



31 January 2024

Quarterly report to 31 December 2023

- Strong group revenue cashflows of \$1.3m maintained from primary camp supply & construction contracts completed in December Quarter predominantly from Projectos Dinamicos Ltd (PD).
- Two primary contracts completed at Temane. TDK/RADX and WBHO Contracts completed within contract timelines and on budget. Retention sums from these contracts of \$865,000 expected to be received in the next quarter.
- Construction of Futuro Business Park and Lodge secure camp accommodation, office facilities and planned dedicated training facility at Temane advanced. Accommodation for up to 60 people now available and subject to contract discussion with several parties.
- Expansion of Business Park and Lodge model, encompassing accommodation, training, and business park facilities across Mozambique commenced with next site location planned for Pemba, Cabo del Gado province.
- Futuro Group (FG) entities continue to experience increased interest from engineering recruitment and construction companies planning expansion or mobilisation to Mozambique.

Labour services & training specialist RBR Group Limited (**RBR or Company**) is pleased to present this Quarterly Report to 31 December 2023.

RBR Group's Executive Chairman, Ian Macpherson, commented: "As outlined in the September quarter, the Company has maintained focus on revitalising and growing its existing business in Mozambique.

During the successful construction and completion of the camp contracts outlined herein the group established a workforce of direct employees and contractors exceeding 150 personnel overseen by a core senior management team of 18 supervisors and qualified construction trades. This core team is now skilled and mobile; ready to be deployed throughout Mozambique and potentially to neighbouring Tanzania and Zimbabwe.

Recent Government and LNG participant commentary provides clear evidence that the recommencement of construction activities directly aligned with the LNG development activities in Cabo del Gado is imminent. Our team and our support infrastructure are ready."

Pemba, Northern Mozambique and Mozambique LNG

The restart of operations at the significant LNG projects in the North of Mozambique is gathering momentum. The Company sees significant opportunities to support the Total and Exxon Mobil operations in the areas in and around Pemba and the Cabo del Gado region.

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Recent commentary around the LNG Projects, including from the International Monetary Fund in January 2024, provide increasing confidence in the reinstatement of activities in the early part of 2024.

Recently, the 6th licensing round for new oil and gas concession contracts in Mozambique was completed, with concessions being awarded to ENI and CNOOC. The continued interest in exploration in the region bodes well for further growth in the camp services, labour hire and training sectors.

The PD team sees the potential for significant contracting opportunities, including the Company's new offering of Space Rental Facilities and is currently investigating bringing a Futuro Business Park and Lodge facility to the area to provide accommodation, workspace and training facilities to take advantage of the reinvigoration of what are major development projects with national significance to Mozambique.

Temane, Central Mozambique, LNG

Space Rental Facility

PD continues to progress the construction of a rental fleet of Relocatable Prefabricated Buildings. The facilities include construction site amenities such as office space, ablution facilities and trailers which can be quickly deployed to projects in the Temane area on a short, medium, or long-term rental basis. PD views the ability to construct and rent flexible, temporary structures to projects on short notice as providing a strong offering to the growing number of projects in the area.

With successful implementation of the offering in Temane now complete, the Company is pursuing this rental facility offering to be deployed more widely in Mozambique and beyond. Investigations and discussions with interested parties are ongoing.

Futuro Business Park and Lodge

Construction of the Group owned and operated Business Park has concluded, and the camp accommodation facility is now operational. Work on the Lodge development as well as Restaurant and ancillary facilities has commenced and is progressing well.

Facilities within the Business Park include:

- Five Workshop/Warehouses available for rental with first tenant secured.
- Futuro Skills Training Centre, whereat Futuro will be able to conduct training for projects in the Temane area. The Training Centre facility is now around 80% complete with work ongoing.
- Provision of Worker's Camp facilities with the ability to accommodate 10 Senior Executive Ensuite Rooms and 45 Junior Beds.



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The Company has been receiving strong interest in the Business Park facilities from a number of potential tenants/customers and discussions regarding formal contracting and use of the facility are progressing.

The Business Park site boasts secure fencing, power supply, lighting, and utilities, making it a reliable and practical asset within the RBR Group portfolio in Mozambique. As part of RBR's ongoing identification of opportunities to participate in the LNG development in Central Mozambique, various opportunities for utilization are being explored. These include the potential leasing of the 150-man camp and registering the facility for local training operations. Office and storage facilities will also be developed. The site office, catering facilities, and secure yard space are well-suited for such purposes, and they are appropriately segregated from the Camp facilities, ensuring smooth operations.



(Site plan of Futuro Business Park and Lodge)

As mentioned above in this Report, the Company sees the potential for successful rolling out of the Business Park and Lodge concept in the Northern part of Mozambique to provide facilities to service operations upon the recommencement of LNG Project operations in the Cabo del Gado region.



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Training

The Company continues to progress its training offering in Mozambique through Futuro Group. This includes the ongoing roll out of virtual reality training modules in country.

The establishment of the training centre at the Business Park and Lodge at Temane, will provide additional capacity for the training arm of the business and as mentioned elsewhere in this Report, the ability to replicate the Business Park model in other areas of Mozambique should assist with the growth potential for training services.

RBR Group – Tennant Group Alliance

RBR continues to work with regional partner Tennant Group to work towards unlocking new opportunities for growth. Tennant and supporters of the proposed Tennant-RBR Group alliance have to date invested approximately \$1.3m in working capital to support the RBR Group operations in Mozambique and Australia.

Revenue and Balance Sheet

Following on from the successful September 2023 Quarterly, RBR can report continuing strong cash inflows from group revenues in an amount of \$1.3m, primarily as a result of the highly successful camp supply and construction business of PD. The Company anticipates receipts of additional retention monies from the two primary contracts in an amount of \$865,000 to be received in the coming quarter.

The Group anticipates the positive trend on receipts and overall revenues continuing over coming quarters after a likely subdued March quarter whilst new material contract opportunities are identified, tendered, and secured. Several smaller contracts were secured during the December quarter however the focus has been on construction and completion of 1st stage of the Shankara Business Accommodation and Training facility at Temane.

Revenue streams from Shankara will consist of accommodation rentals, camp management, training and also equipment rental and leasing.

The Company remains focussed on redeeming the balance of the \$2 million issued convertible notes should the Group successfully repatriate surplus funds from Mozambique or raise additional capital for that purpose.

Included in the cash flow report are payments to related parties of the entity and their associates of \$59,000. This includes LBH Africa, a transport and logistics operator related to Director Athol Emerton of \$28,000 for logistics and import management services.

For more information, please contact:

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For the purpose of ASX Listing Rule 15.5, this announcement has been authorised for release by the Board. The information in this announcement has been disclosed by RBR and is the responsibility of RBR.

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Appendix 4C

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

Name of entity

RBR Group Limited

ABN

38 115 857 988

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,286	3,928
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(97)	(1600)
(c) advertising and marketing	-	-
(d) leased assets	(36)	(98)
(e) staff costs	(140)	(460)
(f) administration and corporate costs	(196)	(677)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	16
1.5 Interest and other costs of finance paid	(79)	(116)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	753	993
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(455)	(455)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(455)	(455)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	1,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Convertible note repayment)	-	(500)
3.10	Net cash from / (used in) financing activities	-	500

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,053	299
4.2	Net cash from / (used in) operating activities (item 1.9 above)	753	993
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(455)	(455)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	500

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(54)	(40)
4.6	Cash and cash equivalents at end of period	1,297	1,297

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	247	454
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Africa Subsidiaries)	1,050	599
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,297	1,053

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	59
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Item 6.1 includes aggregate amounts paid to</p> <ul style="list-style-type: none"> LBH Africa, a transport and logistics operator related to Director Athol Emerton of \$28K for logistics and import management services. \$23K of director fees paid to Director Ian Macpherson and \$8K of director fees paid to Director Paul Horsfall. 		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Convertible Notes)	2,000	2,000
7.4	Total financing facilities	2,000	2,000
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Tranche 1 of Convertible Notes has a value of \$1,000,000 is unsecured with an interest rate of 11% pa. 500,000 of the Tranche 1 convertible notes that has matured on 30 November 2023 and has been rolled forward. The remaining 500,000 Tranche 1 convertible notes will mature on 26 April 2024.</p> <p>Tranche 2 of Convertible Notes has a value of \$1,000,000 is unsecured with an interest rate of 11% pa. Maturity on 21 September 2026.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	506
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,297
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,297
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.