



MARKET UPDATE MAY 2023

LACHLAN MCCANN
CHIEF EXECUTIVE OFFICER



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ARB INTRODUCTION: COME A LONG WAY



1975
Business established



1976
ARB Engineering Pty Ltd Inc.
(private company)



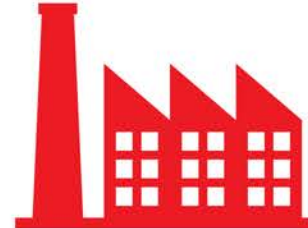
1987
ARB Corporation Ltd
acquired the business from
ARB Engineering Pty Ltd
and listed on the ASX



1991
Air Locker Inc. established
in seattle, WA, USA



2008
Acquired Australian
distribution rights of Thule



2005
Established Off Road
Accessories Ltd Thailand



2003
Acquired Kingsley
Enterprises Pty Ltd



2019
Established ARB New Zealand



2009
Established ARB Off
Road Ltd in Thailand



2014
Air Locker Inc. established
second branch in
Jacksonville, USA



2016
Established ARB Middle
East if.z.e. in UAE



2020
Aquired Pro-Form business



2020
Aquired Truckman business

Established ARB Europe
s.r.o. in Czech Republic

Acquired SmartBar
business

ARB SNAPSHOT



48

Years Industry Experience
– EST 1975 –

2,050

Employees Worldwide
8 International Offices

125+

Countries Distributed In



OVERVIEW OF OPERATIONS

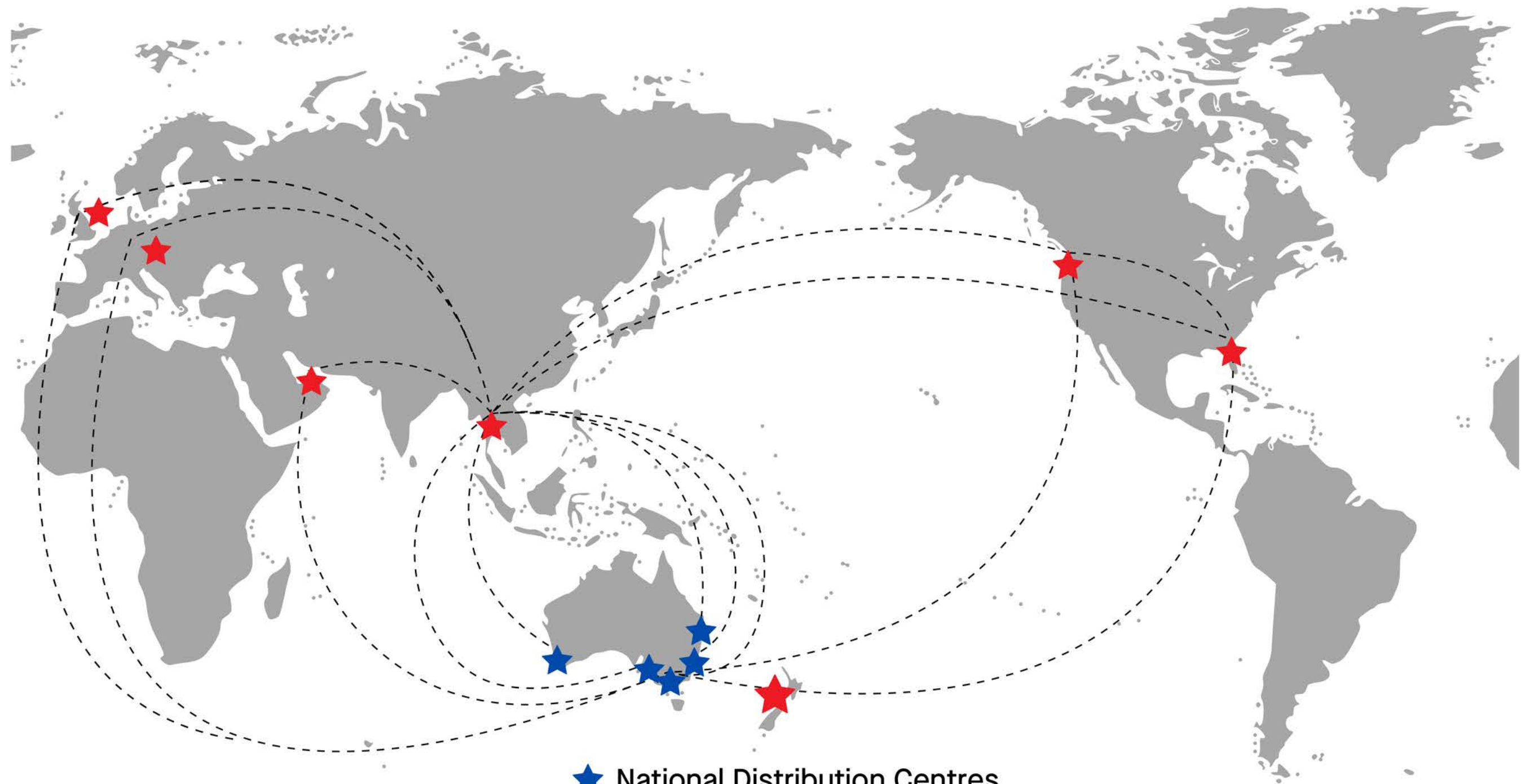


MANUFACTURING

- AU
- EN
- TH
- NZ

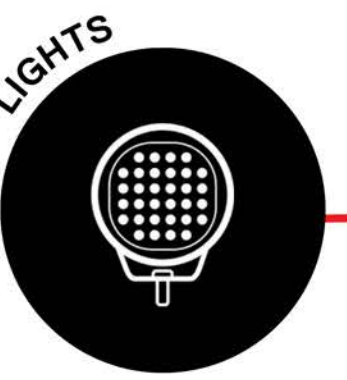
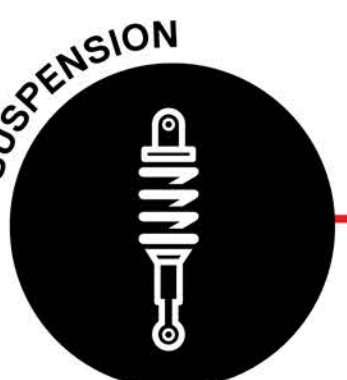
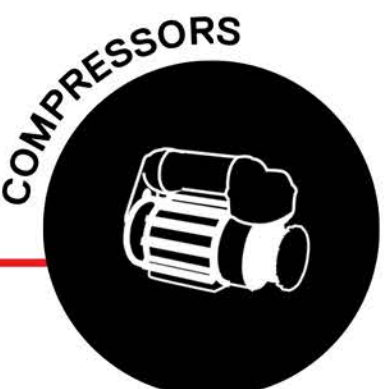
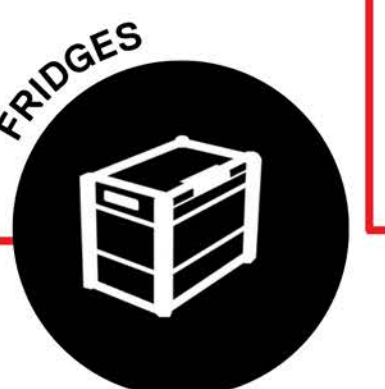
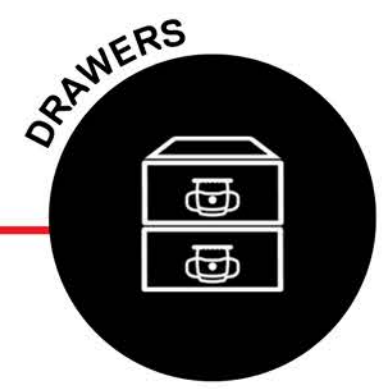
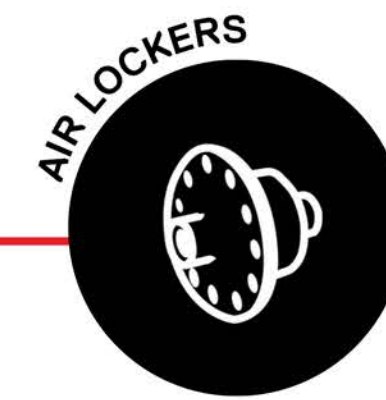
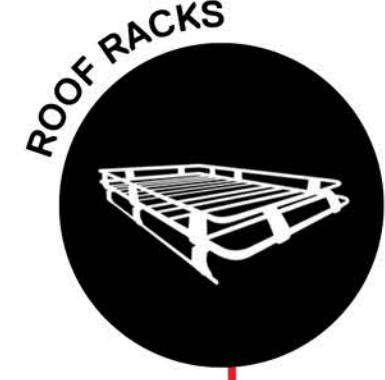
DISTRIBUTION CENTRES

- AU
- USA
- CZ
- UAE
- TH
- NZ
- EN



- ★ National Distribution Centres
- ★ International Distribution Centres

ARB PRODUCT RANGE



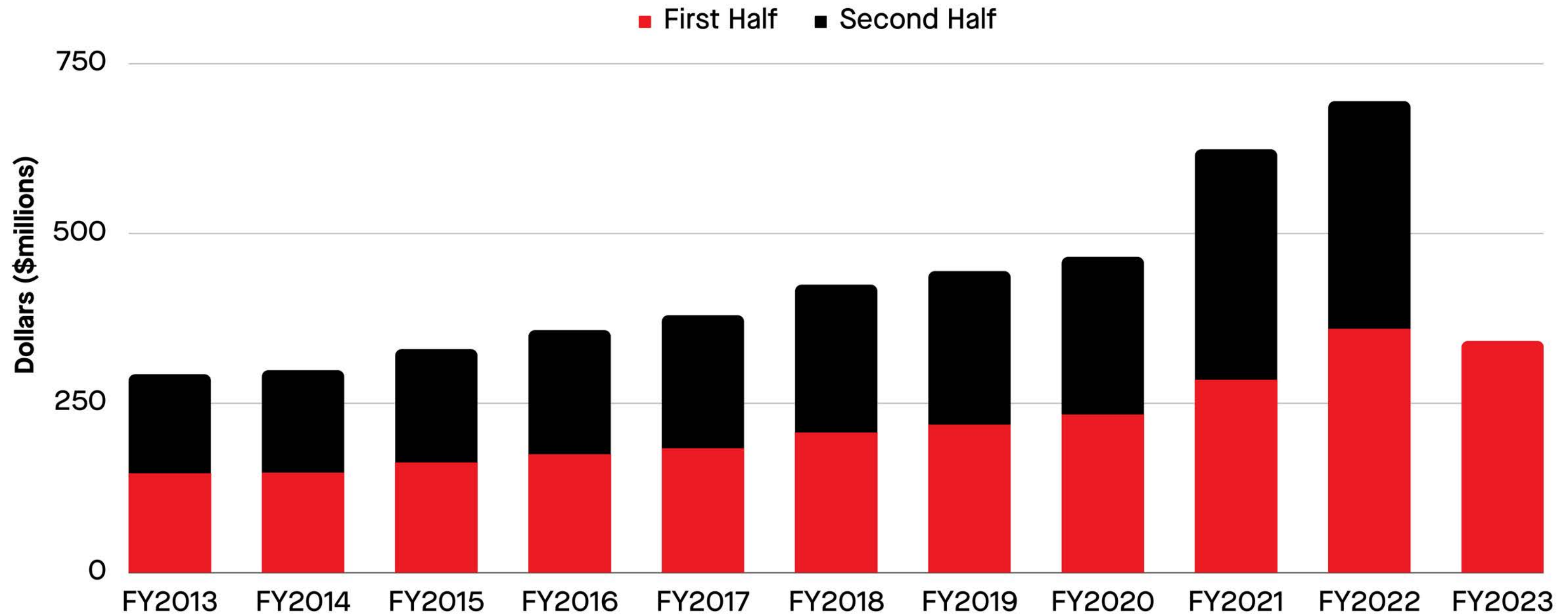
PERFORMANCE

LAST 10 YEARS



Sales Revenue

10 Year CAGR of 10.0% to FY2022



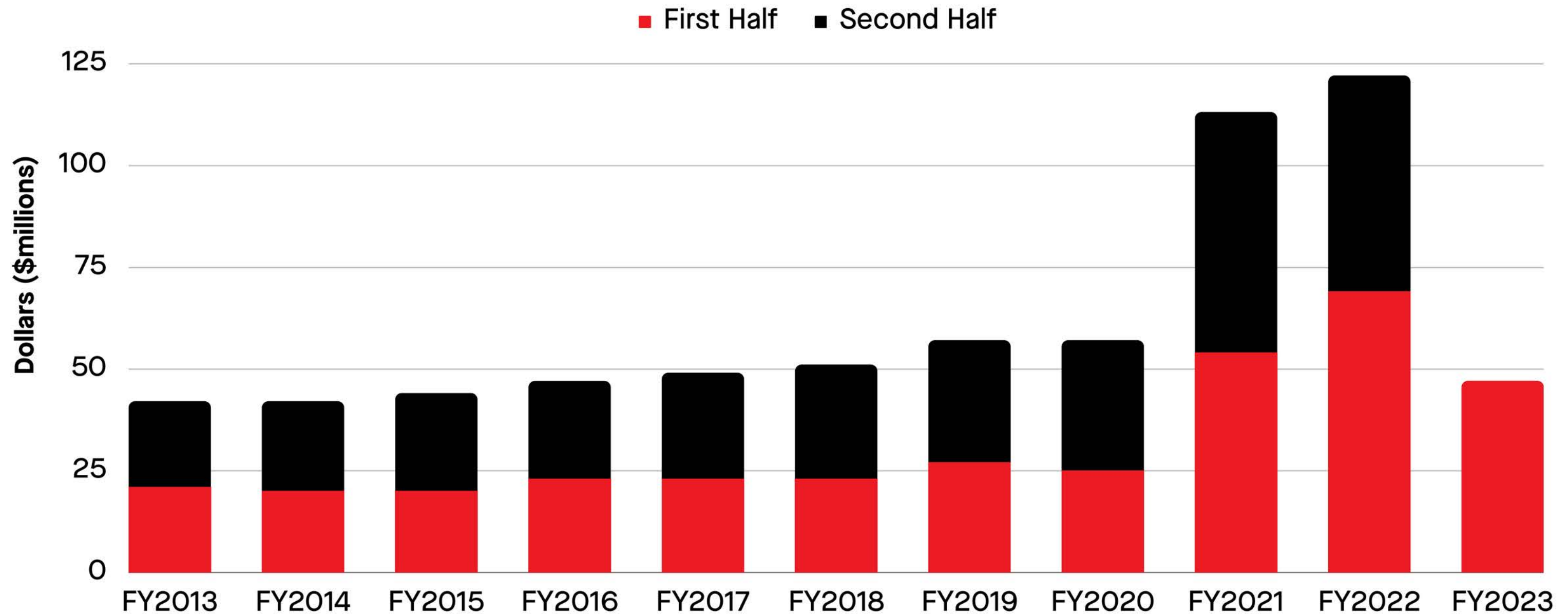
PERFORMANCE

LAST 10 YEARS



Net Profit After Tax

10 Year CAGR of 12.2% to FY2022



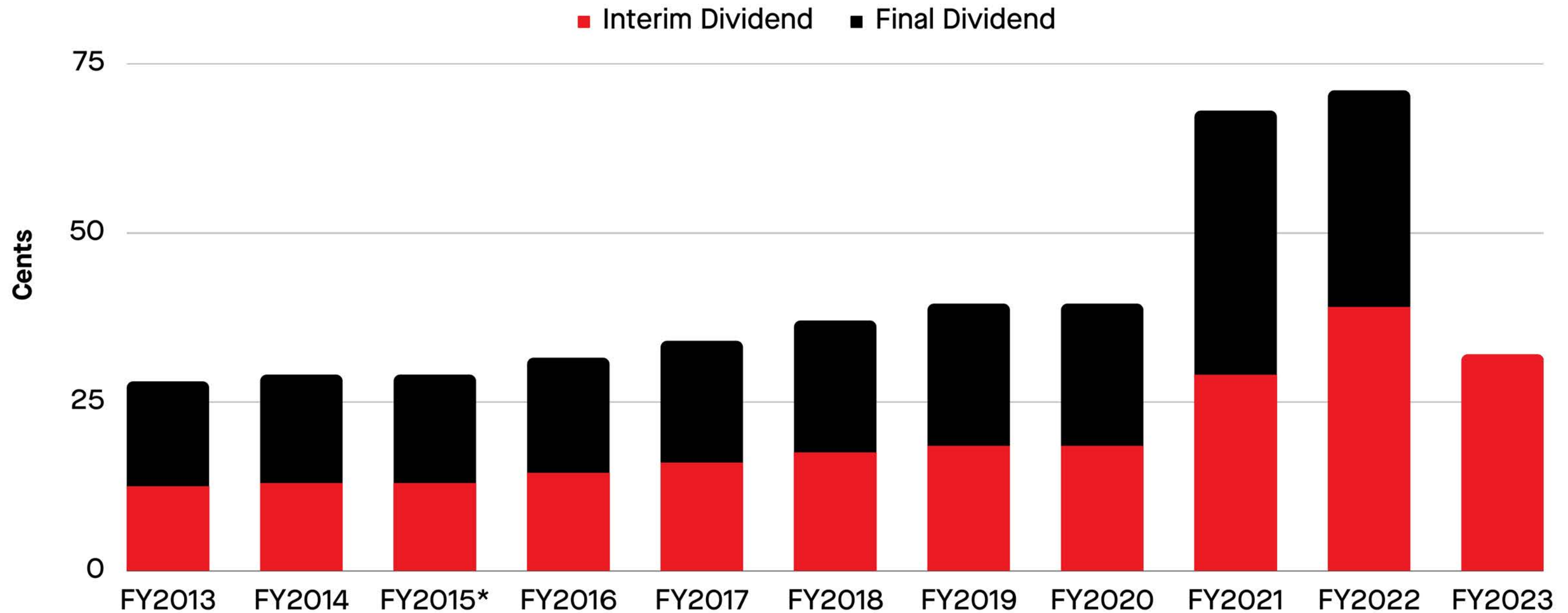
PERFORMANCE

LAST 10 YEARS



Dividends per Share

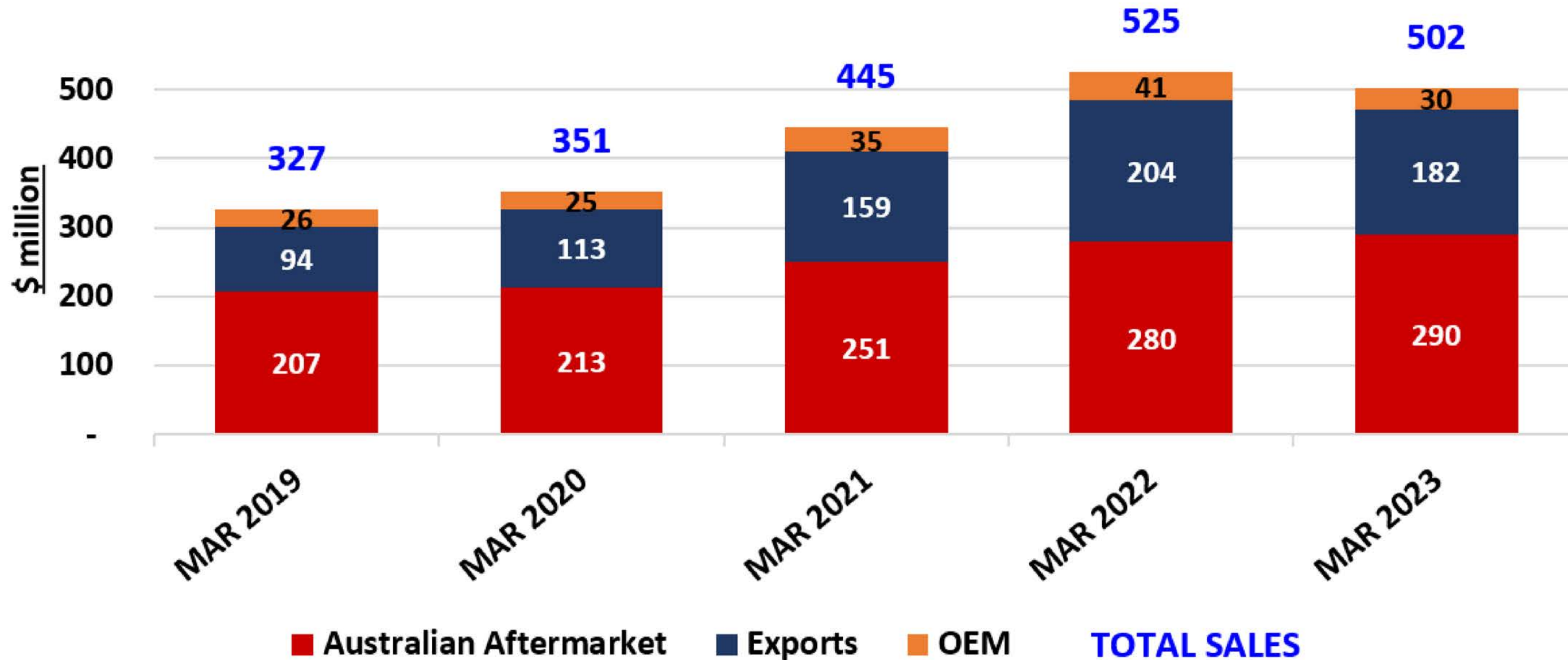
All dividends fully franked



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

SALES REVENUE SUMMARY

9 MONTHS TO MARCH



■ Australian Aftermarket
 ■ Exports
 ■ OEM
 TOTAL SALES

↓

-26.1%

OEM

↓

-11.0%

Exports

↑

+3.7%

Australian Aftermarket

↓

-4.3%

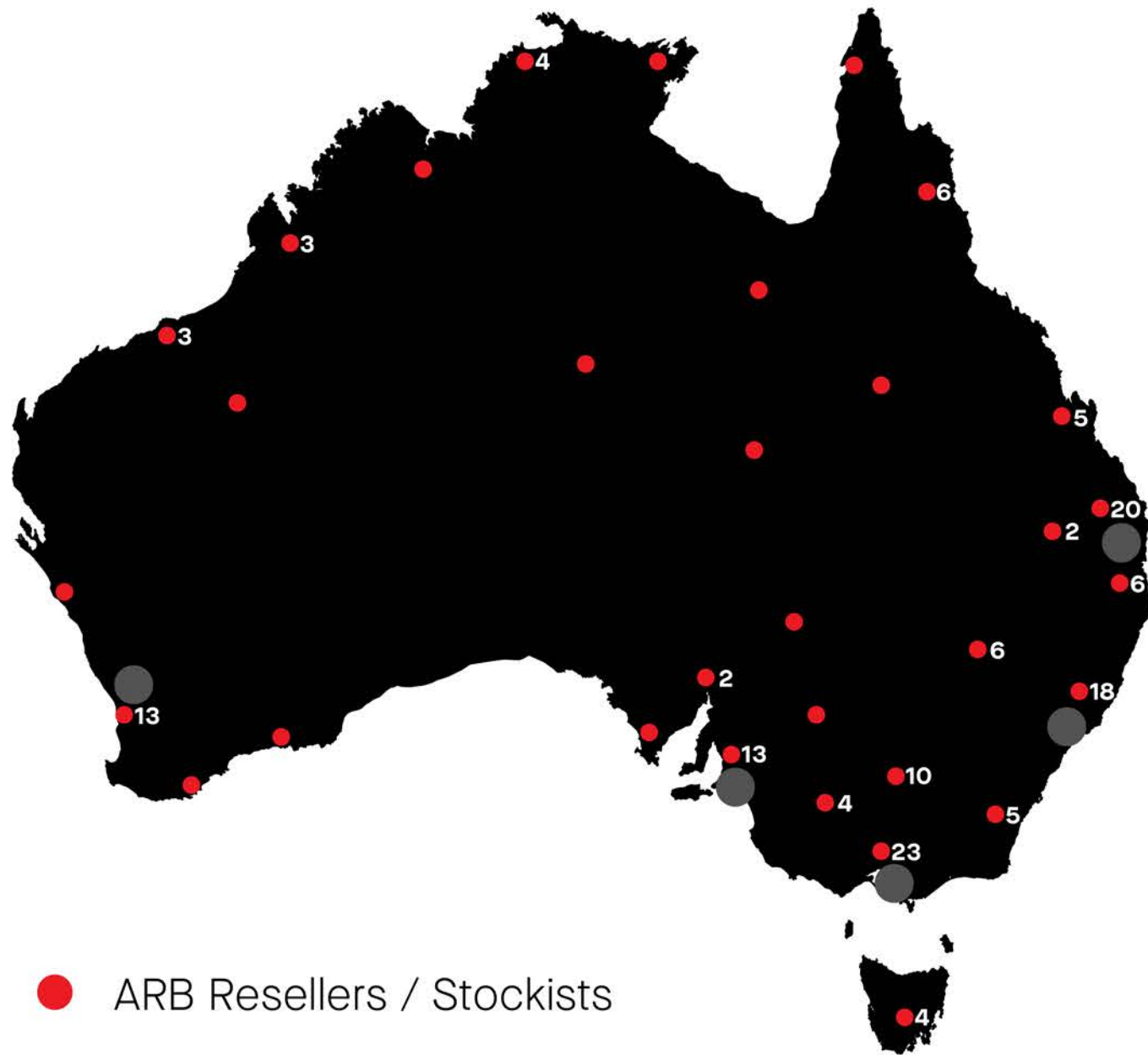
=\$502.5m

YTD FY2023 v YTD FY2022

TOTAL SALES

DISTRIBUTION TO MARKET

AUSTRALIAN AFTERMARKET



74
ARB BRANDED
STORES ACROSS
AUSTRALIA

5
STATE
DISTRIBUTION
CENTRES

CHANNELS TO MARKET



ARB Stores



Authorised Resellers



Automotive Dealerships



Fleet



Commercial



STAFF MANAGEMENT

AUSTRALIAN AFTERMARKET



INITIATIVES



Expedited Induction Program



Thai Employees' Career Paths



International Workers



Fitter Pathway Program



Bronze

1-6 Months



Silver

6-24 Months



Gold

24-36 Months



Platinum

36-48 Months



Workshop Manager

48+ Months

ARB TOYOTA FAMILY VIDEO



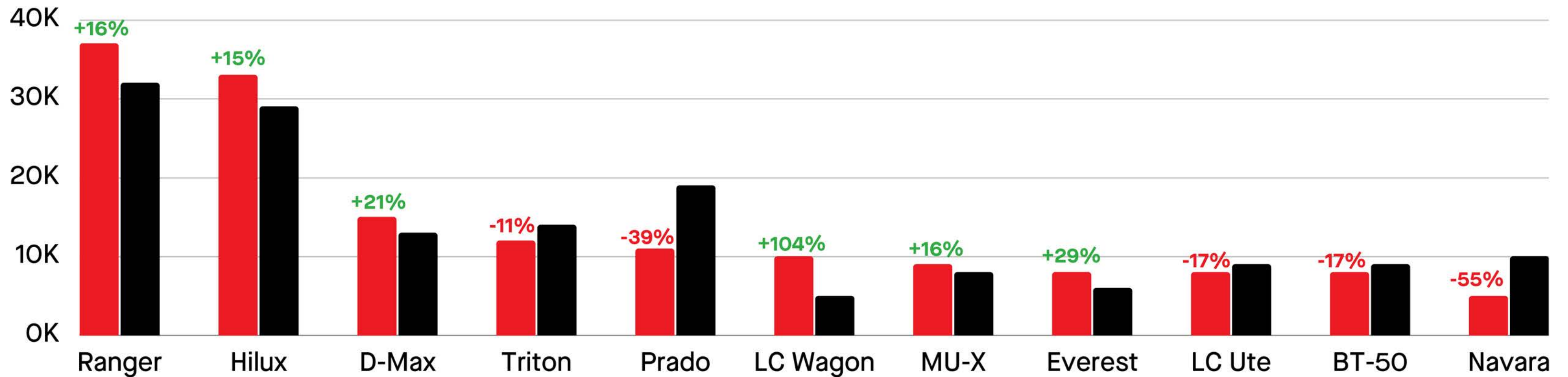
AUSTRALIAN NEW VEHICLE SALES

YTD FY2023 v YTD FY2022



New Vehicle Sales

YTD FY2023 v YTD FY2022



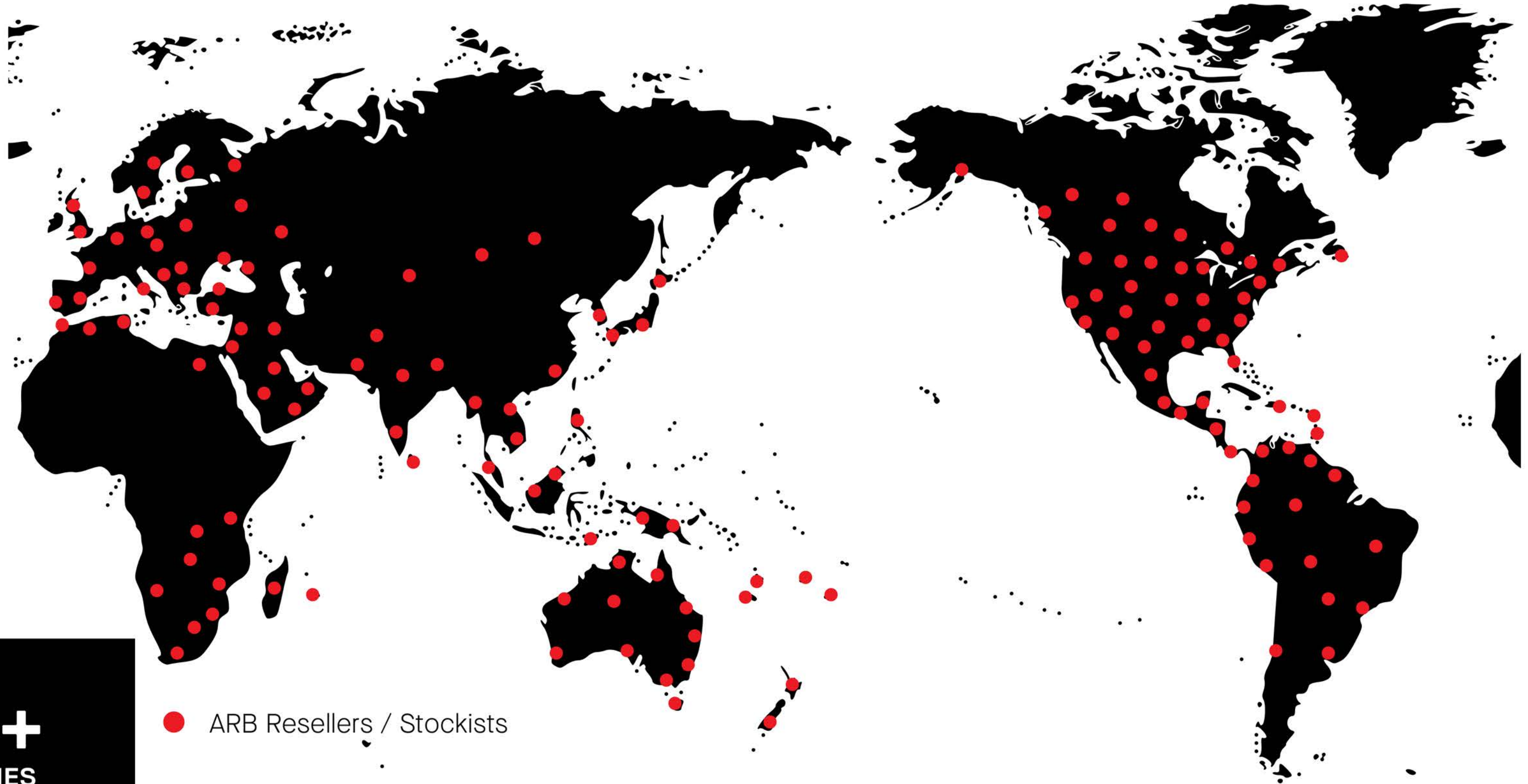
Sales of 4x4 pick-up vehicles remain strong this financial year. Particularly the Ford Ranger and Toyota HiLux. The positive recovery of the Land Cruiser Wagon post model change has also been a highlight.

DISTRIBUTION TO MARKET EXPORT



SALES & DISTRIBUTION CENTRES

- USA  x3
- CZ 
- UAE 
- TH 
- NZ 
- EN 



125+
COUNTRIES
DISTRIBUTED IN

EXPORT KEY MARKET DEVELOPMENT



UNITED KINGDOM TRUCKMAN

- Pick-up sales are beginning to recover, but not yet back to historical levels.
- ARB product integration into UK business progressing well.
- B2C ARB dedicated eCommerce platform now live. www.arb4x4.co.uk



NEW ZEALAND PROFORM / BEAUT UTES

- Moderate improvement in the 4x4 aftermarket business.
- General improvement in new vehicle sales.
- Ford Licensed Accessories program progressing well.
- Proform manufacturing integrated into ARB's Corporate ERP system.

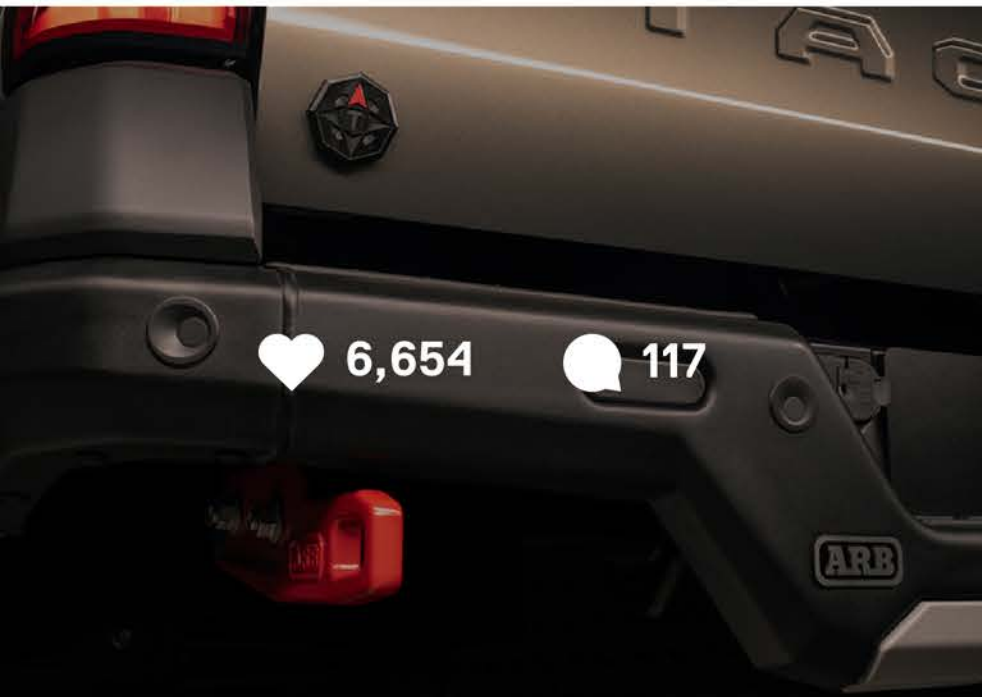


EUROPE

- Ongoing volatility concerns due to unstable political and economic conditions.
- Vehicle availability remains a challenge.
- Commercial fleet opportunities.
- Product portfolio diversification for EU market.

OUR STORY

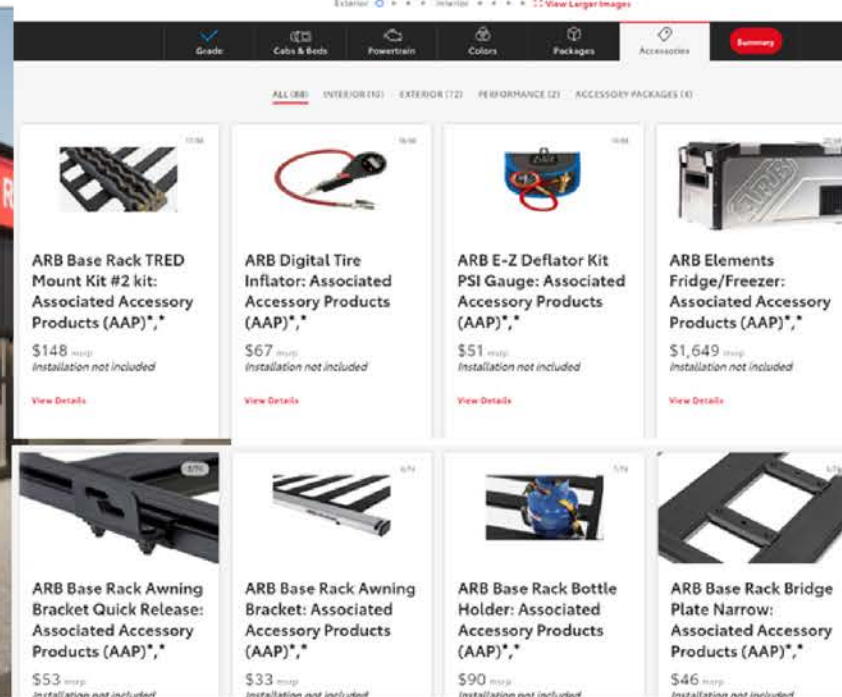




**TOYOTA
TRAILHUNTER**



**PILOT RETAIL STORE
SEATTLE, WA**



**E-COMMERCE
WEBSITE**



**FORD
PARTNERSHIP**

- Toyota USA to release a new halo platform of Tacoma.
- First teaser release of the Trailhunter model featured two ARB branded products.
- Full release in May 2023.

- On schedule.
- Exterior design approved by council.
- Interior remodeling has commenced.
- Store opening expected Q1 2024.

- Site largely complete.
- Testing well underway.
- Expecting a Q3 2023 release.

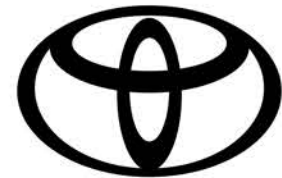
- USA specification Ford Ranger due for release later this year.
- Common ARB parts to rest of world vehicle will be offered by Ford.
- Further programs for Bronco in process.

DISTRIBUTION TO MARKET

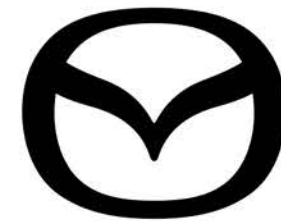
ORIGINAL EQUIPMENT MANUFACTURERS



CURRENT OE PARTNERS



ISUZU



- OEM business performing as expected.
- Multiple long-term programs in progress.
- New contracts won.
- Expanding internationally.
- Resource hungry work.

CAPITAL EXPENDITURE

10 YEARS



Capital Expenditure

Dollars (\$millions)

	Land & Buildings	Plant & Equipment	TOTAL
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	44.5	13.6	58.1
FY2023 F'cast	54.7	21.8	76.6
TOTAL	231.7	131.7	

Major Capital Expenditure in recent years includes:

- Retail store upgrades (ongoing)
- Manufacturing equipment (ongoing)
- Melbourne, AU Head Office (FY2015)
- Thai Global Distribution Centre (FY2017-FY2019)
- Melbourne, AU National Distribution Centre (FY2018)
- Thai factories (FY2021 – FY2022)
- NZ factory (FY2022 - ongoing)
- Melbourne, AU Head Office Redevelopment (FY2022 – ongoing)
- Melbourne, AU National warehouse (FY2023)

OPERATIONS UPDATE



PLANNING FOR GROWTH WITH STRONG BALANCE SHEET AND CASH FLOWS

Artist's impression



Redevelopment of Kilsyth Head Office

- Engineering building complete
- 1st stage Head Office Dec23
- 2nd stage Head Office 2024
- New showroom 2025



Thailand 36,000 sqm increased facility

- Completed Dec22
- Factory fitout 2023

Artist's impression



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

- Early 2024

ARB ENGINEERING



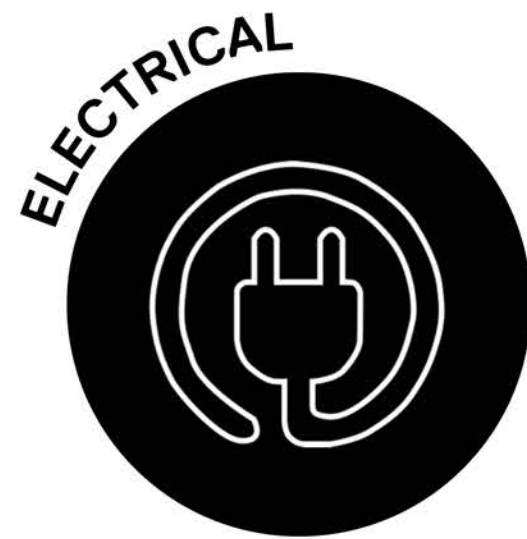
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Engineers in
Australia / Thailand
/ USA / NZ

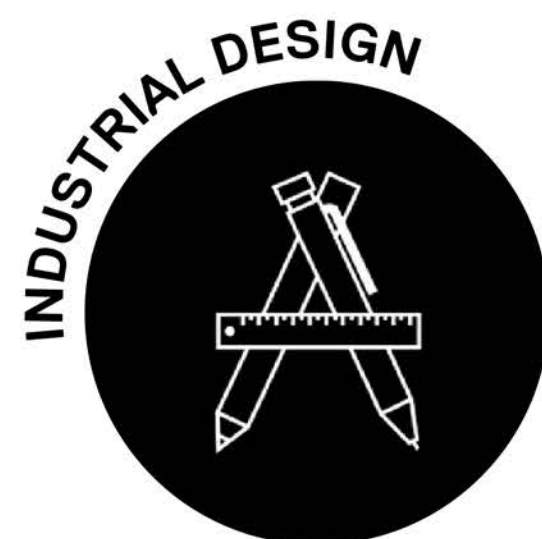
Multi Year Programs
Coming to Market in
2023



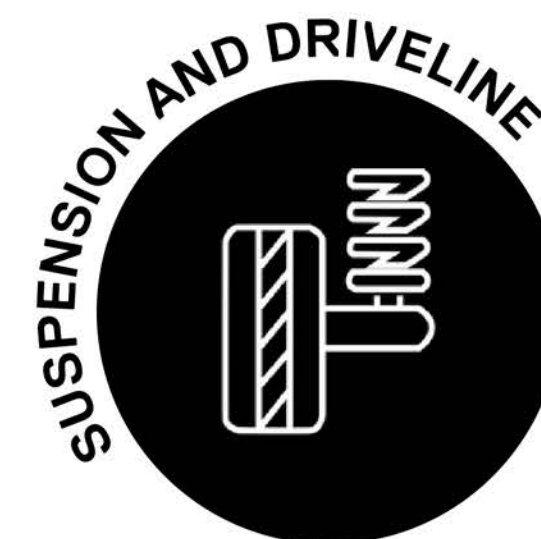
Fabricated Metal,
Forming and Safety



Electrical Analysis,
Testing & Validation, as
well as Design



Plastic & Glass Forming,
and Adhesives



Vehicle & Suspension
Analysis



Driveline Systems and
Machining Processes

FORD LICENSED ACCESSORIES (FLA) PROGRAM

03/21

Program Launched

160+

High-Quality & Integrated
ARB Accessories



Exhaustive Testing &
Validation Program



Fitment by
Ford or ARB



Maintaining a Strong
Relationship



Product range has
expanded



New Fleet
Opportunities



ARB Stores
Embedded Support



ARB Brand
Strength

BUSINESS FOCUS



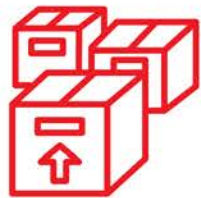
Execution of US Strategy



Fitting Resources & Capacity



Macro-Economy



Inventory Levels & Availability



Aftermarket expansion through
upgraded retail stores



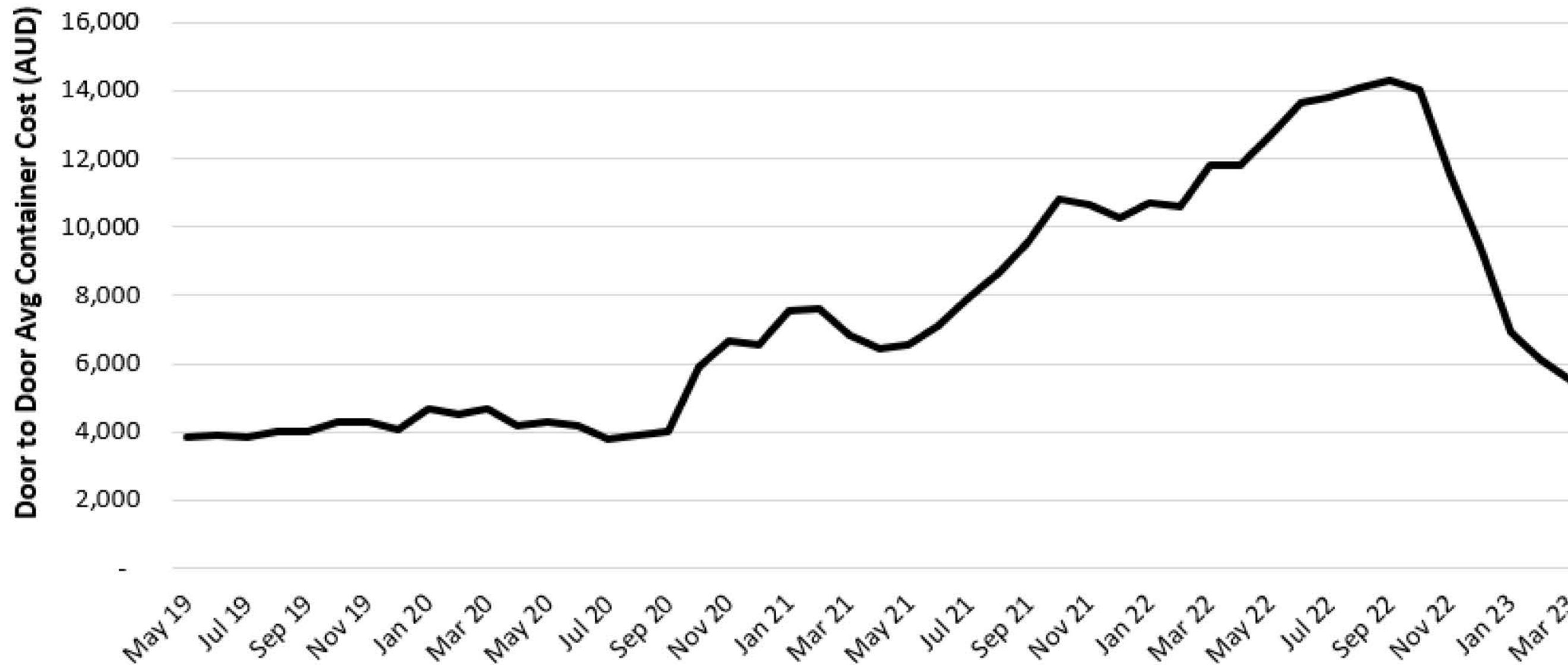
Supply Chain / Freight



BUSINESS FOCUS



IMPORT - Average International 40' Container Cost (AUD)



ARB imports between 100 to 300 containers per month.

Shipping costs have moderated since the COVID driven peaks during the second half of calendar 2022.

The cost of key shipping routes from Asia to Australia are returning to historical levels.

Shipping costs into and out of New Zealand remain at elevated levels.

OUTLOOK

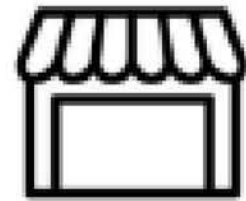
The Company maintains a positive outlook based on its continuing strong customer order book, which is in line with order levels throughout 2022.

ARB is focused on supporting export markets and pursuing various market opportunities, whilst managing input costs and global supply chain pressures.

The Board believes ARB remains well positioned to achieve long term success through:



New product development with a number of new and innovative products to be released in 2023.



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



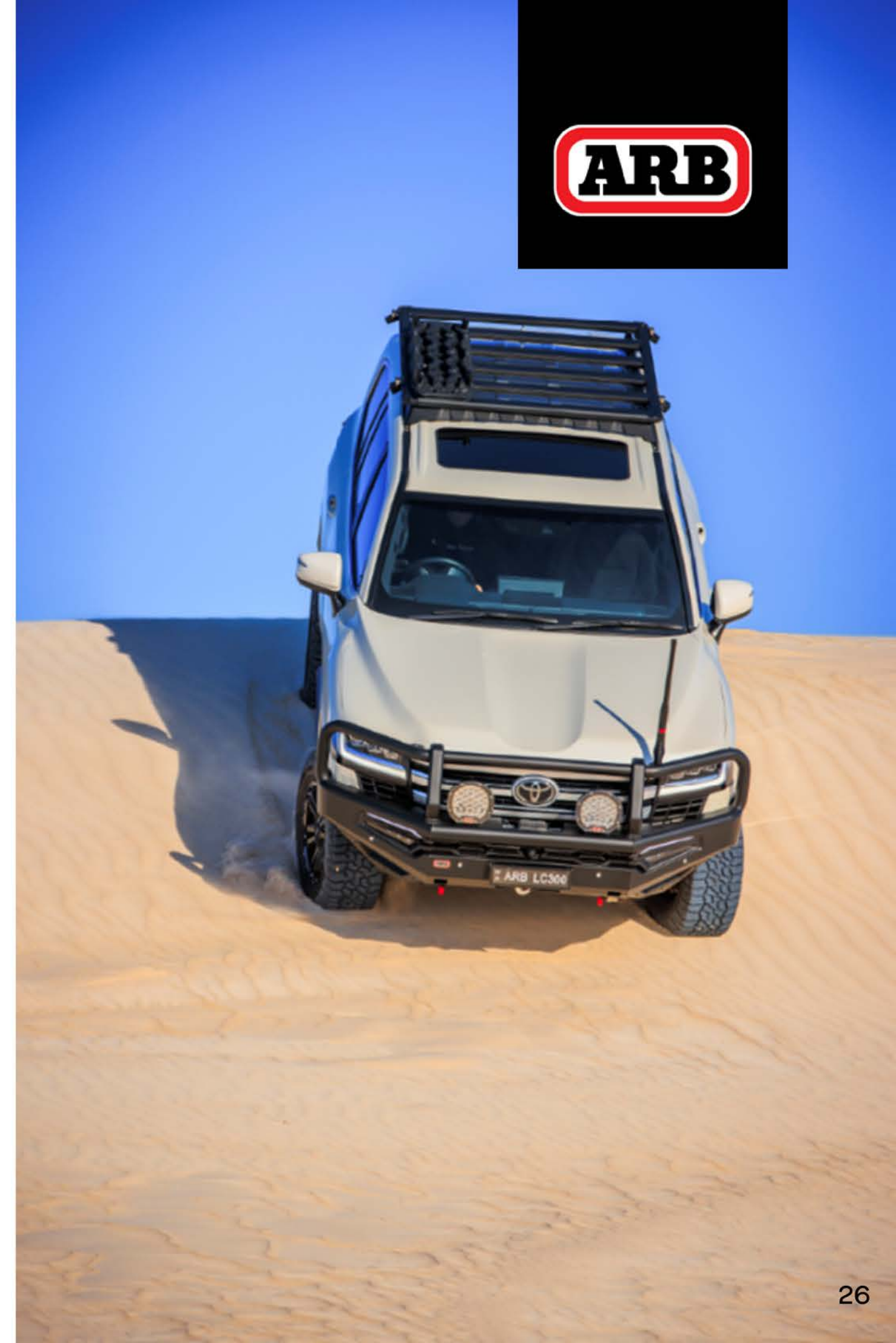
Strategic partnerships with key Original Equipment customers in Australia and internationally.



Increased distribution and manufacturing capacity to accommodate future growth.



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



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