



4X4 ACCESSORIES

FY2024 FINANCIAL RESULT

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Damon Page - Chief Financial Officer & Company Secretary

20 August 2024





FINANCIAL HIGHLIGHTS
NEW VEHICLE SALES
SALES
PRODUCTS & OPERATIONS
OUTLOOK





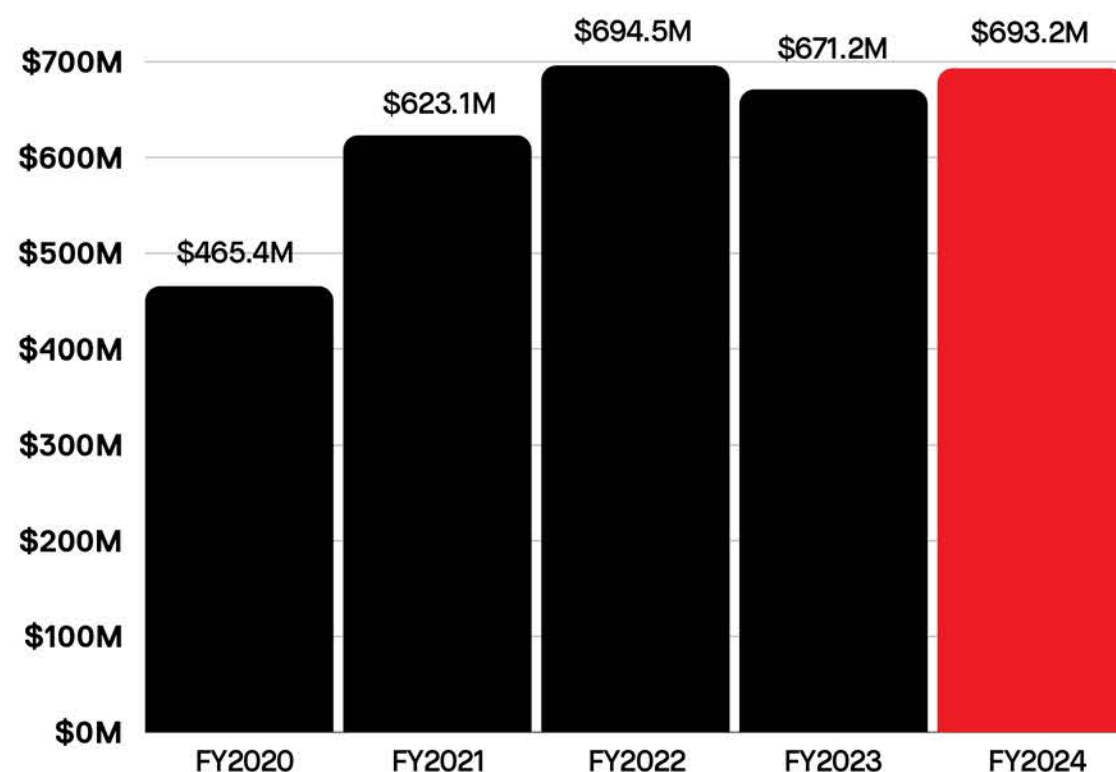
FINANCIAL HIGHLIGHTS

FY24 FINANCIAL HIGHLIGHTS



SALES REVENUE v FY23 SALES REVENUE: \$693.2M

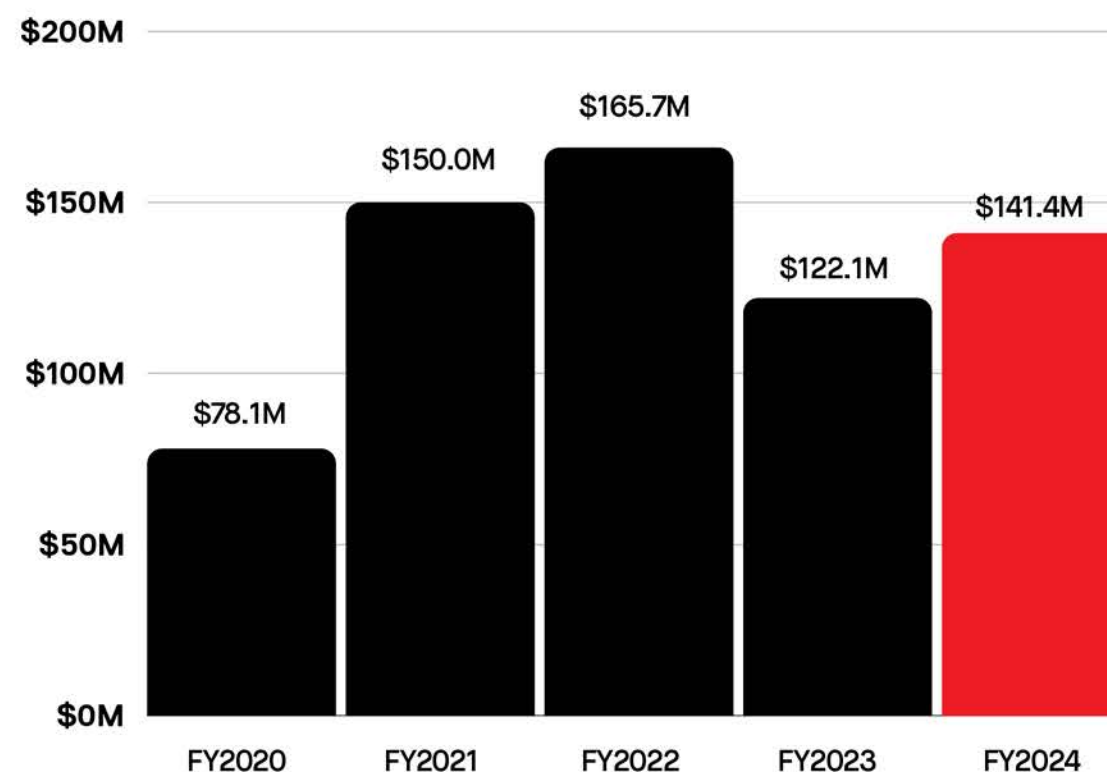
UP 3.3%



- Sales 10 year CAGR of +8.8% from FY14.
- Consolidation of step change in sales revenue between FY20 and FY22.
- Sales growth achieved in the Australian Aftermarket and OE.
- Difficult trading conditions internationally, particularly in the US.

NET PROFIT BEFORE TAX v FY23 NET PROFIT BEFORE TAX: \$141.4M

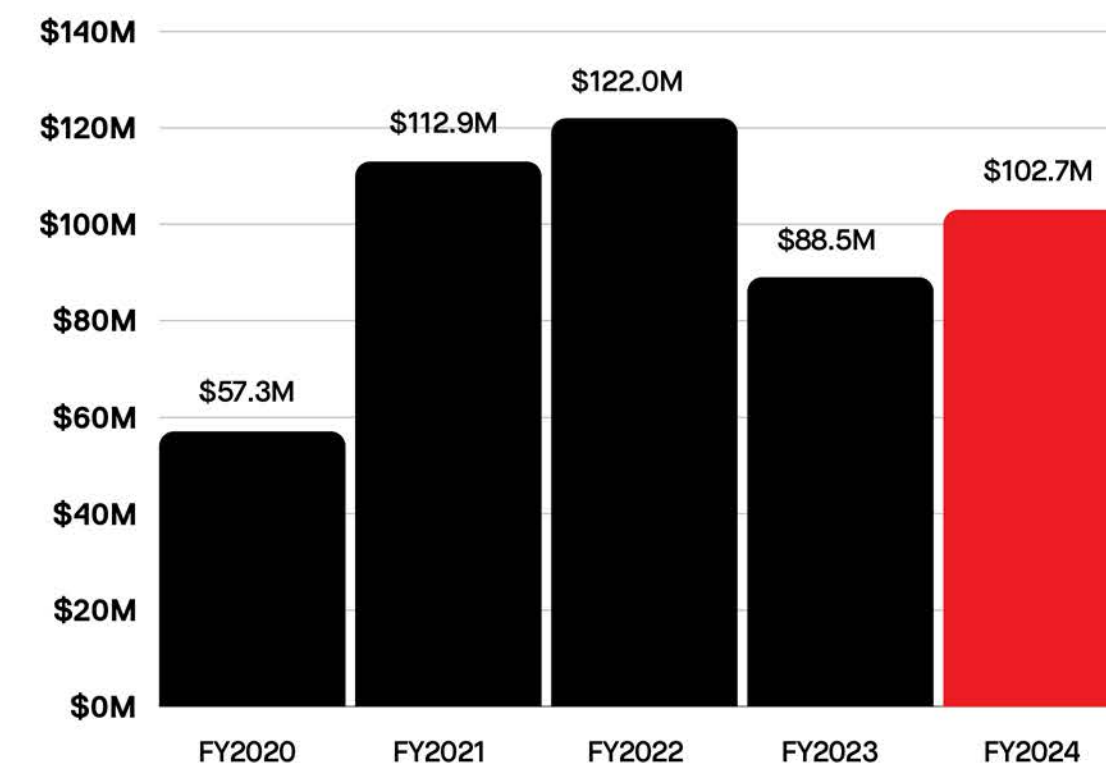
UP 15.8%



- Net profit before tax grew 17.1% after excluding the Truckman acquisition adjustments and a capital gain on the sale of a Thai factory (slide 7).
- Profit before tax 10 year CAGR of +9.5% from FY14.
- Profit growth exceeded revenue growth driven by improved gross margins due to product sales mix and operational efficiencies.

NET PROFIT AFTER TAX v FY23 NET PROFIT AFTER TAX: \$102.7M

UP 16.1%



- Net profit after tax grew 18.1% after excluding the Truckman acquisition adjustments and a capital gain on the sale of a Thailand factory (slide 7).
- Profit after tax 10 year CAGR of +9.2% from FY14.
- Effective tax rate was comparable at 27.4% v 27.5% in FY23.
- Earnings per share of 124.9 cents, up 15.7%.

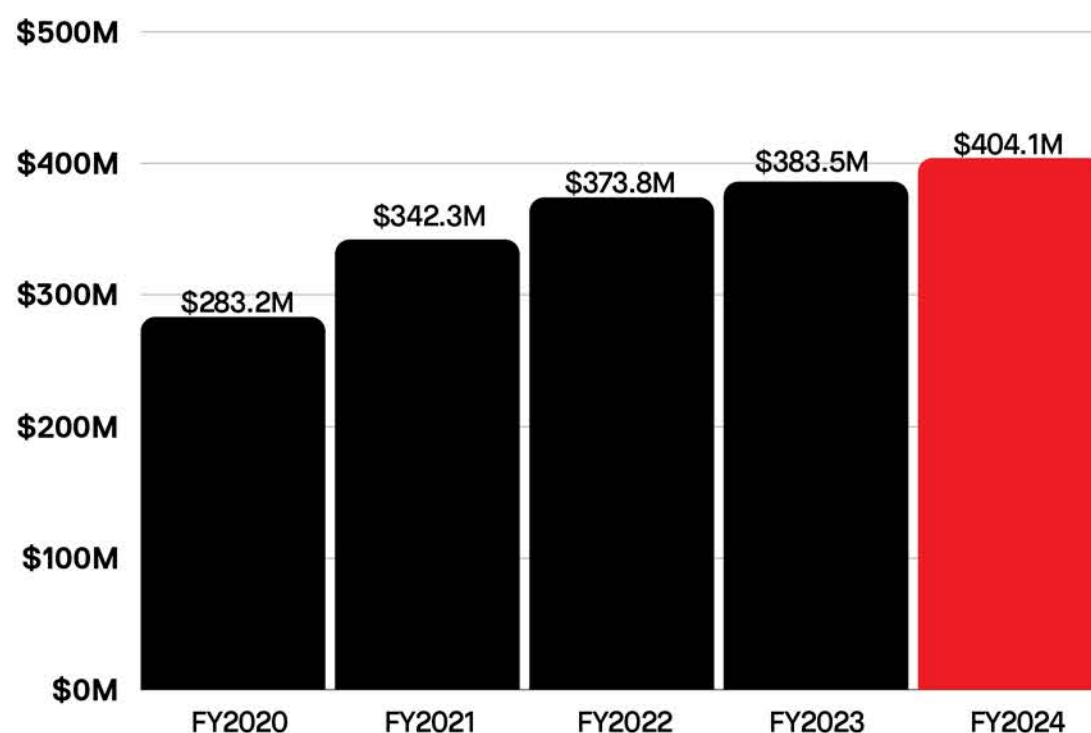
FY24 FINANCIAL HIGHLIGHTS



TOTAL GROUP SALES BY CHANNEL

AUSTRALIAN AFTERMARKET V FY23
SALES REVENUE: \$404.1M

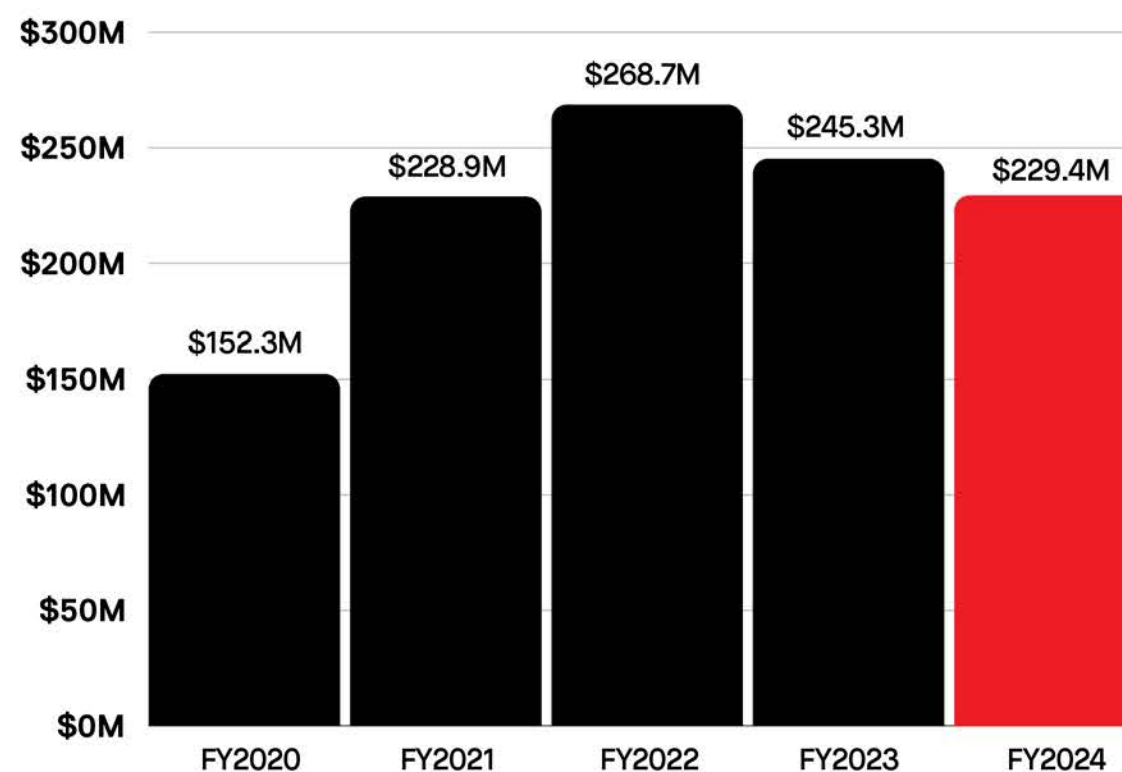
UP 5.4%



- Represents 58.3% of total sales (FY23: 57.2%).
- Growth of 5.4% for the full financial year with growth of 7.1% in the second half.
- Mixed results across sales channels.
- Improved vehicle availability.
- Improved fitting capacity and efficiencies.

EXPORT SALES V FY23
SALES REVENUE: \$229.4M

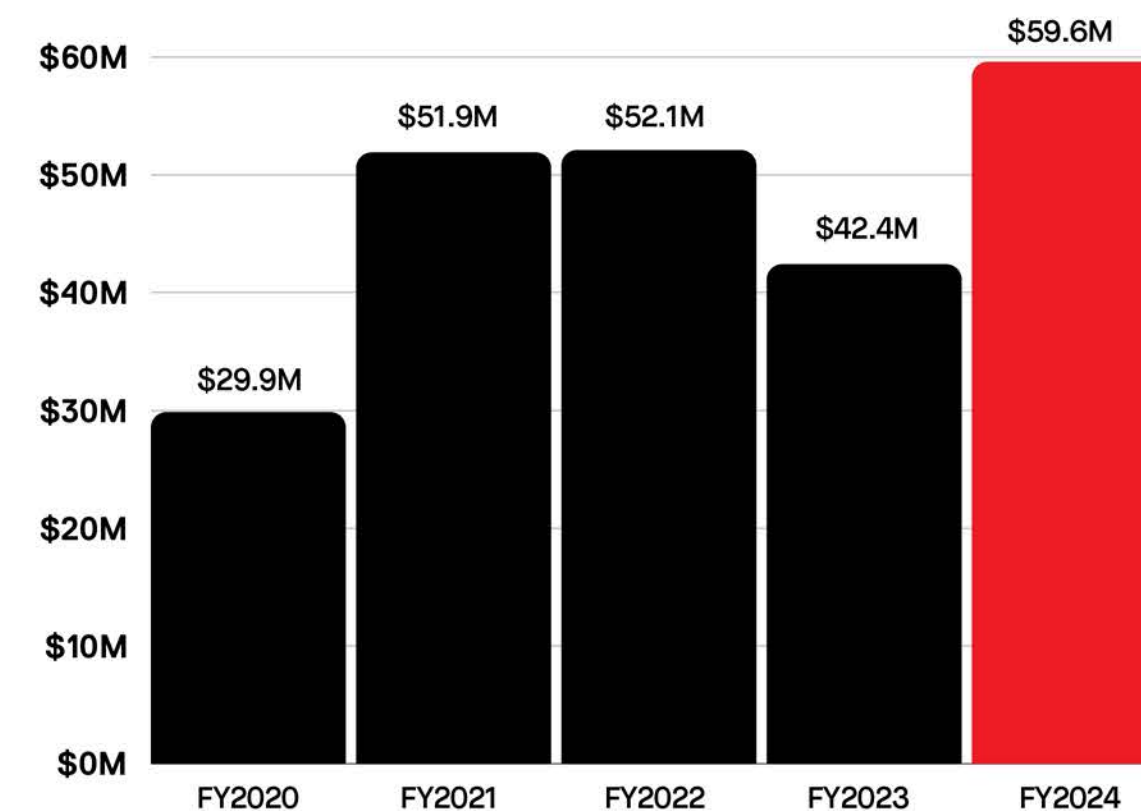
DOWN 6.5%



- Represents 33.1% of total sales (FY23: 36.5%).
- Difficult trading conditions internationally, particularly in the US albeit a stronger second half and continuing to trend positively.
- Rebound in sales in the UK with improved new vehicle supply.

ORIGINAL EQUIPMENT V FY23
SALES REVENUE: \$59.6M

UP 40.5%



- Represents 8.6% of total sales (FY23: 6.3%).
- New contracts already in place to underpin growth in FY25.

FY24 PROFIT & LOSS STATEMENT **FINANCIAL HIGHLIGHTS**



4X4 ACCESSORIES

A\$000s	FY24	% SALES	FY23	% SALES	\$ CHANGE	% CHANGE	COMMENTS
Sales	693,154		671,240		21,914	3.3%	
Other revenue (excl gain on sale of Thai factory below)	4,344		3,797		547	14.4%	
Total Revenue	697,498		675,037		22,461	3.3%	
Materials & consumables used	(296,468)	43%	(314,570)	47%	18,102	5.8%	Improved margin: pricing and reduced freight costs
Employee expenses	(159,668)	23%	(150,134)	22%	(9,534)	(6.4%)	Right size workforce, market adjustments, contemporise incentives
Depreciation and amortisation expense	(28,434)	4%	(25,884)	4%	(2,550)	(9.9%)	
Advertising expense	(8,487)	1%	(7,323)	1%	(1,164)	(15.9%)	Resumption of marketing activities
Distribution expense	(16,728)	2%	(16,685)	2%	(43)	(0.3%)	Distribution costs in 2H reduced to historical levels
Finance expense	(1,693)	0%	(1,684)	0%	(9)	(0.5%)	
Occupancy expense	(17,813)	3%	(15,373)	2%	(2,440)	(15.9%)	Cost increases in rent, power (including factory power)
Maintenance expense	(6,681)	1%	(6,057)	1%	(624)	(10.3%)	
Equity accounted share of profit/(loss)	(670)	0%		0%	(670)	(100%)	Investments in Off Road Warehouse 30% and Nacho startup 49%
Other expenses	(18,194)	3%	(15,517)	2%	(2,677)	(17.3%)	Increased travel and insurance premium costs
Underlying Profit before income tax expense	142,662	21%	121,810	18%	20,852	17.1%	
Impairment loss on Truckman goodwill	-		(13,407)				
Change in fair value of contingent consideration	(2,498)		13,673				
Sale of factory in Thailand	1,255		-				
Reported Profit before income tax	141,419	20%	122,076	18%	19,343	15.8%	

Materials and consumables used decreased from 47% of sales value to 43%.

Inflationary pressure on the Company's cost base moderated through the financial year. Weaker AUD persists.

Sales price adjustments have now fully filtered through the customer order book reflected in improved margins.

Management is closely monitoring headcount, market conditions and employee expenses.

Operational costs impacted by higher inflationary period.

Gross profits are cycling consistent levels in Q1 FY2025.

(i) Adjustments to the Truckman contingent consideration and goodwill were reported in detail in the 1H FY23 financial report.

FY24 CASH FLOW FINANCIAL HIGHLIGHTS



\$125.3M

CASH FLOWS
FROM OPERATIONS

\$102.7M

Profit after tax

Cash flows from operations broadly
equal profit after tax plus
depreciation

Receivables +\$9.1m
Inventory +\$7.4m
Payables -\$3.3m
Income tax payable -\$9.0m

\$48.1M

PAYMENTS FOR PROPERTY,
PLANT AND EQUIPMENT

\$33.1M

Property

\$15.0M

Plant & equipment

\$44.7M

CASH DIVIDENDS

FY23 Final dividend 30.0 cps
FY24 Interim dividend 34.0 cps
DRP & BSP takeup of 15%

All dividends fully franked
@ 30% tax rate

FY24 final dividend of 35.0cps

\$56.5M

NET CASH
HOLDINGS

\$0

Debt

Net cash up \$11.6m

NEW VEHICLE SALES

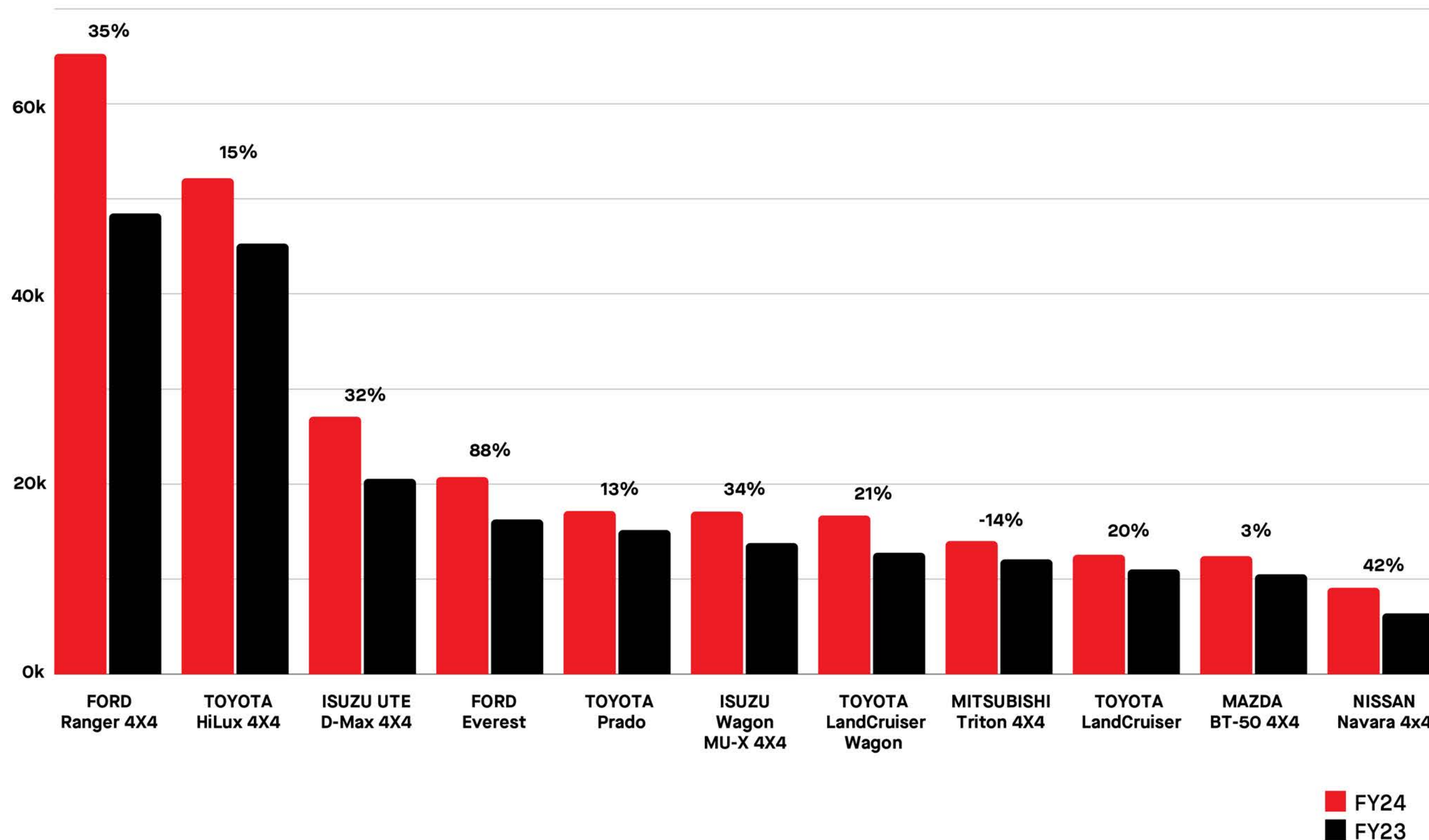


FY24 AUSTRALIAN NEW VEHICLE SALES V FY23



NUMBER OF VEHICLES SOLD ('000S)

PERCENTAGE CHANGE FY24 V FY23



Strong new vehicle sales for core ARB models in the financial year.

Australia's continued appetite for 4x4 pick-up vehicles highlighted in registration growth. Most notably Ford Ranger, Toyota HiLux and Isuzu D-Max.

Ford Everest growth coupled with the Ford License Accessory program has benefited ARB.

LandCruiser Prado, an important platform for ARB, struggling through a model change.

Forecast new vehicle sales for FY2025 are expected to be similar to sales in FY2024.

SALES



FY24 RESULTS AFTERMARKET RETAIL STORES



74 ARB STORES
IN TOTAL
NATIONWIDE

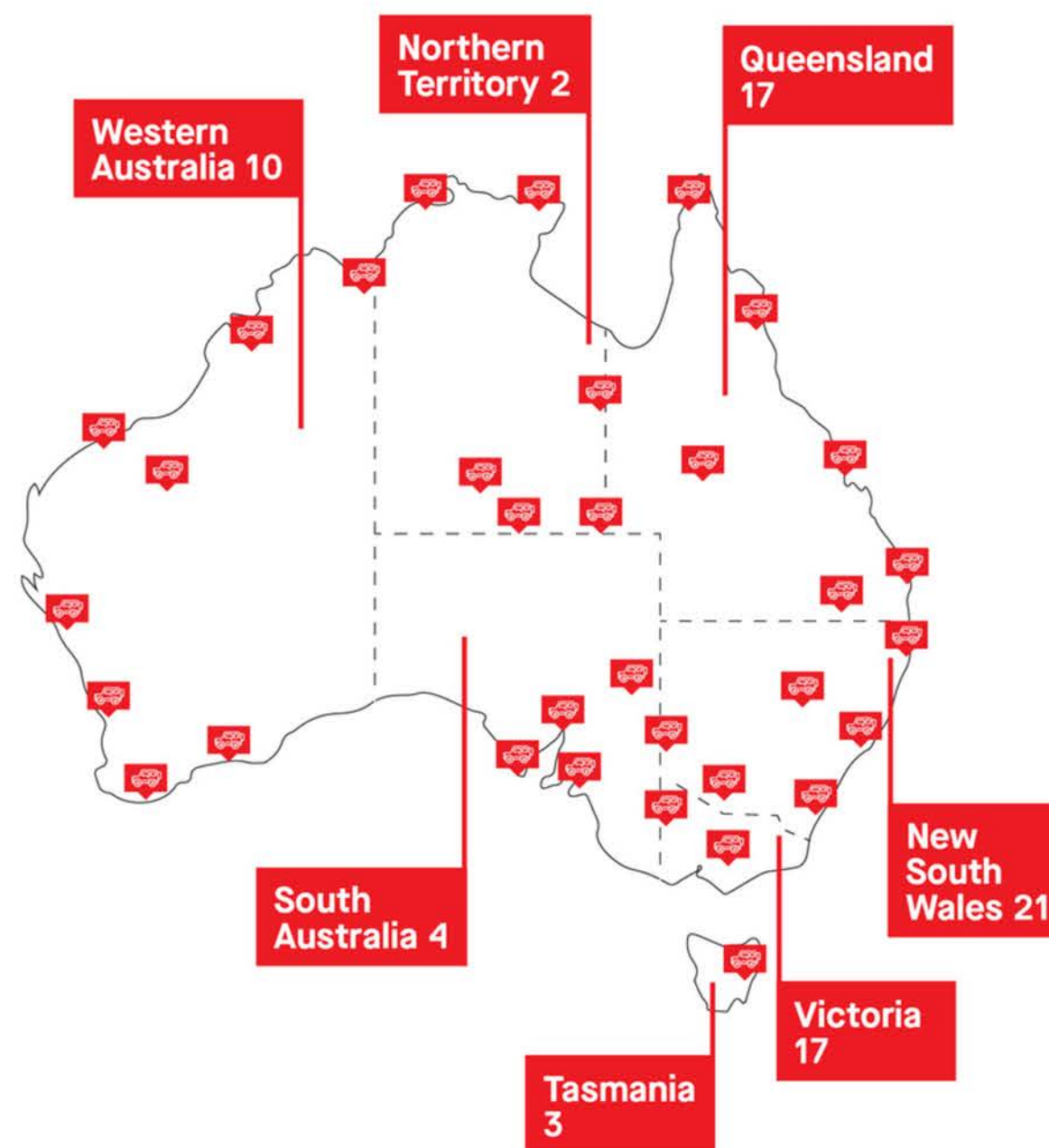
FLAGSHIP ARB STORE
DEVELOPMENTS DUE IN FY2025

6 INDEPENDENT
FLAGSHIP
UPGRADES

4 INDEPENDENT
FLAGSHIP - ALL
NEW SITES

3 CORPORATE
FLAGSHIP
UPGRAGES

1 CORPORATE
FLAGSHIP - ALL
NEW SITE



The Company's flagship store program continues to develop with deep investments being made by the Company and independent ARB store owners.

The store development program includes both refurbishment of existing locations and development of all new locations including the conversion of ARB stockists to Flagship partner stores.

ARB is actively seeking new development sites in focused metropolitan and regional areas nationally.

The resources to increase the pipeline of new store developments beyond FY25 remain a focus.

Australian Aftermarket remains strong representing 58.3% of ARB sales.

FY24 ARB NATIONAL SALES **NEW STORE UPDATES**

HAMILTON, NEW ZEALAND

- First flagship store outside of Australia.
- Grand opening 13 April 2024.
- North Island, NZ, ARB flagship store.
- Supported by a grand opening event and media activity.



BUNDABERG, QLD

- Build well underway and has been progressing to schedule.
- Team prepping current site for an efficient changeover.
- Expected to be open late August 2024.



MORNINGTON, VIC

- Open date - 16 September 2024.
- Grand opening event 21 September 2024.



MITTAGONG, NSW

- All new site being developed by the current independent store owner of ARB Wollongong, NSW.
- Fantastic opportunity for growth in Southern Highlands with proximity to Bowral and Moss Vale.
- Estimated opening H1 FY2025.

TOOWOOMBA, QLD



- ARB has taken ownership of ARB Toowoomba, a privately held store.
- Business owner is retiring.
- Significant market with a broad geographic footprint.
- Takeover date 1 July 2024.

DEALERSHIPS



5 Ford Dealers (FLA)



2 Mitsubishi Dealers



4 Toyota Dealers



1 Suzuki Dealer



1 Jeep Dealer



1 Isuzu Dealer



2 Nissan Dealers

CITIES/TOWNS IN THE AREA

- Territory includes Western Darling Downs corridor, Chinchilla, Roma, Gatton and Biloela.

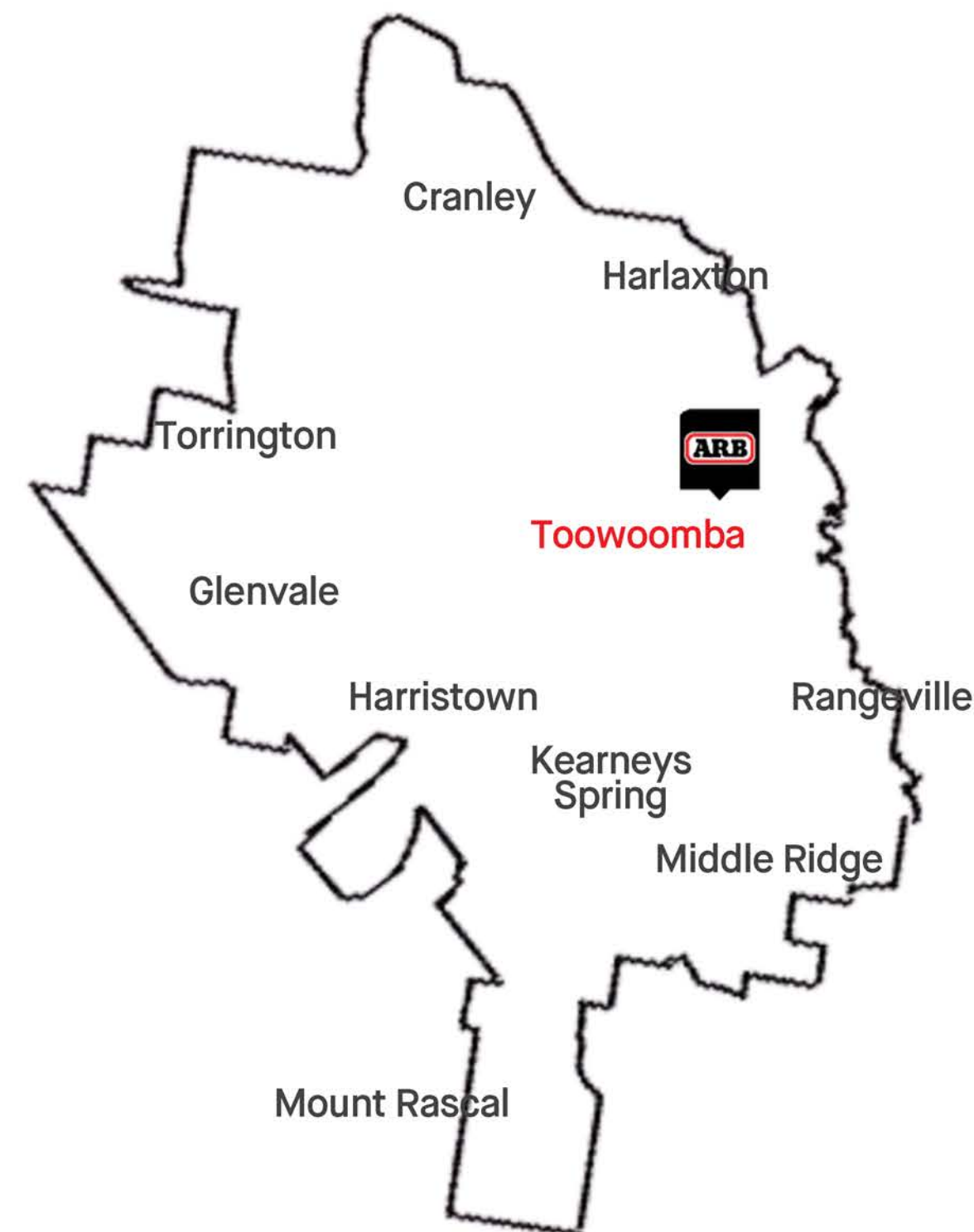
EMPLOYEE COUNT



19 Staff Total

- 4 Sales
- 4 Warehouse
- 11 Fitters

GEOGRAPHICAL MAP TOOWOOMBA



FY24 ARB NATIONAL SALES PERFORMANCE

MARKET UPDATE

The Australian Aftermarket performed well in FY24 with sales up 5.4%. Retail sales in corporate stores remained relatively flat. Sales to independant stores and stockist showed positive growth, while sales to motor vehicle dealerships and fleet companies grew strongly.



ENGAGEMENT

- Fitter turnover continues to trend positively. The Company now has a record number of fitters.
- Fitter turnover levels vary greatly from State to State: in VIC/TAS turnover is at an all time low, NSW and WA continue to present challenges.
- Fitter pathway and fast-track induction programs are progressing well.
- Experienced workshop fitters with 3+ years' tenure continue to rise.



Heading

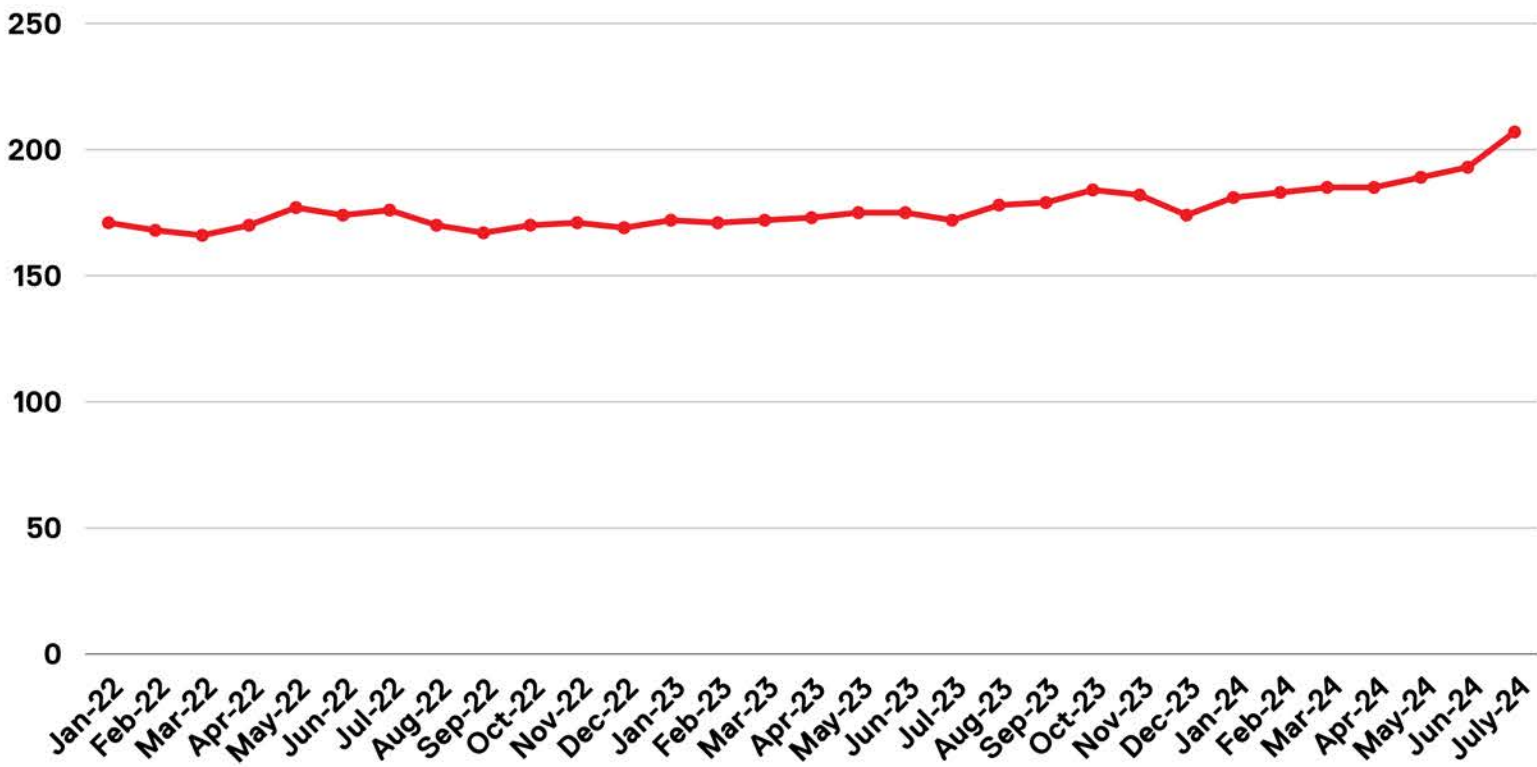
PERFORMANCE

- Workshop performance is directly correlated to tenure and product mix. Higher volumes of fleet work through the workshops has improved efficiency.
- Fast Track induction program does slow output as new fitters get up to speed.
- Skill development and training via ARB-U remains a business focus.

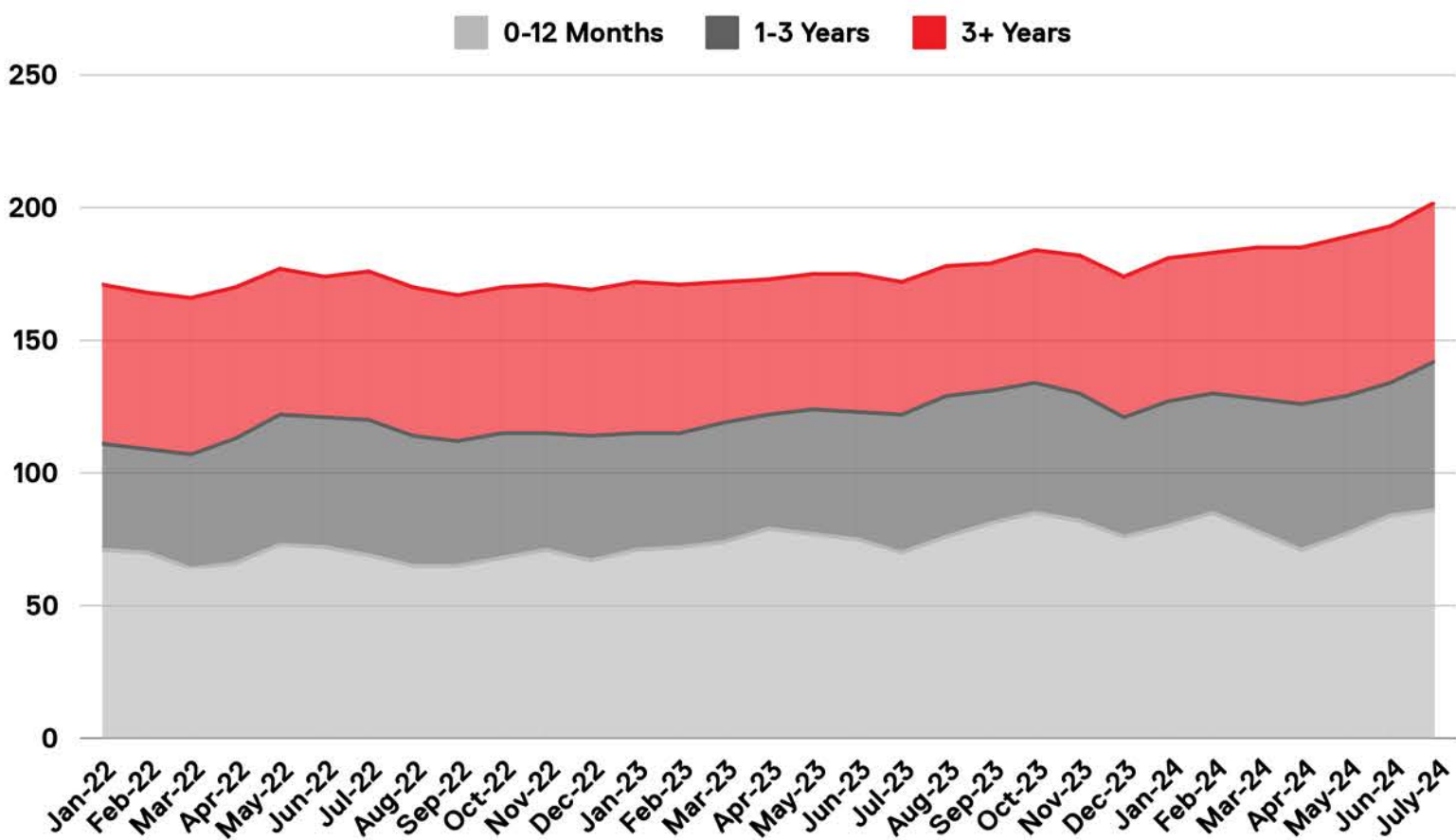


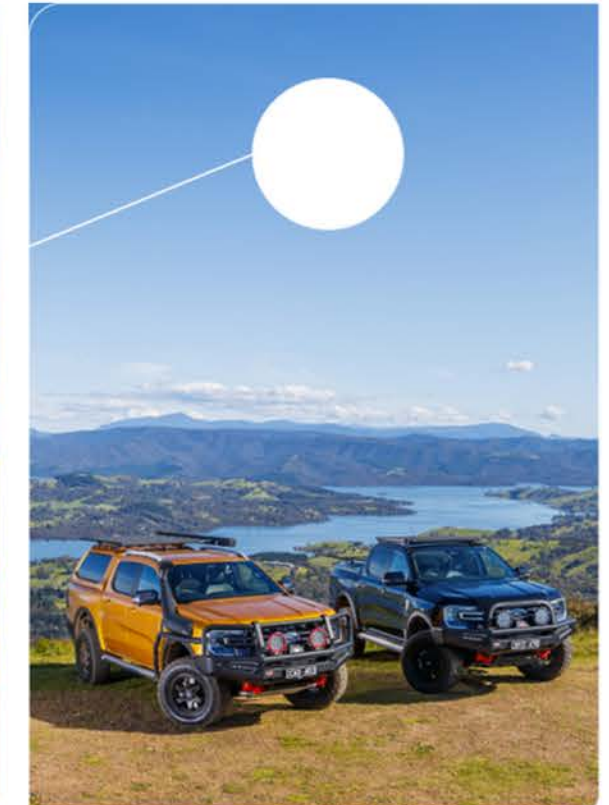
4X4 ACCESSORIES

TOTAL 4X4 TECHNICIANS



4x4 TECHNICIAN TENURE



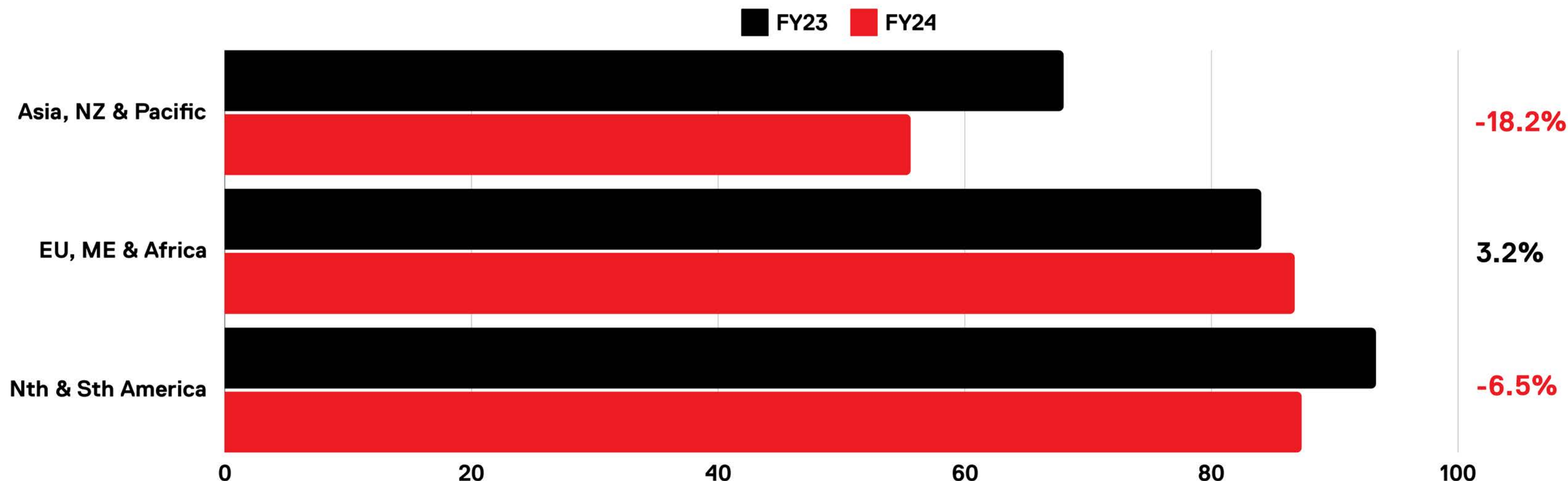


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Ford Licensed Accessory program continues to grow, backed by strong corporate collaboration.

ARB EXPORT SALES BY REGION (A\$ Millions)



Export business recorded a net decrease of 6.5% in FY24. Sales decreased by 13.6% in H1 FY24 but improved with slight growth in H2.

Truckman continued its positive results in H2 FY24, recording strong revenue and profits in line with a recovering vehicle market.

Weakness through Asian markets, particularly China, compounded the negative result through Asia Pacific. Low consumer confidence and weak new vehicle sales impacted revenue.

Export sales represents 33.1% of ARB sales.

SALES



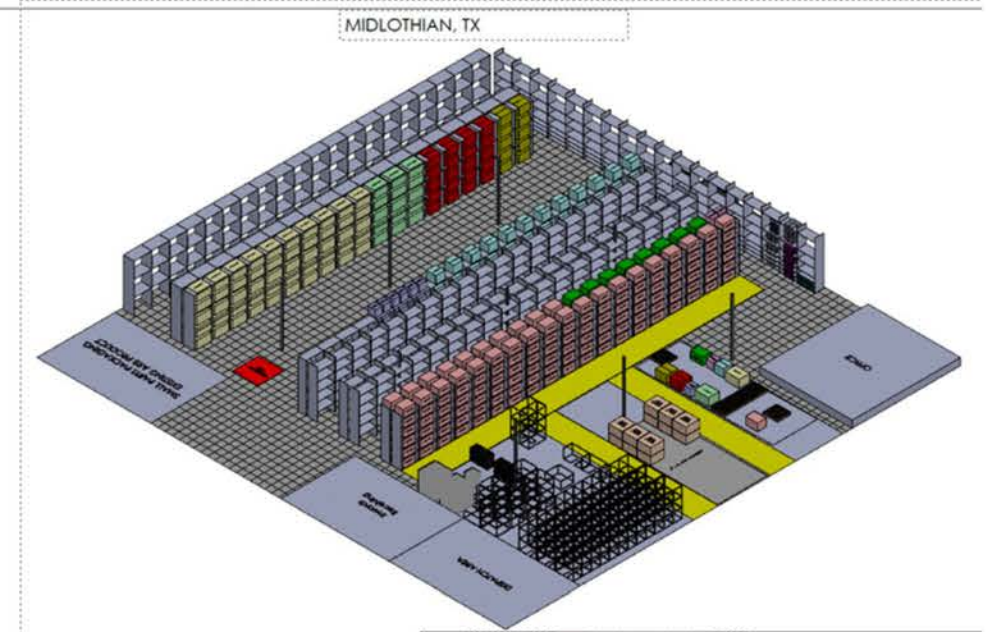
- Market conditions in the USA remain challenging, with industry wide headwinds both in new vehicle sales and the automotive aftermarket industry.
- Despite this, ARB USA continues to invest in brand development, promotional initiatives and distribution capability across the USA.
- ARB's sales and marketing continues to strengthen as the business builds an experienced and high-performing team to drive growth when the market recovers.

SEATTLE RETAIL



- Seattle retail site remains on schedule for opening in Q2 FY2025.
- Civil and building permits have been submitted to council.
- Construction is due to commence in Q1 FY2025.

DISTRIBUTION EXPANSION



- In anticipation of expansion of OEM and aftermarket business, ARB will expand the Texas distribution centre from 4,000sqm to 10,000sqm within H1 FY25.
- ARB has also leased a small distribution centre in Los Angeles to support eCommerce sales and the Off Road Warehouse business in California.

USA sales recovered in H2 FY2024 with a positive outlook for FY2025.

FY24 ARB USA OEM UPDATE



TACOMA TRAILHUNTER

- Brand partner for Tacoma Trailhunter model: rear bumper, recovery points, BedRack, Old Man Emu suspension.
- Supply of in-line production products and dealer installed products has commenced.
- Fantastic market feedback from wholesale and retail customers.

TRAILHUNTER



4RUNNER TRAILHUNTER

- Brand partner for 4Runner Trailhunter model: roof rack and Old Man Emu suspension.
- Model launched on 10 April 2024.
- Launch content included ARB Earth Camper.
- Fantastic market feedback from wholesale and retail customers.
- Product supply to commence in Q2 FY25.





FY24 ARB USA OFF ROAD WAREHOUSE AND NACHO



**30%
OWNERSHIP**

- Off Road Warehouse (ORW) has officially opened its newest location in Denver, Colorado.
- The grand opening of ORW Denver was held on 22 June 2024.
- This marks the 11th location for ORW in the US.
- Business conditions remain challenging, however, ORW continues to grow.
- ARB sales to ORW stores are growing steadily.
- While the ORW business is in a growth and re-investment phase, it is returning a profit.



**49%
OWNERSHIP**

- NACHO business is performing above expectations in both order intake and sales.
- New product pipeline is exciting with new product consistently coming to market.
- The official launch of NACHO's latest offering, Grande, through the USA, Australia and international markets took place recently.
- NACHO has won and is supplying OEM like contracts with US based vehicle builders.
- Sales through ARB channels continue to grow.

FY24 EXPORT UK TRUCKMAN

ARB's UK Truckman business produced an excellent financial result recovering from a challenging FY23 due to low vehicle registrations.

UK vehicle registrations recovered to historical levels in FY24 as did Truckman's sales.

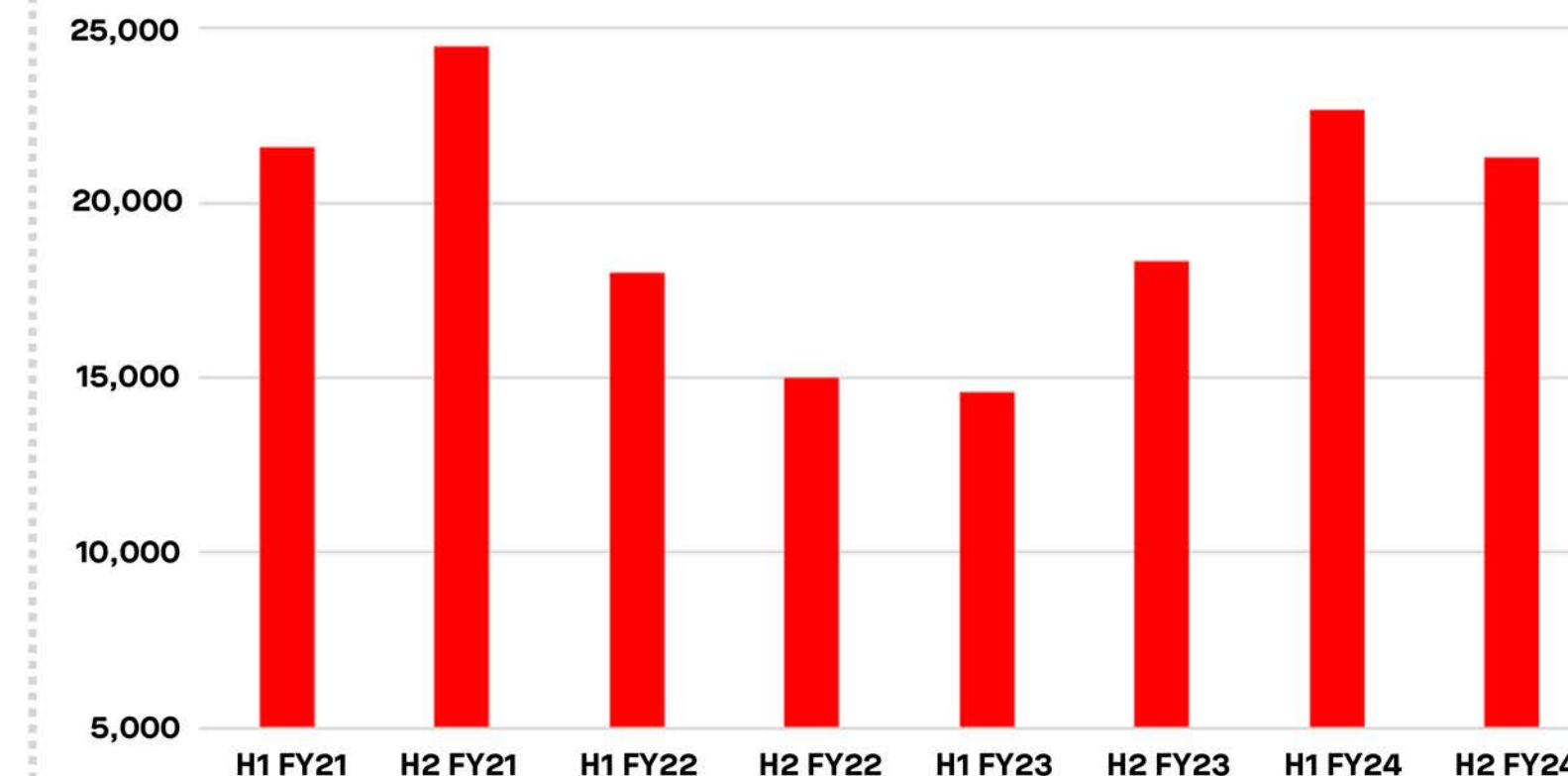
Truckman's eCommerce business has seen consistent growth in the last 12 months, both www.truckman.co.uk and www.arb.co.uk.

ARB sales through Truckman and the UK market are growing consistently. OEM partnerships such as the Isuzu ARB Hub partnership are supporting both brand and sales growth in the UK.

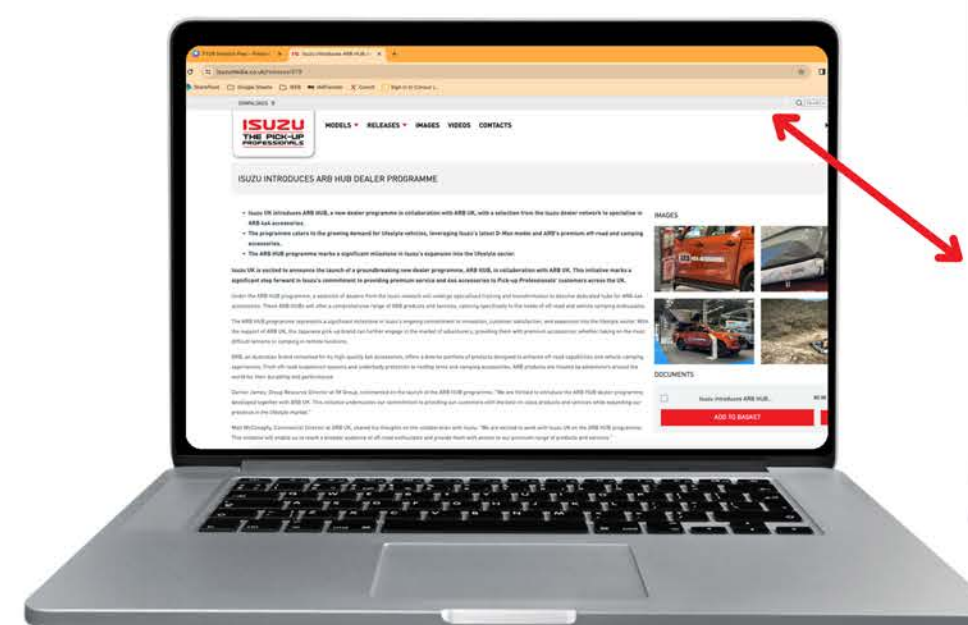
 **Positive outlook as vehicle supply improves.**



TRUCKMAN (UK) KEY VEHICLE REGISTRATIONS AUSTRALIAN FINANCIAL YEAR



ISUZU X ARB PRESS INFORMATION 25 APRIL 2024

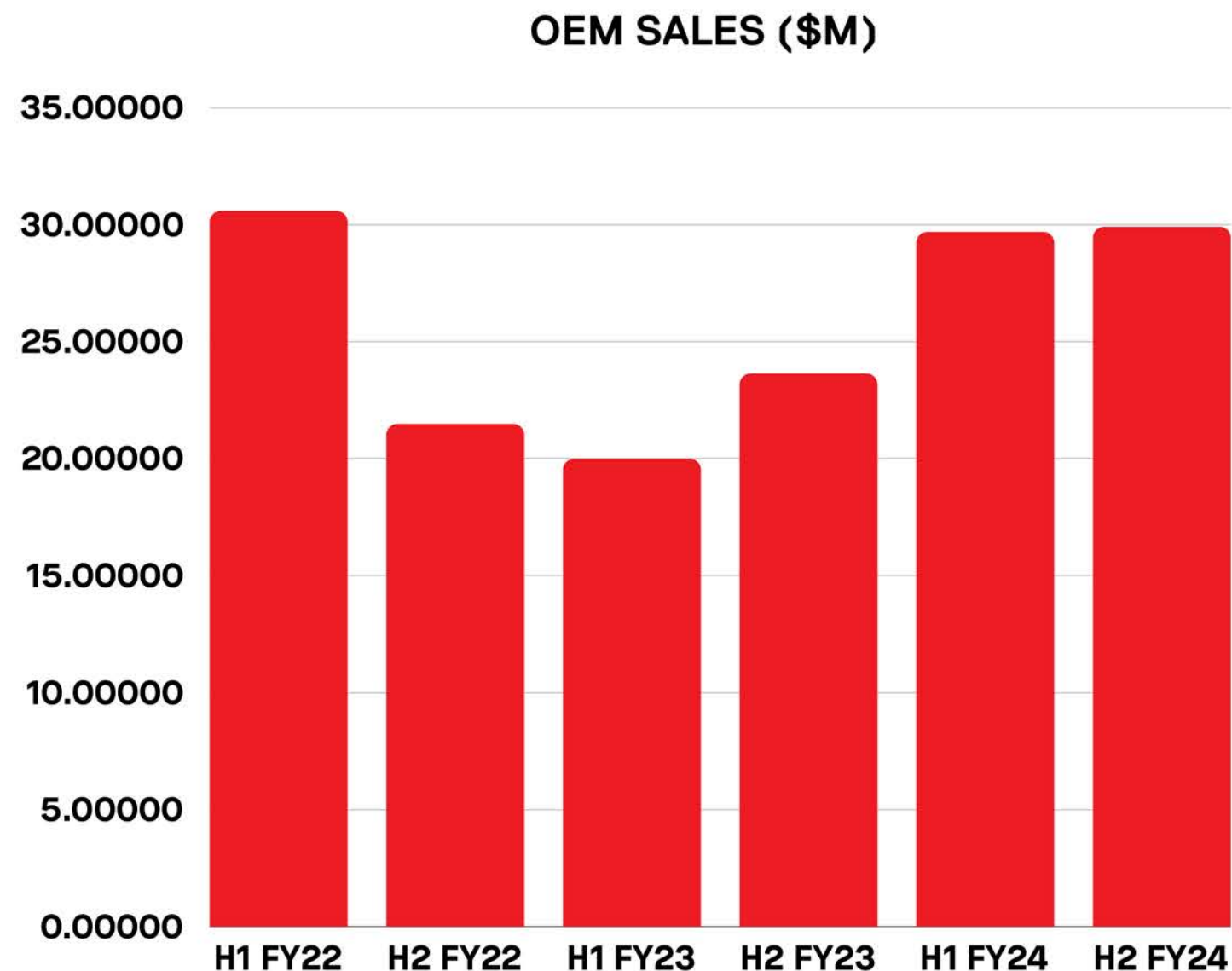


ISUZU INTRODUCES ARB HUB DEALER PROGRAMME

- Isuzu UK introduces ARB HUB, a new dealer programme in collaboration with ARB UK, with a selection from the Isuzu dealer network to specialise in ARB 4x4 accessories.
- The programme caters to the growing demand for lifestyle vehicles, leveraging Isuzu's latest D-Max model and ARB's premium off-road and camping accessories.
- The ARB HUB programme marks a significant milestone in Isuzu's expansion into the lifestyle sector.

Isuzu UK is excited to announce the launch of a groundbreaking new dealer programme, ARB HUB, in collaboration with ARB UK. This initiative marks a significant step forward in Isuzu's commitment to

FY24 ORIGINAL EQUIPMENT MANUFACTURERS



Overall OEM sales improved 40.5% on a YOY basis.

OEM sales represented 8.6% of total FY24 sales.

New projects typically have a 2-year to 4-year development cycle. ARB has a record number of projects currently underway for OEMs in Australia and overseas.

Sales to OEMs are forecast to grow in FY25, noting that sales to Toyota USA for the Trailhunter business will be recorded as a USA sale.

New contracts with Toyota USA will be announced during FY2025.



PRODUCTS & OPERATIONS



FY24 HEAD OFFICE REDEVELOPMENT



- New Kilsyth, VIC, head office redevelopment.
- Due for completion in H2 FY25.
- Victorian Government Minister for Jobs and Industry, Women and Treaty and First Peoples, Hon Natalie Hutchins MP, visited the new head office, new R&D facility and adjoining factory in July 2024.
- New flagship showroom to open at the end of this year as part of the final phase of development.



EARTH CAMPER



- Global interest in the ARB Earth Camper remains strong.
- Production challenges in the new build process has slowed the roll-out.
- The business has invested in additional quality processes and infrastructure.
- Campers are now being built and shipped from Thailand to satisfy Australian orders.
- Engineering works continue on Camper modifications for US compliance which are expected to be completed within FY25.

ZENITH BAR



- Originally designed for Bronco for the US market, the Zenith lower bar received positive market feedback and is being extended to other models.
- The Zenith Bar is well suited to the US full-sized truck range which has been a priority in development.
- Product will come to market during H1 FY25.

EV - RIVIAN



- In H2 FY24, ARB imported from the US a Rivian EV.
- Engineering teams through chassis, electrical, suspension and drivetrain are presently studying this platform.
- Advance planning on accessory development for EV vehicles is well underway.
- OEM partnerships have provided further insights into various other EV platforms.

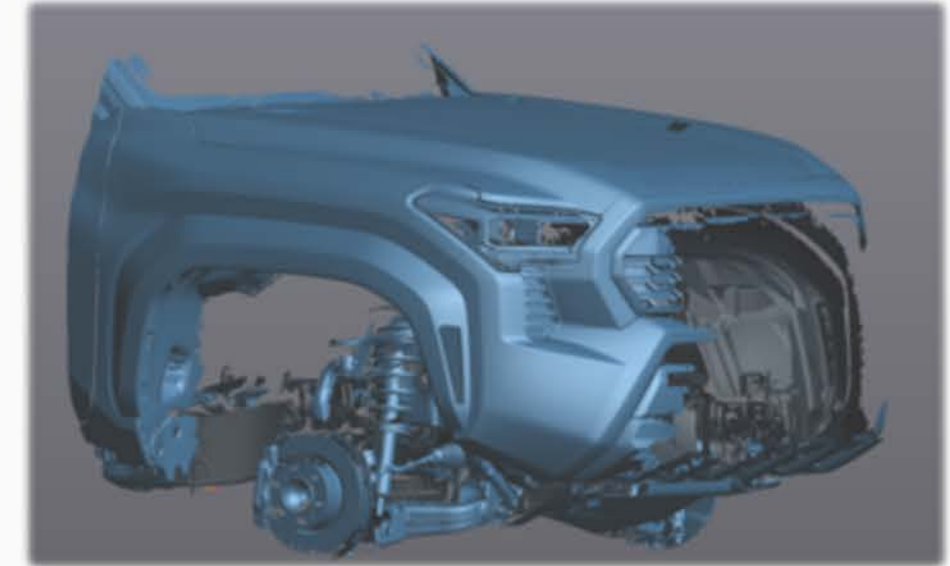
NITROCHARGER+



- A number of years ago ARB made the strategic decision to move away from our long term supplier of Nitrocharger shock absorber.
- The new supplier is a global leader in the design and manufacture of shock absorbers to both the global aftermarket and tier one OEM customers.
- The program involved multi-million dollar investment in R&D, plant and equipment and dedicated tooling.
- There were a number of early production issues resulting in supply constraints during FY2024 which impacted sales. These issues are now resolved.

ENGINEERING & DEVELOPMENT

- ARB continues to invest in design and development for key US platforms.
- In the last 6-months ARB has airfreighted both the new Toyota Tacoma and Toyota LandCruiser to Australia to expedite new product for these platforms.
- A new engineering centre in the USA for localised product development has been approved. Recruitment for engineers has commenced.
- ARB anticipates its US R&D facility to launch in H1 FY25.



TOYOTA TUNDRA



TOYOTA LANDCRUISER 250 (PRADO)



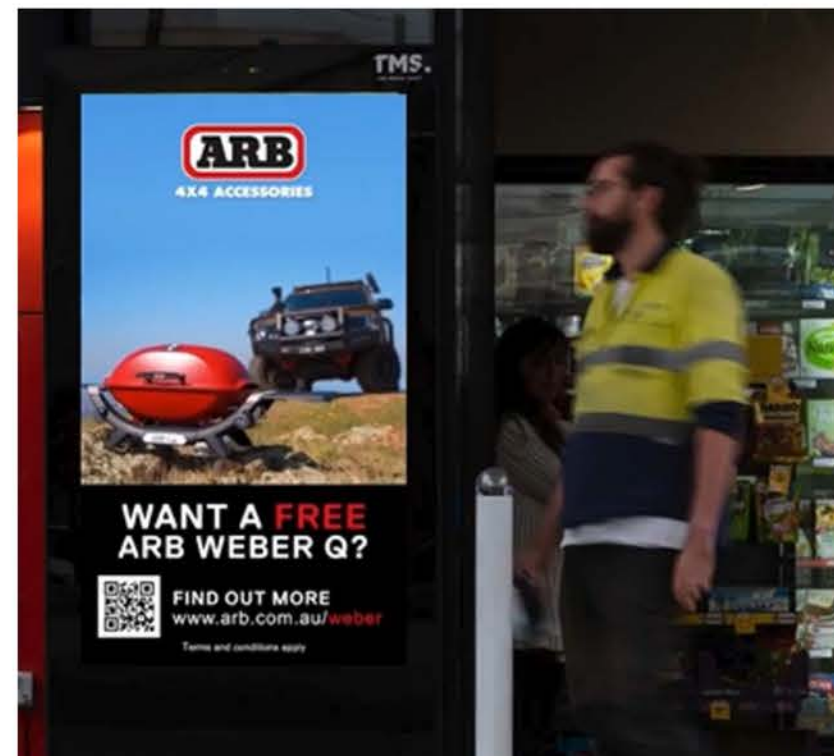
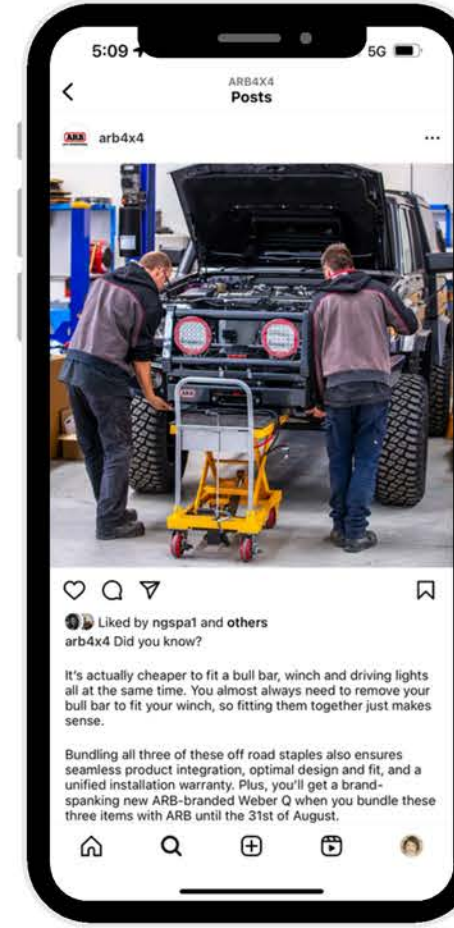
TOYOTA TACOMA

FY24 AUSTRALIAN AFTERMARKET **WEBER PROMOTION**



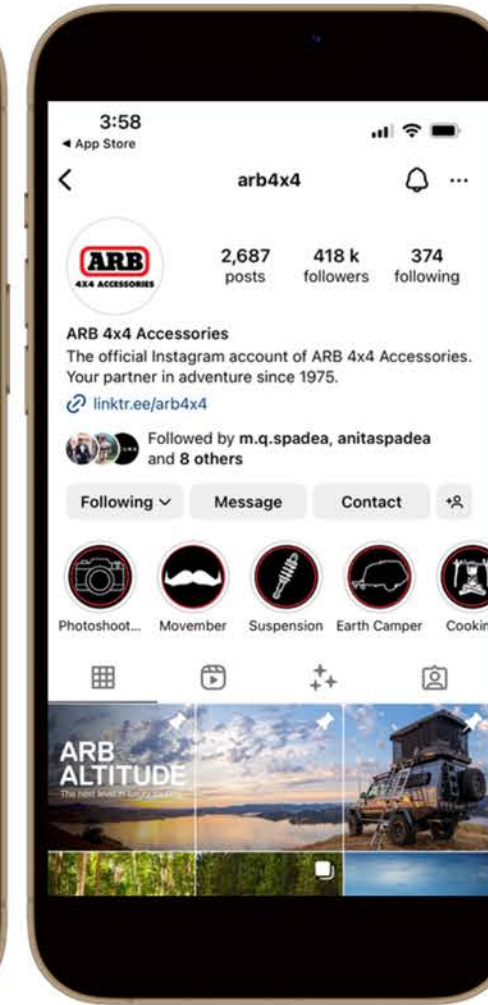
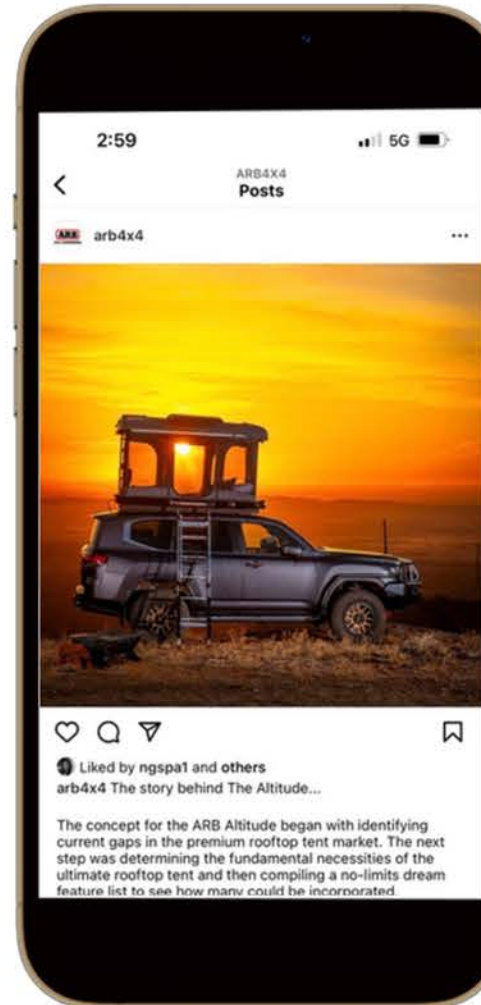
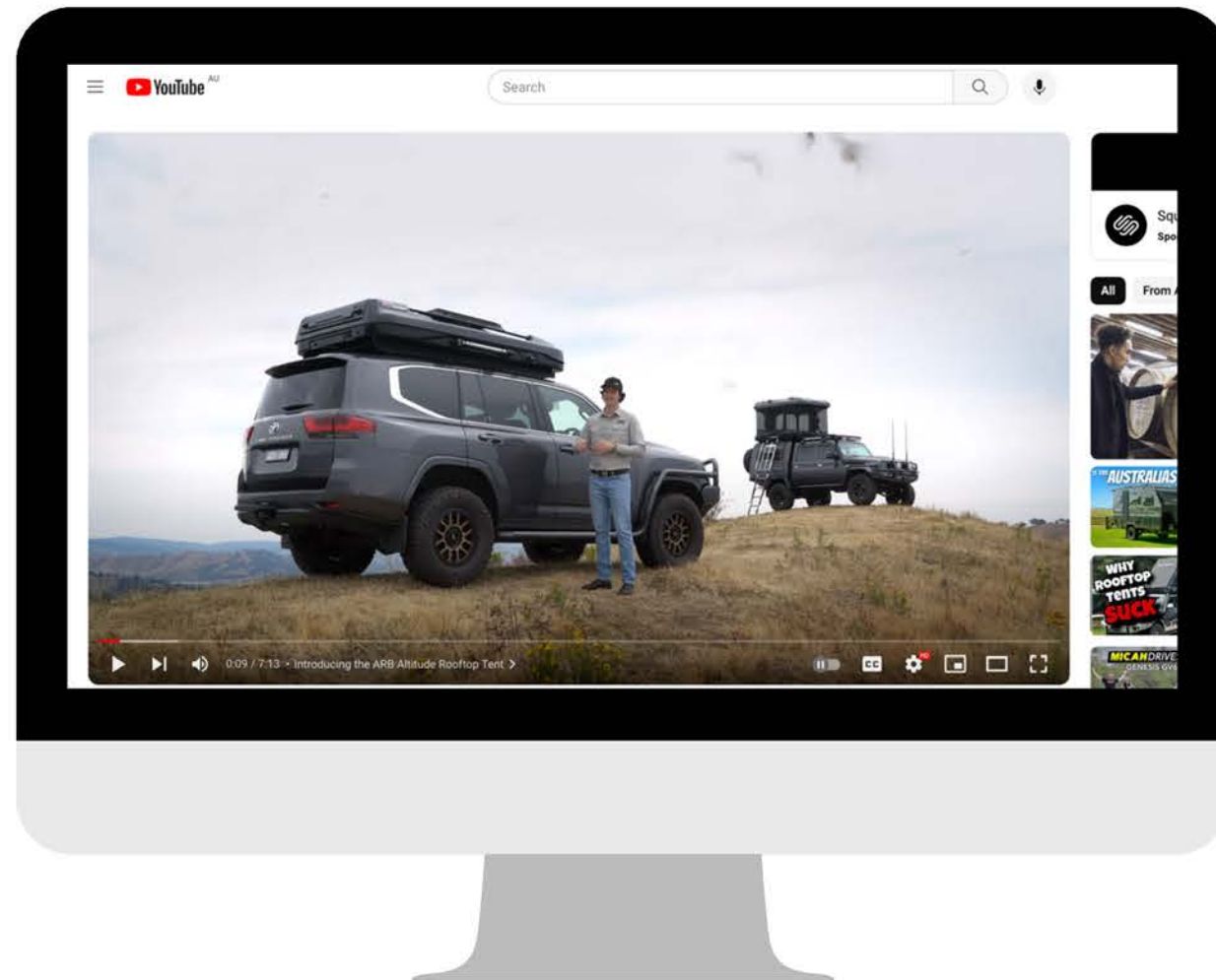
ARB X WEBER PROMOTION

- ARB announced a 3 month retail focused promotion that aligned two highly respected and premium brands - ARB and Weber.
- Bespoke co-branded Weber Q and duffle bag was the incentive for this promotion when customers purchased an ARB bull bar, driving lights and winch.
- Focus on end-to-end fitment of customer vehicles with the package offer.
- ARB is back in market with above-the-line and below-the-line advertising to continue to stimulate retail activity.
- Campaign extension into New Zealand which aligned with the launch of ARB's new flagship store opening in Hamilton.



FY24 ARB PRODUCTS ALTITUDE ROOFTOP TENT LAUNCH

LAUNCHED MARCH 14 2024



MARKETING*

Very high rates of engagement on-line both in Australia and international markets.

*Stats are taken from Australian social media only

515+
60K+

INTEREST REGISTRATIONS
VIA ARB'S WEBSITE

VIEWS ON ARB'S YOUTUBE
WALK-AROUND + LAUNCH
VIDEO

188K
266K

E-MAIL
OPENS

VIEWS OF LAUNCH VIDEO ON
AUSTRALIAN INSTAGRAM



FY24 RESULTS **OUTLOOK**

- ARB's Aftermarket order book remains strong. The Company has seen improved workshop efficiency in recent months following a considerable focus in this area. ARB expects these improvements to continue.
- ARB's Export order book is trending positively and as new products come to market, the business overcomes key supply issues with its Nitrocharger product and ARB continues to expand international distribution, FY2025 is expected to return to growth.
- The US market outlook is positive despite continuing short-term market pressures. The Trailhunter program will have a full year in market and additional Toyota USA programs will come on-line. Management anticipates growth in the wholesale aftermarket, eCommerce, ORW and NACHO.
- Sales to OEMs should continue to grow in FY2025 based on contracts already in place.
- In addition to organic growth, ARB will consider strategic acquisition opportunities focused on product and distribution expansion.
- Sales in Q1 FY2025 have begun positively.

The Board believes that the Company is well-positioned to achieve long-term success through:

Expansion of the Australian and NZ Aftermarket with new and upgraded retail stores and stockists.

Strategic partnerships with key OE customers in Australia and the USA.

Increased distribution and manufacturing capacity to accommodate future growth.

A strong balance sheet with \$56.5m cash.

A pipeline of new product developments and releases.

A well balanced management team with a blend of long-term ARB and experienced external executives.



Q&A



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THANK YOU

