



Chairman, Managing Director Addresses

Monday, 20 December 2021 – Robotic technology company **FBR Limited** ('FBR' or 'the Company') attaches a copy of the Chairman and Managing Director addresses which are to be delivered to Shareholders at its Annual General Meeting commencing at 10.00am AWST today.

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

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About FBR Limited

FBR Limited (ASX: FBR) designs, develops and builds dynamically stabilised robots to address global needs. 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

ASX Announcement

FBR Limited



FBR Limited

2021 Annual General Meeting
Monday, 20 December 2021 at 10.00am

Chairman's Address

Dear Shareholders,

During the past 12 months our Company has achieved excellent results operationally and has made significant progress in the commercialisation of the Hadrian X[®] technology, with market adoption beginning to accelerate. We have now begun converting the significant domestic and international interest for the Hadrian X[®] across residential and commercial developments to commercial contracts, with commitments for 27 structures currently in the pipeline.

This strong news flow coincides with our sixth anniversary of being an ASX listed company.

The Company's list of achievements since the beginning of FY21 is impressive. Since then we have built our first house in a suburban environment using the Hadrian X[®], a further two houses and two commercial structures, and the team has now commenced building 16 two storey townhouses in a development in Willagee, Western Australia, with another 11 structures in the pipeline on top of that.

We are also engaged with high volume builders and strategic partners in markets around the world, and as travel restrictions ease we expect that international interest to continue to grow and those relationships to progress to contract stage.

While the impacts of COVID-19 continue to cause uncertainty around the world, FBR's future looks very strong and we thank you, our Shareholders, for your continued support.



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2021 Annual General Meeting
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Managing Director's Address

Dear Shareholders,

I am very pleased to be delivering this AGM address to you today.

It is exciting to be able to provide an update on our efforts to commercialise our technology and execute on our scaling plan domestically and internationally. We had a very strong FY21, and FY22 is already looking even better, headlined by some big contract wins, some promising international engagements and our own operational improvements that we're seeing, with new capabilities demonstrated every day.

When I look back on everything that we've achieved so far in our journey to transition to a revenue-generating tech company, and then think about what we will achieve in the coming months and years, it fills me with pride to see that our team has built the best robotic construction solution in the world. We are out there using our technology in the field in partnership with some of the biggest builders and developers in our home market, generating revenue, and with a significant global addressable market that we are now well positioned to address.

Our focus for this year has been to develop a pipeline for our two existing prototype robots while ensuring we allowed enough time for continuous improvement and planned upgrades. Simultaneously, we have been pursuing global opportunities on a number of fronts, and while I am not in a position to discuss some of those opportunities currently due to commercial sensitivities, they are likely to contribute to FBR's global scaling strategy together with our partners in key markets who we have publicly disclosed.

Firstly, a recap on the projects we have completed. We have now built 5 structures in a suburban environment with the Hadrian X[®] – two large commercial structures and three single storey residential structures. All of these structures have been completed since the beginning of FY21.

Dayton was our first project outside of the confines of our facilities, and we couldn't be happier with how it went as a first effort. This was the first display home built by an end-to-end autonomous bricklaying robot anywhere in the world, and that home is now being lived in, with the sale settled in July 2021.

Byford followed shortly after Dayton, and was the first time we had built double leaf cavity walls with the Hadrian X[®]. That structure is now being tenanted by a real estate company.

The childcare centre at Stockland's Amberton Beach development is still the largest single structure built by the Hadrian X[®] to date, requiring five different building positions on site and comprising walls up to 4.8m high. Amberton was a very challenging project, as we were building right next to the beach in winter which gave us a good testing environment to demonstrate the machine's capabilities and waterproofing.



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We then completed two residential structures in Wellard which are owned by FBR and will be finished off by Perth builders in due course.

Significantly, completion of all these jobs has demonstrated that we are now a revenue generating robotic construction technology, with cash receipts from customers in the first quarter of FY22 totalling \$621,000. This is a point that very few startups reach, and even fewer construction robotics companies generate meaningful revenue under arm's length contracts. Fortunately, we're just getting started.

This month Hadrian X[®] commenced construction of our largest ever project at a residential construction site in Willagee, Western Australia, where we are robotically building the walls of 16 townhouses for prominent WA builder Inspired Homes.

This contract of approximately \$630,000 plus GST is our largest ever awarded. FBR is constructing the load bearing walls, the internal partition walls, and the concrete footings and slabs for the 16 townhouses.

We anticipate commencement of an eight-townhouse project, where we will deliver a concrete slab and WaaS[®] contract in St James, Western Australia, in the first quarter of the 2022 calendar year. It will be completed at commercial rates with the WaaS[®] contract value in excess of \$500,000, and it is planned that FBR's upgraded Hadrian, H01, will be used to complete these townhouses.

In addition to our 16 townhouses in Willagee and 8 townhouses in St James, we will be building an additional three houses in Wellard to complete our five home Wellard portfolio, the sale of which will generate in excess of \$2 million in revenue in what we anticipate will be FY23.

Once completed, these 5 houses will be opened to the public and then sold in a similar fashion to our first residential build in Dayton.

The committed pipeline of work will keep existing Hadrian prototypes well utilised until May 2022, with a strong focus to be placed on winning work to maximise utilisation of existing prototypes and develop a pipeline of work for future Hadrians. Two additional Hadrian X[®] robots are at procurement stage while the next iteration of Hadrian X[®] is under development, designed to provide higher lay speed, the capability to handle even larger blocks and a longer reach.

COVID-19 continues to delay our plans to establish operating entities in our key markets, however in recent months we made progress in several key international markets, as we seek to demonstrate to international builders and developers that the Hadrian X[®] not only has the capability to service their markets, but to greatly improve their construction methods.

In November FBR signed a Memorandum of Understanding ('MOU') with the United Arab Emirates ('UAE') Ministry of Energy & Infrastructure ('the Ministry'). FBR and the Ministry intend to exchange information and collaborate and cooperate in relation to the application of modern building methods, smart support systems and other construction technologies in the housing and construction sectors of the UAE, with a particular focus on the Hadrian X[®] and what it could deliver to the region. The innovative thinking and appetite for new technology in the UAE presents an ideal environment for the introduction of our robotic technology to a new market, and the work that we've been doing to achieve acceptance of the Hadrian



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X[®] and the Fastbrick Wall System[®] in the UAE over the past three years is beginning to yield results. With our Gulf representative embedded in the Dubai market since 2018, we intend to offer our solution for the region's construction challenges.

We are currently completing a market entry feasibility study in collaboration with the Ministry based on data they have provided of a typical housing development in the UAE.

In parallel, the MOU between FBR and the Kingdom of Saudi Arabia's Ministry of Housing was discontinued, with a view to replacing it with a more suitable formal agreement with revised targets in due course. Difficulties in converting the non-binding MOU to a binding contract, caused in part by the uncertainty of COVID-19 restrictions, led to FBR and the Ministry of Housing mutually agreeing to discontinue the non-binding MOU. The parties still intend to collaborate on FBR's market entry to Saudi Arabia and remain in ongoing dialogue about a new MOU with revised objectives.

At the beginning of November FBR signed a non-binding term sheet for up to 5,000 homes in Mexico with GP Vivienda, the housing division of Grupo GP, one of Mexico's largest construction and real estate development companies.

FBR and GP Vivienda will deal exclusively with each other to bring robotic bricklaying to Mexico and are working towards certification of Fastbrick Wall System and the establishment of our first North American operating entity.

The volume of work contemplated under the term sheet will give us a great start from which to grow our business in North America, as there will be a strong pipeline of work to complete as soon as we deploy.

We have made significant progress in our relationship with Wienerberger, the largest producer of clay blocks in the world. Again in November, we completed our first house structure using Wienerberger Porotherm clay blocks in an outdoor environment, demonstrating the Hadrian X[®]'s ability to address the European clay-block low-rise housing market, which has the potential for 700,000 homes a year.

Although we expected to have a Hadrian X[®] deployed to Europe this year to complete this Pilot Program, the global conditions caused by COVID-19 have meant that we must conduct the Program here in Australia, with a view to deploying to Europe when conditions have improved such that it makes sense to do so.

In November, FBR undertook a capital raise of \$10 million, placing the Company in a strong position for the journey ahead when coupled with the R&D tax incentive rebate for the year of almost \$4 million.

We are pleased to have attracted support from both existing and new institutional and sophisticated investors from Australia, United Kingdom, Hong Kong and the United States to help us progress the commercialisation of FBR's technology.

The funds raised will position the Company well to execute on and expand its current committed work pipeline and to capitalise on commercial opportunities that are frequently presenting themselves globally, particularly in North America and Europe.



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In the next 12 months we expect to complete the 27 builds in our pipeline, plus additional builds yet to be committed; complete assembly of two additional Hadrian X[®] construction robots to meet demand in the Australian market; complete the design of the next iteration of the Hadrian X[®] and commence manufacturing; and obtain soft or contingent orders for robots to be leased into operating entities.

We will continue the scale up of our organisational capability post-COVID; further advance DST and digitalisation-related R&D projects with a view to opening a new market vertical for FBR and unveil the new zero waste potential of H01.

The rest of the world is realising that we have the most viable technology in robotic construction. The tangible results we have announced in recent months has demonstrated the need, and desire for, the technology advances we have created at FBR.

We will continue to report back to our institutions and retail investors on our growing pipeline of work, and thank you for joining us on the exciting journey of bringing this revolutionary technology to market.

Thank you for your continued support through what has been another significant period in FBR's journey.

