefits		(7,418,895)	(6,332,895)
Other expenses		(2,840,960)	(2,174,266)
Development costs		(783,310)	(929,446)
US Deployment costs		(1,891,123)	-
Share-based payments		(2,435,913)	(2,280,396)
Depreciation	10, 11	(1,227,027)	(1,026,468)
Finance costs		(472,141)	(852,251)
Amortisation of development costs	13, 22	(1,626,401)	(1,308,934)
Impairment expense	10, 22	(360,401)	(1,290,887)
Inventory (impairment)/reversal	9	(25,808)	66,329
<b>Loss before tax</b>		<b>(16,867,245)</b>	<b>(15,884,805)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(16,867,245)</b>	<b>(15,884,805)</b>
Other comprehensive income for the period, net of tax			
Exchange differences on foreign exchange translation		76,490	-
<b>Total comprehensive income for the period</b>		<b>76,490</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>		<b>(16,790,755)</b>	<b>(15,884,805)</b>
Basic loss per share in cents per share	15	(0.35)	(0.41)
Diluted loss per share in cents per share	15	(0.35)	(0.41)

The accompanying notes form part of these financial statements.



# Consolidated Statement of Financial Position

As at 31 December 2024

	Notes	31 December 2024 \$	30 June 2024 \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	7	6,326,000	3,742,280
Trade and other receivables	8	8,952,822	6,599,026
Inventories	9	4,676,767	3,318,163
Other current assets		2,686,920	3,316,623
<b>Current assets</b>		<b>22,642,509</b>	<b>16,976,092</b>
<b>Non-current</b>			
Property, plant and equipment	10	15,112,476	13,978,290
Right-of-use assets	11	2,965,033	1,502,675
Development costs	13	41,604,951	42,500,340
<b>Non-current assets</b>		<b>59,682,460</b>	<b>57,981,305</b>
<b>Total assets</b>		<b>82,324,969</b>	<b>74,957,397</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables		3,354,794	3,483,268
Provisions		1,777,767	1,801,852
Lease liabilities	12	1,336,517	1,281,848
Borrowings	14	5,595,852	6,371,651
<b>Current liabilities</b>		<b>12,064,930</b>	<b>12,938,619</b>
<b>Non-current</b>			
Provisions		378,251	426,108
Lease liabilities	12	1,682,111	270,094
Borrowings	14	183,892	280,493
<b>Non-current liabilities</b>		<b>2,244,254</b>	<b>976,695</b>
<b>Total liabilities</b>		<b>14,309,184</b>	<b>13,915,314</b>
<b>Net assets</b>		<b>68,015,785</b>	<b>61,042,083</b>
<b>Equity</b>			
<i>Equity attributable to owners of the parent:</i>			
Share capital	16	191,159,668	168,411,855
Reserves	18	5,837,401	6,854,175
Accumulated losses		(128,981,284)	(114,223,947)
<b>Total equity</b>		<b>68,015,785</b>	<b>61,042,083</b>

The accompanying notes form part of these financial statements.

# Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

	Share capital	Performance right reserve	Share option reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2024</b>	168,411,855	3,621,285	3,232,890	-	(114,223,947)	61,042,083
Loss for the period	-	-	-	-	(16,867,245)	<b>(16,867,245)</b>
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	<b>(16,867,245)</b>	<b>(16,867,245)</b>
<i>Transactions with owners:</i>						
Shares issued - Capital raising (refer to Note 16)	23,106,000	-	-	-	-	<b>23,106,000</b>
Capital raising costs (refer to Note 16)	(1,741,456)	-	-	-	-	<b>(1,741,456)</b>
Performance rights converted to shares (refer to Note 16)	694,115	(694,115)	-	-	-	-
Options converted to shares	689,154	-	(689,154)	-	-	-
Performance rights forfeited (refer to Note 18)	-	(43,500)	-	-	43,500	-
Performance rights lapsed (refer to Note 18)	-	(823,548)	-	-	823,548	-
Performance rights issued to employees and directors (refer to Note 18)	-	2,142,414	-	-	-	<b>2,142,414</b>
Options and loan funded shares issued to employees and directors (refer to Note 18)	-	-	257,499	-	-	<b>257,499</b>
Options lapsed or passed up	-	-	(1,242,860)	-	1,242,860	-
FX translation reserve	-	-	-	76,490	-	<b>76,490</b>
<b>Balance at 31 December 2024</b>	<b>191,159,668</b>	<b>4,202,536</b>	<b>1,558,375</b>	<b>76,490</b>	<b>(128,981,284)</b>	<b>68,015,785</b>

# Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2023

	Share capital	Performance right reserve	Share option reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2023</b>	148,845,254	3,536,801	2,266,019	(87,864,687)	66,783,387
Loss for the period	-	-	-	(15,884,805)	(15,884,805)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	<b>(15,884,805)</b>	<b>(15,884,805)</b>
<i>Transactions with owners:</i>					
Shares issued - Capital raising (refer to Note 16)	6,200,000	-	-	-	<b>6,200,000</b>
Capital raising costs (refer to Note 16)	(449,402)	-	-	-	<b>(449,402)</b>
Performance rights converted to shares (refer to Note 16)	2,198,530	(2,198,530)	-	-	-
Performance rights forfeited (refer to Note 18)	-	(48,625)	-	48,625	-
Performance rights expired (refer to Note 18)	-	(526,626)	-	526,626	-
Performance rights issued to employees and directors (refer to Note 18)	-	893,429	-	-	<b>893,429</b>
Options & loan funded shares issued to employees and directors (refer to Note 18)	-	-	1,386,967	-	<b>1,386,967</b>
Options and loan funded shares expired (refer to Note 18)	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>156,794,382</b>	<b>1,656,449</b>	<b>3,652,986</b>	<b>(103,174,241)</b>	<b>58,929,576</b>

# Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	31 December 2024	31 December 2023
	\$	\$
<b>Operating activities</b>		
Interest received	86,004	94,656
Receipts from customers	1,416,925	640,958
Payments to suppliers and employees	(16,224,890)	(11,024,809)
Interest paid	(385,974)	(582,412)
Government grants	73,200	73,200
<b>Net cash used in operating activities</b>	<b>(15,034,735)</b>	<b>(10,798,407)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(2,094,151)	(5,460,246)
Development costs	(866,192)	(959,008)
Proceeds from the settlement of other financial asset	-	113,310
<b>Net cash used in investing activities</b>	<b>(2,960,343)</b>	<b>(6,305,944)</b>
<b>Financing activities</b>		
Proceeds from issue of share capital and other equity instruments	23,070,000	6,200,000
Capital raising costs	(1,593,524)	(449,402)
Proceeds from borrowings	-	5,001,715
Repayment of borrowings	(903,678)	(671,034)
Transaction costs related to loans and borrowings	(67,455)	(130,942)
<b>Net cash from financing activities</b>	<b>20,505,343</b>	<b>9,950,337</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,510,265</b>	<b>(7,154,014)</b>
Cash and cash equivalents, beginning of period	3,742,280	12,397,405
Exchange differences on cash and cash equivalents	73,455	-
<b>Cash and cash equivalents, end of period</b>	<b>6,326,000</b>	<b>5,243,391</b>

The accompanying notes form part of these financial statements.

# Notes to the Condensed Interim Consolidated Financial Statements

## **1 Nature of operations**

FBR Limited ("the Company") and its controlled subsidiaries ("the Group") is developing technology to build an automated robotic bricklaying machine capable of completing brickwork at potentially significantly lower cost and higher quality than traditional methods. FBR has secured patents to protect its intellectual property rights in its technology in key markets.

## **2 General information and basis of preparation**

The interim consolidated financial statements ('the interim financial statements') of the Group are for the six (6) months ended 31 December 2024 and are presented in Australian Dollars (\$AUD), which is the functional currency of the Parent Company.

These general purpose interim financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the financial report for the year ended 30 June 2024 as well as any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 27 February 2025.

## **3 Going Concern**

The Consolidated Financial Report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group incurred a net loss of \$16,867,245 during the six months ended 31 December 2024, and for that period, the Group's net cash outflows from operating and investing activities totalled \$17,995,078. The ability for the Group to continue as a going concern and to fund its ongoing Hadrian X<sup>®</sup> programme is dependent upon the Group successfully raising additional capital and continuing to be eligible for receipt of government R&D tax incentives. Whilst the Directors are confident of the Group's ability to continue as a going concern, due to the factors mentioned above, there is material uncertainty that may cast doubt on the Group's ability to continue as a going concern. If the Group is unable to continue as a going concern, it may be required to realise its assets and or settle its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report.

The Group held cash and cash equivalents at balance date of \$6,326,000 and was working capital positive. The Group has receivables of \$8,952,822 at balance date. The Group has prepared a cash flow forecast for the next 12 months which demonstrates that with further equity raisings, continued access to the R&D tax incentive program and the existing cash reserves and receivables, there is the necessary working capital for the Group to continue its ongoing Hadrian X programme and to provide the necessary working capital to cover its corporate costs over the next year.

#### 4 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 30 June 2024, except for the adoption of new standards effective as of 1 January 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2025, but do not have an impact on the interim condensed consolidated financial statements of the Company.

#### 5 Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the last annual financial statements for the year ended 30 June 2024, other than referred to above.

#### 6 Revenue

	<b>Consolidated</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$</b>	<b>\$</b>
Wall as a Service and Construction Services sales	167,500	118,749
Residential housing sales	426,364	564,364
	<b>593,864</b>	<b>683,113</b>

#### 7 Cash and cash equivalents

	<b>Consolidated</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on deposit	6,326,000	3,742,280
	<b>6,326,000</b>	<b>3,742,280</b>

## 8 Trade and other receivables

Trade and other receivables consist of the following:

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Research and Development tax refund <sup>1</sup>	8,182,722	5,924,855
Trade debtors	20,206	6,491
GST receivable	306,243	282,084
Director loans <sup>2</sup>	328,016	304,271
Interest receivable	34,212	8,062
Grant receivable	-	73,200
Other receivables	81,423	63
	<b>8,952,822</b>	<b>6,599,026</b>

1. R&D tax refund is an accrual based on the receivable of \$6,274,083.49 for the lodged 30 June 2024 tax return and an estimated R&D tax refund of \$1,908,639 for the 6 months ended 31 December 2024.
2. Includes \$190,000 loan to Mark Pivac (plus interest of \$138,016) in connection with Performance Rights issued under the Group's Performance Rights Plan. The loan has a maturity date of 30 June 2025 and an interest rate at the higher of 4.52% per annum and the highest interest rate payable by the Company to any financier of the company at the relevant time.

## 9 Inventories

Inventories include the following components:

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Inventory – land & residential	551,123	790,158
Inventory – parts	2,624,481	2,258,093
Inventory – Hadrian machines in progress	1,526,971	197,210
Inventory impairment (expense)/ reversal	(25,808)	72,702
	<b>4,676,767</b>	<b>3,318,163</b>

## 10 Property, plant and equipment

The following tables show the movements in property, plant and equipment:

	PLANT & EQUIPMENT	FURNITURE & FITTINGS	ICT EQUIPMENT	HADRIAN MACHINES	HADRIAN WIP	TOTAL
	\$	\$	\$	\$	\$	\$
<b>Gross carrying amount</b>						
Balance at 1 July 2024	4,569,287	1,095,105	1,421,252	-	12,433,695	19,519,339
Additions	246,714	19,761	75,489	-	1,823,578	2,165,542
Transfers	-	-	-	4,654,918	(4,654,918)	-
Transfer to inventory	-	-	-	-	(209,228)	(209,228)
Disposals	-	-	-	-	-	-
<b>Balance at 31 December 2024</b>	<b>4,816,001</b>	<b>1,114,866</b>	<b>1,496,741</b>	<b>4,654,918</b>	<b>9,393,127</b>	<b>21,475,653</b>
<b>Depreciation and impairment</b>						
Balance at 1 July 2024	(1,955,365)	(995,740)	(1,260,408)	-	(1,329,537)	(5,541,050)
Disposals	-	-	-	-	-	-
Depreciation	(236,939)	(9,521)	(30,345)	(184,921)	-	(461,726)
Impairment	-	-	-	-	(360,401)	(360,401)
<b>Balance at 31 December 2024</b>	<b>(2,192,304)</b>	<b>(1,005,261)</b>	<b>(1,290,753)</b>	<b>(184,921)</b>	<b>(1,689,938)</b>	<b>(6,363,177)</b>
<b>Carrying amount at 31 December 2024</b>	<b>2,623,697</b>	<b>109,605</b>	<b>205,988</b>	<b>4,469,997</b>	<b>7,703,189</b>	<b>15,112,476</b>

## 11 Right-of-use assets

The following table below shows the net carrying amount of the right-of-use assets:

	LAND & BUILDINGS	ICT EQUIPMENT	TOTAL
	\$	\$	\$
<b>Carrying amount at 1 July 2024</b>	1,150,561	352,114	1,502,675
Additions	-	-	-
Depreciation	(723,047)	(42,253)	(765,300)
Adjustment from lease modification	2,227,658	-	2,227,658
<b>Carrying amount at 31 December 2024</b>	<b>2,655,172</b>	<b>309,861</b>	<b>2,965,033</b>



## 12 Lease Liabilities

Lease liabilities are presented in the statement of financial position as follows:

	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Lease liabilities (current)	1,336,517	1,281,848
Lease liabilities (non-current)	1,682,111	270,094
	<b>3,018,628</b>	<b>1,551,942</b>

## 13 Development costs

	<b>Hadrian</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Gross carrying amount</b>		
Opening Balance	41,691,124	43,524,775
Additions	400,844	1,163,482
Research and Development tax refund	-	(273,597)
Amortisation expense	(1,626,401)	(2,723,536)
<b>Closing Balance</b>	<b>40,465,567</b>	<b>41,691,124</b>
	<b>Shuttle System</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Gross carrying amount</b>		
Opening Balance	809,216	450,466
Additions	330,168	634,956
Research and Development tax refund	-	(276,206)
<b>Closing Balance</b>	<b>1,139,384</b>	<b>809,216</b>
<b>Total Development costs</b>	<b>41,604,951</b>	<b>42,500,340</b>

## 14 Loans & Borrowings

The carrying amounts and movements in the loans and borrowings account are as follows:

	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Chattel mortgage equipment loan facility	190,674	185,685
Construction loan facility	-	523,829
Research and Development tax refund facility	4,302,917	4,302,917
Hadrian lease finance facility	1,102,261	1,359,220
	<b>5,595,852</b>	<b>6,371,651</b>
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Non-current</b>		
Chattel mortgage equipment loan facility	183,892	280,493
	<b>183,892</b>	<b>280,493</b>

## 15 Earnings per share

The weighted average number of shares for the purposes of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$</b>	<b>\$</b>
Weighted average number of shares used in basic earnings per share	4,770,172,641	3,828,389,958
Shares deemed to be issued for no consideration in respect of share-based payments	-	-
<b>Weighted average number of shares used in diluted earnings per share</b>	<b>4,770,172,641</b>	<b>3,828,389,958</b>

## 16 Share capital

### a) Ordinary shares

	<b>31 December 2024</b>		<b>30 June 2024</b>	
	<b>\$</b>	<b>No.</b>	<b>\$</b>	<b>No.</b>
Ordinary shares, fully paid	<b>191,159,668</b>	<b>5,059,858,751</b>	<b>168,411,855</b>	<b>4,441,949,977</b>

The reconciliation is set out as follows:

	<b>\$</b>	<b>No.</b>
<i>Movement in ordinary shares on issue</i>		
Shares on issue at 1 July 2024	168,411,855	4,441,949,977
Capital Raising		
12 July 2024 loan funded shares sold (at \$0.041 per share)	2,050,000	-
9 August 2024 placement (at \$0.038 per share)	12,500,000	328,947,368
3 December 2024 Share purchase plan (at \$0.038 per share)	8,000,000	210,526,310
Capital Raising Costs	(1,741,456)	-
16 July 2024 Options exercised (at \$0.026 per share)	312,000	12,000,000
23 July 2024 Options exercised (at \$0.026 per share)	208,000	8,000,000
26 September 2024 Options exercised	689,154	33,500,000
Performance Rights converted (5 December 2024)	694,115	23,935,096
Shares issued as part of a contract for external advisory services (10 December 2024)	36,000	1,000,000
<b>Shares on issue at 31 December 2024</b>	<b>191,159,668</b>	<b>5,059,858,751</b>

On 16 July 2024, the company issued 12,000,000 fully paid ordinary shares upon the exercise of unlisted options in accordance with the company's Employee Securities Incentive Plan.

On 23 July 2024, the company issued 8,000,000 fully paid ordinary shares upon the exercise of unlisted options in accordance with the company's Employee Securities Incentive Plan.

On 9 August 2024, the Company completed the issue of 328,947,368 fully paid ordinary shares to a group of new and existing institutional, sophisticated and strategic investors.

On 26 September 2024, the company issued 33,500,000 fully paid ordinary shares upon the cashless exercise of unlisted options in accordance with the company's Employee Securities Incentive Plan.

On 3 December 2024, the Company completed the issue of 210,526,310 fully paid ordinary shares following the completion of a fully underwritten Share Purchase Plan.

On 5 December 2024, the company completed the issue of 23,935,096 fully paid ordinary shares upon the exercise of unquoted performance rights that vested on achievement of performance milestones in accordance with the company's Employee Securities Incentive Plan.

On 10 December 2024, the company completed the issue of 1,000,000 fully paid ordinary shares as part of a contract for external advisory services.

#### **b) Loan funded shares**

On 17 July 2024, 50,000,000 long term loan funded shares were sold to an institutional investor, following the expiry of their term. Full proceeds of the sale of these shares went solely and directly to FBR in part repayment of the outstanding loans. The balance of the outstanding non cash loans was forgiven under the terms of the loan funded share incentive plan.

The following table illustrates the outstanding loan funded shares granted, repaid and forfeited during the year.

	<b>31 December 2024 (6 months) Number</b>	<b>30 June 2024 (12 months) Number</b>
Opening Balance	150,000,000	150,000,000
Granted during the period	-	-
Converted during the period	-	-
Expired/forfeited during the period	(50,000,000)	-
<b>Closing Balance</b>	<b>100,000,000</b>	<b>150,000,000</b>

Loan funded shares do not have a par value and for all intents and purposes are identical to ordinary shares. Loan funded shares are eligible to receive dividends and repayment of capital. Loan funded shares are entitled to vote at the shareholders' meeting of FBR.

## **17 Share based payments**

#### **a) Performance rights**

The following table illustrates the outstanding performance rights granted, converted, expired and forfeited during the period.

	<b>31 December 2024 (6 months) Number</b>	<b>30 June 2024 (12 months) Number</b>
Opening Balance	235,500,000	173,645,000
Granted during the period	6,000,000	136,000,000
Converted during the period	(23,935,096)	(58,680,000)
Lapsed during the period	(28,708,445)	(10,090,000)
Forfeited during the period	(1,500,000)	(5,375,000)
<b>Closing Balance</b>	<b>187,356,459</b>	<b>235,500,000</b>

## 17 Share based payments (cont)

During the period, the Company converted 23,935,096 performance rights to ordinary shares to key management personal and employees that had vested on achievement of performance milestones.

During the period, the Company issued 6,000,000 performance rights to employees. No performance rights were issued to Directors or Key Management Personnel during the period.

### b) Options

The following table illustrates the outstanding options granted, exercised and expired during the period.

	<b>31 December 2024</b>		<b>30 June 2024</b>	
	<b>Number</b>	<b>Weighted average exercise price (cents)</b>	<b>Number</b>	<b>Weighted average exercise price (cents)</b>
Opening Balance	87,000,000	2.6	56,000,000	3.5
Granted during the period	-	-	87,000,000	2.6
Converted during the period	-	-	-	-
Exercised during the period <sup>1</sup>	(67,000,000)	2.6	-	-
Exercised during the period	(20,000,000)	2.6		
Expired during the period	-	-	(56,000,000)	3.5
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>87,000,000</b>	<b>2.6</b>

No options were issued to Directors, Key Management Personnel or employees during the period.

1. In accordance with the terms of the Employee Securities Incentive Plan, cashless exercise of 67 million options was completed which resulted in the issue of 33,500,000 ordinary shares at an issue price of 5.2 cents (being the market value of FBR ordinary shares at the time of issue).

## 18 Reserves

	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Performance right reserve	4,202,536	3,621,285
Share option reserve	1,558,375	3,232,890
Foreign currency translation reserve	76,490	-
	<b>5,837,401</b>	<b>6,854,175</b>

Performance rights reserve includes the expensed value of issued performance rights during the period. The reconciliation is set out as follows:

	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
<i>Movement in performance rights reserve</i>		
Opening Balance	3,621,285	3,536,801
Performance rights converted to shares during the period	(694,115)	(2,217,480)
Performance rights issued during the period	2,142,414	3,018,515
Performance rights expired during the period	-	(95,000)
Performance rights forfeited during the period	(43,500)	(94,925)
Performance rights lapsed during the period	(823,548)	(526,626)
<b>Closing Balance</b>	<b>4,202,536</b>	<b>3,621,285</b>

Share options reserve includes the expensed value of vested options and loan funded shares during the period. The reconciliation is set out as follows:

	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
<i>Movement in share option reserve</i>		
Opening Balance	3,232,890	2,266,019
Options converted to shares during the period	(689,154)	-
Options and loan funded shares vested during the period	257,499	1,655,792
Options and loan funded shares exercised during the period	-	-
Options expired during the period	-	-
Options and loan funded shares lapsed or passed up	(1,242,860)	(697,626)
Loan funded shares extended during the period	-	8,705
<b>Closing Balance</b>	<b>1,558,375</b>	<b>3,232,890</b>

## **19 Segment reporting**

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

The Group operates in Australia (building technology) and prepares reports internally by this location.

Other prospective opportunities outside of this geographical location are also considered from time to time, and if they are secured, will then be attributed to the geographical location where they are located.

All of the Group's non-current assets are held in Australia and all interest revenue is derived from funds invested in short-term money market instruments, all of which are held within Australia.

During the six month period to 31 December 2024 there has been no changes from prior periods in the measurement methods used to determine operating segments and reported segments' profit or loss.

## **20 Contingent liabilities**

At the reporting date the Group had no pending legal claims or other contingent liabilities (2023: nil).

## **21 Events after the balance date**

Subsequent to the end of the period:

- The Company received its Research and Development tax refundpayment of A\$6.3 million from the Australian Taxation Office (ATO) for the year ended 30 June 2024. FBR had drawn down A\$4.3 million from its R&D revolving loan facility with FC Capital and applied part of the rebate received from ATO to repayment of this balance owing to FC Capital under the R&D facility.
- Following completion of the United States Demonstration Program, FBR received the final tranche of US\$400,000 from CRH Ventures.
- FBR completed construction of a tenth demonstration home. This home was built in Babcock Ranch, a resort lifestyle community, for DiVosta homes, a subsidiary of U.S. builder PulteGroup in Fort Myers, Florida. Whilst not part of the recently completed Demonstration Program with CRH Ventures, this structure was built to demonstrate the capability of the Hadrian X® to PulteGroup and the broader community.
- FBR agreed to sell its last remaining residential property in Wellard, in WA with settlement due to occur in February 2025.
- On 17 February 2024, the Company announced that it did not receive formal notice of exercise of the Option from CRH Ventures before the end of the option period. Accordingly, the Option has expired and, as a result, FBR is no longer subject to the exclusivity arrangements with CRH Ventures.

- The Company completed a demonstration of its technology to Samsung Heavy Industries, following submission of a technical and engineering study to assess the feasibility of applying FBR's robotic automation technology to the shipbuilding industry, and is now moving forward with negotiations for a joint development agreement.

No other matters or circumstances have arisen since the end of the half-year to the date of this report which have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those qualifications or the state of affairs of the consolidated entity.

## 22 Restatement of prior year balances

During the period ended 30 June 2024, the Group identified an error in the accounting treatment of the Research and Development tax refund in prior reporting periods. The Research and Development tax refund was not being matched to the expenditure incurred to generate the refund which was a non-compliance with the accounting standards. The error resulted in a material overstatement of amortisation of development costs and impairment expense and loss after tax for these periods. The error has been corrected by restating each of the affected financial statement line items for the prior period as follows:

<b>Consolidated Statement of Profit or Loss and Other Comprehensive Income</b>	<b>31 December 2023 as reported</b>	<b>Increase/ (decrease)</b>	<b>31 December 2023 (restated)</b>
<b>For the period ended 31 December 2023</b>			
Amortisation of development costs	(1,663,560)	354,626	(1,308,934)
Impairment expense	(4,833,777)	3,542,890	(1,290,887)
<b>Total comprehensive loss for the period</b>	<b>(19,782,321)</b>	<b>3,897,516</b>	<b>(15,884,805)</b>
Basic loss per share in cents per share	0.52	0.10	0.41
Diluted loss per share in cents per share	0.52	0.10	0.41



## Directors' Declaration

In the opinion of the Directors of FBR Limited:

- a The consolidated interim financial statements and notes of FBR Limited are in accordance with the *Corporations Act 2001*, including:
  - i Giving a true and fair view of its financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
  - ii Complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
- b There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



**Michael Pivac**

Chief Executive Officer and Managing Director

Dated the 27<sup>th</sup> day of February 2025

## Independent Auditor's Review Report

### To the Members of FBR Limited

#### Report on the half year financial report

##### Conclusion

We have reviewed the accompanying half year financial report of FBR Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of FBR Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

##### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Material uncertainty related to going concern

We draw attention to Note 3 in the financial report, which indicates that the Group incurred a net loss of \$16,867,245 during the half year ended 31 December 2024 and, as of that date, the Group's net cash outflows from operating and investing activities totalled \$17,995,078. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

### Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

L A Stella  
Partner – Audit & Assurance

Perth, 27 February 2025