

FBR Limited

Appendix 4D

Half year report

1. Company details

FBR Limited

ABN	Current period	Prior period
58 090 000 276	31 Dec 2025	31 Dec 2024

2. Results for announcement to the market

	% Change	\$
2.1 Revenues from ordinary activities	Down 7%	551,558
2.2 Loss from ordinary activities after tax attributable to members	Down 69%	5,289,892
2.3 Loss for period attributable to members	Down 68%	5,290,451
2.4 & 2.5 No dividends were proposed or paid in the current or prior period		
2.6 Explanations of any of the figures in 2.1 to 2.4 above necessary to enable the figure to be understood. Total revenue for the period was \$551,558 (2024: \$593,834) primarily due to the sale of USA specification Mack truck vehicles held in Inventory (\$528,661) and sales to Samsung Heavy Industries (\$22,897). Other income of \$2,489,394 includes amounts for FY25 and FY26 relating to the R&D tax incentive. The loss for the period was \$5,289,892 (2024: \$16,867,245) including an R&D tax rebate of \$2,489,394, cost of goods sold of \$528,661 professional services, corporate administration, director and employee remuneration of \$4,502,047, development costs of \$265,191, and non-cash share-based payments, depreciation, amortisation and impairment of \$2,764,089.		

3. Net tangible assets per security

Dec 2025: \$0.001	Dec 2024: \$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

Other than its wholly owned subsidiaries the group has no other associates or joint ventures.

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 \$5,289,892 during the half year ended 31 December 2025, and for that period, the Group's cash outflows from operating and investing activities were \$5,658,451. 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. There is no qualification in the Independent Auditors' Review Report in respect of this matter but, rather, a paragraph pertaining to material uncertainties over going concern. Refer Independent Auditors' Review Report.



FBR Limited

Interim financial statements

**For the half-year ended
31 December 2025**

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 2025.

Director details

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

Mr Mark Pivac (Chief Executive Officer)

Ms Shannon Robinson (Non-Executive Chair)

Mr Glenn Cooper (Non-Executive Director) (appointed 1 October 2025)

Mr Lindsay Partridge AM (Non-Executive Director) (appointed 9 February 2026)

Mr Richard Grellman AM (Non-Executive Director) (retired 1 October 2025)

Ms Nancy Milne (Non-Executive Director) (retired 1 October 2025)

Review of operations and financial results

During the half-year ended 31 December 2025, the Group generated \$551,558 in revenue, down approximately \$42,306 on the previous period, derived largely from the sale of USA specification Mack truck vehicles previously held in Inventory, together with revenue recognised from the Samsung Heavy Industries development contract.

During the period, FBR focused on formalising its dual-engine growth strategy, transitioning from a Hadrian®-centric technology company to a commercial enterprise with both global export and domestic construction capabilities across a diversified product suite.

In July 2025, the Company launched its second DST®-powered robotic product, Mantis™. Mantis™ is an advanced eight metre reach robotic welder that simplifies heavy fabrication automation. It directly addresses critical industry challenges such as skilled labour shortages, productivity bottlenecks, and the need for adaptable automation. Mantis™ was launched to demonstrate that FBR's DST® platform for long boom stabilised robots could be applied to other industries and use cases, and its launch signalled FBR's transition to a commercial enterprise with a diversified product suite underpinned by its world-leading core technology. Subsequent to the end of the period, FBR presold a Mantis™ unit under a binding conditional purchase order to a customer in Louisiana, United States. The first Mantis™ units are expected to be ready for delivery in the second half of the 2026 calendar year.

In October 2025, the Company completed Factory Acceptance Testing of its newest Hadrian® unit, and subsequently set a new record for effective square metres of wall per hour by using large format Wienerberger Porotherm blocks. H04 achieved a delivery speed of approximately 36 square metres of wall per hour, building the entire test structure in one hour and 21 minutes including nine minutes total of production delays. Following this positive test, the Company formalised its strategy, competitive landscape analysis, and operational roadmap for Hadrian Homes, a vertically integrated

construction entity designed to shift FBR from a technology vendor to a leading provider in the Australian residential market. The Hadrian Homes model will utilise the Hadrian® alongside complementary robotic systems and offsite Modern Methods of Construction (MMC) to capture the full value chain and address chronic housing supply constraints.

Additionally, the Company has been developing custom robots on a contract R&D basis, in particular for Samsung Heavy Industries for a shipbuilding application. FBR sees contract R&D as a good revenue source moving forward.

During the period, the Company executed a comprehensive \$22 million funding strategy to strengthen its balance sheet and provide essential working capital to advance its dual-engine growth strategy.

On 6 August 2025, FBR announced the execution of a financing agreement with GEM Global Yield LLC SCS for a \$20 million Share Subscription Facility over a three-year period. This facility provides FBR with discretionary working capital, allowing the Company to draw down funds in tranches in exchange for issuing new shares.

Subsequently, on 8 August 2025, the Company announced firm commitments for a \$1 million private Placement, issuing approximately 222.2 million fully paid ordinary shares to sophisticated and professional investors at an issue price of \$0.0045 per share. In conjunction with the Placement, FBR launched a Share Purchase Plan (SPP) to allow eligible retail shareholders to participate at the same \$0.0045 issue price, targeting up to an additional \$1 million.

The Placement shares were formally issued and allotted on 18 August 2025, with the SPP shares following on 5 September 2025. Funds raised across the Placement, SPP, and subsequent initial drawdowns from the GEM facility were allocated toward the commissioning of the additional Hadrian unit, the development of new DST®-enabled products including the Mantis™ robotic welder, advancing the collaboration with Samsung Heavy Industries, and repaying existing debt facilities.

The loss for the period was \$5,289,892 (2024: \$16,867,245) including an R&D tax rebate of \$2,489,394, cost of goods sold of \$528,661 professional services, corporate administration, director and employee remuneration of \$4,502,047, development costs of \$265,191, and non-cash share-based payments, depreciation, amortisation and impairment of \$2,764,089.

Events Subsequent to the end of the period

Operations

Subsequent to the end of the period, the Company launched its new autonomous refractory lining robot, Firehawk™. Firehawk™ addresses a frequently requested use-case of relining ladles used in steelmaking. The robot handles the complete reline – scanning the ladle to map its unique geometry, compensating for wear and deformation, then placing insulating sand and refractory bricks. Early interest in Firehawk™ has been strong and FBR anticipates bringing the first Firehawk™ online in the 2027 calendar year.

Finance

Subsequent to the end of the period, the Group:

- Disposed of fixed assets in January and February 2026, for proceeds of \$527,909;
- On 12 February 2026, drew down from its R&D tax refund facility (refer note 14) \$770,994 which pertained to eligible costs connected with its financial year 2026 R&D claim; and

- Received \$195,060 and \$213,025 on 23 January 2026 and 6 February 2026 respectively from drawdowns using its GEM facility (refer note 16).
- On 27 February 2026, entered into a secured senior loan facility of \$610,000 with Avior Asset Management No.11 Pty Ltd to fund short term working capital. The facility matures 1 month from commencement and bears interest at 2.5% per week, together with establishment and break fees.

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:



Mark Pivac
Chief Executive Officer

27th February 2026

Grant Thornton Audit Pty Ltd
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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 2025. 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



B E Burgess
Partner – Audit & Assurance

Perth, 27 February 2026

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2025

	Notes	31 December 2025 \$	31 December 2024 \$
Continuing operations			
Revenue	6	22,897	593,864
Other revenue		528,661	-
Cost of sales		(528,661)	(608,284)
Gross profit/(loss)		22,897	(14,420)
Interest income		39,769	135,899
Research and Development tax refund		2,489,394	2,257,867
Other income		1,382	922,190
Professional services		(918,873)	(1,086,802)
Directors' and employees' benefits		(1,944,662)	(7,418,895)
Other expenses		(1,638,511)	(2,840,960)
Development costs		(265,191)	(783,310)
US Deployment costs		-	(1,891,123)
Share-based payments		(641,608)	(2,435,913)
Depreciation	10, 11	(954,068)	(1,227,027)
Finance costs		(312,007)	(472,141)
Amortisation of development costs		-	(1,626,401)
Impairment expense	10, 13	(1,138,205)	(360,401)
Inventory (impairment)/reversal	9	(30,209)	(25,808)
Loss before tax		(5,289,892)	(16,867,245)
Income tax expense		-	-
Loss for the period		(5,289,892)	(16,867,245)
Other comprehensive income for the period, net of tax			
Exchange differences on foreign exchange translation		(559)	76,490
Total comprehensive income for the period		(559)	76,490
Total comprehensive loss for the period		(5,290,451)	(16,790,755)
Basic loss per share in cents per share	15	(0.11)	(0.35)
Diluted loss per share in cents per share	15	(0.11)	(0.35)

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Financial Position

As at 31 December 2025

	Notes	31 December 2025 \$	30 June 2025 \$
Assets			
Current			
Cash and cash equivalents	7	870,182	101,170
Trade and other receivables	8	6,834,682	4,568,765
Inventories	9	2,305,665	2,897,391
Other current assets		2,355,071	1,716,895
Current assets		12,365,600	9,284,221
Non-current			
Property, plant and equipment	10	3,814,079	4,183,447
Right-of-use assets	11	1,714,973	2,353,074
Development costs	13	-	-
Non-current assets		5,529,052	6,536,521
Total assets		17,894,652	15,820,742
Liabilities			
Current			
Trade and other payables		2,141,097	2,414,160
Provisions		662,313	857,268
Lease liabilities	12	1,325,737	1,277,023
Borrowings	14	5,957,911	2,284,195
Current liabilities		10,087,058	6,832,646
Non-current			
Provisions		176,389	139,572
Lease liabilities	12	473,849	1,149,063
Borrowings	14	373,306	84,697
Non-current liabilities		1,023,544	1,373,332
Total liabilities		11,110,602	8,205,978
Net assets		6,784,050	7,614,764
Equity			
<i>Equity attributable to owners of the parent:</i>			
Share capital	16	206,749,512	199,509,231
Treasury stock	16	(1,175,000)	-
Reserves	18	2,810,162	4,416,265
Accumulated losses		(201,600,624)	(196,310,732)
Total equity		6,784,050	7,614,764

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2025

	Share capital	Treasury stock	Performance right reserve	Share option reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2025	199,509,231	-	3,477,790	880,074	58,401	(196,310,732)	7,614,764
Loss for the period	-	-	-	-	-	(5,289,892)	(5,289,892)
Other comprehensive income	-	-	-	-	(559)	-	(559)
Total comprehensive loss for the period	-	-	-	-	(559)	(5,289,892)	(5,290,451)
<i>Transactions with owners:</i>							
Shares issued - Capital raising (refer to Note 16)	2,648,616	-	-	-	-	-	2,648,616
Capital raising costs (refer to Note 16)	(259,986)	-	-	855,000	-	-	595,014
Shares issued to suppliers for services (refer to Note 16)	500,709	-	-	-	-	-	500,709
Performance rights converted to shares (refer to Note 16)	2,875,552	-	(2,875,552)	-	-	-	-
Shares issued under Share Subscription Facility (refer to Note 16)	1,175,000	(1,175,000)	-	-	-	-	-
Performance rights forfeited (refer to Note 18)	-	-	-	-	-	-	-
Performance rights lapsed (refer to Note 18)	-	-	-	-	-	-	-
Share-based payments expense for performance rights (refer to Note 18)	-	-	540,723	-	-	-	540,723
Share-based payments expense for options (refer to Note 18)	-	-	-	100,885	-	-	100,885
Options and loan funded shares issued to employees and directors (refer to Note 18)	-	-	-	-	-	-	-
Loan funded shares repaid (Note 16 and 18)	300,390	-	-	(226,600)	-	-	73,790
Options lapsed or passed up	-	-	-	-	-	-	-
FX translation reserve	-	-	-	-	-	-	-
Balance at 31 December 2025	206,749,512	(1,175,000)	1,142,961	1,609,359	57,842	(201,600,624)	6,784,050

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

Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2025

	31 December 2025	31 December 2024
	\$	\$
Operating activities		
Interest received	7,410	86,004
Receipts from customers	748,048	1,416,925
Payments to suppliers and employees	(5,305,122)	(16,224,890)
Interest paid	(228,984)	(385,974)
Government grants	-	73,200
Net cash used in operating activities	(4,778,648)	(15,034,735)
Investing activities		
Purchase of property, plant and equipment	(693,614)	(2,094,151)
Development costs	(391,189)	(866,192)
Proceeds from the settlement of other financial asset	205,000	-
Net cash used in investing activities	(879,803)	(2,960,343)
Financing activities		
Proceeds from issue of share capital and other equity instruments	2,722,391	23,070,000
Capital raising costs	(189,300)	(1,593,524)
Proceeds from borrowings	8,558,648	-
Repayment of borrowings	(4,550,122)	(903,678)
Transaction costs related to loans and borrowings	(114,154)	(67,455)
Net cash from financing activities	6,427,463	20,505,343
Net increase/(decrease) in cash and cash equivalents	769,012	2,510,265
Cash and cash equivalents, beginning of period	101,170	3,742,280
Exchange differences on cash and cash equivalents	-	73,455
Cash and cash equivalents, end of period	870,182	6,326,000

The accompanying notes form part of these financial statements.

Notes to the Condensed Consolidated Financial Statements

1 Nature of operations

FBR Limited (“the Company”) and its controlled subsidiaries (“the Group”) designs, develops and builds dynamically stabilised robots to address global needs. 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 2025 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 2025 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 2026.

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 \$5,289,892 during the half-year ended 31 December 2025, inclusive of a non-cash impairment and net realisable value write-down charge of \$1,138,205. The Group's net cash outflows from operating and investing activities totalled \$5,658,451 for the year. Cash reserves reported as at 31 December 2025 are \$870,182. These conditions cast doubt on the ability of the Group to continue as a Going concern.

Subsequent to period end, the Company has been able to maintain its cash balance, currently \$921,229. Funding of this balance has included:

- Sale of assets in January and February 2026, to raise \$527,909;
- On 12 February 2026, draw down from its R&D funding facilities of \$770,994 pertaining to its financial year 2026 R&D claim; and
- On 23 January 2026 and 6 February 2026, receipt of \$195,060 and \$213,025 respectively from drawdowns using its GEM facility.

Further to the above, on 27 February 2026, the Company entered into a secured senior loan facility of \$610,000 with Avior Asset Management No.11 Pty Ltd to fund short term working capital. The facility matures 1 month from commencement and bears interest at 2.5% per week, together with establishment and break fees.

In forming the view that the going concern basis of preparation is appropriate, the Directors and Management have based their assessment on the facts and circumstances as of the date of approval of the financial statements. The Directors and Management have based their assessment on cashflow forecast for the twelve months ending February 2027. These forecasts contain a key assumption as follows:

- From its R&D funding facilities available, the anticipated receipt of at least \$1,783,631 in financing for an overseas finding claim that has been approved by Ausindustry. The Company has progressed this financing to a state where they believe, given the terms of its Master Facility Agreement with the financier, its history of financing requests with the financier, and confirmation from the financier of its ability and willingness to fund, that the possibility the funding is not received when anticipated in its cashflows is remote. All documentation required for the financing has been provided to the financier who have acknowledged the funding process specific to the request is now in its closing stages of documentation compilation and signing;

In addition to the above, the forecasts include:

- Realisation of R&D incentive refunds from the ATO, which have been filed with the assistance of the Company's R&D expert;
- The continued advance financing, where required, of anticipated future R&D incentive claims under its Master Facility Agreement;
- Drawdowns from its existing \$20 million facility with GEM of which the Group has successfully accessed throughout the half-year period and subsequent to period end; and
- The generation of positive cashflows from the sale of its Mantis product, based on having entered a binding (conditional) sales arrangement with a customer.

The extent of the achievement of the above key assumptions is inherently uncertain and there are elements outside of management's control. In a situation where the Company is unable to realise these assumptions to the extent and timing required it will not maintain cash reserves adequate to settle its obligations as and when they fall due in the normal course of business without alternative sources of funding. These alternative sources would most likely be through access to capital markets such as in the form of either an equity placement or share-purchase plan. Given its historical ability to raise funds through these means as well as other means and the prospects of the sale of its products, management is confident that the Company can obtain the required alternative source funding should it be required.

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.

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 2025, except for the adoption of new standards effective as of 1 January 2026. 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 2026, 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 2025, other than referred to above.

Change in Estimate

In the prior financial year, as at 30 June 2025, the Group recognised an R&D Tax Incentive receivable of \$3,830,710, based on the information available as at the date of signing the financial report.

During the current interim period, the Group changed its estimate based on new information received and new circumstances. This resulted in an upward revision of the estimated R&D Incentive for the year ended 30 June 2025 by \$844,036, which has been recognised prospectively in these interim financial statements and included in the *Research and Development Tax Refund* line item in the Condensed Statement of Financial Position and Trade and Other Receivables as shown in Note 8.

6 Revenue

	Consolidated	
	31 December 2025	31 December 2024
	\$	\$
Wall as a Service and Construction Services sales	-	167,500
Residential housing sales	-	426,364
Samsung sales	22,897	-
Other revenue	528,661	-
	551,558	593,864
	31 December 2025	31 December 2024
	\$	\$
Timing of revenue recognition is as follows:		
Revenue recognised at a point in time	528,661	426,364
Revenue recognised over time	22,897	167,500
	551,558	593,864

7 Cash and cash equivalents

	Consolidated	
	31 December	30 June
	2025	2025
	\$	\$
Cash at bank and on deposit	870,182	101,170
	870,182	101,170

8 Trade and other receivables

Trade and other receivables consist of the following:

	Consolidated	
	31 December	30 June
	2025	2025
	\$	\$
Research and Development tax refund ¹	6,320,104	3,830,710
Trade debtors	6,491	6,491
GST receivable	105,204	154,428
Director loans	368,798	353,184
Interest receivable	34,085	17,626
Grant receivable	-	-
Other receivables	-	206,326
	6,834,682	4,568,765

1. R&D tax refund is an accrual based on the receivable of \$4,674,746 for the lodged 30 June 2025 tax return and an estimated R&D tax refund of \$1,645,358 for the 6 months ended 31 December 2025.

9 Inventories

Inventories include the following components:

	Consolidated	
	31 December	30 June
	2025	2025
	\$	\$
Inventory – land & residential	3,213	3,213
Inventory - parts	2,321,258	5,918,681
Inventory – Hadrian machines in progress	11,403	11,403
Inventory impairment (expense)/ reversal	(30,209)	(3,035,906)
	2,305,665	2,897,391

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
	\$	\$	\$	\$	\$	\$
Gross carrying amount						
Balance at 1 July 2025	5,427,125	1,123,910	1,547,958	4,654,918	9,291,445	22,045,356
Additions	-	-	-	-	693,617	693,617
Transfers	-	-	-	-	-	-
Transfer to inventory	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 December 2025	5,427,125	1,123,910	1,547,958	4,654,918	9,985,062	22,738,973
Depreciation and impairment						
Balance at 1 July 2025	(2,454,772)	(1,014,880)	(1,329,814)	(4,654,918)	(8,407,527)	(17,861,911)
Disposals	-	-	-	-	-	-
Depreciation	(268,489)	(9,488)	(37,990)	-	-	(315,966)
Impairment	-	-	-	-	(747,016)	(747,016)
Balance at 31 December 2025	(2,723,261)	(1,024,368)	(1,367,804)	(4,654,918)	(9,154,543)	(18,924,893)
Carrying amount at 31 December 2025	2,703,864	99,542	180,154	-	830,519	3,814,079

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
	\$	\$	\$
Carrying amount at 1 July 2025	2,085,467	267,607	2,353,074
Additions	-	-	-
Depreciation	(595,848)	(42,253)	(638,101)
Adjustment from lease modification	-	-	-
Carrying amount at 31 December 2025	1,489,619	225,354	1,714,973

12 Lease liabilities

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

	31 December 2025	30 June 2025
	\$	\$
Lease liabilities (current)	1,325,737	1,277,023
Lease liabilities (non-current)	473,849	1,149,063
	1,799,586	2,426,086

13 Development costs

	Hadrian	
	31 December 2025	30 June 2025
	\$	\$
Gross carrying amount		
Opening Balance	-	41,691,124
Additions	267,556	1,142,619
Research and Development tax refund	-	(62,858)
Amortisation expense	-	(3,283,141)
Impairment Expense	(267,556)	(39,487,744)
Closing Balance	-	-
	Shuttle System	
	31 December 2025	30 June 2025
	\$	\$
Gross carrying amount		
Opening Balance	-	809,216
Additions	123,633	551,287
Research and Development tax refund	-	-
Impairment Expense	(123,633)	(1,360,503)
Closing Balance	-	-
Total Development costs	-	-

14 Loans & Borrowings

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

	31 December 2025	30 June 2025
	\$	\$
Current		
Chattel mortgage equipment loan facility	183,893	195,797
Research and Development tax refund facility ¹	5,534,326	1,636,892
Hadrian lease finance facility	-	451,505
HP equipment loan facility	239,692	-
	5,957,911	2,284,195
	31 December 2025	30 June 2025
	\$	\$
Non-current		
Chattel mortgage equipment loan facility	-	84,697
HP equipment loan facility	373,306	-
	373,306	84,697

- During the period, the Company refinanced its FY25 R&D lending arrangement with Radium Capital Pty Ltd for an amount of \$3,739,796. The facility allows FBR to draw down up to 80% of its presently earned R&D tax incentive rebates. The loan now attracts interest at 17% (previously 8.15% plus BBSW), repayable upon receipt of the refund from the ATO. The FY25 loan is due on 31 March 2026. In addition, the Company entered an R&D loan arrangement with Radium Capital Pty Ltd, borrowing \$1,753,029 for the financial year 2026. The loan is under the same terms as above with the exception of an expiry date of 31 December 2026. Security for both lending arrangements are the R&D refund recoverable from the ATO. There also exists general security over the Group's assets.
- During the period, the Group received loans of \$724,716 million in a sale and leaseback arrangement for equipment with HP Financial services (Australia) Pty Ltd. The facility has a first ranking security over the equipment and has an interest rate of 9.78% per annum. The facility matures on 30 June 2029. The sale and leaseback arrangement did not meet the definition of a sale as under AASB 15: Revenues from contracts with customers.

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:

	31 December 2025	31 December 2024
	\$	\$
Weighted average number of shares used in basic earnings per share	4,869,866,699	4,770,172,641
Shares deemed to be issued for no consideration in respect of share-based payments	-	-
Weighted average number of shares used in diluted earnings per share	4,869,866,699	4,770,172,641

16 Share capital

a) Ordinary shares

	31 December 2025		30 June 2025	
	\$	No.	\$	No.
Ordinary shares, fully paid	206,749,512	6,743,758,361	199,509,231	5,689,452,136

The reconciliation is set out as follows:

	\$	No.
<i>Movement in ordinary shares on issue</i>		
Shares on issue at 1 July 2025	199,509,231	5,689,452,136
Capital Raising (Note i)	2,648,616	612,988,533
Capital Raising Costs	(259,986)	-
Performance Rights converted (Note 18)	2,875,552	91,496,769
Shares issued for services	500,709	114,820,923
Shares issued as part of Share Subscription Facility (Note i)	1,175,000	235,000,000
Loan funded shares repaid (Note b)	300,390	-
Shares on issue at 31 December 2025	206,749,512	6,743,758,361

Note i

On 18 August 2025, the Group issued 222,222,220 fully paid ordinary shares to complete a placement and raise \$1,000,000 at \$0.0045.

On 30 September 2025, the Group issued 64,202,222 fully paid ordinary shares to complete a placement a share purchase plan and raised \$1,000,000 at \$0.0045.

On 6 August 2025, the Group entered into a finance agreement with GEM Global Yield LLC SCS for up to \$20 million through a Share Subscription Facility ("SFF") over a three-year period. The SSF is a funding facility providing working capital at the Company's discretion. During the period, the Company raised \$648,605 via the facility, which included the issuance of 168,544,091 (at an average price of \$0.0038).

On 8 September 2025, as part of the SFF disclosed above, the Company issued 235,000,000 shares to be used as part of operating the facility. The shares were not issued for any consideration and are recorded at the share price on the date of issue with a corresponding entry in the Condensed Consolidated Statement of Changes in Equity as *Treasury Shares*. This is the Company's accounting policy for the treatment of shares issued but effectively held (or controlled) by the Company.

b) Loan funded shares

During November 2025, 18,242,000 short term loan funded shares were sold. Full proceeds of the sale of these shares went directly and solely to the Group as part repayment of the outstanding loans. Noncash loans will be paid down from the future sale of the loan-funded shares and any excess loan amounts will be forgiven under the terms of the loan funded share incentive plan, The proceeds received in the period, alongside the accumulated value held in the Share Option Reserve, totalling \$300,390, were recorded in Share Capital accordingly.

During the prior full year period, 100,000,000 long term loan funded shares were sold as inline with the above procedures. The resulting total increase to Share Capital was \$4,523,817 for the 30 June 2025 full year period.

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

	31 December 2025 (6 months) Number	30 June 2025 (12 months) Number
Opening Balance	50,000,000	150,000,000
Granted during the period	-	-
Converted during the period	-	-
Repaid during the year	(18,242,000)	(100,000,000)
Closing Balance	31,758,000	50,000,000

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.

	31 December 2025 (6 months) Number	30 June 2025 (12 months) Number
Opening Balance	229,343,344	235,500,000
Granted during the period	-	81,000,000
Converted during the period	(91,496,769)	(25,208,239)
Expired or cancelled during the period	(61,932,420)	(28,708,445)
Forfeited during the period	-	(33,239,972)
Closing Balance	75,914,155	229,343,344

During the period, the conversion of performance rights resulted in \$2,875,552 transferred from the performance rights reserve to share capital. Refer Note 18 below.

18 Reserves

	31 December 2025	30 June 2025
	\$	\$
Performance right reserve	1,142,961	880,074
Share option reserve	1,609,359	3,477,790
Foreign currency translation reserve	57,842	58,401
	2,810,162	4,416,265

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

	31 December 2025	30 June 2025
	\$	\$
<i>Movement in performance rights reserve</i>		
Opening Balance	3,477,790	3,621,285
Performance rights converted to shares during the period	(2,875,552)	(731,036)
Share-based payments expense	540,723	1,454,589
Performance rights expired during the period	-	-
Performance rights forfeited during the period	-	(43,500)
Performance rights lapsed during the period	-	(823,548)
Closing Balance	1,142,961	3,477,790

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

	31 December 2025	30 June 2025
	\$	\$
<i>Movement in share option reserve</i>		
Opening Balance	880,074	3,232,890
Options converted to shares during the period	-	(689,154)
Options issued as part of capital raising costs	855,000	
Share-based payments expense	100,885	560,154
Loan funded shares repaid	(226,600)	(2,223,817)
Closing Balance	1,609,359	880,074

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 2025 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 (2024: nil).

21 Events after the balance date

Subsequent to the end of the period, the Group:

- Disposed of fixed assets in January and February 2026, for proceeds of \$527,909;
- On 12 February 2026, drew down from its R&D tax refund facility (refer note 14) \$770,994 which pertained to eligible costs connected with its financial year 2026 R&D claim; and
- Received \$195,060 and \$213,025 on 23 January 2026 and 6 February 2026 respectively from drawdowns using its GEM facility (refer note 16).
- On 27 February 2026, entered into a secured senior loan facility of \$610,000 with Avior Asset Management No.11 Pty Ltd to fund short term working capital. The facility matures 1 month from commencement and bears interest at 2.5% per week, together with establishment and break fees.

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.

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 2025 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:



Mark Pivac
Chief Executive Officer

Dated the 27th day of February 2026

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 (the Company) and its subsidiaries (the Group), which comprises the consolidated condensed statement of financial position as at 31 December 2025, and the consolidated condensed statement of profit or loss and other comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed 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 2025 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 \$5,289,892 during the half year ended 31 December 2025 and, net cash outflows from operating and investing activities totalled \$5,658,451 for the period. 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 Group 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 2025 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

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B E Burgess
Partner – Audit & Assurance

Perth, 27 February 2026