

## Q1 FY22 Activities Report & Appendix 4C

*Securing repeat orders from global Tier-1 drone and robotics manufacturers*

### Key Highlights

- Total cash receipts of \$1.1 million during the quarter, up 23% on the previous corresponding period (PCP) driven by increased revenues from existing customers
- Received in the quarter multiple orders from new and existing customers, collectively valued at \$970,000
- Secured \$560,000 purchase order from a leading US commercial drone manufacturer, following design win and successful field trials
- Progressed NASDAQ dual listing to further expand penetration in the US market
- Well-funded for growth with a cash balance of \$3.2 million

**28 April 2022** — Mobilicom Limited (Mobilicom or the Company, ASX: MOB) is pleased to provide this activity update for the quarter ended 31 March 2022 (Q1 FY22), along with the Company's Appendix 4C cash flow report.

### Operational Overview

Mobilicom is gaining traction with its end-to-end product offering, securing 10 new orders from global drone and robotics manufacturers during the quarter. Valued at \$970,000, these sales are a combination of repeat orders, cross-sell of additional smart solution components to existing customers, and design wins generating new orders, including a \$560,000 purchase order from an existing leading US commercial drone manufacturer arising from a design win and successful field trials.

Commenting on the Company's Q1 FY22 performance, Mobilicom CEO Oren Elkayam said, "The conflict in Ukraine has highlighted the importance of drones in modern warfare, increasing demand for our field-proven hardware and software. The extensive use globally of Israeli-made reconnaissance and Kamikaze (loitering) drones (IAI, Elbit, Rafael) demonstrates the superiority of these solutions for defence applications, which remains the largest user of drone technology to date. Our smart solution components are already incorporated into next generation ISR (intelligence, surveillance and reconnaissance) and Kamikaze drones by several top-tier manufacturers, reflecting the importance of design wins on future orders and revenues. The conflict is also increasing defence spending, which is expected to drive long-term demand for our technology.

"Our planned dual-listing on the NASDAQ will enable us to scale our presence in the US – the world's largest commercial and defence drone market. Importantly, a US presence builds credibility and strategically positions us for contracts with the US Department of Defence and NATO countries, leveraging our extensive experience with Israel's Ministry of Defense. US operations are also essential for commercialising our cybersecurity software with US-based manufacturers and end-users."

### *\$560,000 order from US drone manufacturer*

In April, Mobilicom received a \$560,000 purchase order from a leading US commercial drone manufacturer. The order follows a design win and successful field trials last year with Mobilicom's in-built high-definition video processing capabilities to be integrated within the customer's unmanned

systems for long range and non-line of Sight (N-LOS) communication. Mobilicom has commenced fulfilling this order, which will be delivered throughout 2022.

#### *New & repeat orders*

The recent Abraham Accords peace treaty between Israel and several Arab nations has resulted in Mobilicom receiving a significant initial order from a leading government organisation from one of these countries. This business win opens new growth markets and opportunities for Mobilicom.

In addition to securing new customers, Mobilicom continues to fulfil repeat confirmed purchase orders from its existing customer base, including Israel MOD, Censys, Teledyne-Flir and Elbit. As of 31 March 2022, Mobilicom had confirmed order backlog of \$700,000, due for delivery throughout 2022.

In-field implementation of Mobilicom's ICE Cybersecurity software is progressing to schedule with the Israel Ministry of Defence. This important technical validation will assist in increasing adoption of the world-first AI-based 360° software by other leading drone and robotics manufacturers.

#### **Corporate**

During the quarter, Mobilicom commenced the process for a NASDAQ dual-listing, appointing a lead underwriter, preparing registration statement on Form F-1, and lodging initial confidential filings with the US regulatory authorities. Funds raised under the IPO will be used to accelerate Mobilicom's growth strategy - expanding its footprint in the US, increasing sales and marketing activities in its key target markets, fast-tracking the rollout and development of its cybersecurity and software offering, and supporting working capital.

A NASDAQ listing would further enhance Mobilicom's presence in the world's most mature drone and robotics market for both commercial and defence applications. Mobilicom is quickly building its US customer base, which includes Teledyne-Flir, Sarcos, and Censys. A US listing would also increase partnership and M&A opportunities, and progress product qualification and procurement processes with the US Department of Defense (DoD) and other US Government programs.

Mobilicom's NASDAQ listing is anticipated in Q3 FY22.

#### **Financial**

Customer receipts increased to \$832,000, up 19% over the prior corresponding period, driven by new business wins and repeat orders from existing customers. In addition to orders fulfilled during the quarter, Mobilicom had confirmed order backlog of \$700,000 as of 31 March 2022.

Total Q1 2022 expenses were in line with average 2021 quarterly costs, reflecting continuing efficient cash management. Mobilicom has a long operational runway with a cash balance of \$3.2 million as of 31 March 2022.

#### **Outlook**

Mobilicom continues to execute its growth strategy within the fast-growing drone and robotics market, securing design wins from new and existing drone manufacturers, including global Tier-1 customers, and growing revenue contribution from these customers through repeat orders and bundled component offerings, and commercialising its world-first AI-based 360° cybersecurity software. Mobilicom has a unique value proposition in the industry, offering multiple key smart components for drones and robotics platforms. The Company's funded research and development programs support its ongoing product innovation, ensuring its technology remains at the forefront of the industry.

For personal use only

## Investor Webinar

Mobilicom will host an investor webinar to discuss its Q1 FY22 performance at 3.30pm AEST on Tuesday 3 May 2022. The webinar will run for approximately 30 minutes and will provide attendees with the opportunity to ask questions following the presentation. Register to attend at [https://us02web.zoom.us/webinar/register/WN\\_ntb2nS3wQfq4943oYK10Qg](https://us02web.zoom.us/webinar/register/WN_ntb2nS3wQfq4943oYK10Qg)

*Authorised for release by the Board of Mobilicom Limited.*

**For more information on Mobilicom, please contact:**

**Tristan Everett**

Media Relations  
+61 403 789 096

[tristan.everett@marketeye.com.au](mailto:tristan.everett@marketeye.com.au)

**Aidan Brooksby**

Investor Relations  
+61 431 716 947

[aidan.brooksby@marketeye.com.au](mailto:aidan.brooksby@marketeye.com.au)

**Oren Elkayam**

Mobilicom Ltd

[oren.elkayam@mobilicom.com](mailto:oren.elkayam@mobilicom.com)

## About Mobilicom

Mobilicom is an end-to-end provider of cybersecurity and smart solutions for drones, robotics & autonomous platforms. As a high-tech company it designs, develops and delivers smart solutions focused primarily on targeting global drone, robotics and autonomous system manufacturers.

The company holds patented technology & unique know-how for Mobile Mesh networking. It has a large, field proven portfolio of commercialised products used in a variety of applications.

Mobilicom has grown a global customer base with sales to high profile customers including corporates, governments and military departments. Mobilicom's competitive advantages including outstanding security capabilities and performance in harsh environmental conditions.

Mobilicom's large solution portfolio has been deployed worldwide, seeing the Company derive revenue from hardware, software sales & licensing fees and professional support services for its solutions.

<https://mobilicom-ltd.com.au>

## Disclaimer

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities. Any offers, solicitations or offers to buy, or any sales of securities will be made in accordance with the registration requirements of the Securities Act of 1933, as amended.

## Appendix 4C

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

**Name of entity**

Mobilicom Limited

**ABN**

26 617 155 978

**Quarter ended ("current quarter")**

31 March 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	832	832
1.2 Payments for		
(a) research and development	(181)	(181)
(b) product manufacturing and operating costs	(175)	(175)
(c) advertising and marketing	(185)	(185)
(d) leased assets	(115)	(115)
(e) staff costs	(844)	(844)
(f) administration and corporate costs	(213)	(213)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(5)	(5)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	287	287
1.8 Other (provide details if material)	-	--
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(599)</b>	<b>(599)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(6)	(6)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

For personal use only

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(6)</b>	<b>(6)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
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 (NASDAQ listing related costs)	(181)	(181)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(181)</b>	<b>(181)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,996	3,996
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(599)	(599)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(6)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(181)	(181)
4.5	Effect of movement in exchange rates on cash held	(24)	(24)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,186</b>	<b>3,186</b>

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	3,186	3,996
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,186</b>	<b>3,996</b>

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	205
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

The following amount are included in section 6.1 above:

- Director fees paid to director related entities amounted to \$205,000 during the quarter.

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(599)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,186
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,186
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	5.32
<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: .....28 April 2022.....

The Board of Directors

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

**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.

For personal use only