

APPENDIX 4E

FOR THE YEAR ENDED 30 JUNE 2025

1. The reporting period is the year ended 30 June 2025.
The previous corresponding period is the year ended 30 June 2024.

2. Results for announcement to the market

Year ended	Jun 2025 \$'000	Jun 2024 \$'000	% Change
Sales revenue	729,949	693,154	5.3%
2.1 Revenues from ordinary activities	739,031	698,753	5.8%
Profit from ordinary activities before tax attributable to members	134,938	141,419	(4.6%)
2.2 Profit from ordinary activities after tax attributable to members	97,527	102,683	(5.0%)
2.3 Net profit for the period attributable to members	97,527	102,683	(5.0%)
Gain on sale of property after tax (i)	(2,518)	(1,058)	138.0%
Acquisition transaction costs (ii)	1,214	-	100.0%
Truckman acquisition adjustments (iii)	-	2,498	(100.0%)
Underlying net profit for the period attributable to members *	96,223	104,123	(7.6%)

* Underlying net profit for the period attributable to members adjusts for the impact of the following non-operating transactions (which have not been subject to audit) to more accurately reflect the Company's underlying performance from ordinary activities:

(i) Represents the after-tax profit generated on the sale of two retail properties (profit before tax of \$3,597,000).

Prior year represents the after-tax profit generated on the sale of a factory in Thailand (profit before tax reflects a gain of \$1,255,000).

(ii) Represents ARB's after-tax transaction costs relating to the acquisition of two retail stores and its increased investment in its US based associate, ORW USA, Inc., and ARB's equity accounted share of ORW's transaction costs for the acquisition of the 4WP business (transaction costs before tax of \$1,281,000).

(iii) Represents the non-operating expense for the final settlement of the contingent consideration relating to the Truckman acquisition (before and after tax).

The Board believes the non-IFRS underlying net profit for the period attributable to members more accurately reflects the ongoing operating performance of the Company.

2.4 Dividends in respect of current financial year	Jun 2025	Record date	Payment date	Jun 2024	% Change
Interim dividend per share (fully franked @ 30% tax rate)	34.0 cents	3 Apr 2025	17 Apr 2025	34.0 cents	-
Special dividend per share (fully franked @ 30% tax rate)	50.0 cents	25 Aug 2025	11 Sep 2025	- cents	100.0%
Final dividend per share (fully franked @ 30% tax rate)	35.0 cents	3 Oct 2025	17 Oct 2025	35.0 cents	-
	119.0 cents			69.0 cents	72.5%

2.5 The record date for determining entitlements to dividends is shown in section 2.4 above and section 7 below.

2.6 Refer to the Chairman's Statement in the attached Annual Report for a review of the Group's operations.

3. Refer to the attached Annual Report for the Consolidated Statement of Comprehensive Income together with notes to the statement.

4. Refer to the attached Annual Report for the Consolidated Statement of Financial Position together with notes to the statement.

5. Refer to the attached Annual Report for the Consolidated Statement of Cash Flows together with notes to the statement.

6. Refer to the attached Annual Report for the Consolidated Statement of Changes in Equity.

7. Dividends paid during current financial year	Amount per Security	Franked Amount per Security	Total \$'000	Record date	Payment date
Final dividend - year ended 30 June 2024	35.0 cents	35.0 cents	28,573	4 Oct 2024	18 Oct 2024
Interim dividend - year ended 30 June 2025	34.0 cents	34.0 cents	27,958	3 Apr 2025	17 Apr 2025

APPENDIX 4E (continued)

FOR THE YEAR ENDED 30 JUNE 2025

8. The Dividend Reinvestment Plan and Bonus Share Plan will operate for the final dividend.
The last date for the receipt of an election notice for participation in the plans is 8 October 2025.

9. Net tangible assets per security	Jun 2025	Jun 2024	% Change
Net tangible assets per security	\$8.31	\$7.39	12.4%

10. Changes to controlled entities during the year ended 30 June 2025 are as follows:
ARB China Co., Ltd was incorporated on 24 April 2025.

11. Details of associates or joint venture entities are as follows:	Jun 2025	Jun 2024
Ownership interest in investments accounted for under the equity method:		
Nacho LED LLC	49%	49%
ORW USA, Inc.	50%	30%

12. Significant information to make an informed assessment of the Group's financial performance and financial position is disclosed in this Appendix 4E and the attached Annual Report.

13. This report is compiled in compliance with Australian Accounting Standards.

14. Refer to the attached Chairman's Statement and Annual Report for commentary on the results for the period.

15. The financial report has been independently audited by Deloitte Touche Tohmatsu.

16. The independent audit has been completed.

17. The financial report has been independently audited and is not subject to a modified opinion or emphasis of matter paragraph.

For personal use only



ANNUAL REPORT 2025





**50 YEARS OF ADVENTURE,
INNOVATION & COMMUNITY**

For personal use only

YEAR IN REVIEW (FY2024/25)



ARB Brushless Compressor

This year marked the successful launch of the ARB Brushless Compressor, setting a new benchmark for on-board air systems. Designed with durability, performance and innovation at its core, the compressor features a high-efficiency brushless motor, increased airflow output and advanced electronics for greater reliability in extreme conditions. As a flagship product in our air solutions range, the Brushless Compressor reflects ARB's commitment to engineering excellence and delivering market-leading 4x4 accessories.

ARB Zenith Bull Bar

The ARB Zenith Bull Bar represents a bold evolution in frontal vehicle protection, combining modern styling with the strength and reliability for which ARB is known. Designed to complement the latest vehicle models, the Zenith Bull Bar features a sleek, integrated aesthetic without compromising on safety or functionality. With provisions for recovery points, winches and lighting, it delivers premium performance for touring and off-road applications. The Zenith Bull Bar reinforces ARB's focus on innovation, design and meeting the expectations of today's 4WD enthusiast.





Growth of ARB's Australian Store Network

ARB continued to strengthen its domestic presence with the expansion of its Australian store network. Several new store openings and strategic upgrades enhanced the ability to service customers nationwide, providing greater access to ARB's full product range and expert advice. This growth reflects ARB's ongoing investment in delivering a premium customer experience and reinforces ARB's position as the market leader in 4x4 accessories across Australia.



Off Road Warehouse acquisition of 4 Wheel Parts

In a strategic move to strengthen ARB's footprint in the North American market, Off Road Warehouse (ORW) successfully acquired a leading US retailer, 4 Wheel Parts (4WP). This acquisition provides ARB with direct access to an extensive retail network, enhanced customer reach and greater control over the end-to-end customer experience. This investment marks a significant step in ARB's global growth strategy, aligning with the long-term vision to deliver premium 4x4 solutions through retail and distribution channels.

New UAE Warehouse and Distribution Centre

As part of ARB's commitment to expanding its global operations, a new warehouse and distribution centre was established in the United Arab Emirates. This facility enhances ARB's ability to service the growing demand across the Middle East and North Africa, providing faster, more efficient product delivery and stronger support for regional partners. The investment marks a significant step in optimising ARB's international supply chain and reinforcing its presence in key global markets.



TABLE OF CONTENTS

CONTENTS	PAGE
Corporate Information	2
Chairman's Statement	3
Operating and Financial Review	8
Directors' Report	11
Remuneration Report	14
Financial Report for the year ended 30 June 2025	
Consolidated Income Statement	20
Consolidated Statement of Comprehensive Income	21
Consolidated Statement of Financial Position	22
Consolidated Statement of Changes in Equity	23
Consolidated Statement of Cash Flows	24
Notes to the Financial Statements	25
Consolidated Entity Disclosure Statement	49
Directors' Declaration	50
Independent Auditor's Report	51
Auditor's Independence Declaration	55
ASX Additional Information	56
Corporate Governance Statement	57

CORPORATE INFORMATION

COMPANY ABN

31 006 708 756

DIRECTORS

Robert D Fraser B.Ec., LLB (Hons) - Chairman
Andrew H Brown - Managing Director
Roger G Brown B.E., M.B.A.
Shona M Faber B.Bus., GAICD
Adrian R Fitzpatrick B.Com., FCA
Karen L Phin BA., LLB (Hons), GAICD
Andrew P Stott

COMPANY SECRETARY

Damon Page B.Bus., CA

PRINCIPAL REGISTERED OFFICE

42-44 Garden Street
Kilsyth Victoria 3137 Australia
Tel: +61 3 9761 6622
Fax: +61 3 9761 6807

AUDITOR

Deloitte Touche Tohmatsu
477 Collins Street
Melbourne Victoria 3000

LOCATION OF REGISTER OF SECURITIES

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067
Tel: 1300 850 505 (within Australia)
Tel: +61 3 9415 4000 (from overseas)
Fax: +61 3 9473 2500

STOCK EXCHANGE

Australian Securities Exchange
Level 4, North Tower
Rialto, 525 Collins Street
Melbourne Victoria 3000

CHAIRMAN'S STATEMENT

RESULTS

The Directors of ARB Corporation Limited ("**ARB**" or the "**Company**") report that the Company generated sales revenue of \$729.9 million for the financial year ended 30 June 2025 ("**FY2025**"), up 5.3% compared with the previous financial year.

Reported profit before tax for FY2025 was \$134.9 million, representing a decline of 4.6% compared with the previous year. Reported profit after tax for FY2025 was \$97.5 million, representing a decline of 5.0% compared with the previous year.

Profit after tax excluding one-off adjustments related to gains on property sales, transaction costs related to acquisitions and final settlement of contingent acquisition consideration in the prior year (see notes 1, 2 & 3 below) was \$96.2 million, a decline of 7.6% from the previous financial year.

The full year results are summarised below:

Year ended	30 Jun 25 \$'000	30 Jun 24 \$'000	Change
Sales revenue	729,949	693,154	5.3%
Other revenue	9,082	5,599	
Total revenue	739,031	698,753	5.8%
Profit before tax	134,938	141,419	(4.6%)
Tax expense	(37,411)	(38,736)	
Profit after tax	97,527	102,683	(5.0%)
Add back:			
Gain on sale of property after tax ¹	(2,518)	(1,058)	
Transaction costs ²	1,214	-	
Truckman adjustments ³	-	2,498	
Profit after tax excluding adjustments ^{1 2 3}	96,223	104,123	(7.6%)
Basic EPS before adjustments - cents	117.74	124.91	(5.7%)
Basic EPS after adjustments - cents	116.16	126.66	(8.3%)
DPS (cents): Interim	34.0	34.0	
Special	50.0	-	
Final	35.0	35.0	
Total	119.0	69.0	72.5%
Franking (at 30% tax rate)	100%	100%	

- (1) Represents the after-tax profit generated on the sale of two retail properties (profit before tax of \$3,597,000). The prior year includes after-tax profit generated on the sale of a factory in Thailand (profit before tax of \$1,255,000).
- (2) Represents ARB's after-tax transaction costs relating to the acquisition of two retail stores and its increased investment in its US based associate, ORW USA, Inc. ("**ORW**"), and ARB's equity accounted share of ORW's transaction costs for the acquisition of the 4WP business (transaction costs before tax of \$1,281,000).
- (3) Represents the payment expensed for the prospective earnout of the Truckman business (before and after tax).

The Company has declared a special dividend of 50.0 cents per share, fully franked at a 30% tax rate. The special dividend will be paid from ARB's existing cash reserves on 11 September 2025 and the Record Date will be 25 August 2025.

The Company has declared a final dividend of 35.0 cents per share, fully franked at a 30% tax rate. The final dividend will be paid on 17 October 2025 and the Record Date will be 3 October 2025.

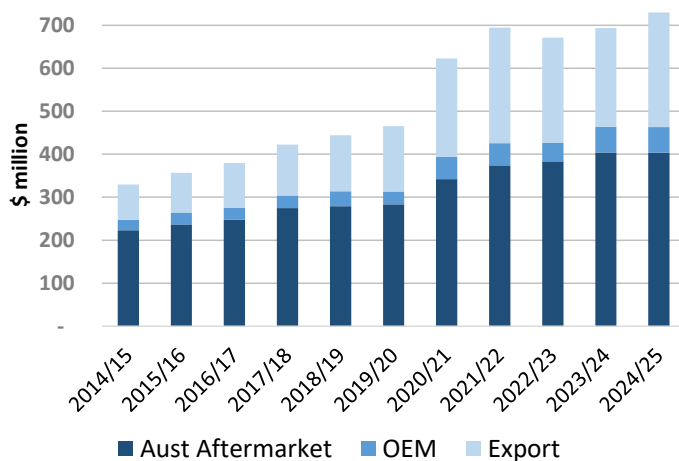
Total fully franked dividends for FY2025 of 119.0 cents per share represents an increase of 72.5% compared with FY2024.

The ARB Dividend Reinvestment Plan and Bonus Share Plan (the "**Plans**") will be in operation for the special and final dividends. Information about the Plans, can be found on the Company's website at <https://www.arb.com.au/about/investor-relations/>. Investors wishing to make or change an election to participate in either of the Plans can do so online via the Computershare Investor Centre website at www.computershare.com.au/easyupdate/arb or by phoning Computershare on 1300 850 505.

CHAIRMAN'S STATEMENT (continued)

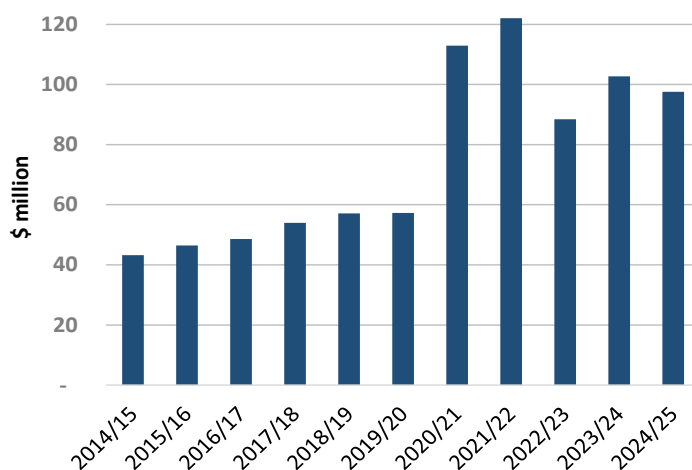
10 YEAR HISTORICAL PERFORMANCE

The sales, profits and dividends per share performance of the Company over the past 10 years are illustrated in the graphs below:



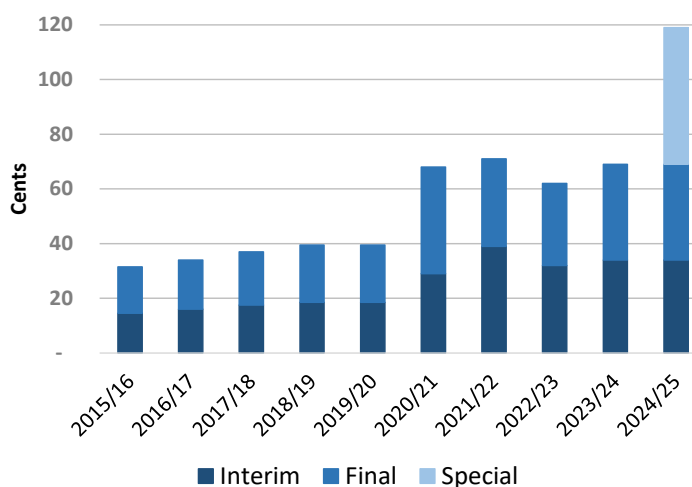
SALES REVENUE

Annual sales revenue has grown at an average compound rate of 8.3% over the past 10 years.



NET PROFIT AFTER TAX

Net profit after tax has grown at an average compound rate of 8.3% over the past 10 years.



DIVIDENDS PER SHARE

Dividends per share have grown over the past 10 years in line with profit after tax.

All dividends have been fully franked.

CHAIRMAN'S STATEMENT (continued)

HIGHLIGHTS OF THE 2024/25 YEAR

Sales and Distribution

The Company's sales revenue grew by 5.3% in FY2025 compared with the previous year. This reflects sales growth of 5.9% in the first half and sales growth of 4.7% in the second half of the financial year. Pleasingly, sales momentum grew throughout the second half with Q4 FY2025 sales up 6.5% compared with the corresponding quarter.

Sales to Export markets grew by 16.4% whilst sales to the Australian Aftermarket and Original Equipment Manufacturers ("OEM") were broadly in line with last year:

Customer Category	Percentage of Sales		Sales Growth
	12 months to Jun 2025	12 months to Jun 2024	
Australian Aftermarket	55.2%	58.3%	(0.2%)
Exports	36.6%	33.1%	16.4%
Original Equipment	8.2%	8.6%	0.1%
Total	100.0%	100.0%	5.3%

Sales to the Australian Aftermarket were impacted by lower new vehicle sales, a key driver of ARB's sales to this category, and inflationary pressures constraining consumer discretionary spending. However, ARB's steady Australian Aftermarket sales was a solid result given that new vehicle sales of key models including the Toyota Hilux 4x4, Ford Ranger and the Isuzu D-Max were all down 17% for the financial year. While new entrants to the Australian carpark in BYD Shark and Kia Tasman will represent an opportunity for ARB, the market is yet to see accessory demand for these two models relative to other popular pick-up models.

ARB's distribution network across the wider Australian Aftermarket remains a key competitive strength, incorporating sales through its Company owned and licensed ARB branded store network and sales to ARB stockists, to new vehicle dealers and to fleet operators. ARB also distributes to niche Australian Aftermarket segments through its SmartBar, Kingsley Enterprises and GoActive Outdoors businesses. The net contribution of these subsidiary businesses to the Australian Aftermarket result was lower, primarily reflecting weakness in discretionary consumer spending.

In July 2024, ARB acquired and added ARB Toowoomba, Queensland, previously an independently owned ARB retail store, to its corporately owned store network.

In October 2024, ARB expanded its back-of-ute product range through the acquisition of MITS Alloy, an aluminium service body manufacturing and assembly business based in Newcastle, NSW. The MITS Alloy business demonstrates ARB's focus on pick-up product strategy. The MITS Alloy business will be aided through access to ARB's Australian distribution network and progressively having access to ARB's international sales and operations.

Positively, despite tougher market conditions, the Company's daily order intake remains consistent with last year. ARB's order book is slightly lower than the prior financial year end, reflecting shorter lead times for new vehicles delivered to consumers and independent stockists reducing their inventory holdings. ARB's fitting operations continue to be impacted by a shortage of fitter technicians.

Looking forward, the recent release of the overdue Toyota Prado model and strong new vehicle sales of the Ford Everest (up 33% on last year) provide ARB with a solid platform into 1H FY2026.

Branded ARB stores are an integral part of the Company's distribution network throughout Australia. The total number of ARB stores has grown to 77, of which 31 are Company owned. The Company expects to open an additional three ARB stores and upgrade six existing stores to the ARB flagship store format in FY2026.

ARB's partnership with Ford via the successful Ford License Accessory ("FLA") programme continues to contribute and achieved consistent growth in Australia. A five-year extension to the FLA agreement with Ford is close to finalisation.

The highlight of this financial year is the Company's export business. Its sales grew 16.4% in total in FY2025, with gains recorded in all regions. Growth in the USA represents the successful implementation of a number of new initiatives which the Board is confident will deliver long-term brand and sales growth. These initiatives included: the Company's increased investment in its associate, ORW, providing ARB with access to all of the ORW / Four Wheel Parts ("4WP") branded retail store network; the launch of a direct-to-consumer eCommerce site; the introduction of a design engineering team in the USA strictly focused on the development of ARB accessories for US vehicles; and the expanding partnership with Toyota USA, including ARB branded content fitted ex-factory on the new halo platform Trailhunter.

ARB's international sales offices in New Zealand, Europe, Thailand and the Middle East posted strong revenue growth in FY2025, while the UK result was flat to the prior year mainly due to pick-up vehicle registrations being down 6%.

CHAIRMAN'S STATEMENT (continued)

An example of ARB's commitment to international expansion is represented by the investment in a Company owned 4,000sqm head office and distribution centre in Jebel Ali free-zone, Dubai, UAE which recently opened.

Accessory sales to OEMs held steady after strong sales growth of 40% in FY2024, with contracts for new model vehicles buffering the decline in vehicle sales. Whilst sales to OEMs will be lower in 1H FY2026, they are expected to return to growth in the second half and increase overall in FY2026. It is important to note that sales to Toyota North America for the Trailhunter program are excluded from the OEM segment reporting.

Investment in ORW

As reported in the Chairman's Statement at the half year, ARB's associate company in the USA, ORW, acquired the 4WP business, which included 42 retail stores in the USA, on 1 October 2024. To facilitate ORW's funding for the acquisition, ARB increased its ownership interest in ORW from 30% to 50% for \$25.0 million (US\$16.7 million) and provided a loan to ORW of \$11.2 million (US\$7.5 million).

The other major shareholder in ORW is Greg Adler, whose family founded 4WP in the 1960s. Greg has spent the majority of his working life in the business, including over two decades as CEO of 4WP.

At the time of acquisition, the 4WP business was in Chapter 11 bankruptcy and making significant losses. ARB and ORW moved quickly to re-structure the business and improve performance. The 11 original ORW stores and the acquired 42 4WP stores have now been rationalised to 48 stores. Three stores were closed due to proximity between stores and two due to performance.

The Board is very pleased with early progress and the performance of the combined ORW / 4WP business to date is well ahead of expectations and the original business plan. ORW / 4WP is now growing revenue, despite the challenging US market conditions, and importantly ARB product sales through ORW/4WP stores are growing consistently month-on-month. ORW achieved small operating profits in five of the last six months of FY2025 and the business is generating cash. ARB's loan to ORW has been repaid in full and ORW had a positive cash balance of USD \$7.7 million as at 30 June 2025.

ORW's 48 stores are located in only nine US states, providing significant scope for further expansion of the retail store network throughout the USA.

Products and Engineering

ARB continues to maintain its long-term competitive advantage through excellence in product development. ARB launched several significant new products during FY2025, including: the brushless compressor, a technical evolution of an existing global product leader; the ARB Zenith Bull Bar, adding a stylized and contemporary offering to the extensive bull bar line-up; a full suite of accessories for the new Toyota Prado 250 and the US Toyota Tacoma; as well as ARB's new air-bag and parabolic leaf spring solution, adding both load carrying capability and comfort to 4x4 pick-up vehicles.

ARB's Slimline 100 battery and enhancements to the popular Altitude Electronic Rooftop Tent and the Earth Camper have also been added in the financial year. The Company continues to expand the application of existing products to new vehicle models, successfully delivering quality and feature packed products.

Further products from long-term development projects are planned for release throughout FY2026. Shareholders can learn more about ARB's new product releases via the Company's website at: <https://www.arb.com.au/latest/news-and-releases/>.

Financial

Reported profit before and after tax for the financial year ended 30 June 2025 was \$134.9 million and \$97.5 million respectively, representing a decrease of 4.6% and 5.0% respectively compared with the previous financial year. The Company's pre- and post-tax operating profit, excluding the non-operating items detailed in notes 1 to 3 on page 1, declined by 7.0% and 7.6% respectively.

The decline in profitability, despite the 5.3% increase in sales revenue, is attributable to a number of factors including the impact of the historically weak Australian dollar against the Thai Baht, the introduction of US import tariffs, initial equity accounted losses from associates and increased investment in key areas across the business to accommodate future growth. This includes human resources (market adjustments in vital areas and additional resources in engineering, aftermarket, future eCommerce business and in the US), the establishment of a new distribution centre in Texas, USA, depreciation on recent capital expenditures and increased brand advertising globally.

Cash flows generated from operations of \$128.0 million improved \$2.7 million or 2.1%. In particular, management successfully reduced inventory holdings during the second half of the financial year from \$277.8 million as at 31 December 2024 to \$249.1 million as at 30 June 2025.

Cash generated by operations was used to invest in property and equipment of \$46.2 million, investments in associates (ORW and Nacho) of \$25.6 million, business acquisitions of \$13.3 million (MITS Alloy, Toowoomba, QLD and Christchurch, NZ) and to distribute cash dividends of \$23.5 million. ARB expects investments in property in FY2026 to be significantly lower than in recent years.

CHAIRMAN'S STATEMENT (continued)

ARB's cash reserves of \$69.2 million and no debt as at 30 June 2025 have facilitated the declaration of a fully franked special dividend of 50.0 cents per share. ARB's continuing positive cash flows ensure the Company is well placed to continue to invest in future growth initiatives.

THE FUTURE

The Company's outlook remains positive with ongoing healthy demand for ARB's products, new vehicle models released around the world and new products recently and soon to be released to market. The Company's order book remains healthy and daily sales order intake remains close to historical highs.

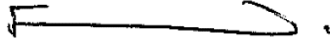
ARB continues to invest for future long-term growth, pursuing opportunities to build its product range by developing and releasing new products, increase its distribution partners and sales channels, expand its store network and invest in its people. The Board sees long-term growth opportunities in Australia and export markets and is excited by the prospects for its major US expansion strategy.

The FY2025 result was achieved in challenging conditions with the Australian dollar at historical lows against the Thai Baht, the recent implementation of import tariffs in the USA specifically targeted at automotive, steel and aluminium products, softness in new vehicle supply in Australia and other parts of the world and reduced consumer sentiment.

Nonetheless, the Board is confident that ARB is well positioned to achieve long-term success with strong brands around the world, loyal customers, very capable senior management and staff, a strong balance sheet and growth strategies in place.



Robert Fraser
Chairman
19 August 2025



OPERATING AND FINANCIAL REVIEW

BUSINESS OVERVIEW

ARB is the largest aftermarket four-wheel drive accessories business in Australia. The Group's operations are located in all Australian states and territories and internationally in the United States, Thailand, New Zealand, the United Arab Emirates, the United Kingdom and the Czech Republic. ARB is a vertically integrated business which includes the design, manufacture, sale and distribution of 4x4 accessories across Australia and to more than 100 countries via its international distribution network.

ARB was incorporated in 1975 and its securities have traded on the Australian Securities Exchange (ASX) since 1987.

RESULTS FOR FY2025

Sales Revenue

The Group's sales revenue grew by 5.3% in FY2025 compared with the previous year.

The Group reports its sales across three key channels:

Sales Channel	FY2025 \$000s	FY2024 \$000s	Change \$000s	Change %
Australian Aftermarket	403,281	404,135	(854)	(0.2%)
Exports	266,993	229,424	37,569	16.4%
Original Equipment	59,675	59,595	80	0.1%
Total Sales Revenue	729,949	693,154	36,795	5.3%

Sales to the Australian Aftermarket were impacted by lower new vehicle sales, a key driver of ARB's sales to this category, and inflationary pressures constraining consumer discretionary spending. However, ARB's steady Australian Aftermarket sales was a solid result given that new vehicle sales of key models including the Toyota Hilux 4x4, Ford Ranger and the Isuzu D-Max were all down 17% for the financial year.

The highlight of this financial year is the Company's export business. Its sales grew 16.4% in total, with gains recorded in all regions. Growth in the USA represents the successful implementation of a number of new initiatives which the Board is confident will deliver long-term brand and sales growth. These initiatives included: the Company's increased investment in its associate, ORW, providing ARB with access to all of the ORW / Four Wheel Parts ("4WP") branded retail store network (comprising of 48 stores in 9 states); the launch of a direct-to-consumer eCommerce site; the introduction of a design engineering team in the USA strictly focused on the development of ARB accessories for US vehicles; and the expanding partnership with Toyota USA, including ARB branded content fitted ex-factory on the new halo platform Trailhunter.

Accessory sales to OEMs held steady after strong sales growth of 40% in FY2024, with contracts for new model vehicles buffering the decline in vehicle sales. Whilst sales to OEMs will be lower in 1H FY2026, they are expected to return to growth in the second half and increase across FY2026. It is important to note that sales to Toyota North America for the Trailhunter program are excluded from the OEM segment reporting and reported through export sales.

Profit Before Income Tax

ARB reported profit before and after tax for the financial year ended 30 June 2025 of \$134.9 million and \$97.5 million respectively, representing a decrease of 4.6% and 5.0% respectively compared with the previous financial year.

The decline in profitability, despite the 5.3% increase in sales revenue, is attributable to a number of factors including the impact of the historically weak Australian dollar against the Thai Baht, the introduction of US import tariffs, initial equity accounted losses from associates and increased investment in key areas across the business to accommodate future growth. This includes human resources (market adjustments in vital areas and additional resources in engineering, aftermarket, future eCommerce business and in the US), the establishment of a new distribution centre in Texas, USA, depreciation on recent capital expenditures and increased brand advertising globally.

Cash Flows

Cash flows from operating activities for FY2025 was \$128.0 million compared with \$125.3 million in the previous year, an improvement of 2.1% despite the 5.0% decline in profit after tax.

Cash generated by operations was used to invest in property and equipment of \$46.2 million, investments in associates (ORW and Nacho) of \$25.6 million, business acquisitions of \$13.3m (MITS Alloy, Toowoomba, QLD and Christchurch, NZ) and to distribute cash dividends of \$23.5 million.

OPERATING AND FINANCIAL REVIEW (continued)

Financial Position, Capital Management and Dividends

The Group's net assets as at 30 June 2025 were \$756.6 million, which was \$97.2 million higher than as at the end of FY2024.

The Group held cash of \$69.2 million as at 30 June 2025, an increase of \$12.7 million over the prior year. The Group had no debt.

Basic earnings per share declined 5.7% from 124.9 cents per share in FY2024 to 117.7 cents per share in FY2025.

Total dividends for FY2025 of 119.0 cents per share fully franked (including a special dividend of 50 cents per share) represents an increase of 72.5% compared with FY2024. All dividends are fully franked at the 30% corporate tax rate and a Dividend Reinvestment Plan and Bonus Share Plan are also in operation.

Working Capital

Total inventory on hand increased \$9.3 million or 3.9% from the previous year, slightly lower than the 5.3% growth in sales revenue. The growth in inventory on hand includes inventories from the acquisitions of a retail store in each of Toowoomba, QLD, and Christchurch, NZ, and of MITS Alloy during FY2025. management successfully reduced inventory holdings during the second half of the financial year from \$277.8 million as at 31 December 2024 to \$249.1 million as at 30 June 2025.

Trade receivables increased \$0.5 million or 0.6% from the previous year.

Payables increased \$2.3 million or 3.6%, broadly in line with the increase in inventory holdings.

BUSINESS STRATEGIES AND PROSPECTS

The following factors are considered important in understanding the strategy of the Group and the main opportunities and threats that may have a significant impact on its results and prospects in future years.

Key Strategies

New product development and new distribution channels to market are the key strategies to ensuring the Group's continued success and growth.

The Group employs more than 130 engineers who are actively involved in developing new products and applications for the four-wheel drive industry.

The Group has established a comprehensive aftermarket retail network across Australia with 77 ARB branded retail stores, five state distribution centres and hundreds of stockists and dealer customers across the country. Sales and warehouse operations have been established in the United States, Thailand, New Zealand, the United Arab Emirates, the United Kingdom and the Czech Republic, selling to wholesale, fleet and dealer customers.

ARB actively investigates opportunities around the world to acquire products or businesses with the potential to introduce new products into its range and/or to develop its distribution network. The Group made the following investments during FY2025:

- ARB increased its investment in ORW from 30% to 50% for \$25.0 million (US\$16.7 million) to facilitate ORW's funding of its acquisition of the 4WP business including 42 retail stores and an eCommerce site. ARB's access to ORW and 4WP's retail store networks and eCommerce sites provide ARB with a major opportunity for long term brand and sales growth across the USA;
- ARB acquired the previously independently owned ARB Toowoomba retail store in Queensland and the ARB stockist in Christchurch, New Zealand; and
- ARB expanded its back-of-ute product range through the acquisition of MITS Alloy, an aluminium service body manufacturing and assembly business based in Newcastle, NSW.

Business Risks

ARB has identified certain risks that could materially impact the Group's performance and prospects and has implemented measures to manage those risks, as summarised below:

- **Economic risk:** ARB is exposed to general risks posed by the Australian and international economies, which may cause general or local downturns in consumer confidence and demand and in the automotive industry in particular. Strategies employed to manage these risks include the use of multiple facilities for manufacturing, distribution and sales.
- **Foreign exchange risk:** ARB is exposed to foreign exchange rate influences in its dealings with a number of countries. This risk is managed through hedging arrangements as required and by operating in different currency environments.
- **Key personnel:** Finding and retaining the right employees is important to ARB's ongoing success. ARB has appropriate succession planning strategies and career development plans in place to manage this risk.

OPERATING AND FINANCIAL REVIEW (continued)

- **Business continuity risk:** ARB faces business continuity risks which may include: a natural disaster affecting one or more sites, global pandemics, major outage of services (e.g. electricity), a raw material shortage and prolonged failure of a supplier to supply a critical component. This risk is managed through businesses spread across multiple sites to mitigate site specific risks, site specific Emergency Response Plans and appropriate policies of insurance.
- **Information technology risk:** ARB is exposed to the risk of a significant information technology ("IT") outage or cyber-attack and a loss of confidential data. ARB has in place IT backup and disaster recovery plans and regularly updates its cyber security.
- **Tax risk:** The Group has effective policies and processes in place to manage tax risk including direct, indirect and excise taxes and tariffs.
- **Regulatory:** Regulatory burdens and changes to regulatory requirements may adversely impact ARB's competitiveness. ARB addresses this risk through its globally diversified facilities and being at the forefront of relevant industry technology to meet changing regulatory requirements more effectively.
- **Environmental / sustainability:** The Group is not significantly impacted by, but complies with, all environmental regulations or laws as reported in its Environmental, Social and Governance Report located at <https://www.arb.com.au/about/investor-relations/>.

The Group does not face any material exposure to risks that would compromise its ability to continue operating in a socially and environmentally sustainable way.

DIRECTORS' REPORT

The Directors present their report together with the financial report of the consolidated entity of ARB Corporation Limited, being the Company and its controlled entities the ("Group"), for the financial year ended 30 June 2025 and the auditor's report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

Principal Activities

The principal activities of the Group during the course of the financial year remained unchanged and were the design, manufacture, distribution and sale of motor vehicle accessories and light metal engineering works.

Results

The consolidated profit attributable to members of the parent entity after income tax expense for the financial year was \$97,527,000 (2024: \$102,683,000).

Review of Operations

A review of the Group's operations is included in the Chairman's Statement on pages 3 to 7.

Material Changes in the State of Affairs

There have been no material changes in the Group's state of affairs during the financial year.

Subsequent Events

With the exception of the declaration of a final dividend detailed in Note 6, no other matters or circumstances have arisen since the end of the financial year that have materially affected or may materially affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Likely Developments

The Group will continue to pursue its operating and financial strategies to create shareholder value. Further information is included in the Chairman's Statement.

Environmental Regulation

The Group's operations are not materially impacted by any environmental regulations or laws.

Dividends Paid, Recommended and Declared

Dividends paid or proposed by the Company since the end of the previous financial year were:

In respect of the financial year:

- An interim fully franked ordinary dividend of 34.0 cents per share was paid on 17 April 2025 (2024: 34.0 cents per share fully franked paid on 19 April 2024)
- The special dividend proposed by the Directors of the Company to be paid on 11 September 2025 is a fully franked dividend of 50.0 cents per share
- The final dividend proposed by the Directors of the Company to be paid on 17 October 2025 is a fully franked dividend of 35.0 cents per share (2024: 35.0 cents per share fully franked paid on 18 October 2024)

Total dividends in respect of the financial year

	2025 \$'000	2024 \$'000
	27,958	27,700
	41,582	-
	29,107	28,816
	98,647	56,516

The special and final dividends were declared subsequent to the financial year end and are not recognised as a liability at 30 June 2025.

All dividends are fully franked at the corporate tax rate of 30%.

Rounding of Amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the financial statements have been rounded to the nearest \$1,000, or in certain cases, to the nearest \$1 (where indicated).

Comparatives

Where necessary, comparative information has been reclassified for consistency with current year disclosures.

DIRECTORS' REPORT (continued)**Information on Directors and Company Secretary**

The qualifications, experience and special responsibilities of each person who has been a Director of ARB Corporation Limited at any time during or since the end of the financial year are provided below, together with details of the Company Secretary.

The Directors listed below each held office as a Director of the Company at all times during or since the end of the financial year.

NAME & QUALIFICATIONS	EXPERIENCE AND SPECIAL RESPONSIBILITIES
Mr. Robert D Fraser B.Ec., LLB (Hons) Chairman Independent Non-executive Director	Company Director and corporate adviser. Chairman of Supply Network Limited, Non-executive Director of F.F.I. Holdings Limited and MFF Capital Investments Limited. President of the Muscular Dystrophy Association of NSW. Previously Non-executive Deputy Chairman of Magellan Financial Group Limited until 2023. Non-executive Chairman of ARB Corporation Limited since 2022. Non-executive Director of ARB Corporation Limited since 2004. Member of the Audit & Risk and the Remuneration & Nomination Committees.
Mr. Andrew H Brown Managing Director	Wide range of experience in automotive engineering and marketing. Managing Director of ARB Corporation Limited since 2012. Executive Director of ARB Corporation Limited from 1987 to 2012.
Mr. Roger G Brown B.E., M.B.A. Non-executive Director	Wide range of experience within the automotive industry in Australia and overseas. Non-executive Director of AMCIL Limited. Non-executive Chairman of ARB Corporation Limited from 2016 to 2022. Executive Chairman of ARB Corporation Limited from 1987 to 2016. Managing Director of ARB Corporation Limited from 1987 to 2012. Chairman of the Remuneration & Nomination Committee.
Ms. Shona M Faber B.Bus., AdvDip, GAICD Independent Non-executive Director	Key executive roles leading commercial operations including manufacturing and sales. Non-executive Director of ARB Corporation Limited since 2022. Member of the Audit & Risk and the Remuneration & Nomination Committees.
Mr. Adrian R Fitzpatrick B.Com., FCA Independent Non-executive Director	Former partner of Pitcher Partners (retired 2016). Non-executive Chairman of Aussie Broadband Limited. Non-executive Director of ARB Corporation Limited since 2016. Member of the Audit & Risk and the Remuneration & Nomination Committees.
Ms. Karen L Phin BA., LLB (Hons), GAICD Independent Non-executive Director	Corporate advisor on capital markets, capital management and funding strategies. Non-executive Director of Omni Bridgeway Ltd (formerly IMF Bentham Ltd). Member of the Takeovers Panel. Previously a Non-executive Director of Magellan Financial Group Limited until 2022. Non-executive Director of ARB Corporation Limited since 2019. Chairman of the Audit & Risk Committee and member of the Remuneration & Nomination Committee.
Mr. Andrew P Stott Independent Non-executive Director	Wide 4WD industry experience. Non-executive Director of ARB Corporation Limited since 2006. Member of the Remuneration & Nomination Committee.

The Company Secretary listed below held office as Company Secretary of the Company at all times during or since the end of the financial year.

Mr. Damon Page B.Bus., CA Company Secretary	Chief Financial Officer of ARB Corporation Limited since 2014. Company Secretary of ARB Corporation Limited since 2019.
--	--

Share Options

No options over unissued shares or interests in the Group were granted during or since the end of the financial year and there were no options outstanding at the end of the financial year.

Shares Under Performance Rights

There were 42,132 unissued ordinary shares of the Company under performance rights at the date of this report (2024: 28,135).

DIRECTORS' REPORT (continued)**Indemnification and Insurance of Directors, Officers and Auditors**

The Group has, during the financial year, in respect of any person who is or has been an officer of the Group or a related body corporate, paid a premium in respect of Directors' and Officers' Liability insurance which indemnifies the Directors and Officers of the Group for any claims made against the Directors and Officers of the Group, subject to conditions contained in the insurance policy. Further disclosures required under Section 300(1)(g) of the *Corporations Act 2001* are prohibited under the terms of the contract.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for the auditors of the Group.

Directors' Meetings

The number of Board of Directors and Board Committee meetings held during the financial year, and each director's attendance at these meetings were:

	Board	Remuneration & Nomination Committee	Audit & Risk Committee
	Meetings attended / Meetings held whilst a member		
Mr. Robert D Fraser (Chairman)	15 / 15	5 / 5	7 / 7
Mr. Andrew H Brown (Managing Director)	15 / 15	*	*
Mr. Roger G Brown	15 / 15	5 / 5	*
Ms. Shona M Faber	14 / 15	4 / 5	7 / 7
Mr. Adrian R Fitzpatrick	15 / 15	5 / 5	7 / 7
Ms. Karen L Phin	15 / 15	5 / 5	7 / 7
Mr. Andrew P Stott	15 / 15	5 / 5	*

* Not a member of the Committee

In addition to scheduled meetings, the Board has informal discussions on a regular basis to consider relevant issues arising. It also has informal meetings, discusses strategic, operational and risk matters with senior management and undertakes site visits.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is included at page 55 of this report.

Non-Audit Services

Non-audit services are approved by the Chairman of the Audit & Risk Committee or the Chairman of the Board. No non-audit services have been provided during the year by the auditor of the Group, Deloitte Touche Tohmatsu, as detailed in Note 25 of the Financial Report.

Proceedings on Behalf of the Group

No person has applied for leave of court to bring proceedings on behalf of the Group.

DIRECTORS' REPORT (continued)**Remuneration Report - Audited**

The Directors present the Group's 2025 Remuneration Report which details the remuneration information for ARB Corporation Limited's key management personnel including Executive Directors, Non-executive Directors and the Chief Executive Officer ("CEO").

The Remuneration Report forms part of the Directors' Report and has been prepared and audited in accordance with the requirements of the *Corporations Act 2001*.

Key Management Personnel

Key Management Personnel ("KMP") are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of that entity and the CEO. Strategic direction and decision-making is exercised by the Board and the CEO. Accordingly, the Non-executive Directors, the Managing Director and the CEO are considered to be the Group's KMP during the financial year ended 30 June 2025.

The following table sets out the Group's KMP. All KMP held their positions for the whole of the financial year, unless otherwise indicated.

Name	Position
Non-Executive Directors	
Robert D Fraser	Independent Non-executive Chairman
Roger G Brown	Non-executive Director
Shona M Faber	Independent Non-executive Director
Adrian R Fitzpatrick	Independent Non-executive Director
Karen L Phin	Independent Non-executive Director
Andrew P Stott	Independent Non-executive Director
Executives	
Andrew H Brown	Managing Director
Lachlan A M McCann	Chief Executive Officer

Remuneration Policies

The Board's policy for determining the nature and amount of remuneration of KMP is agreed by the Board of Directors as a whole based on the recommendations of the Remuneration & Nomination Committee. The Board obtains professional advice where necessary to ensure that the Group attracts and retains talented and motivated KMP who can enhance the Group's performance through their contributions and leadership.

Key Terms of KMP Employment Agreements**Directors**

The Group provides a remuneration package to all KMP which may incorporate both cash-based and non cash-based remuneration.

The contracts for service between the Group and the Directors are on a continuing basis, the terms of which are not expected to change in the immediate future. The remuneration policy is based on providing a fair and competitive annual remuneration package to Directors based on market related data. Directors do not participate in any short-term or long-term incentive arrangements. The Board believes that the Managing Director and the Board as a whole are appropriately incentivised in the long term by their shareholdings in the Group.

The Group determines the total amount of remuneration for Directors by resolution of the Board.

The Group has reimbursed expenses incurred by the Non-executive Directors in the discharge of their duties of \$nil (2024: \$nil).

Chief Executive Officer

The contract for service between the Group and the CEO is on a continuing basis. Mr McCann received a fixed remuneration package inclusive of salary, superannuation and a motor vehicle. The CEO also participated in the long-term incentive plan ("LTI Plan") during the financial year ended 30 June 2025. The remuneration package is reviewed each year.

The remuneration policy is based on providing a fair and competitive annual remuneration package based on market related data. Either party may terminate the agreement by giving nine months' notice and ARB may elect to pay Mr McCann in lieu of him working through the notice period. Mr McCann's employment may be terminated immediately in certain circumstances such as serious or persistent misconduct or being convicted of a criminal offence.

DIRECTORS' REPORT (continued)

Mr McCann is subject to post-employment restraints for a period of up to 12 months following the cessation of his employment, including restrictions from competing with ARB and soliciting ARB's employees, suppliers or customers.

Executive Remuneration Framework

Fixed Remuneration	Short-term Incentive	Long-term Incentive
Base salary plus superannuation and other benefits	None granted	Performance rights subject to an EPS performance condition and the KMP being employed at the end of the vesting period. Performance will be measured over a period of two and three years.

During the period ended 30 June 2025, 84% of Lachlan McCann's remuneration was fixed and the remaining 16% dependent on achieving performance targets.

Overview of the LTI Plan**Details of the LTI Plan**

Set out below is an explanation of the terms and conditions applying to the LTI Plan awards for Senior Executives, including the CEO, during the performance period.

Overview of the LTI Plan

The LTI Plan is an 'at-risk' equity component of executive remuneration which is subject to the satisfaction of a long-term performance condition. The purpose of the plan is to assist in the retention and motivation of eligible employees, link the reward to the creation of shareholder value as well as provide greater incentive for eligible employees to focus on the Group's longer-term goals.

Participation

The CEO and Senior Executives of the Group are eligible to participate in the LTI Plan.

Instrument

Upon vesting, each performance right entitles the Senior Executives to one ordinary share in the Company. Performance rights are granted for nil consideration and no amount is payable on vesting.

Number of rights to be granted

The number of performance rights to be granted will be determined using the value of the total award divided by the share price at grant date.

Performance period

Performance rights issued from the financial year commencing 1 July 2024 have a three-year performance period. Performance rights issued for the 2024 financial year had a two-year and three-year performance period, as part of the transition arrangements in relation to the implementation of the LTI Plan.

Performance conditions**Performance rights plans issued during the financial year ended 30 June 2025:**

40% of the performance rights granted will vest if the Senior Executive is still employed by the Group at the vesting date. The remaining 60% of the performance rights will vest according to the Group's earnings per share ("EPS") compound annual growth rate ("CAGR") achieved over the vesting period as follows:

CAGR achieved	% of the remaining rights awarded
0.0% to 3.49%	0% of the performance rights
3.5% to 4.49%	15% of the performance rights
4.5% to 5.49%	30% of the performance rights
5.5% to 6.49%	45% of the performance rights
Greater than or equal to 6.5%	60% of the performance rights

DIRECTORS' REPORT (continued)**Performance conditions (continued)****Performance rights plans issued during the financial year ended 30 June 2024:**

50% of the performance rights granted will vest if the Senior Executive is still employed by the Group at the vesting date. The remaining 50% of the performance rights will vest according to the Group's EPS CAGR achieved over the vesting period as follows:

CAGR achieved	% of the remaining rights awarded
0.0% to 0.99%	0% of the performance rights
1.0% to 1.99%	10% of the performance rights
2.0% to 2.99%	20% of the performance rights
3.0% to 3.99%	30% of the performance rights
4.0% to 4.99%	40% of the performance rights
Greater than or equal to 5%	50% of the performance rights

The Group will pay a cash bonus to cover the personal income tax upon exercise of the performance rights.

The Board may, in its absolute discretion, waive any of the above vesting conditions.

The Board may, in its absolute discretion, reduce the number of performance rights vesting in the event of a significant deterioration in health and safety performance.

Dividends and voting rights

The performance rights do not carry dividend or voting rights prior to vesting. Shares allocated on vesting carry the same dividend and voting rights as other shares.

Treatment on cessation of employment

If a Senior Executive ceases employment by the Group during the vesting period, the following treatment will apply, unless the Board determines otherwise:

- i) Where a Senior Executive resigns or is summarily terminated, all their unvested performance rights will lapse.
- ii) If the Senior Executive ceases employment in any other circumstances including retirement, the participant will be entitled to retain a pro-rata amount of their unvested performance rights (based on the proportion of the vesting period for which the participant was employed by the Group, by reference to the number of whole months employed). All other unvested performance rights held by that participant will lapse.
- iii) Any unvested performance rights which continue to be held by the participant will be tested at the end of the vesting period, in accordance with the vesting conditions set out in the offer.

Change of control

If a change of control event occurs, the Board may in its sole and absolute discretion, and subject to the listing rules determine how unvested performance rights held by a Senior Executive will be treated.

Clawback

If the Board becomes aware of a material misstatement in the Group's financial statements or some other event has occurred as a result of which the performance right vesting conditions in respect of certain vested performance rights were not, or should not have been determined to have been satisfied, then the participant will cease to be entitled to those vested performance rights.

DIRECTORS' REPORT (continued)

Executive KMP rights over ordinary shares of ARB Corporation Limited

30 June 2025

Name	Scheme	Number of rights at 1 July 2024	Number of rights awarded during the financial year	Number of rights exercised during the financial year	Number of rights lapsed / forfeited during the financial year	Number of rights held at 30 June 2025	Number of rights vested during the financial year	Value at date of forfeiture
Lachlan McCann	2-year performance rights	3,400	-	-	-	3,400	-	-
	3-year performance rights	5,100	4,304	-	-	9,404	-	-
Total		8,500	4,304	-	-	12,804	-	-

30 June 2024

Name	Scheme	Number of rights at 1 July 2023	Number of rights awarded during the financial year	Number of rights exercised during the financial year	Number of rights lapsed / forfeited during the financial year	Number of rights held at 30 June 2024	Number of rights vested during the financial year	Value at date of forfeiture
Lachlan McCann	2-year performance rights	-	3,400	-	-	3,400	-	-
	3-year performance rights	-	5,100	-	-	5,100	-	-
Total		-	8,500	-	-	8,500	-	-

The FY2025 3-year performance rights were granted on 9 July 2024 at a grant date fair value of \$36.02 per right. The FY2024 2-year and 3-year performance rights were granted on 29 September 2023. The 2-year performance rights had a grant date fair value of \$30.05 per right and the 3-year performance rights had a grant date fair value of \$29.46 per right.

Details of the nature and amount of each major element of the remuneration of each KMP of the Company and the Group for the financial year are:

	Short Term			Long Term			Post Employment	TOTAL
	Salary & Fees \$	Non-cash Benefits \$	Annual Leave \$	Long Service Leave \$	LTI Equity-settled (i) \$	LTI Cash (ii) \$	Super-annuation \$	
2025								
Robert D Fraser	231,364	-	-	-	-	-	-	231,364
Andrew H Brown	214,276	31,985	-	-	-	-	30,000	276,261
Lachlan A M McCann	1,381,076	23,798	(137,318)	80,881	133,285	106,231	30,000	1,617,953
Roger G Brown	77,148	-	-	-	-	-	8,872	86,020
Shona M Faber	77,148	-	-	-	-	-	8,872	86,020
Adrian R Fitzpatrick	77,148	-	-	-	-	-	8,872	86,020
Karen L Phin	117,052	-	-	-	-	-	13,461	130,513
Andrew P Stott	77,148	-	-	-	-	-	8,872	86,020
Total	2,252,360	55,783	(137,318)	80,881	133,285	106,231	108,949	2,600,171
2024								
Robert D Fraser	222,132	-	-	-	-	-	-	222,132
Andrew H Brown	207,028	31,985	-	-	-	-	27,500	266,513
Lachlan A M McCann	973,406	23,983	57,283	69,525	72,081	80,839	27,500	1,304,617
Roger G Brown	74,403	-	-	-	-	-	8,184	82,587
Shona M Faber	74,403	-	-	-	-	-	8,184	82,587
Adrian R Fitzpatrick	74,403	-	-	-	-	-	8,184	82,587
Karen L Phin	112,888	-	-	-	-	-	12,418	125,306
Andrew P Stott	74,403	-	-	-	-	-	8,184	82,587
Total	1,813,066	55,968	57,283	69,525	72,081	80,839	100,154	2,248,916

(i) The amounts disclosed as part of remuneration for the financial year have been determined by allocating the grant date value on a straight-line basis over the period from grant date to vesting date.

(ii) Provision raised in the current year for the estimated cash bonus to be paid to the CEO to cover the personal income tax payable upon exercise of the performance rights, excluding any capital gains tax.

DIRECTORS' REPORT (continued)

Since the end of the previous financial year, no KMP of the Group has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by KMP shown in the consolidated financial report) because of a contract made by the Group, its controlled entities or a related body corporate with a KMP or with a firm of which a KMP is a member, or with an entity in which the KMP has a substantial interest.

The following table summarises the Group's performance and key performance indicators:

	2025	2024	2023	2022	2021
Revenue (\$'000)	739,031	698,753	675,037 (i)	697,276	625,857
Increase/(decrease) in revenue (%)	5.8%	3.5%	(3.2%)	11.4%	34.0%
Profit before tax (\$'000)	134,938	141,419	122,076	165,678	150,023
Increase/(decrease) in profit before tax (%)	(4.6%)	15.8%	(26.3%)	10.4%	92.1%
Profit after tax (\$'000)	97,527	102,683	88,455	122,006	112,895
Increase/(decrease) in profit after tax (%)	(5.0%)	16.1%	(27.5%)	8.1%	97.0%
Basic earnings per share (cents)	117.7	124.9	107.9	149.4	140.0
Dividends per share fully franked (cents)	119.0	69.0	62.0	71.0	68.0
Earnings before interest and tax (\$'000)	136,144	141,813	123,493	167,673	151,874
Gearing ratio (%)	n/a	n/a	n/a	n/a	n/a
End of year share price (\$)	32.70	37.63	28.60	28.24	43.19
Total remuneration of KMP (\$)	2,600,171	2,248,916	1,803,770	1,135,090	1,102,132

(i) Excludes \$13,673,000 relating to the write back of the provision for deferred consideration for the Truckman acquisition reported as revenue in 2023.

Key Management Personnel Shareholdings

The ordinary shares of ARB Corporation Limited held by each KMP, either directly or indirectly, were:

2025	Beginning of Year	Acquired	Sold	End of Year
Robert D Fraser (Chairman)	30,947	619	-	31,566
Andrew H Brown (Managing Director)	(a) 4,934,130	30,376	-	4,964,506
Lachlan A M McCann (CEO)	17,054	-	-	17,054
Roger G Brown	(a) 4,920,830	30,180	-	4,951,010
Shona M Faber	-	1,000	-	1,000
Adrian R Fitzpatrick	3,500	-	-	3,500
Karen L Phin	4,700	3,900	-	8,600
Andrew P Stott	5,000	-	-	5,000

(a) Common to each of Roger G Brown and Andrew H Brown are 4,909,452 (2024: 4,879,272) shares held indirectly.

*** End of the Remuneration Report ***

DIRECTORS' REPORT (continued)

Corporate Governance Statement

The Company's Corporate Governance Statement is included at page 57 of this report and is also available on the Company website at <http://www.arb.com.au/about/investor-relations/>.

Australian Sustainability Reporting Standards

Climate Change

In recent years, there have been a number of reporting developments regarding mandatory disclosure of sustainability-related information, particularly climate-related reporting, in Australia. ARB has been following these developments and is taking steps to ensure ongoing compliance.

To demonstrate ARB's commitment, the Group has taken initial steps toward implementation of *AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information* and *AASB S2 Climate-related Disclosures*, with which the disclosure below is aligned. The Group will continue its progress towards the AASB requirements in the 2026 financial year.

To avoid the duplication of processes and resources across the Group, ARB integrates sustainability-related matters into existing processes and structures. This includes various sustainability-related matters that impact ARB across environmental, social and governance themes, one such theme being climate change. For this reason, all references to sustainability are inclusive of, but not limited to climate change.

Governance

With reference to ARB's Board Charter, the Board of Directors remains ultimately responsible for the Group's risk appetite and strategy, including climate-related risk, strategy and opportunities. The execution of the Board's strategy is delegated to the Chief Executive Officer.

The Group maintains an Environmental Management System for its major operating facility in Australia through which management identify, assess and manage environmental risks, including sources of greenhouse gas emissions.

Strategy

ARB has engaged the independent services of consultancy firm BDO, to provide guidance and advise on the formalisation of the Group's climate change strategy. This includes the preparation and approval of a detailed climate risk and opportunity assessment which considers the potential impact of climate change on the Group. The climate risk and opportunity assessment is expected to be ready in preparation for and compliance with the implementation of AASB S2 (Climate Related Disclosures) in the 2026 financial year. In addition, the Group maintains a climate risk register.

Risk Management

Whilst the Group has an established risk management infrastructure that is integral to business operations extending to all levels of personnel, the Group is working towards compliance with AASB S2 (Climate Related Disclosures) in the 2026 financial year. The Board of Directors is ultimately responsible for risk management, supported by the Audit & Risk Committee. Operationally, the Group's employee code of conduct makes clear the types of behaviours, situations and/or incidents that are considered high risk, and the escalation procedures that should be followed in those instances where the right of ARB personnel to a work environment that is safe, fair, ethical and legal, may be at risk.

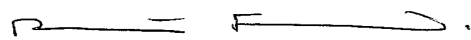
Risks identified across the Group are assessed in accordance with the Risk Management Framework and actioned to eliminate or alternatively reduce risk to an acceptable level, as determined by the Board. Residual risk continues to be monitored, with accountability and status of each risk documented in the corporate risk register.

These risk management processes apply to all sustainability-related risks, including risks arising from climate change.

Metrics & Targets

The Group is currently quantifying its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Where there may be overlap with the National Greenhouse and Energy Reporting (NGER) Scheme, consideration is being given to determine the most appropriate calculation methodology. Following the establishment and measurement of a complete greenhouse gas inventory, the Group will be in a position to explore the potential for target setting and determine appropriate focus areas for decarbonisation.

Signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the *Corporations Act 2001*.



On behalf the Directors
Robert D Fraser
Chairman

Melbourne, 19 August, 2025

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Sales revenue		729,949	693,154
Other income		9,082	5,599
Total revenue and other income	3	739,031	698,753
Materials and consumables used		(315,721)	(296,468)
Employee expenses		(176,205)	(159,668)
Depreciation and amortisation expense		(32,509)	(28,434)
Advertising expense		(11,361)	(8,487)
Distribution expense		(16,579)	(16,728)
Finance expense		(2,357)	(1,693)
Occupancy expense		(19,660)	(17,813)
Maintenance expense		(7,649)	(6,681)
Equity accounted share of loss	21	(1,908)	(670)
Change in fair value of contingent consideration		-	(2,498)
Other expenses		(20,144)	(18,194)
Profit before income tax expense		134,938	141,419
Income tax expense	5	(37,411)	(38,736)
Profit attributable to members of the parent entity		97,527	102,683
Basic earnings per share (cents)	24	117.74	124.91
Diluted earnings per share (cents)	24	117.67	124.88

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Profit attributable to members of the parent entity		97,527	102,683
Other comprehensive income			
Items that may be reclassified subsequently to Profit/(Loss)			
Movement in fair value of cash flow hedges	17	142	68
Exchange differences on translation of foreign operations	17	22,911	(5,977)
Other comprehensive income/(loss) for the year		23,053	(5,909)
Total comprehensive income for the year attributable to members of the parent entity		120,580	96,774

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	20	69,198	56,502
Receivables	7	93,342	92,959
Current tax receivable	5	145	323
Inventories	8	249,061	239,755
Loan receivable from associate	21	588	-
Prepayments		11,851	4,731
Total current assets		424,185	394,270
Non-current assets			
Property, plant and equipment	9	327,347	291,825
Deferred tax assets	5	13,597	11,333
Loan receivable from associate	21	206	-
Equity accounted investments	21	34,187	9,898
Intangible assets	10	65,261	50,634
Right-of-use assets	11	39,991	34,309
Total non-current assets		480,589	397,999
Total assets		904,774	792,269
Current liabilities			
Payables	12	65,163	62,881
Other financial liabilities		52	241
Current tax liabilities	5	5,740	6,296
Lease liabilities	14	8,681	5,945
Provisions	15	23,077	20,813
Total current liabilities		102,713	96,176
Non-current liabilities			
Lease liabilities	14	37,961	34,306
Deferred tax liabilities	5	1,133	1,055
Provisions	15	6,351	1,316
Total non-current liabilities		45,445	36,677
Total liabilities		148,158	132,853
NET ASSETS		756,616	659,416
EQUITY			
Contributed equity	16	230,203	197,509
Reserves	17	33,714	10,204
Retained earnings	18	492,699	451,703
TOTAL EQUITY		756,616	659,416

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Contributed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2023	190,163	15,889	401,074	607,126
Profit for the year	-	-	102,683	102,683
Movement in fair value of cash flow hedges, net of tax	-	68	-	68
Exchange differences on translation of foreign operations, net of tax	-	(5,977)	-	(5,977)
Total comprehensive income for the year	-	(5,909)	102,683	96,774
Transactions with owners in their capacity as owners:				
Equity-settled share-based payments expense, net of tax (note 29)	-	224	-	224
Difference arising on winding up interest in subsidiary	-	-	11	11
Dividend reinvestment and bonus share plans	7,346	-	-	7,346
Dividends paid	-	-	(52,065)	(52,065)
Total transactions with owners in their capacity as owners	7,346	224	(52,054)	(44,484)
Balance as at 30 June 2024	197,509	10,204	451,703	659,416
Balance as at 1 July 2024	197,509	10,204	451,703	659,416
Profit for the year	-	-	97,527	97,527
Movement in fair value of cash flow hedges, net of tax	-	142	-	142
Exchange differences on translation of foreign operations, net of tax	-	22,911	-	22,911
Total comprehensive income for the year	-	23,053	97,527	120,580
Transactions with owners in their capacity as owners:				
Equity-settled share-based payments expense, net of tax (note 29)	-	457	-	457
Dividend reinvestment and bonus share plans (net of underwriter's fee)	32,694	-	-	32,694
Dividends paid	-	-	(56,531)	(56,531)
Total transactions with owners in their capacity as owners	32,694	457	(56,531)	(23,380)
Balance as at 30 June 2025	230,203	33,714	492,699	756,616

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Cash Flows From Operating Activities			
Receipts from customers		786,440	736,285
Payments to suppliers and employees		(617,585)	(578,396)
Interest received		1,151	1,299
Finance costs		(2,192)	(1,536)
Income tax paid		(39,861)	(32,367)
Net cash provided by Operating Activities	20	127,953	125,285
Cash Flows From Investing Activities			
Payments for property, plant and equipment	9	(46,194)	(48,050)
Payments for development costs	10	(3,825)	(3,591)
Payments for intangible software assets	10	(1,147)	(316)
Payments for other intangible assets	10	(1,761)	
Proceeds from sales of property, plant & equipment		9,593	6,275
Payment for equity accounted investments	21	(25,575)	(11,031)
Loan provided to associates	21	(794)	-
Payment for acquiring interest in subsidiaries	22	(13,278)	(5,094)
Net cash used in Investing Activities		(82,981)	(61,807)
Cash Flows From Financing Activities			
Dividends paid		(23,545)	(44,719)
DRP and BSP underwriting fee		(290)	-
Payments for lease liabilities		(7,421)	(7,208)
Net cash used in Financing Activities		(31,256)	(51,927)
Foreign exchange differences		(1,020)	6
Net increase / (decrease) in cash held		12,696	11,557
Cash at the beginning of the financial year		56,502	44,945
Cash at the end of the financial year	20	69,198	56,502

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS	PAGE
1 Statement of material accounting policies	26
2 Financial risk management	30
3 Revenue	32
4 Operating profit	32
5 Income tax	33
6 Dividends	34
7 Receivables	34
8 Inventories	35
9 Property, plant and equipment	35
10 Intangible assets	36
11 Right-of-use assets	37
12 Payables	37
13 Financing arrangements	38
14 Lease liabilities	38
15 Provisions	39
16 Contributed equity	39
17 Reserves	40
18 Retained earnings	40
19 Parent entity information	41
20 Cash flow information	42
21 Investments in associates	43
22 Business combinations	44
23 Commitments and contingencies	45
24 Earnings per share	45
25 Auditors' remuneration	45
26 Controlled entities	46
27 Related party transactions	46
28 Segment information	47
29 Share-based payments	48
30 Subsequent events	48

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

The following is a summary of material accounting policies adopted by the consolidated entity ("the Group") in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for-profit entity for the purpose of preparing the financial statements. Amounts are presented in Australian dollars with all values rounded to the nearest \$1,000 unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

The financial report covers ARB Corporation Limited (the parent company) and its controlled entities as a consolidated entity. ARB Corporation Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report was authorised for issue by the Directors as at the date of the Directors' report.

Compliance with IFRS

The consolidated financial statements of ARB Corporation Limited also comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Historical cost convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

(b) Going concern

The financial report has been prepared on a going concern basis.

(c) Principles of consolidation

The consolidated financial statements are those of the Group, comprising the financial statements of the parent entity and of all entities which the parent entity controls. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies.

All intercompany balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are fully consolidated from the date on which control is established.

(d) Revenue recognition

Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods or services. The Group provides a general warranty for all goods sold. The Group does not provide customers with the option to purchase an additional or extended warranty. Warranty obligations are recognised as a provision, and are measured at the Group's estimate of the expenditure required to fulfil its warranty obligations at the reporting date.

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and consumables: purchase standard cost on a first-in-first-out basis;
- Finished goods and work in progress: cost of direct material and labour and a proportion of manufacturing overheads based on normal operating capacity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment

Cost and valuation

Freehold land and buildings are shown at cost less accumulated depreciation for buildings and accumulated impairment losses.

All other classes of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation

Land is not depreciated. The depreciable amounts of all other plant and equipment are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

The useful lives for each class of assets are:	<u>2025</u>	<u>2024</u>
- Buildings:	40 years	40 years
- Plant and equipment:	3 to 20 years	3 to 20 years

(g) Leases

The Group accounts for leases on balance sheet and, as a lessee, recognises right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments for all leases with a term greater than 12 months.

The Group has also elected (i) to not recognise right-of-use assets and lease liabilities for low value assets, rather, lease payments associated with these assets are recognised as an expense on a straight-line basis over the lease term, (ii) to apply a single discount rate to a portfolio of leases with reasonably similar characteristics, and (iii) to use hindsight to determine the lease term for contracts that include options to renew, extend or terminate the lease.

(h) Intangibles

Goodwill

Goodwill is initially measured as described in Note 1(n). Goodwill is not amortised but is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs of disposal and value in use.

Research and development

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on motor vehicle accessories design and development activities is capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using a straight-line method to allocate the cost of the intangible assets over their estimated useful lives, which range from 3 to 5 years. Amortisation commences when the intangible asset is available for use. Other development expenditure is expensed when incurred.

The effective lives for each class of assets are:	<u>2025</u>	<u>2024</u>
- Research and development:	5 years	5 years

(i) Taxes

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Tax consolidation

The parent entity and its controlled Australian entities have formed an income tax consolidated group under the tax consolidation legislation. The parent entity is responsible for recognising the current tax liabilities and deferred tax assets arising in respect of tax losses, for the tax consolidated group. The tax consolidated group has also entered into a tax funding agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)**(j) Financial assets**

The Group classifies financial assets into financial assets at 'fair value through profit or loss' and 'measured at amortised cost'. The classification depends on the business model for managing the financial asset and the cash flow characteristics of the financial asset and is determined at the time of initial recognition or when a change in the business model occurs.

For all other financial assets measured at amortised cost, the Group recognises the lifetime economic credit loss ("ECL") when there has been a significant increase in credit risk since initial recognition. However, if the credit risk of the financial asset has not increased significantly the Group measures the loss allowance for that Financial Asset at an amount equal to the 12-month ECL.

(k) Functional and presentation currency

The financial statements of each Group entity are measured using its functional currency, which is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

(l) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(m) Material accounting estimates and judgements

Certain accounting estimates include assumptions concerning the future, which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a material inherent risk, and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below:

Inventory provisions

Management estimates an inventory provision at the end of every financial reporting period. This provision is applicable to obsolete, end-of-life and slow-moving items. In making this assessment, management considers the recent sales experience and other factors that may affect the level of the provision required.

Impairment of goodwill

Goodwill is allocated to cash generating units ("CGU") according to management's expectations regarding which assets will be expected to benefit from the synergies arising from the business combination that gave rise to the goodwill. The recoverable amount of a CGU is based on value in use calculations. These calculations are based on projected cash flows approved by management. Management's determination of cash flow projections and gross margins is based on past performance and its expectation for the future. The present value of future cash flows has been calculated as disclosed in Note 10 of the financial statements.

(n) Business combinations

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses and results in the consolidation of the assets and liabilities acquired. Business combinations are accounted for by applying the acquisition method.

The consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree. Deferred consideration payable is measured at its acquisition date fair value. Contingent consideration to be transferred by the acquirer is recognised at the acquisition date fair value. At each reporting date subsequent to the acquisition, contingent consideration payable is measured at its fair value with any changes in the fair value recognised in profit or loss.

Goodwill is recognised initially at the excess over the aggregate of the consideration transferred, the fair value of the non-controlling interest, and the acquisition date fair value of the acquirer's previously held equity interest (in case of step acquisition), less the fair value of the identifiable assets acquired and liabilities assumed.

Acquisition related costs are expensed as incurred.

(o) New and revised accounting standards effective at 30 June 2025

The Group has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2024. The impact of the new and revised standards was not material.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(p) New accounting standards and interpretations issued but not operative at 30 June 2025

A number of new accounting standards and interpretations have been issued at the reporting date but are not yet effective. The Directors have not yet assessed the impact of these standards or interpretations.

(q) Investments in associates

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

(r) Share-based payments

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using the Black Scholes Model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. No account is taken of any other vesting conditions. The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period.

(s) Dividend Reinvestment Plan

The Group operates a Dividend Reinvestment Plan ("DRP") under which shareholders may elect to receive dividends in the form of additional shares. Shares issued under the DRP are recognised as an increase in share capital, with a corresponding reduction in retained earnings, and are measured at fair value on the date of issue. Where the DRP is underwritten, any shortfall in shareholder participation is met by the underwriter, and proceeds received are also recognised in equity. Where dividends are satisfied through on-market purchases, the dividend is recognised as a cash distribution.

(t) Bonus Share Plan

The Group offers a Bonus Share Plan ("BSP") under which eligible shareholders may elect to receive additional fully paid ordinary shares in lieu of cash dividends. Shares issued under the BSP are issued for no consideration and are recognised as a distribution within equity. The value of the bonus shares is based on the dividend amount foregone and is transferred from retained earnings to share capital on the date of issue. As no cash is exchanged, no financial liability is recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

2. FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks comprising:

- | | | |
|-------------------|--------------------|------------------------|
| (a) Currency risk | (b) Liquidity risk | (c) Interest rate risk |
| (d) Credit risk | (e) Fair values | |

The Board of Directors has overall responsibility for ensuring that the risk mitigation actions that it, the Audit & Risk Committee and the senior management team recommend are implemented. The Board's policy with respect to the Group's exposure to financial risks is to seek to minimise potential adverse effects on the financial performance as a result of risks arising from financial instruments.

(a) Currency risk

Derivative financial instruments are used by the Group to hedge exposure to exchange rate risk associated with foreign currency transactions. Transactions for hedging purposes are undertaken without the use of collateral as the Group only deals with reputable institutions with sound financial positions.

The Group enters into forward exchange contracts to buy and sell specified amounts of foreign currencies in the future at stipulated exchange rates. The objective in entering the forward exchange contracts is to protect the Group against unfavourable exchange rate movements for both the contracted and anticipated future sales and purchases undertaken in foreign currencies.

Forward exchange contracts as at 30 June were:

	2025 A\$'000	2024 A\$'000	2025 Forward Rate	2024 Forward Rate
Settlement - less than 12 months				
Sell AUD / Buy THB	-	13,233	-	24.1815
Sell GBP / Buy THB	628	1,270	43.1292	45.0961
Sell GBP / Buy USD	10	-	1.3365	-
Sell GBP / Buy EURO	-	85	-	1.1756
Sell GBP / Buy AUD	-	286	-	1.9159

The Group utilises various foreign currencies for both sales and purchases.

The Group purchases some equipment and products in Thai Baht (THB), United States Dollars (USD), New Zealand Dollars (NZD), Euro (EUR), Swedish Krona (SEK) and Great British Pounds (GBP). To minimise the risk on the exposure to these currencies, the Group may take out hedge contracts.

There is a net deficit of THB received over the Group's THB payments. Accordingly, the Group monitors the foreign currency exchange rates and may take out hedge contracts to stabilise the Group's purchase of THB.

There is a net deficit of USD received over the Group's USD payments. Accordingly, the Group monitors the foreign currency exchange rates and may take out hedge contracts to stabilise the Group's purchase of USD.

There is a net surplus of EUR received over the Group's EUR payments. Accordingly, the Group monitors the foreign currency exchange rates and may take out hedge contracts to stabilise the Group's sale of EUR.

If the Group considers its exposure in a foreign currency to be material, it will consider the use of hedging contracts.

Sensitivity

No reasonable movement in the Australian dollar rates (for example 10% up or down) used to determine the fair value of the Group's financial instruments would result in a material impact on profit or equity.

(b) Liquidity risk

The Group monitors its cash flow on a daily basis to ensure it can meet its obligations associated with financial liabilities.

Maturity analysis

Financial liabilities, excluding lease liabilities and deferred consideration, are contractually due to be settled within six months.

As at 30 June 2025, property lease payments due within 1 year: \$10.8m; within 1-5 years: \$31.3m; and more than 5 years: \$13.5m.

As at 30 June 2024, property lease payments due within 1 year: \$7.6m; within 1-5 years: \$26.7m; and more than 5 years: \$13.3m.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

2. FINANCIAL RISK MANAGEMENT (continued)**(c) Interest rate risk**

The Group monitors its cash flow on a daily basis. Borrowings as at 30 June 2025 were \$nil (2024: \$nil). Finance facilities available and used as at the reporting date are disclosed in Note 13.

The Group's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised at the balance date, are as follows:

	Note	Weighted Average Interest rate %	Floating Interest rate \$'000	Fixed interest maturing in :		Non Interest Bearing \$'000	Total \$'000
				1 year or less \$'000	More than 1 year \$'000		
2025							
<i>Financial assets</i>							
Cash	20	3.82%	69,198	-	-	-	69,198
Receivables	7	-	-	-	-	93,342	93,342
<i>Financial liabilities</i>							
Payables	12	-	-	-	-	65,163	65,163
Derivative financial instruments		-	-	-	-	52	52
Lease liabilities	14	4.90%	-	8,681	37,961	-	46,642
2024							
<i>Financial assets</i>							
Cash	20	4.39%	56,502	-	-	-	56,502
Receivables	7	-	-	-	-	92,959	92,959
Derivative financial instruments		-	-	-	-	-	-
<i>Financial liabilities</i>							
Payables	12	-	-	-	-	62,881	62,881
Derivative financial instruments		-	-	-	-	241	241
Lease liabilities	14	4.52%	-	5,945	34,306	-	40,251

(d) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by members of the Group.

Concentrations of credit risk

The Group minimises concentrations of credit risk in relation to trade receivables by undertaking transactions with a large number of customers. The majority of cash holdings are held on deposit with Australian banks.

(e) Fair values

The net fair value of financial assets and financial liabilities approximates their carrying amounts as disclosed in the Consolidated Statement of Financial Position and Notes to the Financial Statements.

The fair values of derivative hedging instruments have been determined based on observable inputs including foreign currency forward exchange rates. Derivative hedging instruments are classified as Level 2 in the fair value measurement hierarchy. These foreign currency forward contracts are valued on a discounted cash flow basis using forward exchange rates. All other financial assets and liabilities carrying amounts are a reasonable approximation of fair values as they are short term trade receivables and payables.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

3. REVENUE

	Note	2025 \$'000	2024 \$'000
Revenue from sale of goods		729,949	693,154
Australian Aftermarket		403,281	404,135
Export		266,993	229,424
Original Equipment		59,675	59,595
Other income:			
Interest		1,151	1,299
Net gain on disposal of property, plant and equipment		3,839	496
Other		4,092	3,804
Total other income		9,082	5,599
Total revenue		739,031	698,753

4. OPERATING PROFIT

	Note	2025 \$'000	2024 \$'000
Profit before income tax has been determined after:			
Cost of goods sold		398,194	375,347
Depreciation of non-current assets:			
Buildings	9	5,021	4,143
Plant and equipment	9	14,782	12,871
		19,803	17,014
Amortisation of non-current assets:			
Development costs capitalised	10	3,834	3,453
Intangible software assets	10	583	653
Other intangible assets	10	120	-
Right-of-use assets	11	8,169	7,314
		12,706	11,420
Total depreciation and amortisation		32,509	28,434
Trade receivables (recovered) / written off		212	(154)
Provision for inventory obsolescence		496	1,344
Research and development expenditure		17,196	15,754

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

5. INCOME TAX

	2025 \$'000	2024 \$'000
(a) The components of tax expense:		
Current tax	39,901	41,370
Deferred tax	(2,384)	(2,529)
(Over) / Underprovision prior year	(106)	(105)
Total income tax expense	37,411	38,736
(b) Income tax expense		
Prima facie income tax expense at 30% (2024: 30%) on the operating profit	40,481	42,245
Increase/(decrease) in income tax expense due to:		
Differences in overseas tax rates	(3,414)	(4,287)
Research & development	(95)	(87)
Other	545	970
Income tax expense on operating profit	37,517	38,841
(Over) / Underprovision prior year	(106)	(105)
Total income tax expense	37,411	38,736
(c) Deferred tax		
Deferred tax assets		
Deferred tax asset comprises the estimated future benefits at applicable income tax rates of the following items:		
Provisions, accruals and accrued employee benefits	8,873	7,303
Doubtful debt impairment	218	160
Provision for stock obsolescence	3,917	4,177
Inventories	3,456	3,518
Leases	1,896	1,756
Other	780	432
	19,140	17,346
Deferred tax liabilities		
Deferred tax liability comprises the estimated future expenses at applicable income tax rates for the following items:		
Difference in depreciation and amortisation of property, plant and equipment for accounting and income tax purposes	2,567	2,855
Development costs capitalised	4,263	4,355
Other income not yet assessable	(154)	(142)
	6,676	7,068
Net deferred tax assets	12,464	10,278
Disclosed on Balance Sheet:		
Deferred tax assets and liabilities disclosed based on right of offset by tax jurisdiction.		
Deferred tax assets	13,597	11,333
Deferred tax liabilities	(1,133)	(1,055)
Net deferred tax assets	12,464	10,278
(d) Current tax liabilities		
Balance at the beginning of the financial year	5,973	(3,036)
Income tax	39,901	41,370
Tax payments	(39,937)	(32,367)
(Over) / Underprovision	(438)	29
Other	96	(23)
Current tax liabilities	5,595	5,973
Disclosed on Balance Sheet:		
Current tax receivable	145	323
Current tax liability	(5,740)	(6,296)
Net current tax receivable / (liability)	(5,595)	(5,973)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

6. DIVIDENDS

	Note	2025 \$'000	2024 \$'000
Dividends recommended or paid by the Company are:			
Recognised amounts			
A final fully franked ordinary dividend of 35.0 cents per share was paid on 18 October 2024 (2024: 30 cents fully franked)		28,573	24,365
An interim fully franked ordinary dividend of 34.0 cents per share was paid on 17 April 2025 (2024: 34 cents fully franked)		27,958	27,700
	18	56,531	52,065
Unrecognised amounts			
A fully franked special dividend is proposed of 50.0 cents per share to be paid on 11 September 2025 (2024: \$nil)		41,582	-
A final fully franked ordinary dividend is proposed of 35.0 cents per share to be paid on 17 October 2025 (2024: 35.0 cents fully franked)		29,107	28,816
		70,689	28,816

The special and final dividends were declared subsequent to 30 June 2025 and therefore are not recognised as a liability at 30 June 2025.

The dividends paid by the Company were fully franked at the tax rate of 30% (2024: 30%) and the recommended dividend will be fully franked at the tax rate of 30%.

Dividend franking account

The balance of the franking account at year end that could be distributed as franked dividends using franking credits already in existence or which will arise from the payment of income tax provided for in the financial statements and after deducting franking credits to be used in payment of the above dividends:

Franking credits (measured on a tax paid basis under Australian Legislation)	112,022	100,750
--	----------------	----------------

7. RECEIVABLES

	2025 \$'000	2024 \$'000
Current		
Trade receivables	90,481	89,950
Other receivables	3,667	3,603
	94,148	93,553
Less: allowance for credit losses	(806)	(594)
	93,342	92,959
Allowance for credit losses		
Receivables ageing analysis at 30 June is:		
Not past due	86,407	85,225
Past due 0 - 30 days	2,309	3,787
Past due 31 - 90 days	1,982	2,200
Past due more than 91 days	3,450	2,341
	94,148	93,553

Trade receivables are non-interest bearing with 30 day terms. A credit loss is recognised when there is an expectation of impairment of trade receivables. The credit losses have been included within Other expenses in the Consolidated Income Statement. All trade receivables that are not impaired are expected to be received.

Movements in the allowance for credit losses were:

Opening balance at 1 July	(594)	(748)
Writeback / (charge) for the year	(283)	(12)
Amounts written off	77	166
Foreign exchange translation	(6)	-
Closing balance at 30 June	(806)	(594)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

8. INVENTORIES

	2025 \$'000	2024 \$'000
Current		
Raw materials and work in progress ("WIP")	52,657	50,643
Finished goods	180,043	167,288
Goods in transit, at cost	33,140	38,107
Less: Provision for stock obsolescence	(16,779)	(16,283)
	249,061	239,755

9. PROPERTY, PLANT AND EQUIPMENT

	2025 \$'000	2024 \$'000
Land and buildings, at cost	279,301	249,609
Less: accumulated depreciation	(32,773)	(27,779)
	246,528	221,830
Plant and equipment, at cost	196,835	163,381
Less: accumulated depreciation	(121,531)	(103,951)
	75,304	59,430
Capital WIP, at cost	5,515	10,565
	5,515	10,565
Total property, plant and equipment & capital WIP	327,347	291,825

Movements in the carrying amounts	Land & Buildings \$'000	Plant & Equipment \$'000	Capital WIP \$'000	Total \$'000
2024				
Balance at the beginning of financial year	188,966	59,934	19,944	268,844
Additions	33,050	15,001	-	48,051
Business acquisitions	-	-	-	-
Disposals	(4,041)	(1,343)	-	(5,384)
Depreciation	(4,143)	(12,871)	-	(17,014)
Transfers	9,658	(279)	(9,379)	-
Foreign exchange impact	(1,660)	(1,012)	-	(2,672)
Balance at the end of financial year	221,830	59,430	10,565	291,825
2025				
Balance at the beginning of financial year	221,830	59,430	10,565	291,825
Additions	23,283	22,911	-	46,194
Business acquisitions	48	3,365	-	3,413
Disposals	(5,003)	(751)	-	(5,754)
Depreciation	(5,021)	(14,782)	-	(19,803)
Transfers	4,323	727	(5,050)	-
Foreign exchange impact	7,068	4,404	-	11,472
Balance at the end of financial year	246,528	75,304	5,515	327,347

Property, plant and equipment has been granted as security over bank facilities. Refer to Note 13 for details.

Fair value of freehold land and buildings – The Group obtains independent property valuations of freehold land and buildings on a 3 year rotational basis. The total current valuations for freehold land and buildings are \$301.8 million, compared with the collective carrying value of \$246.5 million. The fair value measurements have been determined as level 3 in the fair value measurement hierarchy. The valuations are based on the expected vacant possession sales price with consideration of comparable sales information and prevailing rental capitalisation rates.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

10. INTANGIBLE ASSETS

	2025 \$'000	2024 \$'000
Goodwill	47,816	35,391
Development costs	29,580	25,756
Less: accumulated amortisation	(15,596)	(11,763)
	13,984	13,993
Intangible software assets	6,100	5,155
Less: accumulated amortisation	(4,274)	(3,905)
	1,826	1,250
Other intangible assets	2,052	-
Less: accumulated amortisation	(417)	-
	1,635	-
Total intangible assets	65,261	50,634

Movements in the carrying amounts	Goodwill \$'000	Development Costs \$'000	Intangible Software Costs \$'000	Other Intangible Assets \$'000	Total \$'000
2024					
Balance at the beginning of financial year	35,404	14,251	1,587	-	51,242
Additions	-	3,591	316	-	3,907
Impairment loss on goodwill	-	(396)	-	-	(396)
Amortisation	-	(3,453)	(653)	-	(4,106)
Foreign exchange impact	(13)	-	-	-	(13)
Balance at the end of financial year	35,391	13,993	1,250	-	50,634
2025					
Balance at the beginning of financial year	35,391	13,993	1,250	-	50,634
Additions	12,365	3,825	1,147	1,761	19,098
Disposals	-	-	-	-	-
Amortisation	-	(3,834)	(583)	(120)	(4,537)
Foreign exchange impact	60	-	12	(6)	66
Balance at the end of financial year	47,816	13,984	1,826	1,635	65,261

Impairment

Goodwill is allocated to the cash-generating units in the table below. The impairment test for each of these units has been prepared using a value in use model with year 1 forecast cash flows approved by management and years 2 to 5 projected using an assumed growth rate. Cash flows beyond that 5-year period have been extrapolated using long term growth rates for the markets in which ARB operates.

	Goodwill \$'000	Terminal Growth Rate	Discount Rate (post tax)	Period of projection
2025				
ARB Australia	31,373	3.0%	9.0%	5 years
ARB New Zealand (aftermarket)	3,829	2.5%	10.0%	5 years
Auto Styling Truckman Group Limited	12,614	2.5%	9.0%	5 years
2024				
ARB Australia	19,553	3.0%	9.0%	5 years
ARB New Zealand (aftermarket)	3,223	2.5%	10.0%	5 years
Auto Styling Truckman Group Limited	12,614	2.5%	9.0%	5 years

No reasonable change in any of the key assumptions would result in a material impairment.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

11. RIGHT-OF-USE ASSETS

The Group leases various properties for retail and warehouse operations. Lease terms are typically contracted for an initial period of 10 years with an option to renew at the end of the initial term. Lease payments are renegotiated every 5 years to reflect prevailing market conditions.

	2025 \$'000	2024 \$'000
Lease assets		
Land and buildings under lease arrangements at cost	79,544	67,328
Accumulated depreciation	(39,553)	(33,019)
	39,991	34,309
Movements in the carrying amounts	2025 \$'000	2024 \$'000
Balance at the beginning of financial year	34,309	30,101
Additions and modifications	13,822	12,755
Disposals	-	(1,228)
Depreciation	(8,169)	(7,314)
Foreign exchange impact	29	(5)
Balance at the end of financial year	39,991	34,309

12. PAYABLES

	2025 \$'000	2024 \$'000
Current		
Trade payables	14,823	2,837
Other payables	50,340	60,044
	65,163	62,881

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

13. FINANCING ARRANGEMENTS

	2025 \$'000	2024 \$'000
Financing arrangements		
The Group has access to the following lines of credit:		
Total facilities available:		
Market loans	40,000	20,000
Lease guarantees	3,000	3,000
Standby letter of credit	2,000	2,000
	45,000	25,000
Facilities utilised at balance date:		
Market loan	-	-
Lease guarantees	1,650	1,420
Standby letter of credit	843	1,284
	2,493	2,704
Facilities not utilised at balance date:		
Market loan	40,000	20,000
Lease guarantees	1,350	1,580
Standby letter of credit	1,157	716
	42,507	22,296

(i) Market loan and international facility

The market loans and international facility are subject to annual review. Following such review, the bank retains the right at its discretion to review all of the terms and conditions of the facilities including without limitation all facility limits, fees, pricing, security and facility conditions.

(ii) Security & conditions

The above facilities are secured by a first registered company charge over all assets and undertakings of the Company and its Australian controlled entities.

14. LEASE LIABILITIES

	2025 \$'000	2024 \$'000
Lease liabilities		
Current lease liabilities	8,681	5,945
Non-current lease liabilities	37,961	34,306
	46,642	40,251
Lease expenses and cash flows		
Interest expense on lease liabilities	2,184	1,653
Amortisation expense on lease assets	8,169	7,314
Cash outflow in relation to leases	9,605	8,861

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

15. PROVISIONS

	2025 \$'000	2024 \$'000
Current		
Employee benefits	21,121	19,444
Provision for warranty	1,888	1,309
Other	68	60
	23,077	20,813
Non-current		
Employee benefits	1,851	1,316
Provision for contingent consideration payable (i)	4,500	-
	6,351	1,316
Total provisions	29,428	22,129
Total employee benefits	22,972	20,760

(i) The provision for non-current contingent consideration relates to the acquisition of the MITS Alloy business disclosed in Note 22.

Movements in the carrying amounts	Employee benefits \$'000	Provision for warranty \$'000	Provision for deferred considera- tion \$'000	Provision for contingent considera- tion \$'000	Other \$'000	Total \$'000
2024						
Balance at beginning of financial year	19,218	1,181	2,469	-	-	22,868
Additional provision in the year	14,863	128	-	-	60	15,051
Utilisation of provision	(13,321)	-	(2,469)	-	-	(15,790)
Balance at the end of financial year	20,760	1,309	-	-	60	22,129
2025						
Balance at beginning of financial year	20,760	1,309	-	-	60	22,129
Additional provision in the year	16,889	579	-	4,500	8	21,976
Utilisation of provision	(14,677)	-	-	-	-	(14,677)
Balance at the end of financial year	22,972	1,888	-	4,500	68	29,428

16. CONTRIBUTED EQUITY

			2025 \$'000	2024 \$'000
Issued and paid up capital				
83,163,152 ordinary shares (2024: 82,332,195)			230,203	197,509
Fully paid ordinary shares carry one vote and carry the right to dividends.				
Movements during the year	2025 Shares	2024 Shares	2025 \$'000	2024 \$'000
Balance at the beginning of the financial year	82,332,195	82,099,299	197,509	190,163
DRP and BSP	830,957	232,896	32,694	7,346
Balance at the end of the financial year	83,163,152	82,332,195	230,203	197,509

Capital management

When managing capital, the Board monitors, with consideration of the domestic and international economic climates, the Group's debt and liquidity levels. The capital management objective is to maintain the dividend payout ratio, whilst generating cash for future growth. It is the Board's current intention to maintain a dividend payout ratio of between 40% to 60% of net profit after tax.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

17. RESERVES

	Note	2025 \$'000	2024 \$'000
Capital profits reserve	(i)	4,090	4,090
Foreign currency translation reserve	(ii)	29,001	6,091
Cash flow hedge reserve	(iii)	(58)	(201)
Equity-settled share-based payments reserve (note 29)	(iv)	681	224
		33,714	10,204

(i) Capital profits reserve reflects previously realised profits on sale of assets.

(ii) Foreign currency translation reserve reflects exchange differences on translation of foreign operations into Australian dollars.

(iii) Cash flow hedge reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges.

(iv) Equity-settled share-based payments reserve represents the value of equity benefits provided to employees as part of their remuneration.

Movements in the carrying amounts	Capital Profits Reserve \$'000	Foreign Currency Translation Reserve \$'000	Cash Flow Hedge Reserve \$'000	Equity-Settled Share-Based Payments Reserve \$'000	Total \$'000
2024					
Balance at the beginning of the financial year	4,090	12,068	(269)	-	15,889
Amount recognised in other comprehensive income	-	(5,977)	68	-	(5,909)
Amount recognised in the profit and loss	-	-	-	224	224
Balance at the end of the financial year	4,090	6,091	(201)	224	10,204
2025					
Balance at the beginning of the financial year	4,090	6,091	(201)	224	10,204
Amount recognised in other comprehensive income	-	22,911	142	-	23,053
Amount recognised in the profit and loss	-	-	-	457	457
Balance at the end of the financial year	4,090	29,002	(59)	681	33,714

18. RETAINED EARNINGS

	Note	2025 \$'000	2024 \$'000
Retained earnings		492,699	451,703
Retained earnings			
Balance at the beginning of the financial year		451,703	401,074
Net profit attributable to members of the parent entity		97,527	102,683
Difference arising on winding up interest in subsidiary		-	11
Dividends recognised	6	(56,531)	(52,065)
Balance at the end of the financial year		492,699	451,703

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

19. PARENT ENTITY INFORMATION

	2025 \$'000	2024 \$'000
Profit before income tax expense	109,436	137,747
Income tax expense	(31,863)	(33,671)
Profit attributable to members of the parent entity	77,573	104,076
Total comprehensive income for the year attributable to members of the parent entity	77,770	103,807
Current assets	247,832	234,574
Non-current assets	383,477	335,353
Total assets	631,309	569,927
Current liabilities	59,821	56,518
Non-current liabilities	30,803	27,044
Total liabilities	90,624	83,562
Net assets	540,685	486,365
Equity		
Contributed equity	230,203	197,509
Reserves	4,672	4,088
Retained earnings	305,810	284,768
Total equity	540,685	486,365
Capital expenditure commitments		
Contracted, but not provided for and payable within one year (i)	6,390	10,988

(i) Capital expenditure commitments include commitments for the construction of various new ARB retail locations.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

20. CASH FLOW INFORMATION

	2025 \$'000	2024 \$'000
(i) Reconciliation of cash		
Cash	69,198	56,502
(ii) Reconciliations of the net profit after tax to the net cash flows from operations:		
Net profit	97,527	102,683
Add/(less):		
(Profit)/loss on disposal of non-current assets	(3,839)	(496)
Equity accounted investments share of loss	1,908	670
Write back of contingent consideration	-	2,498
Depreciation and amortisation	32,510	28,434
Allowance for credit losses of receivables	213	(155)
Provision for inventory obsolescence	496	1,590
Impact of foreign exchange	11,890	(2,349)
Share based payments expense	457	224
Other	929	545
Net cash provided by operating activities before change in assets and liabilities	142,091	133,644
Change in assets and liabilities		
(Increase)/decrease in trade receivables	(533)	(10,280)
(Increase)/decrease in other receivables	(63)	(2,498)
(Increase)/decrease in inventories	(6,469)	(8,153)
(Increase)/decrease in other assets	(8,144)	(176)
(Increase)/decrease in deferred tax asset	(2,150)	(2,559)
(Decrease)/increase in payables	2,071	5,256
(Decrease)/increase in income tax payable	(378)	9,009
(Decrease)/increase in deferred tax liability	78	(81)
(Decrease)/increase in provisions	1,450	1,123
Net cash flow from operating activities	127,953	125,285

(iii) Credit stand-by arrangements are identified at Note 13.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

21. INVESTMENTS IN ASSOCIATES**Details of associates**

Details of each of the Group's associates at the end of the reporting period are as follows:

Name of Associate	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the group	
			2025	2024
Nacho LED LLC	Sale of off-road motor vehicle lighting products	United States of America	49%	49%
ORW USA, Inc.	Sale of 4x4 Accessories	United States of America	50%	30%

All of the above associates are accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in Note 1(q).

	2025 \$'000	2024 \$'000
Investment in associates	34,187	9,898
Loan receivable from associates - Current	588	-
Loan receivable from associates - Non-current	206	-
Movement in investment in associates		
Net carrying amount at the beginning of the year	9,898	-
Associates acquired during the year (i)	25,575	11,031
Share of net profits/(losses) of associates	(1,908)	(670)
Foreign exchange	622	(463)
Net carrying amount at the end of the year	34,187	9,898
Total comprehensive income/(loss) from associates		
Share of net profits/(losses) from associates	(1,908)	(670)
Total comprehensive income/(loss) for the year	(1,908)	(670)

(i) To facilitate ORW's acquisition of the 4 Wheel Parts business on 18 October 2024, the Group increased its interest in ORW from 30% to 50% for \$24,969,000 (US\$16,688,000) and provided a loan of \$11,221,000 (US\$7,500,000). The loan was fully repaid as at 30 June 2025. The increase in the Group's interest in ORW did not result in ARB achieving control or joint-control of the entity, hence, the investment continues to be equity accounted as an associate. ARB also invested a further \$606,000 (US\$391,000) to maintain its equity ownership of 49% in Nacho during the financial year.

Recognition and measurement

The Group's investments in its associates, being entities in which the Group has significant influence and are neither subsidiaries nor joint arrangements, are accounted for using the equity method. Under this method, the investments in the associates are carried in the balance sheet at cost plus any post-acquisition changes in the Group's share of the net assets of the associates.

Goodwill relating to associates is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's investments. The income statement reflects the Group's share of the result of the operations of the associates.

Where there has been a change recognised directly in the equity of an associate, the Group recognises its share of any changes and discloses this in the statement of comprehensive income.

Where the reporting dates of the associates and the Group vary, the associates' management accounts for the period to the Group's balance date are used for equity accounting. The accounting policies of associates are consistent with those used by the Group for like transactions and events in similar circumstances.

Investment properties owned by associates are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the financial reporting period. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss of the associate, in the year in which they arise. This is consistent with the Group's policy.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

22. BUSINESS COMBINATIONS

During the financial year the consolidated entity purchased two four wheel drive accessory retail stores in Toowoomba, Queensland (1 July 2024) and Christchurch, New Zealand (1 November 2024) and a manufacturing business, MITS Alloy, in Newcastle, New South Wales (21 October 2024).

Summary of the acquisitions:

	2025 \$'000	2024 \$'000
The cost of combination recognised at acquisition date:		
Payments for business acquisition (net of cash acquired)	13,278	-
Payments for business acquisition	13,278	-
Contingent consideration valued at time of acquisition (i)	4,500	-
Total consideration	17,778	-
Less assets and liabilities acquired:		
Inventories	3,333	-
Property, plant and equipment	3,413	-
Deferred tax assets	114	-
Provisions	(423)	-
Other liabilities	(1,024)	-
Deferred tax liabilities	-	-
Fair value of identifiable net assets acquired	5,413	-
Goodwill arising on acquisition	12,365	-

(i) The acquisition of MITS Alloy allows for additional consideration to be paid contingent on prospective earnings achieved in the five years following completion.

Acquisitions for the year ended 30 June 2025 have been accounted for on a provisional basis.

The goodwill on acquisition arises as a result of the reputation, quality of employees and profitability of the businesses acquired.

Contributions since acquisition

For the year ended 30 June 2025 the businesses acquired contributed revenue of \$20,639,000 and a profit after tax of \$2,210,000 which is included within the consolidated profit for that period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

23. COMMITMENTS AND CONTINGENCIES

	2025 \$'000	2024 \$'000
Capital expenditure commitments		
Contracted, but not provided for and payable within one year		
Land & buildings	3,396	8,588
Plant & equipment (i)	10,817	7,495
Other	1,572	954
	15,785	17,037

(i) Capital expenditure commitments for plant & equipment include commitments for the construction of a new manufacturing line in Thailand.

24. EARNINGS PER SHARE

	2025 cents	2024 cents
Basic earnings per share (cents)	117.74	124.91
Diluted earnings per share (cents)	117.67	124.88
Weighted average number of ordinary shares used in the calculation of basic earnings per share	82,834,679	82,205,991
Effect of dilutive potential ordinary shares	43,685	16,871
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	82,878,364	82,222,862

25. AUDITORS' REMUNERATION

	2025 \$	2024 \$
Deloitte and related network firms (i)		
Audit or review of financial reports:		
Group	612,130	473,000
Subsidiaries	187,770	172,900
	799,900	645,900
Other assurance services under other legislation or contractual requirements	35,272	18,000
	835,172	663,900
Other auditors and their related network firms		
Audit or review of financial reports:		
Subsidiaries	53,658	40,046
Total other auditors' remuneration	53,658	40,046

(i) The auditor of ARB Corporation Limited is Deloitte Touche Tohmatsu.

(ii) Non-audit services provided by the auditor of the parent entity represent 0.0% of the total auditor's remuneration for auditing the parent entity in the current financial year (FY2024: 0.0%).

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

26. CONTROLLED ENTITIES

The consolidated financial statements include the financial statements of ARB Corporation Limited and its controlled entities listed below:

	Country of Incorporation	2025 %	2024 %
Parent entity			
ARB Corporation Limited	Australia		
Controlled entities			
Air Locker, Inc.	United States of America	100	100
ARB 4X4 Holdings, LLC	United States of America	100	100
Kingsley Enterprises Pty Ltd	Australia	100	100
Off Road Accessories Ltd (i)	Thailand	100	100
ARB Europe s.r.o	Czech Republic	100	100
ARB Middle East FZE	United Arab Emirates	100	100
ARB New Zealand Limited	New Zealand	100	100
Auto Styling Truckman Group Limited	United Kingdom	100	100
Auto Styling UK Limited	United Kingdom	100	100
ARB China Co., Ltd (ii)	China	100	-

(i) Effective 16 July 2025, the name of Off Road Accessories Ltd was changed to ARB (Thailand) Limited.

(ii) ARB China Co., Ltd was incorporated on 24 April 2025 and was dormant at the end of the financial year.

27. RELATED PARTY TRANSACTIONS**Directors**

The name of each person holding the position of Director of ARB Corporation Limited during the financial year is:

Robert D Fraser, Andrew H Brown, Roger G Brown, Shona M Faber, Adrian R Fitzpatrick, Karen L Phin and Andrew P Stott.

No Director has entered into a material contract with the Company or the consolidated entity since the end of the previous financial year and there were no material contracts involving Directors' interests subsisting at year end.

	2025 \$	2024 \$
Key Management Personnel remuneration by category		
Short term employment benefits	2,170,825	1,926,317
Long term employment benefits (i)	320,397	222,445
Post employment benefits	108,949	100,154
	2,600,171	2,248,916

(i) Included in long term employment benefits is \$133,285 (2024: \$72,081) for Lachlan McCann's LTI equity component.

Controlled entities

Details of interests in the controlled entities, being wholly-owned subsidiary companies, are set out at Note 26. All transactions between the Company and its controlled entities have been eliminated on consolidation.

Ultimate parent entity

The immediate parent entity and ultimate parent entity is ARB Corporation Limited.

Terms and conditions of transactions with related parties

Sales to related parties for goods and services are made at arm's length transactions at normal prices and on normal commercial terms.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

28. SEGMENT INFORMATION

The major products/services from which the economic entity derived revenue during the year remained unchanged and were the design, manufacture, distribution and sale of motor vehicle accessories and light metal engineering works.

The reportable segments of the Group are based on geographical locations comprising operations in Australasia, USA, Thailand and Middle East, Europe & United Kingdom.

(a) Income Statement	Australasia	USA	Thailand	Middle East	Eliminations	Consolidated
	\$'000	\$'000	\$'000	Europe & UK	\$'000	\$'000
2024						
Segment revenue						
Total segment revenue	672,604	73,610	129,728	65,117	(242,306)	698,753
Intersegmental revenues	(121,338)	(640)	(120,122)	(206)	242,306	-
Segment revenue from external source	551,266	72,970	9,606	64,911	-	698,753
Total segment result	106,149	5,881	13,063	6,182	(28,592)	102,683
Intersegmental eliminations	(16,425)	(51)	(12,096)	(20)	28,592	-
Segment result from external source	89,724	5,830	967	6,162	-	102,683
Items included within the segment result:						
Net interest income / (expense)	(182)	(165)	7	(48)	(6)	(394)
Depreciation and amortisation expense	18,153	1,694	6,691	1,656	239	28,433
Income tax expense	34,342	1,696	678	2,020	-	38,736
2025						
Segment revenue						
Total segment revenue	667,325	88,517	148,553	69,694	(235,058)	739,031
Intersegmental revenues	(98,880)	(468)	(135,248)	(462)	235,058	-
Segment revenue from external source	568,445	88,049	13,305	69,232	-	739,031
Total segment result	79,528	4,539	13,103	4,951	(4,594)	97,527
Intersegmental eliminations	7,392	(24)	(11,929)	(33)	4,594	-
Segment result from external source	86,920	4,515	1,174	4,918	-	97,527
Items included within the segment result:						
Net interest income / (expense)	(586)	(497)	8	(102)	(29)	(1,206)
Depreciation and amortisation expense	19,685	3,152	7,959	1,412	301	32,509
Income tax expense	32,671	1,647	1,429	1,664	-	37,411
(b) Statement of Financial Position	Australasia	USA	Thailand	Middle East	Eliminations	Consolidated
	\$'000	\$'000	\$'000	Europe & UK	\$'000	\$'000
2024						
Segment assets	642,019	78,403	142,763	52,771	(123,687)	792,269
Segment liabilities	101,100	25,612	23,890	16,549	(34,298)	132,853
Segment acquisition of property, plant, equipment and intangibles	43,018	1,945	6,263	732	-	51,958
2025						
Segment assets	717,651	120,549	169,437	62,683	(165,546)	904,774
Segment liabilities	124,416	41,787	19,412	17,380	(54,837)	148,158
Segment acquisition of property, plant, equipment and intangibles	45,649	3,461	13,286	6,309	-	68,705

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2025

29. SHARE-BASED PAYMENTS

The Group has established an LTI Plan to assist in the reward and retention of Senior Executives. The share-based payment expense for the year was \$457,766 (2024: \$215,135) and the balance at the end of the financial year in the equity-settled share-based payments reserve was \$681,454 (2024: \$224,454). This included deferred tax recognised directly in the reserve of \$8,553 (2024: \$9,319). The number of performance rights to be granted is determined by dividing the total value of the award by the share price at grant date.

The performance rights issued in FY2025 had a 3-year performance period whilst the initial performance rights issued in FY2024 had a 2-year and 3-year performance period as part of the transition arrangements in relation to the implementation of the LTI Plan. Performance is measured against the CAGR of the Group's EPS. The rights will vest, subject to the Senior Executive's continued service and conditional upon to the satisfaction of the performance targets.

Each performance right entitles the Senior Executive to one ordinary share in the Company when it vests. The Board may, in its absolute discretion, waive any of the above vesting conditions.

If a Senior Executive ceases to be employed before their performance rights vest, the following treatment will apply, unless the Board determines otherwise;

- (i) Where the Senior Executive resigns or is summarily terminated, all their unvested performance rights will lapse.
- (ii) If the Senior Executive ceases employment in any other circumstances including retirement, the participant will be entitled to retain a pro-rata amount of their unvested performance rights (based on the proportion of the vesting period that the participant was employed by the Group, by reference to the number of whole months employed). All other unvested performance rights held by that participant will lapse.
- (iii) Any unvested performance rights which continue to be held by the participant will be tested at the end of the vesting period, in accordance with the vesting conditions set out in the offer.

Movements in performance rights during the year were as follows:

	2025	2024
Opening balance	28,135	-
Number of rights awarded during the financial year (i)	16,737	28,135
Number of rights exercised during the financial year	-	-
Number of rights lapsed/forfeited during the financial year	(2,740)	-
Number of rights held at 30 June 2025	42,132	28,135

The fair value of the rights granted through the LTI Plan was measured using the following assumptions:

Plan	Weighted average grant date fair value	Earliest vesting date	Weighted average remaining life	Exercise price
FY2024 - 2-year performance rights plan	\$ 33.63	30-Sep-25	0.25	\$nil
FY2024 - 3-year performance rights plan	\$ 32.79	30-Sep-26	1.25	\$nil
FY2025 - 3-year performance rights plan	\$ 36.02	29-Sep-27	2.25	\$nil

Plan	Grant date	Dividend yield	Risk free rate	Volatility
FY2024 - 2-year performance rights plan	29-Sep-23	2.0%	4.1%	40.0%
	19-Dec-23	2.0%	3.8%	45.0%
FY2024 - 3-year performance rights plan	29-Sep-23	2.0%	4.1%	40.0%
	19-Dec-23	2.0%	3.8%	45.0%
FY2025 - 3-year performance rights plan	9-Jul-24	2.0%	4.1%	N/A

- (i) FY24 performance rights for KMP (Lachlan McCann) were granted on 29 September 2023. For the other Senior Executives, the performance rights were granted on 19 December 2023.

30. SUBSEQUENT EVENTS

With the exception of the declaration of a special and final dividend detailed in Note 6, there has been no other matter or circumstance, which has arisen since 30 June 2025 that has materially affected or may materially affect:

- (a) the operations, in financial years subsequent to 30 June 2025 of the Group;
- (b) the results of those operations; or
- (c) the state of affairs, in financial years subsequent to 30 June 2025 of the Group.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

Entity Name	Share of capital held	Place incorporated	Entity Type	Tax residency	
				Australia tax resident	Foreign jurisdiction
ARB Corporation Ltd	100%	Australia	Body corporate	Yes	N/A
Air Locker, Inc.	100%	United States of America	Body corporate	No	United States of America
ARB 4X4 Holdings LLC	100%	United States of America	Body corporate	No	United States of America
Kingsley Enterprises Pty Ltd	100%	Australia	Body corporate	Yes (i)	N/A
Off Road Accessories Ltd (ii)	100%	Thailand	Body corporate	No	Thailand
ARB Europe s.r.o	100%	Czech Republic	Body corporate	No	Czech Republic
ARB Middle East FZE	100%	United Arab Emirates	Body corporate	No	United Arab Emirates
ARB New Zealand Ltd	100%	New Zealand	Body corporate	No	New Zealand
Auto Styling Truckman Group Ltd	100%	United Kingdom	Body corporate	No	United Kingdom
Auto Styling UK Ltd	100%	United Kingdom	Body corporate	No	United Kingdom
ARB China Co., Ltd	100%	China	Body corporate	No	China

(i) This entity is part of a tax-consolidated group under Australian taxation law, for which ARB Corporation Ltd is the head entity.

(ii) Effective 16 July 2025, the name of Off Road Accessories Ltd was changed to ARB (Thailand) Limited.

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001*. The entities listed in the statement are ARB Corporation Limited and all the entities it controls in accordance with *AASB 10 Consolidated Financial Statements*.

The percentage of share capital disclosed for bodies corporate included in the statement represents the economic interest consolidated in the consolidated financial statements.

In developing the disclosures in the statement, the Directors have applied current legislation and where available judicial precedent in the determination of Australian or foreign tax residency.

There are no trusts, partnerships or joint ventures within the consolidated entity. Accordingly, none of the above entities was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on pages 20 to 48 are in accordance with the *Corporations Act 2001*, including:

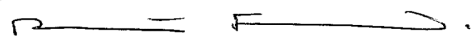
- (a) complying with Accounting Standards, and the Corporations Regulations 2001, and other mandatory professional reporting requirements;
- (b) complying with International Financial Reporting Standards as indicated in Note 1; and
- (c) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2025 and of its performance for the year ended on that date.

In the Directors' opinion, the attached consolidated entity disclosure statement on page 49 is true and correct.

In the Directors' opinion there are reasonable grounds to believe that ARB Corporation Limited will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

This declaration is made in accordance with a resolution of the Directors.



Robert D Fraser
Chairman

Melbourne, 19 August, 2025

Independent Auditor's Report to the Members of ARB Corporation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ARB Corporation Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

The key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial report of the current period. The matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Carrying value of goodwill and non-current assets <i>Refer to Note 9 Property, plant and equipment and Note 10 Intangibles in the financial statements.</i> As at 30 June 2025, the Group held goodwill of \$47.8 million, intangible assets of \$17.4 million and property, plant and equipment of \$327.3 million, which is allocated to the Group's cash generating units (CGUs). The assessment of the recoverable amount of each CGU is subject to a high level of judgement and is based on management's view of key variables and market conditions. The Group has prepared a value-in-use model to determine the recoverable amount of each CGU. The carrying value of the ARB New Zealand CGU of \$19.4 million includes a goodwill balance of \$3.8 million. The recoverable amount of the ARB New Zealand CGU is subject to significant judgement related to the estimation of future cash flows, the discount rate and the terminal value growth rate applied by management in the ARB New Zealand CGU model ("Model"). The recoverable amount is highly sensitive to changes in these assumptions. Accordingly, we consider this to be a Key Audit Matter.	Our procedures to assess the recoverable amount of the ARB New Zealand CGU included, but were not limited to: • Understanding the relevant controls and process that management has undertaken to assess the recoverable amount. • In conjunction with our valuation specialists: ○ Evaluating the appropriateness of the Model used and the valuation technique applied by management; ○ Testing the mechanics of the Model; and ○ Comparing the discount rate and the terminal value growth rate applied in the model to an independently developed rate. • Assessing and challenging the key assumptions in the Model by: ○ Agreeing FY26 budgeted cash flows to the approved management budget; ○ Comparing historical budgets to actual performance to test the accuracy of management's budgeting; ○ Challenging management on the FY26 approved budget and resulting future cash flows; and ○ Developing independent sensitivity analyses to challenge key assumptions including short term growth rates, the terminal value growth rate and the discount rate. We have also assessed the adequacy of the disclosures included in Notes 9 and 10 in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and

- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 18 of the director's report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of ARB Corporation Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



DELOITTE TOUCHE TOHMATSU



Andrew Reid
Partner
Chartered Accountants
Melbourne, 19 August 2025

19 August 2025

The Board of Directors
ARB Corporation Limited
42-44 Garden Street
Kilsyth VIC 3137

Dear Board Members

Auditor's Independence Declaration to ARB Corporation Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of ARB Corporation Limited.

As lead audit partner for the audit of the financial statements of ARB Corporation Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Andrew Reid
Partner
Chartered Accountants

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report.

SHAREHOLDINGS

Substantial Shareholders

The number of shares to which substantial shareholders were entitled as listed in the Company's register of substantial shareholders at 10 July 2025 was:

Shareholder	Ordinary	% of issued ordinary shares held
Australian Foundation Investment Company Limited	4,176,818	5.03%
Australian Super	4,806,552	5.85%
Bennelong Funds Management Group Pty Ltd	9,557,584	11.52%
First Sentier & Mitsubishi UFJ Financial Group, Inc.	5,052,287	6.08%
Rogand Pty Ltd	4,936,208	6.04%
State Street Corporation	5,041,394	6.07%
Vanguard Group	4,120,519	5.01%

Class of Shares and Voting Rights

At 30 June 2025, there were 10,461 holders of ordinary shares in the Company. The voting rights attaching to the ordinary shares are set out in the Company's Constitution.

Distribution of shareholders (as at 30 June 2025):

	Holders	%	Shares Held	%
1 - 1,000	7,425	70.97	2,288,307	2.75
1,001 - 5,000	2,338	22.35	5,277,005	6.35
5,001 - 10,000	393	3.76	2,847,033	3.42
10,001 - 100,000	276	2.64	6,023,872	7.24
100,001 or more	29	0.28	66,726,935	80.24
	10,461	100.00	83,163,152	100.00

The number of shareholders holding less than a marketable parcel at 30 June 2025 was 338.

Twenty largest shareholders (as at 18 July 2025)

Name of Holder	Number of ordinary shares held	% of issued ordinary shares held
Citicorp Nominees Pty Limited	17,547,531	21.10
J P Morgan Nominees Australia Pty Limited	13,956,217	16.78
HSBC Custody Nominees (Australia) Limited	13,857,740	16.66
Rogand Pty Ltd (Rogand Unit A/C)	4,851,183	5.83
Australian Foundation Investment Company Limited	4,225,982	5.08
BNP Paribas Noms Pty Ltd	1,683,337	2.02
BNP Paribas Nominees Pty Ltd (Agency Lending A/C)	1,555,862	1.87
Formax Pty Ltd (Reparar A/C)	1,136,723	1.37
BKI Investment Company Limited	978,590	1.18
Mirrabooka Investments Limited	811,957	0.98
Netwealth Investments Limited (Wrap Services A/C)	783,042	0.94
Djerriwarrh Investments Limited	767,135	0.92
Ms Judith Caroline Carpenter + Ms Gillian Clare Carpenter (Est Late P Carpenter A/C)	653,831	0.79
HSBC Custody Nominees (Australia) Limited (NT-Commonwealth Super Corp A/C)	442,655	0.53
Santos L Helper Pty Ltd (The Van Paassen Family A/C)	420,000	0.51
Amcil Limited	384,249	0.46
Illabarook Pty Ltd	350,000	0.42
BNP Paribas Nominees Pty Ltd (HUB24 Custodial Serv Ltd)	340,222	0.41
National Nominees Limited	316,455	0.38
BNP Paribas Nominees Pty Ltd (IB AU Noms Retailclient)	277,253	0.33

The 20 largest shareholders hold 78.57% of the ordinary shares of the Company.

There is no current on-market buy-back of shares.

CORPORATE GOVERNANCE STATEMENT

The Board of ARB Corporation Limited is committed to high standards of corporate governance and supports the principles of good corporate governance and best practice recommendations as published in the Corporate Governance Principles and Recommendations 4th Edition (the "Guidelines") of the ASX Corporate Governance Council released in February 2019.

ASX Listing Rule 4.10.3 requires ARB to disclose the extent to which it has followed these best practice recommendations. This statement outlines the key corporate governance practices of ARB, as they relate to the recommendations of the ASX Corporate Governance Council.

The Board recognises that some practices are more relevant to larger companies. The Board has adopted those practices that it believes are in the best interests of its stakeholders and will enhance long term shareholder value given ARB's specific circumstances.

This Corporate Governance Statement was approved by the Board on 19 August 2025 and is current as at that date.

1. The Roles of the Board and Management

The Board of Directors is responsible for increasing shareholder value and overseeing good governance practices through leadership and direction of the Company. The Board Charter is disclosed at <http://www.arb.com.au/about/investor-relations/> and sets out the roles, responsibilities and processes of the Board. Matters reserved for the Board include:

- setting the strategic direction and values of the Company
- appointing and reviewing the performance of the Managing Director and the Chief Executive Officer
- setting objectives for which the Managing Director and the Chief Executive Officer are responsible
- approving major investment decisions and financial budgets
- monitoring financial and operating performance
- determining capital, funding and dividend policies
- planning Board and management succession
- defining the limits to management's responsibilities
- setting the Company's risk appetite and monitoring the effectiveness of risk management
- overseeing and monitoring workplace health and safety
- overseeing the Company's sustainability practices
- ensuring the Company complies with the law and conforms to the highest standards of financial and ethical behaviour.

Board Meetings are held regularly and the Board meets on other occasions to deal with matters that require attention between scheduled meetings.

The responsibility for the operation and administration of the economic entity is delegated by the Board to the

Managing Director, Chief Executive Officer and departmental executives.

The Board of ARB and senior management monitor the performance of all Divisions through fortnightly management meetings and the preparation of monthly management accounts.

Minutes of the fortnightly management meetings are circulated to all Board members to ensure that they are aware of key developments within the Company and in the industry and environment in which it operates.

The monthly management accounts are prepared using accrual accounting principles and report each Division's results. These monthly management accounts are compared by management with monthly targets. Each Division has key performance indicators and are reviewed by the Board monthly.

The monitoring of ARB's performance by the Board and management assists in identifying the areas where additional attention is required.

The Chief Executive Officer evaluates the performance of the senior management team on an informal basis throughout the year and on a formal basis once per year. A performance evaluation was undertaken in the current reporting period. The Chief Executive Officer also ensures appropriate checks are undertaken before appointing a senior executive.

The Company Secretary is accountable directly to the Board on all matters to do with the proper functioning of the Board, through the Chairman.

There is a written agreement with each Director and Senior Executive setting out the terms of their employment.

The Board has not adopted a formal diversity policy or set measurable objectives based on diversity alone for the reasons explained in section 3 of this Corporate Governance Statement.

2. The Structure of the Board

The composition of the Board is determined in accordance with ARB's constitution and the ASX Listing Rules.

The Board regards a Director as independent if he or she is free from any material interest in, or other material relationship with, the Company, other than as a Director, which could reasonably be perceived to materially interfere with the Director's ability to exercise independent judgement with respect to the matter being considered. Independence and materiality are considered by the Board in the context of all of the relevant circumstances.

The Board presently comprises one Executive Director and six non-executive Directors (five of whom are independent non-executive Directors). The Board believes that, at present, this structure combines the skills, experience and efficiency of operation best suited to governing the Company.

The Chairman is an independent non-executive Director.

CORPORATE GOVERNANCE STATEMENT (continued)

The Board comprises a majority of independent Directors. The Board believes that all of its Directors exercise due care and skill with respect to the matters which they consider and bring independent judgement to bear in decision-making.

Committees

The Board of Directors, as part of its responsibility to oversee the strategic direction of the Company, has established guidelines and committees to ensure that its businesses operate ethically and fairly and to ensure that the assets of the Company are properly protected. The committees which the Board has established are as follows:

- Audit and Risk Committee
- Remuneration and Nomination Committee.

The Board, either directly or through the Remuneration and Nomination Committee, periodically and objectively assesses its performance and that of its committees and individual members. The Board and the Audit and Risk and Remuneration and Nomination Committees last undertook formal performance evaluations in May 2024. The Board periodically undertakes performance reviews on an informal basis.

The requirement for membership of the Remuneration and Nomination Committee is that the member must be a non-executive Director and able to make a contribution to the decision-making process. This committee is composed of the six non-executive Directors of ARB. The Board acknowledges the recommendation of the ASX Corporate Governance Council that the chair of the committee be carried out by an independent Director. Although the Chairman of this committee is not considered independent because of his substantial shareholding in the Company, the Board believes his wealth of knowledge, expertise and enduring contribution to the Company's culture, make it appropriate for him to be the Chairman of the committee.

The committee's Charter is disclosed in the Investor Relations section of the Company's web site (<http://www.arb.com.au/about/investor-relations/>).

Appointment of Directors

One of the roles and responsibilities of the Remuneration and Nomination Committee is to recommend to the Board the selection and appointment of suitable Directors to the Company after undertaking appropriate checks.

The committee considers the size and composition of the Board and the selection and appointment of new Directors as required based upon the existing expertise and experience of the Board, the future requirements of the Company and the desirability of increasing diversity as a means of enhancing shareholder value.

The Board's objective is to achieve the mix of skills and diversity that is best suited to maximising long-term shareholder value given the circumstances at any particular time. The Board believes that the Remuneration and Nomination Committee is best placed to assess these requirements rather than using intermediaries.

The conditions relating to a Director's appointment are provided to the Director in writing prior to appointment. All Directors are subject to re-election by rotation in accordance with ARB's constitution, the ASX Listing Rules and the Corporations Act. The Board provides shareholders with the necessary information in order to make an informed decision prior to the election of Directors.

Board Skills Matrix

The Board has identified the skills required of the members of the Board, which are:

- automotive and/or four-wheel drive industry experience
- manufacturing experience
- engineering experience
- management experience
- business experience, particularly in international sales and distribution
- financial management
- risk management
- corporate governance
- corporate finance
- regulatory knowledge
- legal knowledge
- sales and marketing experience, including digital
- director experience
- ability to think strategically
- high level of business acumen and integrity.

The skills matrix is subject to periodic review. The Board is satisfied that, as a group, the current Directors meet the requirements of this skills matrix.

Further information with respect to the Board is provided in the Directors' Report in the Company's Annual Report.

The Company provides appropriate induction as and when required for new Directors. The Board and the Remuneration and Nomination Committee periodically review whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their roles as Directors effectively.

Directors may obtain independent professional advice, at the Company's expense, on matters arising in the course of their Board duties after obtaining the Chairman's approval, which cannot be unreasonably withheld.

3. Ethical Business Practices

ARB is committed to being a socially responsible corporate citizen, using honest and fair business practices. The Company has articulated its values which are disclosed at <http://www.arb.com.au/about/>.

The Company's Code of Conduct and policies, including the Whistleblower and Anti-bribery and Corruption policies, apply to everyone who works for ARB and its subsidiaries including employees, consultants and Directors. The Board is informed of any material breaches of the Company's Code of Conduct or its various policies.

The Company's Code of Conduct and its policies are disclosed at <http://www.arb.com.au/about/policy/>.

CORPORATE GOVERNANCE STATEMENT (continued)

The Company also believes that an effective means of enhancing investor confidence and actively promoting ethical and responsible decision-making is for the Board and the senior management team to foster, through their own actions, an ethical corporate culture.

Similarly, the Board believes that it has fostered and that the Company and its employees have a governance culture that encourages excellence and ethical business practices to enhance long term shareholder value, including the advancement of all employees in an ethical manner as appropriate irrespective of gender, age, ethnicity, religion, sexual orientation and cultural background.

Accordingly, the Board has not adopted a formal diversity policy or set measurable objectives based on diversity alone that might otherwise endorse diversity as the principal criteria for the selection and promotion of the Company's employees and directors. An employee or Director's skills, experience and overall prospects of adding value to the Company shall take precedence over diversity considerations. The Board believes that this is consistent with its objective of generating long term shareholder value in an ethical manner.

The Company benefits from and actively employs staff in Australia and internationally from a diverse range of ethnicities, religions and cultural backgrounds.

The proportion of women employed by the consolidated entity in the following roles is as follows:

• Board	29%
• Senior executives	20%
• Office staff	43%
• Engineering	6%
• Factory & Workshops	10%
• Consolidated entity	17%

The Company complies with its reporting obligations as a relevant employer under the Workplace Gender Equality Act 2012 (Cth).

Senior executives are general managers of key business departments. The senior executive team consists of 10 individuals, two of whom are women. The Board promotes open and honest disclosure and discussion, together with consideration and respect for the interests of all stakeholders, at all Board and fortnightly management meetings.

In addition, the Board and the senior management of the Company regularly consider relevant matters including conflicts of interest, corporate opportunities, business practices, confidentiality, fair dealing, complaints handling, protection and proper use of the Company's assets, compliance with laws and regulations and reporting unlawful and unethical behaviour.

The Board has ultimate responsibility for resolving all matters concerning ethical and responsible decision-making.

These procedures are designed to ensure that the integrity of the Company is maintained and that investor confidence is enhanced.

The Company is aware of its legal and other obligations to all legitimate stakeholders. The Board believes that

appropriate recognition of these interests will enhance shareholder value in the long term.

The Board believes that the shareholders of the Company ultimately assess the performance of the Board, its committees, individual Directors and senior management based on the financial performance of the Company in the context of the commercial, legal and ethical framework within which the Company operates.

Directors' share trading

The Board of Directors has a formal policy for share dealing by Directors. This policy allows for the buying and selling of ARB shares only after approval has been obtained from the Chairman, with approval only to be given in blackout periods in exceptional circumstances and when the market is fully informed.

4. Safeguard Integrity

ARB has an Audit and Risk Committee with a formal charter that is available on the Company's web site (<http://www.arb.com.au/about/investor-relations/>).

The Audit and Risk Committee is composed of four independent non-executive Directors of ARB and is chaired by one of these independent non-executive Directors.

The Board considers that the present composition of the Audit and Risk Committee maintains integrity and is most operationally effective for a Company of ARB's size and Board composition.

The primary function of the Audit and Risk Committee is to recommend to the Board the selection and appointment of the external auditors, based on the audit requirements of the Company and the independence and suitability of the auditors. The Audit and Risk Committee also acts as an interface between the Board and the external auditors to:

- ensure that the external auditors who are selected and appointed remain appropriate to the needs of the Company
- review the independence of the external auditors
- ensure the rotation of external audit engagement partners in accordance with regulatory requirements
- review, with management and the auditors, the Company's periodic statutory accounts and reports
- review the systems and controls established by management to safeguard the assets of the Company
- monitor procedures in place aimed at ensuring compliance with the Corporations Act and the Australian Stock Exchange Listing Rules
- monitor the effective management of financial and other business risks.

The Audit and Risk Committee has reviewed the independence of the external auditors and is satisfied that they are not restricted in forming an independent view on the Group's financial report.

The provision of non-audit services by the external auditors to the Group has been restricted by the Board to ensure audit independence.

CORPORATE GOVERNANCE STATEMENT (continued)

Further information with respect to the Audit and Risk Committee is provided in the Directors' Report in the Company's Annual Report.

Prior to approving the financial statements, the Board received a declaration from the Chief Executive Officer and Chief Financial Officer that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company's process to verify the integrity of any periodic corporate reports released to the market that are not audited or reviewed by an external auditor is similar to the process it follows for all releases to the market and is designed to ensure:

- the relevant personnel who prepare the reports are appropriately qualified and have appropriate information available to them to support the relevant report
- that such reports have been checked and approved for release by authorised personnel in accordance with the Company's delegation of authority
- that relevant personnel are aware of the Company's policies, procedures and practices which are designed to assure integrity of process and avoid any improper practices which may compromise such integrity e.g. Code of Conduct, continuous disclosure, whistle-blower and anti-bribery and corruption policies.

5. Timely Disclosure of Material Matters

The Company's aim is to ensure timely, balanced and continuous disclosure to the market of all material matters concerning the Company in accordance with the ASX continuous disclosure regime.

The policies and procedures designed to ensure compliance with ASX Listing Rules and Corporations Act disclosure requirements and to ensure accountability at a senior management level for that compliance are as follows:

- the Company must notify the market, via the ASX continuous disclosure regime, of any price sensitive information
- the Directors, the Company Secretary and the Chief Financial Officer are designated as Disclosure Officers who are responsible for reviewing potential disclosures and deciding what information should be disclosed
- only a Disclosure Officer may authorise communication with external parties on behalf of the Company thereby safeguarding confidentiality of corporate information
- the onus is on all executives to inform a Disclosure Officer of all potential disclosures as soon as they become aware of the information. The senior management team is responsible for ensuring staff understand and comply with this policy
- ASX and media releases must be approved by a Director who is a Disclosure Officer

- All material market announcements are sent to members of the Board promptly after they have been released
- Copies of presentations to investors or analysts are released to the ASX Market Announcements Platform ahead of the presentation.

6. Rights of Shareholders

The shareholders of ARB are responsible for voting on the election of Directors at the Annual General Meeting in accordance with the Company's constitution.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by shareholders. ARB's policy is to facilitate and encourage effective shareholder participation at general meetings through clear and succinct notices of meeting and explanatory notes, taking time to explain the Company's future direction and strategy and through direct interaction during question times at each meeting.

ARB requires that the audit partner of the firm of auditors attends the Annual General Meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

All substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

The Company's investor relations programme creates effective two-way communication with shareholders through:

- the Annual Report which is distributed to all shareholders in accordance with their communications preferences
- continuous disclosures made to the ASX pursuant to the ASX Listing Rules
- letters to shareholders after half year and full year results announcements
- notices and explanatory memoranda in relation to resolutions to be put to a vote
- AGMs at which shareholders are given an opportunity to participate
- analyst briefings and presentations as appropriate
- the Company's web site:
<http://www.arb.com.au/about/investor-relations/>

The Company provides security holders with the option of receiving communications from, and sending communications to, the Company and its share registry electronically.

7. Risk Management

The Board has established an Audit and Risk Committee to oversee the management of business risks and internal controls. The requirement for membership of the Audit and Risk Committee is that the member must be a non-executive Director and able to make a contribution to this decision-making process. This committee is composed of four independent non-executive Directors of ARB and is chaired by one of these independent non-executive Directors. The Chief Financial Officer attends the Committee meetings.

CORPORATE GOVERNANCE STATEMENT (continued)

The Company's senior management team also identifies, assesses, monitors and manages business risks and internal control procedures by considering such matters as part of its regular fortnightly meetings.

Minutes of every senior management team meeting are circulated to the Board which has the ultimate responsibility of ensuring that the risk mitigation actions recommended at these meetings are implemented.

Risk management is a standing agenda item at all Board meetings. A Risk Register is maintained and periodically reviewed by the Audit and Risk Committee and the Board.

The Board reviews the risk management framework of the Company annually and is satisfied through its evaluation in the current reporting year, that the framework remains sound and that the Company is operating with due regard to the risk appetite set by the Board.

The Company does not have an internal audit function. Instead, as noted above, the fortnightly reports of the senior management team meetings are circulated to all Board members for them to evaluate and continually improve the effectiveness of the risk management framework and internal control processes.

ARB has identified certain risks that could materially impact the Company's performance and prospects and has implemented measures to manage those risks, as summarised below:

- **Economic risk:** ARB is exposed to general risks posed by the Australian and international economies, which may cause general or local downturns in consumer confidence and demand and in the automotive industry in particular. Strategies employed to manage these risks include the use of multiple facilities for manufacturing, distribution and sales.
- **Foreign exchange risk:** ARB is exposed to foreign exchange rate influences in its dealings with a number of countries. This risk is managed through hedging arrangements as required and by operating in different currency environments.
- **Key personnel:** Finding and retaining the right employees is important to ARB's ongoing success. ARB has appropriate succession planning strategies and career development plans in place to manage this risk.
- **Business continuity risk:** ARB faces business continuity risks which may include: a natural disaster affecting one or more sites, global pandemics, major outage of services (eg electricity), a raw material shortage and prolonged failure of a supplier to supply a critical component. This risk is managed through businesses spread across multiple sites to mitigate site specific risks, site specific Emergency Response Plans and appropriate policies of insurance.
- **Information technology risk:** ARB is exposed to the risk of a significant IT outage or cyber-attack and a loss of confidential data. ARB has in place IT

backup and disaster recovery plans and regularly updates its cyber security.

- **Tax Risk:** The Company has effective policies and processes in place to manage tax risk including direct, indirect and excise taxes and tariffs.
- **Regulatory:** Regulatory burdens and changes to regulatory requirements may adversely impact ARB's competitiveness. ARB addresses this risk through its globally diversified facilities and being at the forefront of relevant industry technology to meet changing regulatory requirements more effectively.
- **Environmental / Sustainability:** ARB is not significantly impacted by, but complies with, all environmental regulations or laws as reported in its Environmental, Social and Governance Report located at <http://www.arb.com.au/about/investor-relations/>.

The Company does not face any material exposure to risks that would compromise its ability to continue operating in a socially and environmentally sustainable way.

8. Fair and Responsible Remuneration

ARB has established a Remuneration and Nomination Committee. This Committee is composed of the six non-executive members of the Board (five of whom are independent). The Chairman of the Committee is appointed by the Board.

The primary function of the Remuneration and Nomination Committee is to review senior executive remuneration structures, review senior management succession plans and monitor Directors' remuneration levels.

The committee may engage appropriately qualified consultants to provide it with advice and recommendations.

The committee's Charter is disclosed in the Investor Relations section of the Company's web site (<http://www.arb.com.au/about/investor-relations/>).

Non-executive Directors are remunerated by way of fees and other than statutory superannuation. They do not receive any retirement benefits.

The Company has an equity-based Senior Executive Performance Rights Plan. The Company's Share Trading Policy specifically prohibits participants in the plan from entering into any scheme or arrangement which limits the economic risk of entitlements under the plan.

Additional information with respect to remuneration, including separate disclosure of policies and practices regarding the remuneration of non-executive Directors and the remuneration of the Executive Director and other senior management, is provided in the Remuneration Report in the Company's Annual Report.

ARB AROUND THE WORLD



MENA ADIHEX 2024



Australia Melbourne 4x4 Show 2024



Europe Abenteuer Allrad, Germany 2025



Thailand Motor Show 2025



USA SEMA 2024



New Zealand Fieldays 2025

ARB WILL CONTINUE TO DRIVE EXCELLENCE WITH PASSION

We will pursue growth as the industry leader in design innovation and engineering of 4WD accessories, using advanced technologies to bring new and improved products to market, rolling out new ARB Flagship stores across Australia and continuing to build on the growth experienced over the past year in export and OE markets.



For personal use only

