



ARB CORPORATION LTD

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ASX ANNOUNCEMENT

18 February 2025

**APPENDIX 4D, CHAIRMAN'S STATEMENT AND FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

ARB Corporation Limited herewith lodges:

1. Appendix 4D for the half year ended 31 December 2024;
2. Chairman's Statement for the half year ended 31 December 2024; and
3. Financial Report for the half year ended 31 December 2024.

This announcement was approved for release by the Board of ARB.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Damon Page', written over a white background.

Damon Page
Company Secretary

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APPENDIX 4D

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1. The reporting period is the half year ended 31 December 2024.
The previous corresponding period is the half year ended 31 December 2023.

2. **Results for announcement to the market**
Six months ended

	Dec 2024	Dec 2023	% Change
	\$'000	\$'000	
Sales revenue	361,727	341,545	5.9%
2.1 Revenues from ordinary activities	366,667	342,688	7.0%
Profit from ordinary activities before tax attributable to members	70,312	70,819	(0.7%)
2.2 Profit from ordinary activities after tax attributable to members	50,952	51,267	(0.6%)
2.3 Net profit for the period attributable to members	50,952	51,267	(0.6%)
Gain on sale of property after tax (i)	(1,662)	-	
Acquisition transaction costs (ii)	1,214	-	
Truckman acquisition adjustments (iii)	-	1,671	
Underlying net profit for the period attributable to members excluding adjustments (i),(ii),(iii)	50,504	52,938	(4.6%)

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 review or audit) to more accurately reflect the Company's underlying performance from ordinary activities:

(i) Represents the after-tax profit generated on the sale of a retail property (profit before tax of \$2,374,000).

(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 payment expensed for the prospective earnout of the Truckman business (before and after tax).

The Board believes the non-IFRS financial results excluding the impact of the adjustments above in both periods more accurately reflect the ongoing operating performance of the Company.

2.4 Interim dividend	Dec 2024	Dec 2023	% Change
Interim dividend per ordinary share (fully franked at 30%)	34.0 cents	34.0 cents	0.0%
2.5 Refer to section 5 for dividend details.			
3. Net tangible assets per security	Dec 2024	Dec 2023	% Change
Net tangible assets per security (including right-of-use assets)	\$8.08	\$7.12	13.5%

APPENDIX 4D

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

4. There were no changes to controlled entities during the half year ended 31 December 2024.

5. Dividends	Amount per Security	Franked Amount per Security	Total \$'000	Record date	Payment date
Interim dividend - year ended 30 June 2024	34.0 cents	34.0 cents	27,700	5 Apr 2024	19 Apr 2024
Final dividend - year ended 30 June 2024	35.0 cents	35.0 cents	28,573	4 Oct 2024	18 Oct 2024
Interim dividend - year ending 30 June 2025	34.0 cents	34.0 cents	28,222	3 Apr 2025	17 Apr 2025

6. A Dividend Reinvestment Plan and Bonus Share Plan will be in operation for the interim dividend. The last date for the receipt of an election notice to participate in the plans is 8 April 2025.

7. Details of associates or joint venture entities are as follows:	Date Acquired	Dec 2024	Jun 2024
Ownership interest in investments accounted for under the equity method:			
Nacho LED LLC	4 Oct 2023	49%	49%
ORW USA, Inc.	11 Oct 2023	50%	30%

8. Accounting standards used by foreign entities are not applicable.

9. The financial report has been independently reviewed by Deloitte Touche Tohmatsu and is not subject to a modified opinion or emphasis of matter paragraph.

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CHAIRMAN'S STATEMENT

ARB Corporation Limited ("ARB" or the "Company") generated sales revenue of \$361.7 million for the half year ended 31 December 2024 ("1H FY2025"), up 5.9% compared with the previous corresponding period.

Reported profit before tax and profit after tax for 1H FY2025 was \$70.3 million and \$51.0 million respectively, representing a decrease of 0.7% and 0.6% respectively over the previous corresponding period.

Profit before tax and profit after tax for 1H FY2025 excluding non-operating items (see notes 1 to 3 below) declined 4.5% and 4.6% respectively.

The half year results are summarised below:

Six months ended	31 Dec 24 \$'000	31 Dec 23 \$'000	Change
Sales revenue	361,727	341,545	5.9%
Other revenue	4,940	1,143	
Total revenue	366,667	342,688	7.0%
Profit before tax	70,312	70,819	(0.7%)
Tax expense	(19,360)	(19,552)	
Profit after tax	50,952	51,267	(0.6%)
Add back:			
Gain on sale of property after tax ¹	(1,662)	-	
Transaction costs ²	1,214	-	
Truckman adjustments ³	-	1,671	
Profit after tax excl adjustments ^{1 2 3}	50,504	52,938	(4.6%)
Earnings per share (cents)	61.68	62.41	(1.2%)
Earnings per share excl adjustments (cents) ^{1 2 3}	61.14	64.44	(5.1%)
Interim dividend (cents per share)	34.00	32.00	6.3%
Franking	100%	100%	

- (1) Represents the after-tax profit generated on the sale of a retail property (profit before tax of \$2,374,000).
- (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., 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 Board has declared an interim dividend of 34.0 cents per share, fully franked at a 30% tax rate. The interim dividend will be paid on 17 April 2025 and the Record Date will be 3 April 2025.

The ARB Dividend Reinvestment Plan and Bonus Share Plan (the "Plans") will be in operation for the interim dividend to assist with the funding of ARB's ongoing expansion programme. Information about the Plans can be found on the Company's website at: <http://www.arb.com.au/about/investor-relations>. Investors wishing to make or change an election to participate in 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.

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HIGHLIGHTS OF THE HALF YEAR ENDED 31 DECEMBER 2024

Sales

The Company's sales revenue for 1H FY2025 of \$361.7 million was up 5.9% compared with the previous corresponding period.

A summary of sales category performance for the period is as follows:

Customer Category	Percentage of Sales		Sales Growth
	6 months to Dec 2024	6 months to Dec 2023	
Australian Aftermarket	57.2%	59.5%	1.9%
Exports	34.7%	31.8%	15.4%
Original Equipment	8.1%	8.7%	(1.3%)
	100.0%	100.0%	5.9%

The Board is pleased with the performance of the Australian Aftermarket which grew by 1.9% despite declining new vehicle sales and inflationary pressure constraining consumer discretionary spending.

The Australian Aftermarket achieved growth in all Australian states except Victoria. The growth in Aftermarket sales includes the exciting addition of MITS Alloy, an aluminium canopy manufacturing and assembly business to the group in October 2024 and the addition of ARB Toowoomba in July 2024 (previously an ARB independent store customer). MITS Alloy is in the early stages of integration to the ARB business and did not contribute materially to the H1 FY2025 performance. Sales growth achieved in other areas of the Australian Aftermarket was offset by sales declines in Go Active, the THULE distributor, which was impacted by weak consumer demand in this market segment.

Pleasingly, ARB's Australian retail store sales grew by 5.6% in 1H FY2025, excluding the addition of ARB Toowoomba's sales which was acquired on 1 July 2024. Sales to fleet customers continued to grow in 1H FY2025, while sales to dealers and stockists remained relatively stable as ARB's strong inventory position and ability to supply product at short notice enabled stockists to reduce their inventory.

The Australian Aftermarket customer order book reduced during the half reflecting shorter lead times for new vehicles delivered to consumers, ARB's improved fitting operations and independent stockists reducing their inventory holdings as noted above.

The Australian Aftermarket performance was pleasing given the challenges posed by the material decline in new vehicle sales for core ARB models during 1H FY2025 compared with 1H FY2024, e.g. sales of Toyota Hilux 4x4 down 23%, Ford Ranger 4x4 down 21% and Isuzu D-Max 4x4 down 21%. ARB is well placed to service these models with a full range of accessories.

Despite the market conditions, ARB's daily order intake remains consistent with last year. Furthermore, the recent release of the new and overdue Toyota Prado model and strong new vehicle sales of the Ford Everest (up 61% on last year) provide ARB with a strong platform into 2H FY2025.

One of the highlights of the half-year result was the performance of ARB's Exports which recorded a 15.4% uplift in sales compared with the previous corresponding period. In particular, sales to US customers grew 18.7%. ARB's aftermarket product sales to its US associate, Off Road Warehouse ("ORW") including 4 Wheel Parts ("4WP"), are growing consistently month-on-month. The strong increase in US sales also includes sales of ARB branded accessories to Toyota USA for its new Trailhunter platform, ex-factory, as previously announced. Other international markets grew by 13.9% with only the UK experiencing flat performance due to restricted supply of the Toyota Hilux into the UK market.

Sales to original equipment manufacturers ("OEM") decreased slightly by 1.3% compared with the same period last year, following 40% growth achieved in FY2024. New contracts with OEMs are in place and will support modest year-on-year sales growth expected in 2H FY2025.

Distribution

The Company distributes through its market leading ARB store network in Australia, to retail customers, ARB stockists, new vehicle dealers and various fleet operators. There are currently 75 ARB stores in Australia, one more store than this time last year, of which 32 are Company owned.

The Company's flagship store roadmap continues to accelerate. ARB recently transitioned two Company owned stores to the flagship format in Kilsyth, Victoria (December 2024) and Bundaberg, Queensland (September 2024) and opened a new flagship store in Mornington, Victoria (September 2024). Construction for the conversion of a further three independently owned locations was completed in Warrnambool, Victoria and Newcastle and Penrith, NSW. Development is well progressed for a further five new independent retail stores in 2H FY2025 and seven existing stores converting to the flagship format in FY2026.

ARB's partnership with Ford via the Ford License Accessory ("FLA") programme continues to strengthen with direct FLA sales via ARB owned stores achieving strong growth compared with last year. The FLA programme provides consumers with the option of purchasing select ARB products directly from Ford dealers with a Ford extended 5-year accessory warranty. The programme essentially extends ARB's network to include all of Ford's distribution network across Australia.

Products

ARB's excellence in product development provides a strategic and long-term competitive advantage. The Company's continued focus on the engineering and development of new products continues to provide a point of difference to market.

ARB launched several significant new products during 1H FY2025, including the brushless compressor, an upgraded range extension to one of ARB's global category leaders. Additional product launches included the Stealth Bar for Toyota's LC70, a range of accessories for Toyota's recently released Prado 250, ARB's Slimline 100 battery and enhancements to Altitude Electronic Rooftop Tent and Earth Camper. The Company continues to expand the application of existing products to new vehicle models, successfully delivering capable and feature packed products.

Further products from long-term development projects are planned for release throughout 2025. 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/>.

Strategic Investments

The 1H FY2025 period was one of the most significant in the Company's history, with a number of strategic investments in both the USA and Australia to position ARB for long-term growth and underpin its future success.

USA

On 9 September 2024, ARB announced that ORW, ARB's associate company in the USA, had entered into an Asset Purchase Agreement to acquire 4WP which included 42 retail stores in the USA. The acquisition was finalised on 18 October 2024 for a provisional amount of A\$44.9 million (US\$30.0 million). 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).

Combined with ORW's existing 11 store presence, the significantly expanded ORW / 4WP retail network of 53 stores and associated e-commerce site provide ARB with a major opportunity for long-term brand and sales growth across the USA.

The other major shareholder in ORW is Greg Adler. Greg's 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.

ARB's reported net profit after tax in 1H FY2025 included equity accounted losses from its US associates of A\$1.5 million.

ORW's management team have acted swiftly to combine and restructure the ORW / 4WP operations to realise the long-term growth opportunities from this strategic investment. In January 2025, the first month of trading unimpeded by transition costs, ORW achieved a profit and management is cautiously optimistic about the ongoing performance of the business.

ARB continues to equity account its investment in ORW.

Aftermarket

During the half year, ARB expanded its Company owned Aftermarket footprint by purchasing retail stores in Toowoomba, Queensland (July 2024) and Christchurch, New Zealand (October 2024). ARB also purchased MITS Alloy, an aluminium canopy manufacturing and assembly business in Newcastle, NSW (October 2024). The high-quality MITS Alloy aluminium canopy fills a gap in the Company's product range and complements the premium ARB brand.

Financial

Reported profit before and after tax in 1H FY2025 was \$70.3 million and \$51.0 million respectively, representing a decrease of 0.7% and 0.6% respectively over the previous corresponding period. 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 4.5% and 4.6% respectively.

ARB maintained a healthy gross profit margin despite a weaker Australian dollar and persistently high inflation across the globe.

During the period, the Company continued to invest in its people to facilitate future growth. Employee expenses increased by 18% during 1H FY2025, reflecting recent business acquisitions, additional engineering resources in Australia and the USA, the establishment of a new distribution centre in Texas, USA, a new in-house team developing ARB's soon to be released e-commerce site, additional corporate staff and market adjustments in key areas. These additional costs reflect the Company's confidence in its future growth path.

Cash provided by operating activities was \$45.9 million compared with \$71.6 million in the previous corresponding period. The half year operating cash flow included the impact of a \$38.1 million increase in inventory resulting primarily from the weaker Australian dollar (with significant purchases denominated in US dollars), ARB's expanded product range (including the ramp up of Earth Camper), the new Toyota US contract and the acquisitions of MITS Alloy and two retail stores.

The Company invested \$23.7 million in property, plant and equipment, \$37.5 million in its US based associate ORW and \$13.3 million in the three Australian Aftermarket businesses noted previously.

The Company maintains a strong balance sheet with a cash balance of \$22.8 million as at 31 December 2024 and no debt.

THE FUTURE

The Australian and world economies remain challenging. Nonetheless, the Company's order book remains healthy relative to historical averages and daily sales order intake remains close to historical highs despite declines in new vehicle supply and reduced consumer discretionary spending.

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 both Australia and export markets and is excited by the prospects for its major US expansion strategy.

The Company's outlook remains positive with ongoing healthy demand for ARB's products, new vehicle model releases around the world, healthy gross profits despite relatively high inflation and new products recently and soon to be released to market.

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.

Yours faithfully,



Robert Fraser
Chairman

18 February 2025

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4X4 ACCESSORIES

ARB CORPORATION LTD
ABN 31 006 708 756

FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

PROVIDED TO THE ASX UNDER LISTING RULE 4.2A

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This half year financial report is to be read in conjunction with the financial report for the year ended 30 June 2024.

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CORPORATE INFORMATION

The half year financial report does not include all the notes of the type usually included in an annual financial report. It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by ARB Corporation Limited during the half year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

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

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AUDITORS

Deloitte Touche Tohmatsu

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LOCATION OF REGISTER OF SECURITIES

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STOCK EXCHANGE

Australian Securities Exchange

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Rialto, 525 Collins Street

Melbourne Victoria 3000

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DIRECTORS' REPORT

The Directors present their report together with the condensed consolidated financial report of the consolidated entity of ARB Corporation Limited, being the Company and its controlled entities ("the Group"), for the half year ended 31 December 2024 and the independent auditor's review report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

Directors Names

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

Name	Period of Directorship
Mr. Robert D Fraser (Chairman)	Since 2004
Mr. Andrew H Brown (Managing Director)	Since 1987
Mr. Roger G Brown	Since 1987
Ms. Shona M Faber	Since 2022
Mr. Adrian R Fitzpatrick	Since 2016
Ms. Karen L Phin	Since 2019
Mr. Andrew P Stott	Since 2006

Review of Operations

Further information on the Group's operations is disclosed in the Chairman's Statement lodged with ASX on 18 February 2025.

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

The consolidated profit attributable to members of the parent entity after income tax expense for the half year was \$50,952,000 (2023: \$51,267,000).

Significant Changes in the State of Affairs

During the period, the Group continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Rounding 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 one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

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 review for the half year is included at page 14 of this report.

Signed in accordance with a resolution of the Directors made pursuant to section 306(3) of the *Corporations Act 2001*.



Robert D Fraser
Chairman

Melbourne, 18 February 2025

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CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Dec 2024 \$'000	Dec 2023 \$'000
Sales revenue	361,727	341,545
Other income	4,940	1,143
Total revenue and other income	366,667	342,688
Materials and consumables used	(149,747)	(145,132)
Employee expenses	(90,824)	(76,873)
Depreciation and amortisation expense	(15,355)	(14,163)
Advertising expense	(5,676)	(4,013)
Distribution expense	(8,707)	(8,001)
Finance expense	(1,121)	(844)
Occupancy expense	(9,887)	(8,480)
Maintenance expense	(3,990)	(3,134)
Equity accounted share of loss	(1,525)	(277)
Change in fair-value of contingent consideration	-	(1,671)
Other expenses	(9,523)	(9,281)
Profit before income tax expense	70,312	70,819
Income tax expense	(19,360)	(19,552)
Profit attributable to members of the parent entity	50,952	51,267
Basic earnings per share (cents)	61.68	62.41
Diluted earnings per share (cents)	61.65	62.40

The accompanying notes form part of these financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Dec 2024 \$'000	Dec 2023 \$'000
Profit attributable to members of the parent entity	50,952	51,267
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Movement in fair value of cash flow hedges	196	132
Exchange differences on translation of foreign operations	25,229	(1,620)
Other comprehensive income / (loss) for the half year	25,425	(1,488)
Total comprehensive income for the half year attributable to members of the parent entity	76,377	49,779

The accompanying notes form part of these financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Dec 2024 \$'000	Jun 2024 \$'000
Current assets			
Cash and cash equivalents		22,797	56,502
Receivables		86,725	92,959
Current tax receivable		58	323
Other financial instruments		1	-
Inventories		277,826	239,755
Other assets		9,959	4,731
Total current assets		397,366	394,270
Non-current assets			
Property, plant and equipment		319,490	291,825
Deferred tax assets		12,904	11,333
Loans receivable from Associates		488	-
Other financial assets	4	12,064	-
Equity accounted investments	4	35,908	9,898
Intangible assets		64,868	50,634
Right-of-use assets		37,570	34,309
Total non-current assets		483,292	397,999
Total assets		880,658	792,269
Current liabilities			
Payables		67,129	62,881
Other financial liabilities		-	241
Current tax liabilities		5,433	6,296
Lease liabilities		7,490	5,945
Provisions		20,928	20,813
Total current liabilities		100,980	96,176
Non-current liabilities			
Lease liabilities		36,366	34,306
Deferred tax liabilities		1,323	1,055
Provisions		6,182	1,316
Total non-current liabilities		43,871	36,677
Total liabilities		144,851	132,853
NET ASSETS		735,807	659,416
EQUITY			
Contributed equity		225,789	197,509
Reserves		35,936	10,204
Retained earnings		474,082	451,703
TOTAL EQUITY		735,807	659,416

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	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 half year	-	-	51,267	51,267
Movement in fair value of cash flow hedges, net of tax	-	132	-	132
Exchange differences on translation of foreign operations, net of tax	-	(1,620)	-	(1,620)
Total comprehensive income for the half year	-	(1,488)	51,267	49,779
Equity settled share based payments expense, net of tax	-	(26)	-	(26)
Difference arising on winding up interest in subsidiary	-	-	11	11
Dividend reinvestment plan and bonus share plan	3,248	-	-	3,248
Dividends paid (note 2)	-	-	(24,365)	(24,365)
Balance as at 31 December 2023	193,411	14,375	427,987	635,773
Balance as at 1 July 2024	197,509	10,204	451,703	659,416
Profit for the half year	-	-	50,952	50,952
Movement in fair value of cash flow hedges, net of tax	-	196	-	196
Exchange differences on translation of foreign operations, net of tax	-	25,229	-	25,229
Total comprehensive income for the half year	-	25,425	50,952	76,377
Equity settled share based payments expense, net of tax	-	307	-	307
Dividend reinvestment plan and bonus share plan (net of underwriter's fee)	28,280	-	-	28,280
Dividends paid (note 2)	-	-	(28,573)	(28,573)
Balance as at 31 December 2024	225,789	35,936	474,082	735,807

The accompanying notes form part of these financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Dec 2024 \$'000	Dec 2023 \$'000
Cash Flows From Operating Activities			
Receipts from customers		390,100	370,222
Payments to suppliers and employees		(322,779)	(278,909)
Interest received		550	401
Finance costs		(868)	(812)
Income tax paid		(21,126)	(19,349)
Net cash provided by Operating activities		45,877	71,553
Cash Flows From Investing Activities			
Payments for property, plant and equipment		(23,713)	(26,071)
Payments for development costs		(1,635)	(1,509)
Payments for intangible software assets		(2,360)	(12)
Payments for equity accounted investments	4	(24,968)	(11,031)
Loan receivable		(12,552)	-
Payment for business acquisitions	5	(13,278)	-
Proceeds from sales of property, plant & equipment		3,903	640
Net cash used in Investing activities		(74,603)	(37,983)
Cash Flows From Financing Activities			
Dividends paid	2	-	(21,117)
DRP & BSP underwriting fee		(290)	-
Payments for lease liabilities		(3,384)	(3,873)
Net cash used in Financing activities		(3,674)	(24,990)
Net increase / (decrease) in cash and cash equivalents		(32,400)	8,580
Cash and cash equivalents at the beginning of the financial year		56,502	44,945
Foreign exchange differences		(1,305)	44
Cash and cash equivalents at the end of the half year		22,797	53,569

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1. BASIS OF PREPARATION

This condensed consolidated half year financial report does not include all the notes of the type usually included in the annual financial report.

It is recommended that this half year financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by ARB Corporation Limited during the half year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

This condensed consolidated half year financial report covers the Company and its controlled entities as a consolidated entity. ARB Corporation Limited is a company limited by shares, incorporated and domiciled in Australia. The Company is a for-profit entity for the purpose of preparing the financial statements.

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

(a) Basis of preparation of the half year financial report

This condensed consolidated half year financial report has been prepared in accordance with Australian Accounting Standard *AASB 134 Interim Financial Reporting* as appropriate for for-profit entities and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting*.

The condensed consolidated half year 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) Summary of the material accounting policies

Except as described below, the accounting policies applied in this half year financial report are the same as those used in the annual financial report for the year ended 30 June 2024.

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.

New accounting standards and interpretations issued

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half year. There has been no material effect.

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.

(c) Rounding 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 one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

2. DIVIDENDS

	Dec 2024 \$'000	Dec 2023 \$'000
Dividends paid or recommended by the Company are:		
Recognised Amounts		
A final fully franked ordinary dividend of 35.0 cents per share paid (i) on 18 October 2024 (2023: 30.0 cents per share fully franked)	28,573	24,365
Unrecognised Amounts		
An interim fully franked ordinary dividend of 34.0 cents per share to be paid on 17 April 2025 (2023: 34.0 cents per share fully franked)	28,222	27,955

(i) The Company secured an underwriting of the Dividend Reinvestment Plan and Bonus Share Plan in full and no cash was disbursed for the final fully franked ordinary dividend paid on 18 October 2024.

The interim dividend proposed was declared subsequent to the reporting period and has therefore not been recognised as a liability.

The dividends paid by the Company were fully franked at the tax rate of 30% (2023: 30%) and the recommended interim dividend will be fully franked at the tax rate of 30%.

3. ISSUES OF EQUITY SECURITIES

Number of fully paid ordinary shares:

	Dec 2024 Shares	Dec 2023 Shares
Balance at the beginning of the half year	82,332,195	82,099,299
Dividend Reinvestment Plan and Bonus Share Plan	672,496	121,142
Balance at the end of the half year	83,004,691	82,220,441

Weighted average number of ordinary shares used in the calculation of basic earnings per share is 82,604,876 (2023: 82,147,361).

Weighted average number of ordinary shares used in the calculation of diluted earnings per share is 82,649,020 (2023: 82,153,091).

4. INVESTMENTS IN ASSOCIATES*31 December 2024*

On 9 September 2024 ARB announced that ORW, ARB's associate company in the USA, had entered into an Asset Purchase Agreement to acquire the 4 Wheel Parts business from Hoonigan (Wheel Pros, LLC). This acquisition was finalised on 18 October 2024 for a provisional amount of \$44,883,303 (US\$30,000,000).

To facilitate ORW's acquisition of the 4 Wheel Parts business, the Group increased its interest in ORW from 30% to 50% for \$24,968,763 (US\$16,688,453) and provided a loan of \$11,220,826 (US\$7,500,000).

The loan of \$11,220,826 (US\$7,500,000) to ORW is recorded as an other financial asset and is measured at amortised cost.

The increase in the Group's interest in ORW from 30% to 50% did not result in ARB achieving control or joint-control of the entity, hence, the investment continues to be equity accounted as an associate.

The carrying amount of the equity accounted investments at 31 December 2024 was \$35,907,733 reflecting the amounts paid, a foreign exchange revaluation at balance date and the equity accounted share of net losses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

5. BUSINESS COMBINATIONS

During the half 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).

A summary of these aggregated transactions is:

	Dec 2024 \$'000
Consideration paid	13,278
Contingent consideration (i)	4,500
Total consideration	17,778
less: Fair value of identifiable net assets acquired	5,413
Goodwill arising on acquisition	12,365

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

The acquisitions have been accounted for on a provisional basis as at 31 December 2024.

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

Contributions since acquisition

For the half year ended 31 December 2024, the businesses acquired contributed revenue of \$8,247,000 and a profit after tax of \$1,251,000 which is included within the consolidated profit for that period.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

6. SEGMENT INFORMATION

The major products/services from which the economic entity derived revenue during the half 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 consolidated entity are based on geographical locations comprising operations in Australasia, USA, Thailand and Middle East, Europe & UK.

The following table includes the disaggregation of revenue disclosures in line with AASB 15 Revenue from Contracts with Customers.

	Australasia	USA	Thailand	Middle East, Europe & UK	Eliminations	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2023						
Segment revenue						
Total segment revenue and other income	321,917	32,665	65,511	31,583	(108,988)	342,688
Intersegmental revenues	(47,804)	-	(61,074)	(110)	108,988	-
Segment revenue and other income	274,113	32,665	4,437	31,473	-	342,688
Total segment result	39,999	2,672	6,630	2,885	(919)	51,267
Intersegmental eliminations	5,272	-	(6,181)	(10)	919	-
Segment result from external source	45,271	2,672	449	2,875	-	51,267
31 December 2024						
Segment revenue						
Total segment revenue and other income	341,842	39,114	76,473	32,627	(123,389)	366,667
Intersegmental revenues	(53,212)	(172)	(69,828)	(177)	123,389	-
Segment revenue and other income	288,630	38,942	6,645	32,450	-	366,667
Total segment result	42,634	811	7,244	2,268	(2,005)	50,952
Intersegmental eliminations	4,626	(4)	(6,615)	(12)	2,005	-
Segment result from external source	47,260	807	629	2,256	-	50,952
30 June 2024						
Total segment assets	642,019	78,403	142,763	52,771	(123,687)	792,269
Total segment liabilities	101,100	25,612	23,890	16,549	(34,298)	132,853
31 December 2024						
Total segment assets	695,725	120,215	159,906	54,990	(150,178)	880,658
Total segment liabilities	112,543	40,914	15,147	15,272	(39,025)	144,851

7. SUBSEQUENT EVENTS

With the exception of the declaration of an interim dividend in Note 2, no other matters or circumstances have arisen since 31 December 2024 that have significantly affected or may significantly affect:

- the operations, in financial periods subsequent to 31 December 2024, of the consolidated entity;
- the results of those operations; or
- the state of affairs, in financial periods subsequent to 31 December 2024, of the consolidated entity.

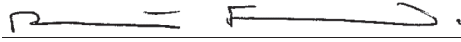
DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on pages 4 to 12 are in accordance with the *Corporations Act 2001*, and:

- (a) comply with the Australian Accounting Standard *AASB 134 Interim Financial Reporting*, and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the financial position of the consolidated entity as at 31 December 2024 and of its performance for the half year ended on that date.

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 is made in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.



Robert D Fraser
Chairman

Melbourne, 18 February 2025

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

Conclusion

We have reviewed the accompanying half-year financial report of ARB Corporation Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration as set out on pages 4 to 13.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a *Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Half-year 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 Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Andrew Reid
Partner
Chartered Accountants
Melbourne, 18 February 2025

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18 February 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 review of the half year financial report of ARB Corporation Limited for the half year ended 31 December 2024, 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 review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Andrew Reid
Partner
Chartered Accountants