

ASX Announcement

FBR Limited



Managing Directors Address

Monday, 18 November 2024 – Robotic technology company **FBR Limited (ASX: FBR)** ('FBR' or 'Company') attaches a copy of the addresses to be delivered by the Managing Director at the Annual General Meeting commencing at 12:00pm AEDT today.

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

Ends

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About FBR Limited

FBR Limited (ASX: FBR; OTCQB: FBRKF) 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



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2024 Annual General Meeting

Monday, 18 November 2024 at 12:00pm

Managing Director's Address

Thank you Richard, and thank you all for attending today.

It is pleasing to be able to provide you with a summary of the company's achievements over the past 12 months.

Thanks to the hard work and dedication applied to the multiple programs and work streams underway within FBR by the men and women that make up our unique and capable Team, we have reached an important stage of our company's journey, setting the stage for what could be an extraordinary phase of growth in the years ahead.

Moving from a period where our sole focus was the research and development of our core technology, the design and manufacture of the next gen Hadrian X, and the commissioning and demonstration of this 21st Century machine, we have achieved a significant number of important milestones, and we are now in the phase of early commercialisation of the Hadrian X[®], with trials of our Wall as a Service (WaaS) offering to customers in the USA.

In addition to this, we are seeing a high level of inbound interest for FBR's core technology and long reach stabilised boom capabilities from large multi-national companies in adjacent industries where labour constraints and the need for automation efficiencies are highly sought after. This demonstrates to us that there may be new opportunities for the Company into the future where we may provide valuable solutions to unique problems and help deliver positive effect and change.

A critical step in the commercialisation of the Hadrian X[®] and for future robotic solutions, is ensuring adequate IP protection for the advanced technologies that drive our machines and systems through the filing of an additional 9 international patents, bringing our number of patent families now to over 40, further extending the competitive advantage that our IP provides, and therefore creating future potential value for our Shareholders.

This past year we have continued on our quest to prove out the versatility and commercial viability of the next-generation Hadrian X[®], which from the time it laid its first blocks has made significant improvements to speed and reliability compared to its predecessor.

18,000 kilometres away, the same robot is currently undertaking a 10 home Demonstration Program with one of the largest building materials companies in the world, in one of the largest residential construction markets in the world.

Concurrently, here in Australia, our team continued to work on the two existing construction projects that we had underway, namely the Willagee and St James projects. Both involving the construction of two-storey, medium-density townhouses, 16 townhouses at Willagee and 8 townhouses at St James.

Each of these now completed projects had levels of complexity not attempted before by FBR and certainly not by any other construction robotics technology company in the world, further demonstrating that FBR is by far the global leader in this pioneering space.

Our people are our most important asset, and ensuring their safety is our top priority. Over the past two years, with the increased levels of activity and associated risks, we have sought to increase focus on reducing and mitigating the risks that our people and our assets face through the implementation of a new safety management system and through increasing education and training with respect to safety, hazard identification and risk.



ASX Announcement FBR Limited



It is pleasing to see that these measures are providing results, with a reduction in the number of incidents, reduced occurrence of injury and increased levels of improvements throughout the business.

We will continue to make SHEQ a key tenet of our business, ensuring a focus on safety and quality as we expand to new geographies and our business experiences higher levels of complexity and risk.

As you'd all be aware, in January of this year, FBR announced the signing of a suite of agreements with CRH Ventures, the investment arm of CRH plc, to jointly build up to 10 homes under a Demonstration Program in Florida. The intended result being the formation of a Wall as a Service® joint venture between FBR and CRH Ventures to provide our Wall as a Service offering to customers in Florida.

Under the Demonstration Program, CRH Ventures can exercise the option to form a JV at any time up until 45 days post-completion of the Demonstration Program.

Since announcing the signing of agreements to the market, we have successfully progressed through a number of significant milestones, which in turn have unlocked corresponding payments from CRH Ventures, including:

- An initial 10% of the Option Fee paid upon executing the Demonstration Program and Option Agreements;
- A 40% payment following the successful Factory Acceptance Test in February 2024; and
- A 30% payment upon completion of the Site Acceptance Test in the U.S. in August 2024.

After the Demonstration Program is completed, a final 20% payment, will be made.

With 6 of the ten homes required under the Demonstration Program now completed, we expect completion of the next house structure very soon and work orders for the final three homes are anticipated to be received shortly.

The Option Agreement allows CRH Ventures to exercise its option anytime within 45 days of the Demonstration Program's completion. If exercised, a joint venture (JV) between CRH Ventures (49%) and FBR (51%) will be established to supply WaaS® using Hadrian X® construction robots in the U.S.

The JV will issue an initial order for 20 Hadrian X® robots at US\$2 million each, funded by a US\$40 million credit facility from CRH Americas, Inc.

Once the first 20 units are successfully operated, the JV may order 39 additional robots, followed by another 40, with a potential total of 300 units into the future.

Each of the homes shown here on the screen are homes that have been completed as part of the Demonstration Program thus far.

As you may be aware, Florida has seen a number of hurricanes pass through recently, one of which came through mid-way through a build. Despite the significant destruction that was left in the wake of Hurricane Milton, we were extremely pleased to find the walls of the yet-to-be-finished home still standing strong.

In preparation for the internal demands we will experience should the JV Option be exercised, FBR is scaling its manufacturing capabilities to more efficiently produce the modular components of the Hadrian X®, with support and advice from OEM Liebherr-Mischtechnik.

This partnership, outlined in a Memorandum of Understanding that was extended this year, aims to ensure Hadrian X®'s commercial scalability, with the potential for a long-term manufacturing and commercialization agreement.

Our development roadmap outlines the updates and upgrades to various modules that make up the Hadrian X® and is driven by our focus on continuous improvement. Improvements we implement are all made to affect positive change in the speed, accuracy, reliability and overarching economics of our machines.



ASX Announcement FBR Limited



FBR recently announced that it is offering eligible shareholders the opportunity to purchase between \$1,000 and \$30,000 worth of shares through a Share Purchase Plan, priced at 3.8 cents per share.

This price, represents an 11.6% discount to the closing share price on 31 October 2024, the trading day before the SPP was announced. The SPP is currently open and will close on Tuesday, 26 November 2024.

Funds raised from the SPP will provide additional working capital to deliver on the key milestones that lay ahead of us, including the completion of the Demonstration Program in Florida.

Here we have our key near-term milestones on the path ahead. We are firmly focussed on the completion of the CRH Ventures Demonstration Program, and will continue to provide updates as we progress through.

As I bring this update to a close, I want to reiterate that the progress we have made to date proves that our technology has the potential to make a significant impact in each of the markets that it will operate in. This gives FBR a strong competitive edge and enhances its appeal to leading companies worldwide.

FBR is actively engaging with various stakeholders, including potential Wall as a Service partners, investors, government agencies at home and internationally, as well as prospective customers.

Our business is poised for substantial transformation in the coming years as we scale to meet the anticipated demand for our technology. With each step forward, my confidence grows in FBR's unique technology and business model, which I believe have the potential to create a meaningful, positive impact on the global construction industry.

On behalf of the Board, I'd like to again, extend our gratitude and thanks to you, our shareholders, for your continued support of our unique and innovative company.

I am optimistic about the bright future ahead and look forward to sharing our successes with you all.

Thankyou.

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