

Market Update May 2022

Presenter:

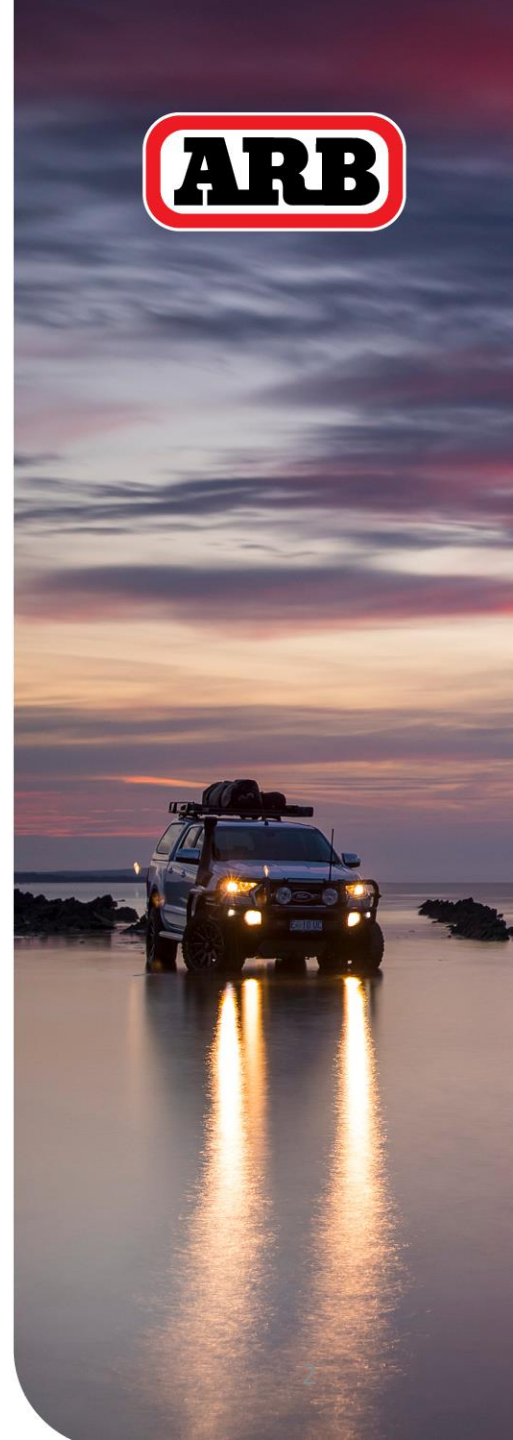
Damon Page

Chief Financial Officer & Company Secretary



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ARB Introduction



ESTABLISHED

1975

LISTED ON ASX

1987

MARKET CAP.

~\$3.3B



ARB designs and manufactures automotive accessories for 4WD and light commercial vehicles.

ARB Values: ARB Drives Excellence with Passion



DRIVE

WE COLLABORATE | We work together to achieve better results

WE ARE DETERMINED | We push through challenges to find practical solutions

WE THINK AHEAD | We make decisions to ensure a sustainable future for our business

EXCELLENCE

WE ARE INNOVATIVE | We are committed to creating the world's best 4WD products

WE ARE FLEXIBLE | We adapt to the changing needs of our global customers

WE KEEP TRYING | We strive to give our customers the best possible experience

PASSION

SAFETY MATTERS | Ensuring everyone stays safe is a priority in all we do

WE ARE LOYAL | We are welcoming, respectful and care for our ARB family

WE ARE PROUD | We have built a world-leading brand that we grow and protect

ARB's values are guiding beliefs and principles that direct the way we conduct business, interact and which drive our culture.

ARB's values have been fundamental in ensuring employee engagement and safety in a dynamic environment, satisfying rapidly growing customer demands over the last two years.

Overview of Operations



PROJECTED REVENUE FY2022

~\$700m

EMPLOYEES

2,000+

in 7 countries

ENGINEERS

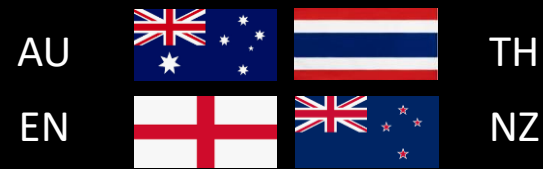
100+



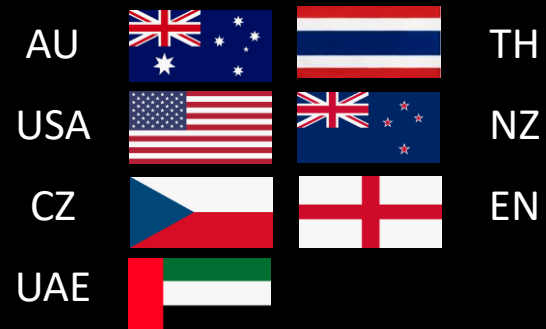
Overview of Operations



MANUFACTURING

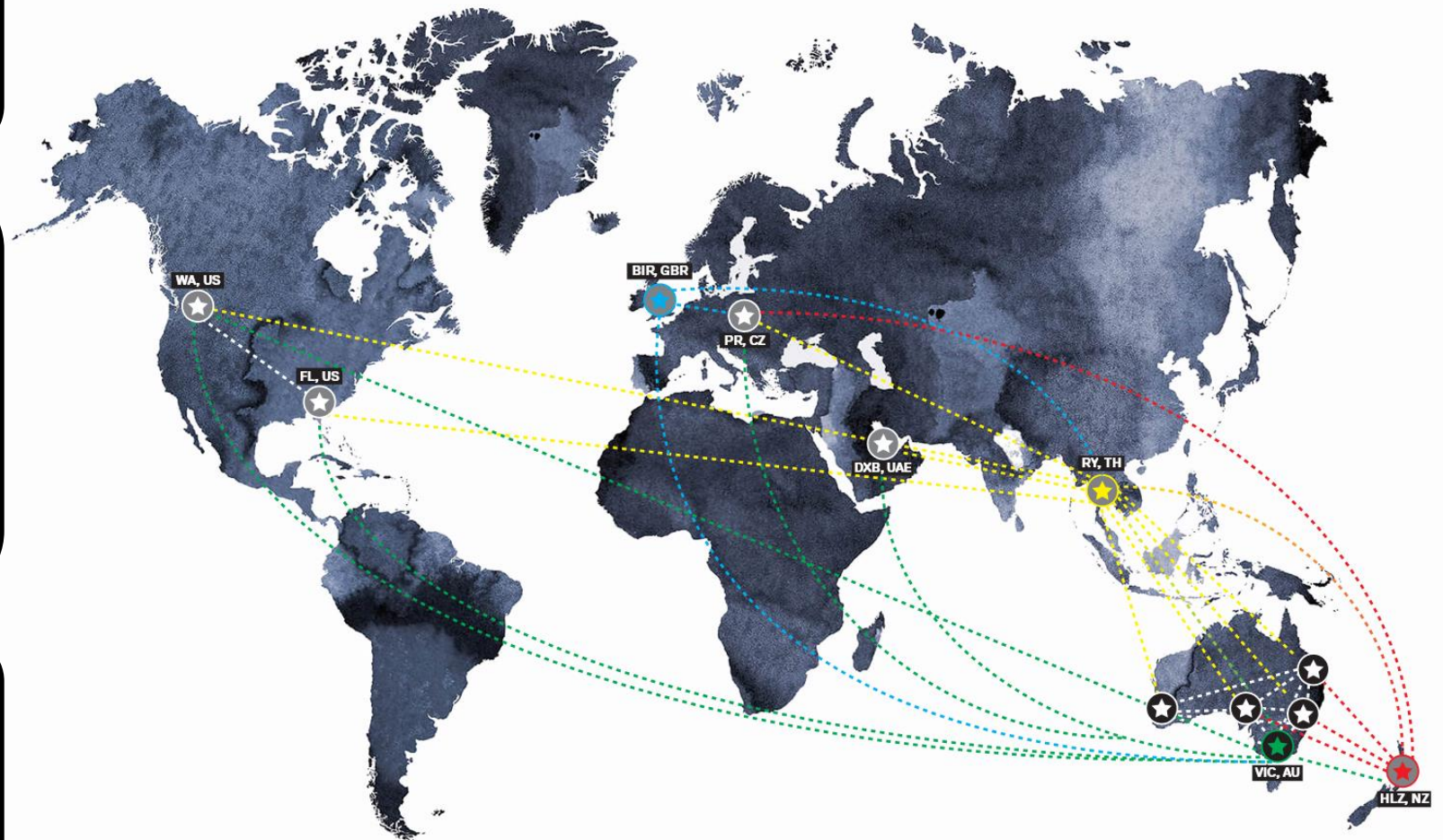


DISTRIBUTION CENTRES



COUNTRIES DISTRIBUTED TO:

110+



Product Range



BULL BARS



SIDE RAILS & SIDE STEPS



REAR PROTECTION, TOWING
& WHEEL CARRIERS



CANOPIES



UTE LIDS & TUB ACCESSORIES



ROOF RACKS
CROSS BARS & CARRIERS



OLD MAN EMU
4X4 SUSPENSION



LINX



DRIVING LIGHTS



AIR COMPRESSORS &
TYRE ACCESSORIES



AIR LOCKERS



WINCHES

Product Range



RECOVERY EQUIPMENT



RECOVERY POINTS



UNDER VEHICLE
PROTECTION



FUEL TANKS &
FUEL STORAGE



DRAWERS & CARGO
SOLUTIONS



SLIDE KITCHEN



PORTABLE FRIDGE
FREEZERS



TENTS, SWAGS & AWNINGS



CAMPING &
TOURING ACCESSORIES



UHF RADIOS, GPS &
REVERSE CAMERAS



SAFARI SNORKELS

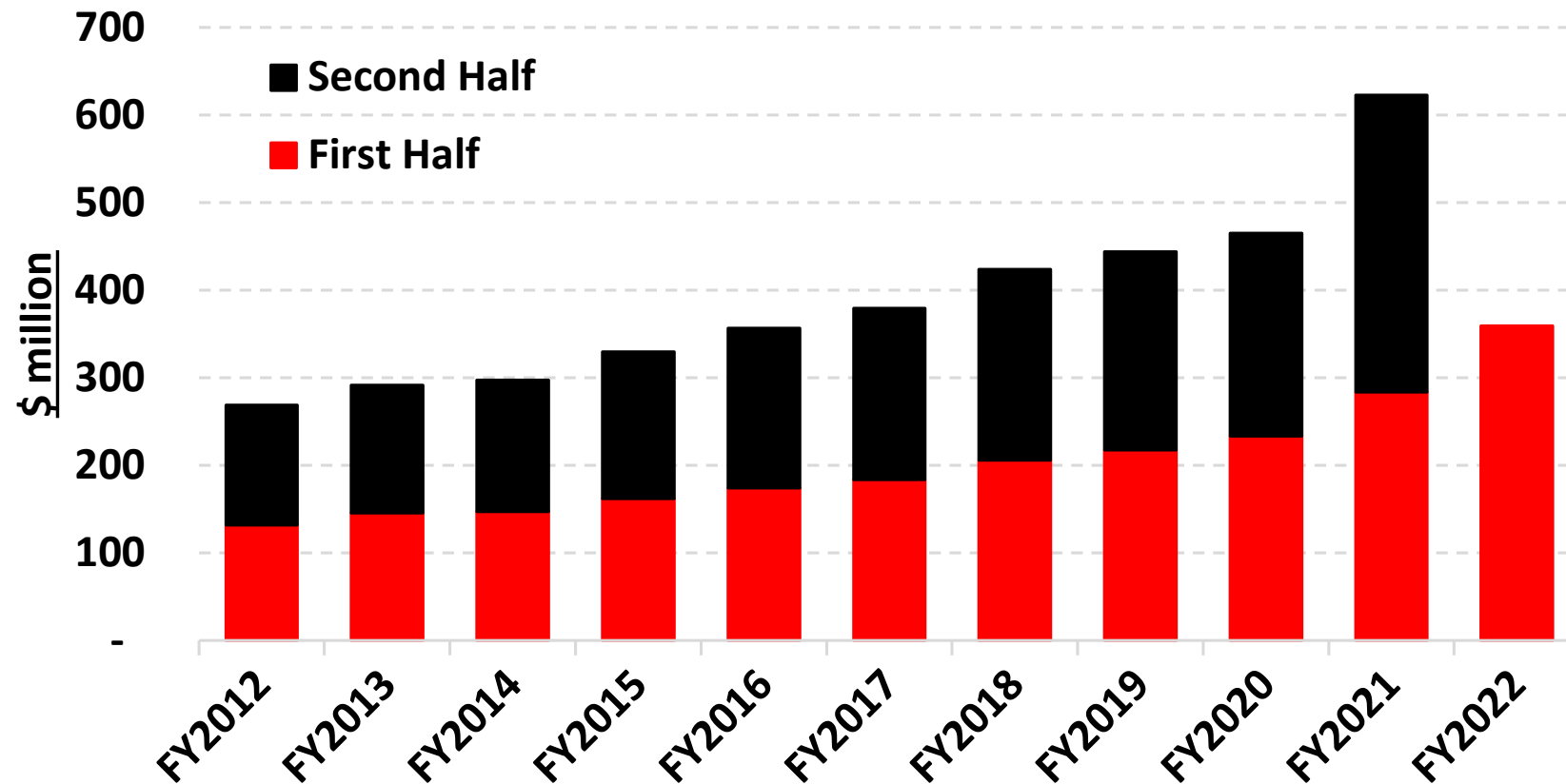


DUAL BATTERY &
SOLAR SYSTEMS

Performance – Last 10 Years



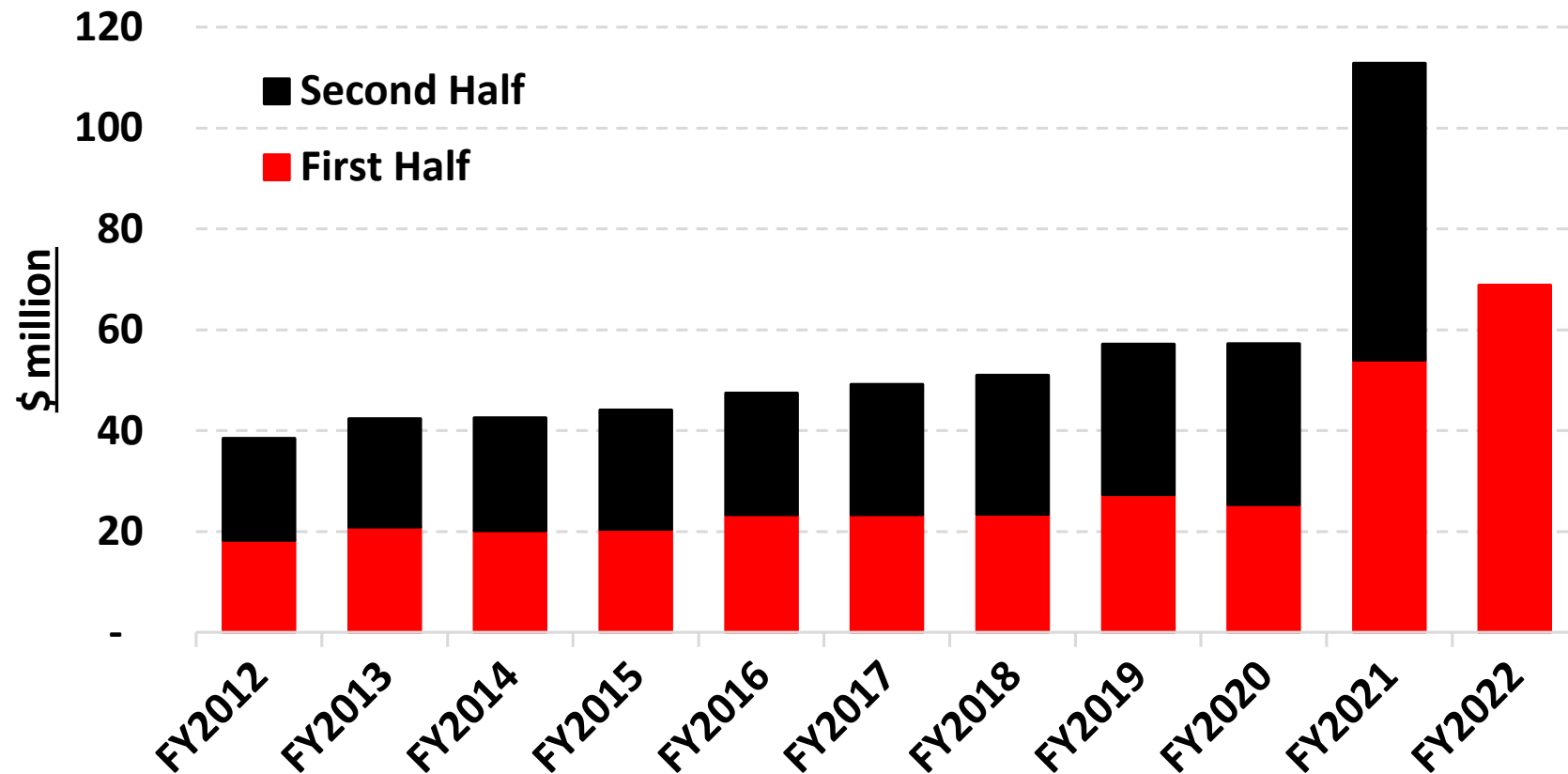
Sales Revenue: 10 Year CAGR of 9.4% to FY2021



Performance – Last 10 Years



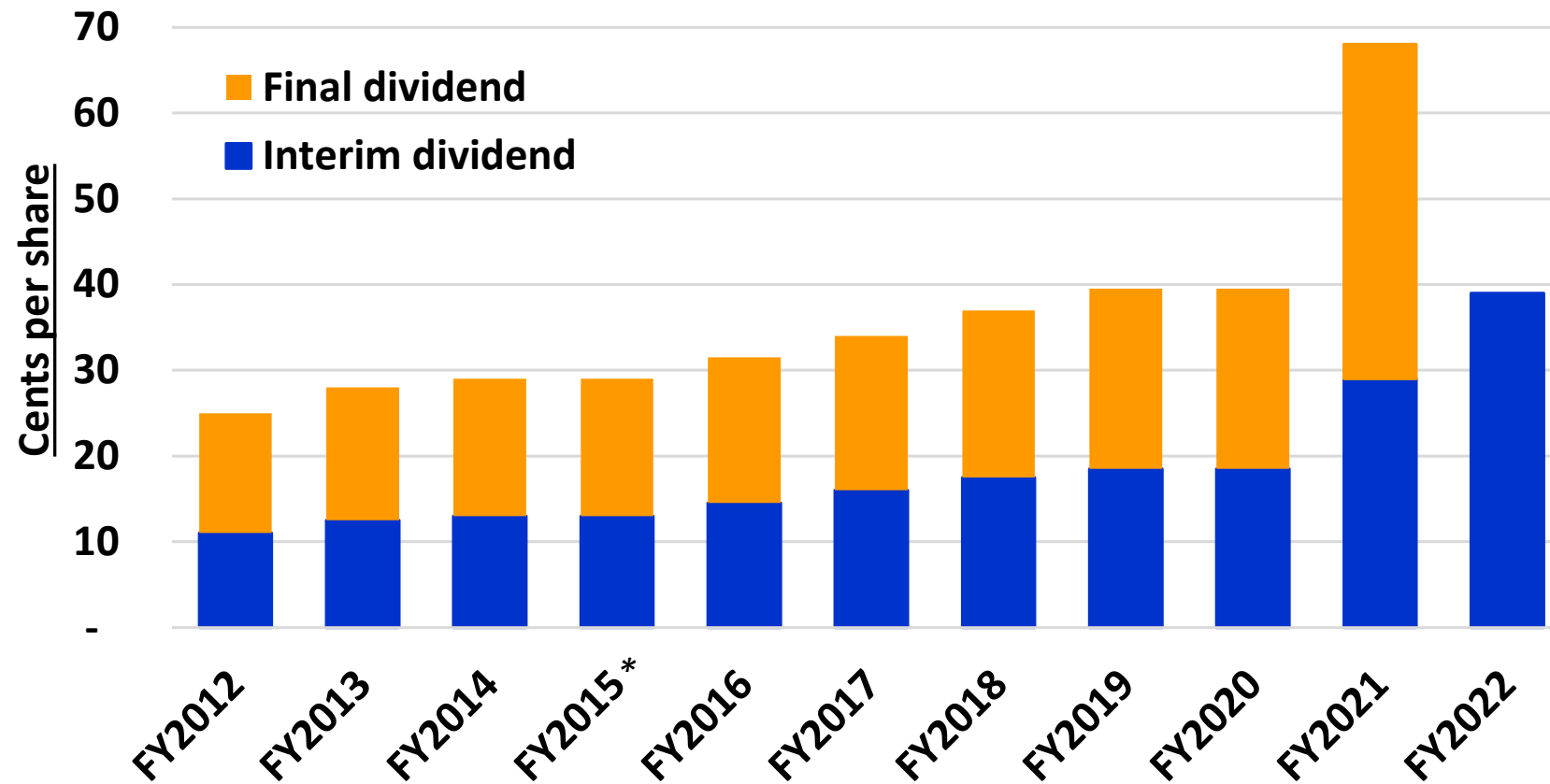
Profit after Tax: 10 Year CAGR of 11.6% to FY2021



Performance – Last 10 Years



Dividends per Share



* Excludes a special dividend of \$1.00 per share paid in FY2015

Capital Expenditure



CAPITAL EXPENDITURE (\$million)			
	<u>Land & Buildings</u>	<u>Plant & Equipment</u>	<u>TOTAL</u>
FY2012	4.9	7.0	11.9
FY2013	7.0	8.0	15.0
FY2014	10.3	6.0	16.3
FY2015	32.8	13.7	46.5
FY2016	3.2	12.7	16.0
FY2017	10.6	9.7	20.4
FY2018	28.0	12.1	40.1
FY2019	12.7	10.9	23.6
FY2020	7.6	10.1	17.8
FY2021	20.1	13.0	33.1
FY2022 F'cast	41.0	16.0	57.0
	178.3	119.2	

Major Capital Expenditure in recent years includes:

- Melbourne, AU Head Office (FY2015)
- Melbourne, AU National Distribution Centre (FY2018)
- Thai Global Distribution Centre (FY2017-FY2019)
- Thai factories (FY2021 – FY2022)
- NZ factory (FY2022)
- Retail store upgrades (ongoing)
- Manufacturing equipment (ongoing)

Operations Update

Planning for growth with strong balance sheet and cash flows



Redevelopment of Kilsyth
Head Office

(\$20m)

Artist's impression



Thailand 36,000 sqm
increased facility

(\$27m)



New Zealand 11,000 sqm
increasing to 15,000 sqm
with a retail store

(\$22m)

Artist's impression



Distribution to Market



AUSTRALIAN AFTERMARKET

- Network of 73 stores in Australia
- 100's of stockists
- 100's of dealers
- Fleet companies
- Continued rollout of flagship format
- Private store owners / investors
- GoActive, Kingsley Enterprises and SmartBar

EXPORT

- Sales and Distribution established in USA (Washington & Florida), Thailand, Czech Republic, United Kingdom, New Zealand and United Arab Emirates
- Growing brand awareness
- Regional distributors
- Speed to market
- Local engineers and marketing

ORIGINAL EQUIPMENT MANUFACTURERS

- OEMs continue to invest in pickups and 4x4s for the foreseeable future
- Strong relationships
- New contracts won
- Expanding internationally



“Live the Next-gen”



“A Modern Classic”

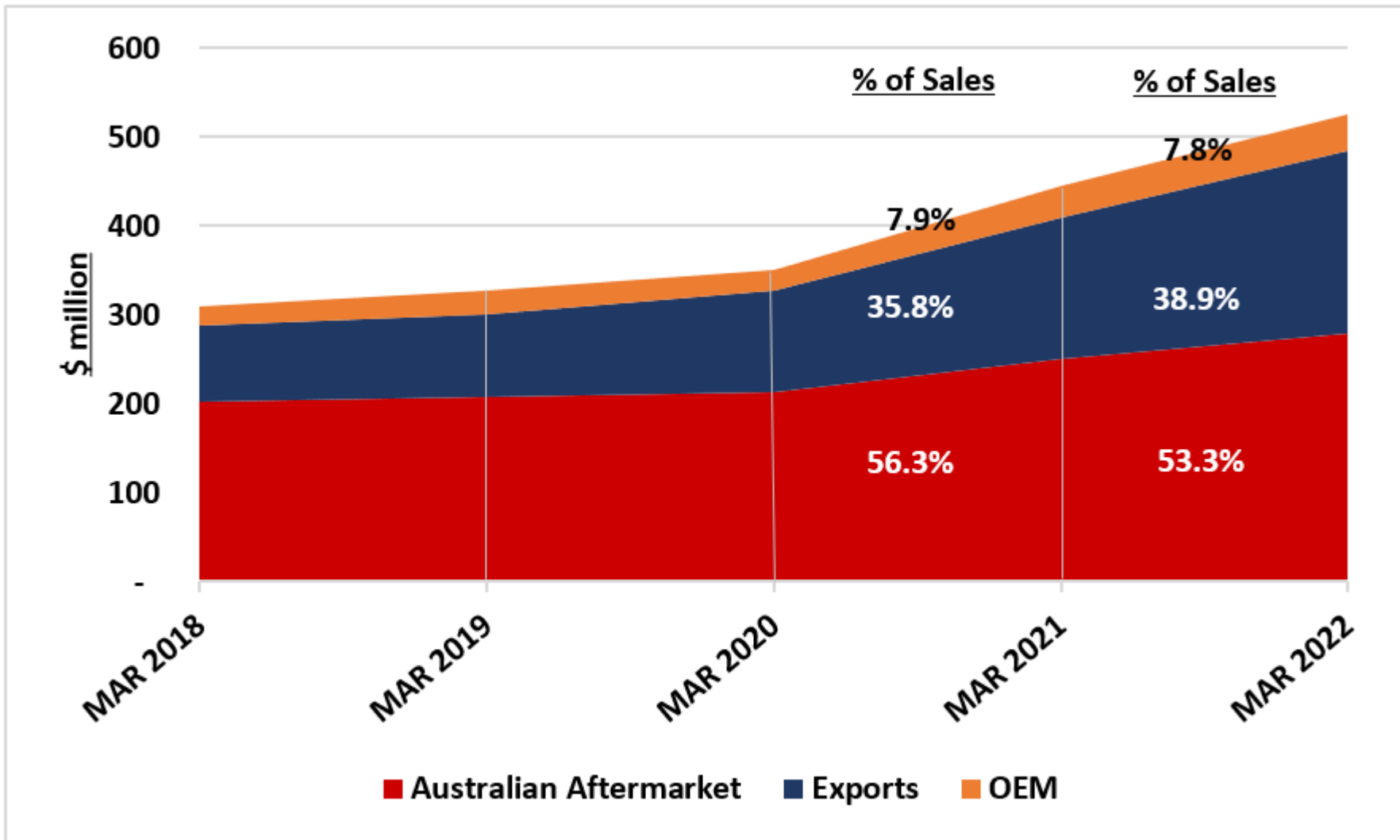


“Everest Has it All”



Sales Revenue Summary

9 months to March (Q3 YTD)



Q3 FY2022 v Q3 FY2021

+17.8% OEM

+28.4% Exports

+11.5% Australian Aftermarket

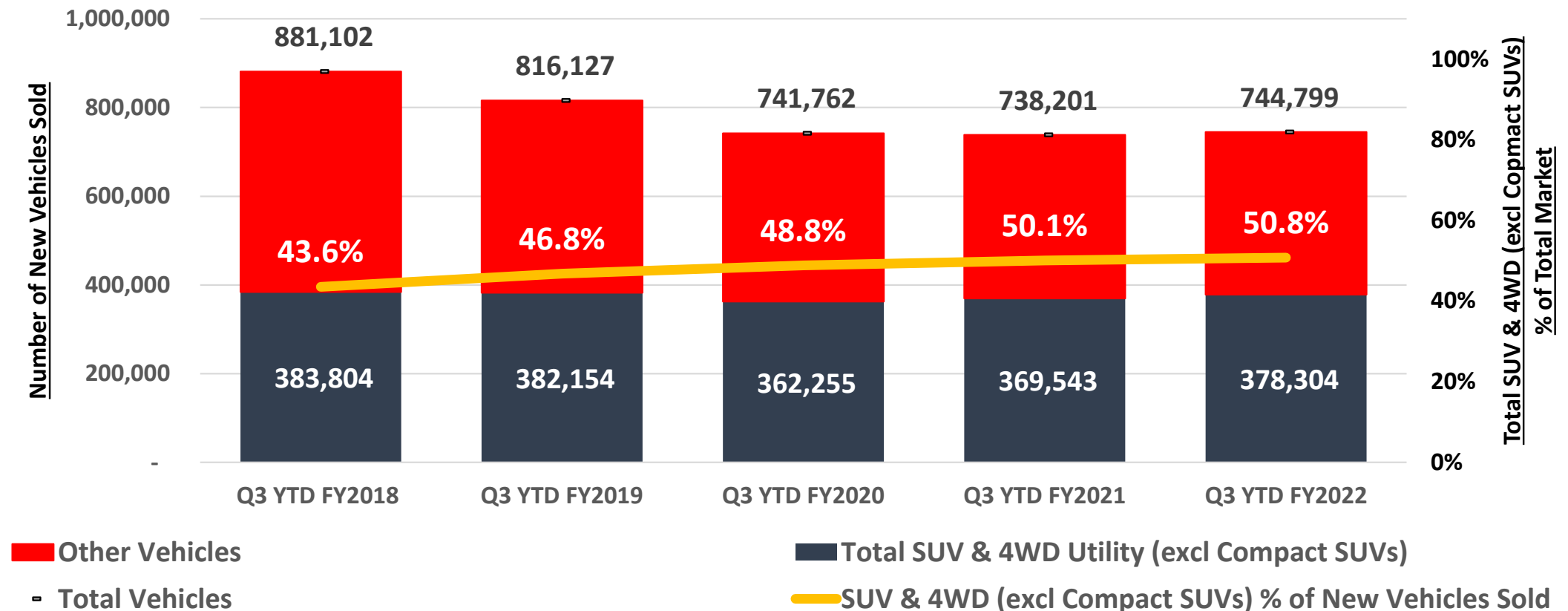
+18.0% TOTAL SALES
Q3 FY2022 Sales
= \$525m

Australian New Vehicle Sales

9 months to March (Q3 YTD)



Q3 2022 YTD: *New Vehicle Sales +0.9% *ARB Target Vehicles +2.4% *Target Vehicles v Total Vehicles = 50.8%

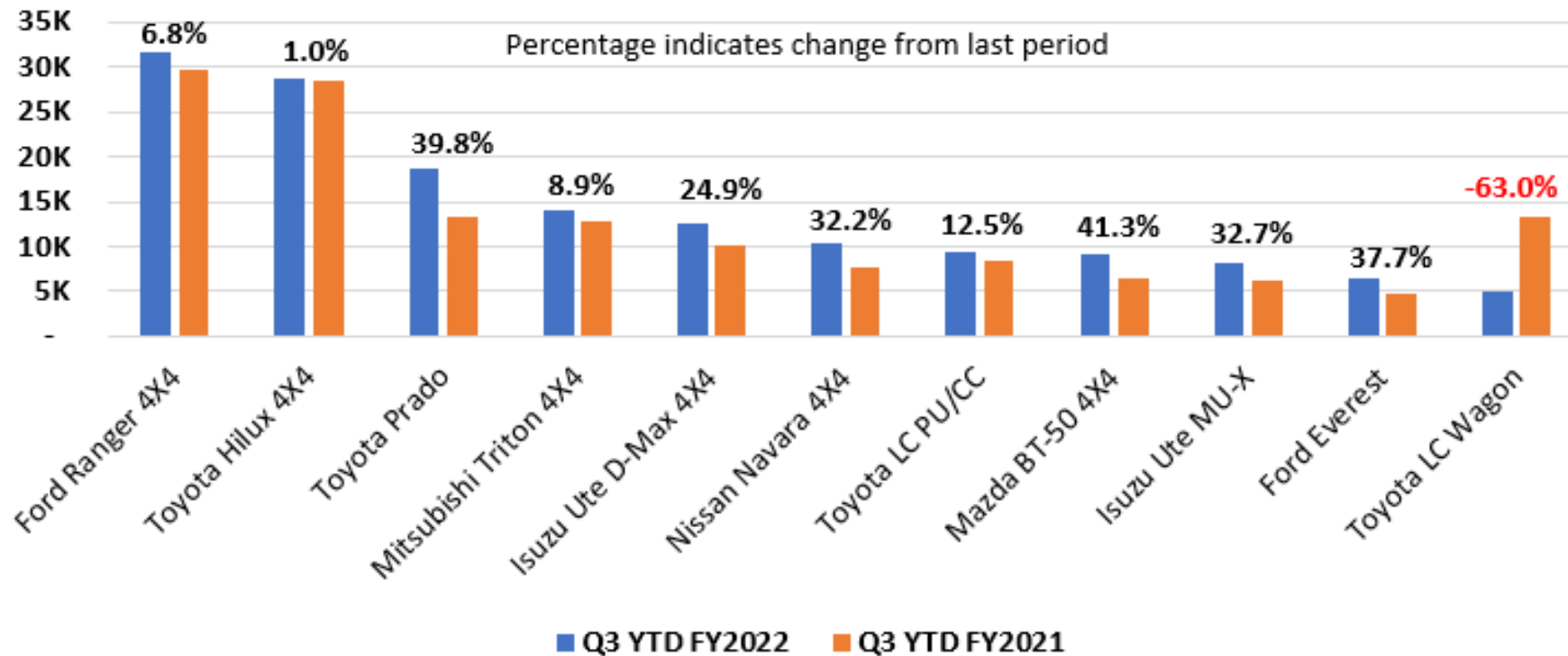


Australian New Vehicle Sales

9 months to March (Q3 YTD)



New Vehicle Sales
Q3 YTD FY2022 v Q3 YTD FY2021



Toyota LandCruiser Wagon is a key vehicle for ARB. The decline in sales is attributable to the changeover from the 200 series to the 300 series.

Product Development



ENGINEERS

100+

- Product development is a key focus to maintaining long term competitive advantage and growth
- Engineers are located in operations across the world
- New engineering / R&D building under construction at corporate head office in Melbourne, AU
- In excess of 160 new products released this financial year



Toyota LandCruiser 300 series

- Launched in Q1 calendar 2022, albeit volumes constrained to date
- Full suite of ARB accessories are already available
- LC300 strongly embraced after the phase out of the very successful LC200
- A strong contributor to the ARB business

Product Development



Ford Licensed Accessories by ARB

Order your Ford adventure ready!

Ford has joined forces with ARB to bring an exciting range of 4x4 accessories to the Ford Ranger and Ford Everest. You can now choose from a large selection of ARB 4x4 accessories backed by Ford's 5 year unlimited kilometre warranty from your local Ford Dealer¹.

The range of Ford Licensed Accessories by ARB will continue to expand into 2022².



Some accessories shown coming 2022. Specifications may vary.

Ford Ranger 2022

- Launches Q2, 2022

Ford Everest 2022

- Launches Q3, 2022

FORD & ARB

- Strong relationship underpinned by the Ford License Accessory program
- Early vehicle access and first to market with a full suite of ARB 4x4 accessories
- Expected to be well received by the market
- Ford License Accessory program to be rolled out in New Zealand, SE Asia and Middle East

Product Development



- Collaborative relationships with Original Equipment Manufacturers
- Strong track record of success and reliability
- Opportunities around the world including partnerships with ARB branded product range

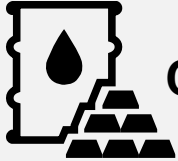
Ford Bronco & ARB

- Strategic collaboration consisting of Ford and ARB engineers working together
- Premium aftermarket products available include front and rear bars including a winch bar, rock sliders, suspension and diff cover
- Products under development include air locker, BP51 suspension, UVP, base rack and drawer system
- Potentially available through over 1,000 dealerships in USA
- Bronco vehicle availability still limited



front zenith bumper

Business Challenges



Commodity Prices & Availability



Global Logistics & Pricing



Global Shortages of New Vehicles



Exchange Rate Volatility



Labour Supply & Skills Shortages

Growth Strategies



Australian Aftermarket

- Continued expansion and upgrade of flagship stores
- Development of stockist network
- Increasing fitting capacity and training



Exports

- Building on ARB brand presence
- Expanding international distribution network
- Increasing efficiency of global distribution network



USA

- Successful Ford partnership
- Broaden range for US platforms
- Enhance distribution network



Manufacturing

- Increased in-house manufacturing capacity
- Investment in machinery, plant and process
- Increased efficiency and speed to market



New Product Development

- Pipeline of developing and introducing new and innovative products

Outlook



The Company maintains a positive outlook:

- Customer order book remains consistently high
- Inventory levels increased to buffer against extended lead times
- Impact of new models, including the Toyota LandCruiser 300 Series and the new Ford Ranger, are yet to flow through
- Emerging partnerships with major customers
- Exciting new products currently under development.

The Board and management are very focused on mitigating key challenges including staffing shortages (particularly in accessory fitment), operational and material cost pressures, global shortages of new vehicles and continuing disruptions to supply chains and shipping networks.

Notwithstanding the uncertainty in the current global economic and political environment, ARB continues to develop and pursue its exciting long term growth opportunities, including further growth in Australia and in export markets, new products, improved distribution and increased manufacturing capacity.

The Board believes 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.

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