



Annual
Report
2025



what
we
have
done.



Essential services for your
facility and infrastructure



‘Ngadjung’
Digital Media
Jordan Ardler
2022

Acknowledgement of Country

The ARA Group acknowledges the connection of people, land and communities within the areas that we work. We pay our respects to Elders past and present.

We seek to maintain meaningful partnerships by undertaking the appropriate engagement practices within our business and for our communities. We know the importance of respecting, understanding and sharing the oldest living cultures in the world.



Annual Report 2025

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**“Be
yourself;
everyone
else
is
already
taken.”**

● Oscar Wilde



Letter from the
**Co-Founder
and Chief
Executive Officer**

When we started the ARA Group 24 years ago, I had some thoughts on the kind of company and culture I wanted to help create. The growth of the company was paramount in my thoughts. Organic growth and growth through acquisitions were the means to expanding the products and services and locations offered by ARA. Ultimately the value of ARA shares would be enhanced along the way.

I wanted to accomplish three simple things. I wanted to grow the company, keep the financial leverage safe and affordable and pay an above average return to our shareholders. I wanted the majority of the shareholders to be employees. Through our first 24 years we have achieved these objectives.

The dream is to see the company stand the test of time as a privately owned and principally employee-owned company.

**“You are never
too old to
set another goal
or to dream
a new dream.”**

● C.S. Lewis

I wanted our culture to be unique and respected. First and foremost, we must do a good job for our clients. In the process of doing our job, we need to communicate well and be transparent. We define ourself through the combination of fulfilling our social responsibility and growing the company. We won't tell you what we're going to do; We'll tell you what we have done.

It's different here.

I sincerely believe the way we conduct ourselves at ARA ticks the six positive things that help keep things moving in a positive direction as enunciated by well-respected professor of business, Rosabeth Moss Kanter.

- 1** Show Up – we show up to do our job and good things can happen.
- 2** Speak Up – we communicate well with our clients and each other.
- 3** Look Up – our values and vision for a nobler purpose lead us. In essence, our social responsibility is paramount.
- 4** Team Up – we collaborate within ARA and with our customers and with our suppliers.
- 5** Never Give Up – when we have problems, we work hard to fix them.
- 6** Lift Others Up – we share our success and elevate others.

By staying focused on what is important, we can continue the successful winning streak we are on and continue to be ourself.

Photograph
Cover: ARA Electrical - low and
high voltage installation, Central Coast, NSW



“To be yourself
in a world that is
constantly trying to
make you something else
is the greatest
accomplishment.”

● Ralph Waldo Emerson

Operating Results

It is fair to say financial year 2025 has been nothing short of a success. Many things have gone right for us this year. All but one profit centre this financial year has been profitable. Backlog is at a record level. All the acquisitions have contributed to our strong operating results. Sales and EBITDA both grew at a rate of 24% from the prior financial year. After 24 years, the compounded annual growth rate of Sales and EBITDA is 18% and 17%, respectively. This has been hard to accomplish, but I am extremely proud of these results.

The increase in revenue and EBITDA in 2025 is as follows:

Revenue grew 24% from \$969 million to \$1.204 billion. EBITDA grew 24% from \$75.0 million to \$93.4 million. 2025 represented the tenth year in a row of record EBITDA results. The prospects are strong for ongoing growth as the backlog of confirmed orders on 30 June was a record \$688 million, up from \$438 million one year ago. Organic revenue growth in 2025 was 7% whilst the revenue growth from acquisitions was 17%. We recognise the importance of growing the Group organically and we are always focused on finding opportunities to grow, both organically and through acquisition.

EBITDA reflects three one-off items, including the gains on two bargain purchases. The net impact of these items was an increase in EBITDA of \$3.1 million for the financial year.

Cash flow has again been extremely strong for the full financial year. Operating cash flow, before interest and tax payments, was \$97.4 million and 104% of EBITDA. This result maintains the average operating cash flow as a percentage of EBITDA for the past three financial years at 94% of EBITDA. Free cash flow in 2025 was \$67.8 million as compared to \$37.5 million in 2024.

Throughout the 24 year journey of ARA, we have used a combination of new equity and bank borrowings to grow the company and acquire strategically aligned businesses. We have consistently kept the leverage ratio (debt less cash divided by the trailing twelve months EBITDA adjusted for a full year of acquired companies' EBITDA) under two times. The leverage ratio on 30 June 2025 was 1.75 (30 June 2024 was 1.77 and 30 June 2023 was 1.89). We are working hard to continue to reduce the leverage ratio.

Total bank debt increased to \$244.0 million on 30 June 2025 from \$185.0 million on 30 June 2024. The increase was entirely a result of the acquisition of businesses during the financial year. The net debt was \$183.9 million as of 30 June 2025 as compared to \$141.0 million on 30 June 2024. As seen in the paragraphs above, ARA has used its borrowings efficiently in 2025 resulting in a lower leverage ratio than the prior year, and a consistent conversion of EBITDA to operating cash flow. ARA has consistently kept its borrowings at a level that is safe relative to the earnings of the Group. There was an increase in interest expense of \$2.1 million due to the increased borrowings.

Earnings per share for the current year were \$.84 per share. This is an increase of \$.17 per share, or 25% from the prior year (\$.67 per share). Earnings per share has increased at a compounded growth rate of 12% during the past 10 years.

Fully franked dividends declared during the financial year totalled \$.63 per share. This represents a dividend yield of 9% on the current share price of \$7.00. There are \$57 million of unused franking credits at 30 June 2025.

“We won’t
tell you what
we’re going to do;
We’ll tell you
what we
have done.”

● Edward Federman

Acquisitions

We completed 14 acquisitions during the 2025 financial year for cash consideration of \$67.7 million and issued 4,633,898 ARA Group shares at \$7.00 per share for share consideration of \$32.4 million. The total amount invested in acquisitions for the financial year was \$100.1 million.

The following is a summary of the businesses, services and products acquired during the past financial year:

- Electrical generator & motor rewind business in Central NSW
- Data cabling installation & service business in Perth
- Insurance building & restoration business in NSW, QLD and VIC
- Locksmith service business in Sydney
- Locksmith service business in Canberra
- Architectural hardware & security products distribution & service business in New Zealand
- Insurance building & restoration business in northern NSW
- Building fit-out business in Sydney & Melbourne
- Nurse agency business in regional QLD
- Insurance building & restoration business in NSW, QLD, WA and VIC
- Fire protection installation & service business in south eastern QLD
- Fire protection pipe fabrication business in south eastern QLD
- Electronic security products distribution business in New Zealand
- Technology service business throughout Australia and New Zealand

We often are asked if we will run out of businesses to acquire. We do not believe that is likely. The economies of Australia and New Zealand are driven by small and medium sized enterprises. Many of these very successful businesses do not have effective succession planning so the owner is often in the position of needing to sell the business. ARA is often on the receiving end of contact from such business owners turned business vendor.

There are many opportunities that we walk away from as they are not a good fit in ARA for various reasons. The acquisitions we make fit strategically, add a geography, or are a meaningful add-on to the current composition of ARA.

Thank you to the ARA Team

The Board of Directors of ARA has been very stable for several years. We have regular Board meetings, and the Board is always kept abreast of all developments within ARA. The Board provides guidance to the decisions we make as the management team of ARA. It is a collaborative effort of the Board and the management team that steers the ARA Group. Thank you from myself and the rest of the ARA management team for all that the Board of Directors did to assist us during the past financial year.

I want to thank my esteemed teammates of the ARA Senior Management Team. All of you are essential to the success of the Group. It is a pleasure to work with you. One of the most significant competitive differentiators of the ARA Group is the consistency of the composition of the ARA Senior Management Team. We are shareholders and we have the interests of all the ARA shareholders in mind as we go about our business. Thank you for another great year of working together.

ARA is on a winning streak. This is our tenth year in a row of record earnings. How did we do this? We did this with a strong leadership team all believing in the dream and the journey.

“Winning streaks feature a great deal of leadership continuity.”

● Rosabeth Moss Kanter

Finally, and most importantly, thank you to all the ARA workforce. Your dedication to your job and the work you do for our customers is what sustains the ARA Group. You are truly valued, and ARA would not be in the strong position we find ourselves without all of you. Thank you from the bottom of my heart.

We remain committed to the ARA tag line:

Here for you. Here for good.®

Edward Federman

Executive Chair and Chief Executive Officer
ARA Group Limited

Note: All amounts contained in this letter are before the application or AASB16 Leases.

Photograph
Cover: ARA Building Services | AIB restoration work on heritage vent stack in Bellevue Hill, NSW

2002	\$ 28 082 552
2003	\$ 62 993 640
2004	\$ 72 221 956
2005	\$ 86 187 419
2006	\$ 96 946 955
2007	\$ 154 037 926
2008	\$ 184 024 816
2009	\$ 201 231 951
2010	\$ 197 395 799
2011	\$ 248 552 009
2012	\$ 270 167 354
2013	\$ 279 972 944
2014	\$ 301 054 233
2015	\$ 321 678 529
2016	\$ 352 322 332
2017	\$ 372 332 384
2018	\$ 479 211 231
2019	\$ 555 298 215
2020	\$ 621 298 088
2021	\$ 576 290 514
2022	\$ 721 422 469
2023	\$ 884 900 078
2024	\$ 968 950 667
2025	\$ 1 204 341 435

24 years of
Sales and
profitability

In the financial year just completed (2025), revenue increased \$235 million to \$1.204 billion from \$969 million in financial year 2024. This is an increase of 24%.

During the past 24 years of ARA Group operations, revenue has grown at a compounded rate of 18%.

The increase in revenue in 2025 was principally due to the increase in business in the Building Services Division. All Divisions increased their revenue in 2025.

The backlog of the Group grew to a record \$688 million at 30 June 2025. This indicates there is still significant work ahead for the Group.

● Annual revenue



2002	\$ 2 692 817
2003	\$ 1 424 211
2004	\$ 4 042 872
2005	\$ 6 911 968
2006	\$ 7 447 844
2007	\$ 8 277 627
2008	\$ 9 901 948
2009	\$ 10 588 948
2010	\$ 6 553 299
2011	\$ 9 243 426
2012	\$ 12 049 342
2013	\$ 8 809 653
2014	\$ 13 020 857
2015	\$ 10 028 501
2016	\$ 16 658 919
2017	\$ 22 906 838
2018	\$ 27 039 897
2019	\$ 32 509 376
2020	\$ 36 500 298
2021	\$ 46 331 955
2022	\$ 50 492 544
2023	\$ 67 033 326
2024	\$ 75 034 707
2025	\$ 93 405 640

EBITDA in 2025 was ARA’s tenth successive year of record profits. EBITDA increased from \$75 million to \$93.4 million, an increase of \$18.4 million, or 24%. ARA maintained EBITDA at 8% of revenue, similar to the prior year. A significant contribution to the increase in EBITDA was made by the Building Services Division. The Fire & Security Division and the Electrical Division made contributions to the increase in EBITDA partially offset by a reduction in EBITDA in the Products Division.

During the past 24 years of ARA Group operations, EBITDA has grown at a compounded rate of 17%.

Note: EBITDA is presented before the impact of the accounting standard AASB 16 Leases.

● Annual EBITDA



2025
Revenue

63 %
Service

18 %
Construction

19 %
Product

\$1.2 billion

Photograph
ARA Electrical - installation of switchrooms
Dubbo Regional Rail project



Low voltage, high voltage,
data cabling, engineering and
manufacture of switchboards
and switchrooms



Insurance repair services,
building maintenance,
mechanical services and
commercial cleaning



Integration of and solutions
for electronic security and
fire protection



Manufacture of physical
security products and
distribution of security
and fire products



Operates as a commercial
cleaning business and
a conduit for all ARA
capabilities



ARA ELECTRICAL



ARA BUILDING SERVICES



ARA FIRE & SECURITY



ARA PRODUCTS



ARA INDIGENOUS SERVICES

\$201 Million

\$469 Million

\$276 Million

\$258 Million

In partnership
with ARA





ARA Electrical

Integrated electrical capabilities for multiple industries.

ARA Electrical is unique in our ability to provide comprehensive electrical engineering solutions and electrical services to sectors such as mining and resources, infrastructure, defence, government, steel and renewables. We have a strong focus and capability in safety, quality and risk management. ARA Electrical are specialists providing true in-house, turnkey electrical solutions.



Design

- Earthing studies and design
- Engineering and automation
- Level 3 ASP design and engineering
- Instrumentation and hazardous area including type B systems

Manufacture

- Custom-built switchboards and motor control centres
- Motor rewind including ANZEx certification and generator overhauls
- Transportable switchrooms
- Type B gas trains and SWAS systems

Installation

- Low voltage, high voltage, data, comms and optical fibre cabling and network installations
- Data centres
- Hazardous area, type B gas electrical and instrumentation installations
- Level 1 ASP construction – transmission and distribution
- Substations and switchyards
- Hybrid power solutions

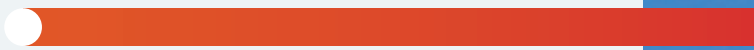
Service and Maintenance

- High voltage and low voltage asset maintenance management
- Condition monitoring
- Level 2 ASP connections and service work
- Protection setting, design, testing and commissioning
- Generator service and fleet hire
- Imbedded services (engineering and operations)
- Shutdown and turnarounds services
- Calibrations and verifications
- Hazardous areas auditing and inspections
- Electronic control hardware distribution



ARA Indigenous Services 2025 revenue in conjunction with ARA Electrical

\$8 Million



ARA ELECTRICAL

\$201 Million



ARA Building Services

Insurance repair and restoration, building maintenance, commercial air-conditioning services, building automation, cleaning and nursing recruitment.

ARA Building Services offers a comprehensive range of building and maintenance services, commercial air-conditioning services and cleaning for commercial, industrial, healthcare, education, government and food manufacturing facilities across Australia. We also provide skilled nursing staff for various healthcare settings.



ARA Building Services provides large facility clients with four key building and construction services - commercial fit-out and construction, remedial construction, regular and emergency maintenance services and insurance repair and restoration.

- Remedial building repairs
- Insurance repair and restoration
- 24/7 Emergency service
- Exterior and interior design / Interior fit out
- Multi-trade services
- Building maintenance / Thermal imaging



ARA Mechanical offers design, installation and maintenance of commercial and industrial heating, ventilation and air-conditioning systems. Using the latest energy management technology we deliver the highest standard of work to our clients.

- HVAC design
- Mechanical ventilation
- Installation of air conditioning and chiller plants
- Building automation
- Energy management



ARA Property Services offers property maintenance and cleaning. Our team is committed to providing quality service and value throughout the commercial property industry.

- Commercial cleaning
- Healthcare cleaning
- Food processing cleaning
- Grounds maintenance



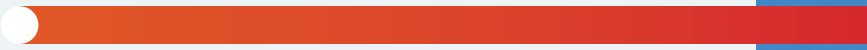
ARA Healthcare Services provides skilled nursing staff for various healthcare settings.

- Registered and enrolled nurses and midwives
- Ad hoc shifts
- Short or long-term contracts
- Permanent placements



ARA Indigenous Services 2025 revenue in conjunction with ARA Building Services

\$13 Million





ARA Fire & Security

Providing innovative, reliable solutions for all aspects of fire, security and marine safety.

ARA Fire & Security provides solutions and services for fire protection, integrated electronic security and maritime technical safety. Offering clients a full turnkey service – from concept and design, through to development, installation, service, support, and maintenance – ARA Fire & Security complements each project with a 24-hour, 7 day a week national help desk.



ARA Fire's team of experienced fire safety technicians and engineers provides clients across Australia with innovative fire protection solutions to minimise the risk of fire-related incidents. From the initial design and installation of fire prevention and fire suppression systems, to fire auditing, training and ongoing maintenance, the ARA Fire team is ready to partner with clients at any stage of a project.



ARA Security's team of technical professionals and specially trained subcontractors offers large scale clients a full turnkey service. We design, install and service innovative security and locksmith solutions – from intruder detection solutions, CCTV systems to specialist high-grade government security, including SCEC approved locksmith services.



ARA Marine provides specialty marine safety services, technical support and engineering solutions to the commercial shipping, yacht, and offshore maritime industry in major Australian ports. Our highly skilled and experienced team offers clients a range of maritime services with a thorough understanding of OEM, class, and flag state requirements.



ARA Technologies is made up of ARA | Servcore and AWA Technology services, delivering a powerful and integrated range of technology and infrastructure solutions. From mission-critical electrical systems to enterprise IT lifecycle management, we support the full spectrum of your operational needs.



ARA Indigenous Services 2025 revenue in conjunction with **ARA Fire & Security**

\$36 Million

- Inspection and testing of fire protection systems
- Detection and EWIS systems
- Passive fire protection and fire doors
- Portable systems / Sprinkler systems
- Special hazards / Fire suppression systems
- Mobile fire suppression solutions for mining and construction vehicles
- Installation and maintenance of fire systems

- Access control
- Intrusion systems
- CCTV / Electronic security solutions
- ATM security
- Safes, vaults and teller units
- Locksmith services

- Fire fighting systems and equipment
- Hyperbaric / Breathing air systems
- Pressure vessels, relief valves and mechanical equipment
- Ships boats, lifeboats and davits
- Ship repair and underwater services
- Marine electrical and automation
- Marine navigational services

- Networking and cloud services
- Workshop repairs and service logistics
- Installation and maintenance
- Internet of things
- Fit out, rollouts and refurbishments
- National on-site service call management



ARA Products

Manufacture and distribution of leading-edge products to secure your facility.

ARA Products manufactures and distributes leading-edge products to secure your facility through our primary capabilities: the distribution of electronic security and fire protection products, the in-house manufacturing of industrial and commercial doors, physical security products and systems, and architectural hardware distribution.



ARA Products specialises in the distribution of electronic security products, architectural hardware and fire protection products.

With a focus on innovation and quality, we offer secure, cutting-edge access control, CCTV technology, architectural hardware and fire sprinkler products and fabrication.

Fire & Security Products

- Access control
- CCTV
- Photo ID systems
- Identity security
- Architectural hardware
- Fire protection sprinkler products and fabrication



ARA Manufacture provides for commercial and heavy industry clients across Australia with custom-made products and solutions. Our skilled and experienced tradespeople create the highest quality products for domestic, commercial, industrial and high security sectors.

Manufactured Products

- Commercial, industrial and specialty security doors
- Windows and glass
- Counters and pass throughs
- Hardware
- Hinges
- Bollards
- Gates, fencing and turnstiles
- Bicycle security
- Shelters and structures
- Commercial industrial signage



ARA Indigenous Services 2025 revenue in conjunction with ARA Products

\$1 Million





ARA Indigenous Services

Providing meaningful Indigenous engagement in Australia working in partnership with the ARA Group.

ARA Indigenous Services provides meaningful engagement in Australia through Indigenous employment and pathway programs, as well as community support for First Nations people. ARA Indigenous Services is an Indigenous owned and operated cleaning and property maintenance service business, working in partnership with the ARA Group.



Our partnership allows **ARA Indigenous Services** to integrate the various ARA service and installation capabilities. ARA Indigenous Services, in conjunction with ARA, can provide our clients with meaningful Indigenous engagement.

ARA Indigenous Services’ mission is to strengthen partnerships between Indigenous and non-Indigenous Australians through understanding, encouragement, and active involvement. This is achieved through:

- Sustainable Employment
- Meaningful Community Partnerships
- Indigenous Business Inclusion
- Training & Mentoring for the personal and professional development of our Indigenous workforce

Cleaning Services

- Cleaning of commercial and industrial facilities
- Window and floor cleaning
- Mechanical scrubbing
- Pressure washing
- Upholstery cleaning
- Waste management
- Hygiene and sanitary services
- Washroom consumables and procurement
- Waste management and recycling



The Wiimali program is a key initiative of the ARA Group’s Reconciliation Action Plan (RAP) which was first launched in 2018. The innovative program is an employee recruitment, mentoring and community engagement program for all internal staff who identify as Aboriginal or Torres Strait Islander.

Wiimali is managed by a leadership team of ARA Indigenous engagement managers who work nationally to support and encourage our Indigenous staff to succeed as recognised and valued members of the business.

Essential Services	In conjunction with ARA
Fire protection installation and maintenance	ARA Fire
Electrical installation and service	ARA Electrical
Security systems installation and service	ARA Security
Commercial air-conditioning and HVAC solutions	ARA Mechanical
Manufactured products	ARA Products

The leadership of ARA

“A leader takes people where they want to go. A great leader takes people where they don’t necessarily want to go, but ought to be.”

Rosalynn Carter

Photograph
ARA Manufacture - Metalbitt TRU-DOCK™
Automated loading pods



ARA is on a winning streak. This is our tenth year in a row of record earnings. The compounded annual growth rates of Sales and EBITDA for the twenty-four years of ARA are 18% and 17%, respectively. How did we do this? We did this with a strong leadership team all believing in the dream and the journey. The continuity of the leadership team at ARA is a competitive advantage. This continuity ensures that the ARA strategy for growth is followed by the leadership team. We remained focused on our direction. We do not chase ideas that are not consistent with our objectives.

Each member of the Senior Management Team is a shareholder of ARA. This is critical to the success of the ARA Group as the entire team has the same goals, to grow and develop an experienced workforce, to work toward the best operating result for the Group and maximise the return for the shareholders, of which we are all one.



During financial year 2025 we have begun a focused project of finding successors of our managers throughout the organisation. Succession planning has become an integral aspect of our roles as managers.

“The foundation of success is knowing your purpose in life, growing to reach your maximum potential, and sowing seeds that benefit others.”

Arianna Huffington Entrepreneur and author

● ARA in Australia & New Zealand

With over 100 locations across Australia and New Zealand, the ARA Group delivers fully integrated essential services for infrastructure and facilities. ARA has more than 4,000 employees working across our four operating Divisions, Fire & Security, Electrical, Building Services and Products.

AUSTRALIA

Airport West
Arundel
Ashmore
Balcatta
Banyo
Baulkham Hills
Baynton
Bayswater North
Bella Vista
Belmont
Berrimah
Bomaderry
Bundaberg
Bungalow
Caboolture
Camberwell
Cardiff
Caringbah
Carrara
Cheltenham

Chinchilla
Clayton
Coffs Harbour
Cremorne
Crows Nest
Dandenong South
Derrimut
Eagle Farm
Frenchs Forest
Fyshwick
Girraween
Gladstone Central
Gympie
Heatherbrae
Henderson
Hume
Ingleburn
Keswick
Kings Park
Landsdale

Loganholme
Mackay Harbour
Maroochydore
McDougalls Hill
Middlemount
Minto
Mitcham
Morisset
Mount Thorley
Mount Waverley
Narrabri
North Lakes
Northgate
Nowra
Orange
Parkhurst
Pegs Creek
Port Melbourne
Queanbeyan East
Regency Park

Rozelle
Rydalmere
Sandgate
Singleton
Slacks Creek
Somerville
South Kalgoorlie
South Melbourne
Summer Hill
Tamworth
Taren Point
Tingalpa
Tomago
Toowoomba City
Tuggerah
Tullamarine
Two Wells
Unanderra
Welshpool
West Melbourne

NEW ZEALAND

Albany
Avondale
Christchurch
Dunedin
Hamilton
Lower Hutt
Melling
Mount Eden
Mount Wellington
Napier
New Plymouth
Petone
Queenstown
Sydenham
Taupo
Tauranga
Wairau Valley
Wellington

CHINA

Ningbo

● The unsung heroes of the ARA Group

They work hard and rise to the challenge.

They lead through example, uplift their teammates and provide extraordinary customer service. They embody the resourceful spirit of ARA and they are indispensable to our success.

These are some of the unsung heroes of our Group. We are proud to share in their achievements.



Photograph
ARA Security - Wellington, New Zealand



Name: Adam Clark
Job Title: Fire alarm technician
Division: ARA Fire
Location: Airport West, VIC
"Adam has been a cornerstone of ARA Fire for many years, earning a well-deserved reputation for his "can-do" attitude. Known for his exceptional technical skills, Adam is a respected peer among his colleagues."
Anthony Demasi, General Manager VIC ARA Fire



Name: Adrian Cook
Job Title: ACT Service Manager
Division: ARA Mechanical
Location: Fyshwick, ACT
"Adrian's unwavering dedication and exceptional customer service consistently shines. His meticulous attention to detail and commitment to excellence makes a lasting impact."
Jamie Fullagar, National Service Manager ARA Mechanical



Name: Ahasanul Mondal
Job Title: Project Manager
Division: ARA Security
Location: Kingsgrove, NSW
"Ahasanul is dedicated and committed to delivering several major roll outs across NSW in extremely short time frames completed on time, on budget and with absolutely no defects."
Jason Haugh, Major Projects Manager ARA Security



Name: Angela Paul
Job Title: Operations Manager
Division: ARA Thermoscan
Location: Loganholme, QLD
"Angela lives and breathes Thermoscan and goes above and beyond to look after everyone."
Tony Murr, Managing Director ARA Building Services



Name: Baden Jones
Job Title: BMS Service Technician
Division: Environmental Automation
Location: Cheltenham, VIC
"Baden consistently shows initiative, reliability, and a proactive approach to supporting colleagues, taking ownership of complex tasks, and delivering results under pressure. His contributions make a meaningful impact across the business."
Matthew Walton, Operations Manager VIC Environmental Automation



Name: Brad Ferraro
Job Title: Electrical Supervisor
Division: ARA Electrical
Location: Unanderra, NSW
"Brad is a dedicated, respected employee. With 12 years of service, he excels in mentoring younger staff and is highly regarded by peers and clients. His commitment and contributions make him a valuable employee, well deserved of this recognition."
Jason Moore, Managing Director ARA Electrical



Name: Brett Payne
Job Title: Senior Technician
Division: ARA Servcore
Location: Sandgate, NSW
"Brett is hardworking, reliable and is always willing to go that next level in delivering quality service to our clients. His work ethic, professionalism and positive attitude set him apart, making him a key member of our team."
Nathan Clegg, Managing Director ARA Technologies



Name: Cinthia Anacleto
Job Title: National Payroll Officer
Division: ARA Fire & Security
Location: Kingsgrove, NSW
"Cinthia has proven to be a true go-getter. Always taking the initiative to understand the different scenarios we face, she approaches challenges with professionalism and efficiency. She is a valued asset to our team."
Tony Franov, Director ARA Fire & Security



Name: Constantinou Philippou
Job Title: Purchasing/Stores Supervisor
Division: ARA Manufacture | Sealeck
Location: Regency Park, SA
 "Con has always put the business first over his many years of service. He is always helpful and prepared to assist where he can and when asked. His enthusiasm, energy and work ethic are unmatched."
Mark Pamula, Managing Director ARA Manufacture



Name: Craig Hanson
Job Title: Maintenance Technician
Division: ARA Building Services
Location: Dandenong South, VIC
 "Craig exemplifies dedication, loyalty, hard work, and unwavering support for his colleagues. He approaches every task with quiet determination and a can-do spirit. He is always seeking ways to improve processes and enhance the workplace for everyone."
Tony Murr, Managing Director ARA Building Services



Name: Craig Turner
Job Title: Dry Fire Project Technician
Division: ARA Fire
Location: Regency Park, SA
 "Craig has recently delivered Emergency Messaging System works across major shopping centres in South Australia. His dedication to ensuring these works were successful and completed on time has had a positive impact on the relationship with these clients."
Darren Walsh, Director ARA Fire



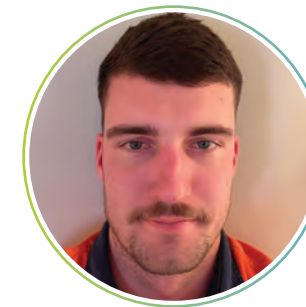
Name: Dale Brown
Job Title: HV Electrical Supervisor
Division: ARA Electrical
Location: Ingleburn, NSW
 "Dale is a reliable and dedicated employee who consistently gives 100%. His strong work ethic, attitude and proactive approach ensures high quality projects are delivered. He is a very valuable employee."
Jason Moore, Managing Director ARA Electrical



Name: Greg Hamilton
Job Title: Large Loss Supervisor
Division: ARA Building Services | UBS
Location: Summer Hill, NSW
 "Greg's great work ethic and commitment to delivering strong results in our large loss division. He assists with training staff, while managing his own work. He is a respected leader within our construction team and leads by example. He delivers strong results."
Tony Murr, Managing Director ARA Building Services



Name: Greg Murray
Job Title: Business Development Manager
Division: ARA Locksmiths
Location: Adelaide, SA
 "Greg consistently provides accurate and reliable cost assessments. His expertise and attention to detail have been crucial in securing projects and maintaining budget integrity. His dedication to the business is unwavering and goes above and beyond to support the team."
Ricki Potts, National Operations Manager ARA Locksmiths



Name: Harrison Bell
Job Title: Mechanical Fitter
Division: ARA Marine
Location: Henderson, WA
 "Harrison Bell, a 3rd-year apprentice in ARA Marine's Defence Division, excels in mechanical engineering. With an EAHL license already earned, he's stepping up to lead tasks, showcasing skill and initiative in his final apprenticeship year."
Mike Gartside, Head of Defence ARA Marine



Name: Hayley Frater
Job Title: Office Administrator
Division: ARA Manufacture | Gridlocks
Location: Queanbeyan, NSW
 "Hayley's organisational skills and caring nature makes her a dedicated administrator to the Grid Locks team. Her can-do attitude is invaluable to all that work with her."
Tim Everett, Managing Director ARA Manufacture



Name: Dan Goundan
Job Title: Senior Project Manager
Division: ARA Electrical | JBM Power
Location: Minto, NSW
 "Dan is a loyal, dedicated employee with 17 years of service. He regularly receives high customer satisfaction ratings from our clients due to his reliability, detail, delivery and quality of work. He is an extremely valuable and respected employee among his peers."
Mile Belevski, Executive General Manager ARA Electrical | JBM Power



Name: Danny Grady
Job Title: Factory Supervisor
Division: ARA Manufacture | BM Doors
Location: Queanbeyan, NSW
 "Danny's enthusiasm and dedication to production success is to be commended. Danny provides support to others with training and organisation. He is a great asset to the BM Doors team."
Tim Everett, Managing Director ARA Manufacture



Name: Deena Jones
Job Title: Sales Support
Division: ARA Hardware
Location: New Plymouth, NZ
 "Deena never fails to deliver. She is incredibly passionate in what she does and is ready to help any team member. She is valued by her teammates and customers alike."
Bonny Harman, Chief Executive ARA Hardware



Name: Divya D'Cruz
Job Title: National Billing
Division: ARA Fire
Location: Kings Park, NSW
 "Divya D'Cruz's contributions in national Fire billing have been key to the reduction of our debtor balances and overall good Fire cash position in FY25. She is proactive, pushing other teams to complete their tasks correctly and in a timely manner."
Zlatko Lesina, Financial Controller ARA Fire



Name: Hened Saad
Job Title: Head of People and Culture
Division: ARA Fire & Security
Location: Kingsgrove, NSW
 "Hened exemplifies professionalism, integrity, and dedication. Her attention to detail, compassionate leadership, and commitment to employees' wellbeing and payroll operational excellence make her an invaluable asset to our organisation."
Tony Franov, Director ARA Fire & Security



Name: Ian Duboc
Job Title: Portable Fire Technician
Division: Wheeler Industries
Location: Orange, NSW
 "Ian has been a stalwart of Wheeler Industries for several years. He brings genuine passion for the company, consistently showing up with dedication and pride in everything he does."
Michael Brady, General Manager Wheeler Industries



Name: Iliyas Mahmud
Job Title: Marine Fire Safety Engineer
Division: ARA Marine
Location: Gladstone, QLD
 "Iliyas Mahmud joined the Marine team 3 years ago and has become an integral part of our Gladstone operation, delivering high-quality maintenance services for commercial vessels."
Sahbaj Kawbab, Commercial Vessels ARA Marine



Name: Jake Mann
Job Title: Operations Manager Mining WA
Division: ARA Fire
Location: Balcatta, WA
 "Jake has fostered a high performing team that consistently exceeds expectations. He demonstrates exemplary leadership and strategic vision. He has significantly advanced the ARA Mining Suppression business, setting a strong example for others to follow."
Joe Armitage, General Manager - WA ARA Fire



Name: Donna O'Connell
Job Title: Administrator
Division: ARA Fire
Location: Kings Park, NSW
 "Donna is a reliable and key team player within the service part of the business. She is always up for a new challenge and exceeds in actioning it."
Deanne Hitchick, Operations Manager ARA Fire



Name: Edezel San Pedro
Job Title: Administration Support
Division: ISCS
Location: Frenchs Forest, NSW
 "Edezel has been employed by ISCS for more than 7 years and has been a highly valued member of the ISCS team. She always has a smile of her face and always does that bit extra to ensure customer satisfaction."
James Austen, General Manager ISCS



Name: Florencia Celine
Job Title: Group Accountant
Division: ARA Corporate
Location: Crows Nest, NSW
 "Celine has been a fantastic addition to the Group's Finance team. She approaches her responsibilities with diligence and commitment, always eager to rise to new challenges. Her reliability, positive attitude, and collaborative nature make her a valued team member."
Allison McCann, Chief Financial Officer ARA Group



Name: Gary Hajek
Job Title: Service Manager
Division: Austratronics
Location: Kingsgrove, NSW
 "With 30 years of industry experience, Gary's wealth of knowledge and skill in fire protection is what makes him an integral member of the team. A true asset to our company."
Adam Hajek, Managing Director Austratronics



Name: James Taylor
Job Title: Electrical Supervisor
Division: ARA Manufacture | Leda
Location: Tuggerah, NSW
 "James has progressed from an apprentice to a licensed electrician. He plays a key role at Tuggerah and is always ready to support the wider team. His positive attitude and strong work ethic make him an asset to Leda."
Steve Gerasklis, Production Manager ARA Manufacture | Leda



Name: Jaquin Moran-Hilford
Job Title: Finance Manager
Division: ARA Manufacture | BM Doors, Gridlocks
Location: Queanbeyan, NSW
 "Jaquin has grown in the Finance Manager position, particularly as the business has grown with multiple businesses now working together. Jaquin's organisational skills, leadership and dedication is greatly recognised and appreciated by all those who work with her."
Tim Everett, Managing Director ARA Manufacture



Name: John Papanicolaou
Job Title: Security Manager
Division: Austratronics
Location: Kingsgrove, NSW
 "John started with the Business over 21 years ago. His wealth of knowledge in the Security Industry is outstanding. He has become an integral member of our team and a true asset to our company."
Adam Hajek, Managing Director Austratronics



Name: Jonah Patterson
Job Title: Security Technician
Division: ARA Security
Location: Bungalow, QLD
 "Jonah actively connects with team members across regions, supports new apprentices, and has grown into a leadership role, mentoring others and contributing to community initiatives."
David Thomson, FNQ Operations Manager ARA Security



Name: Josh Bainbridge
Job Title: Team Lead
Division: ARA Manufacture | BM Doors
Location: Airport West, VIC

"Josh has been nominated for his exceptional leadership in guiding a new team. His creation of efficiency-boosting jigs and innovative designs for pre-cut meeting styles has transformed our hardware installation process and productivity. Josh has great vision and total process oversight."

Kevin Schutz, Production Manager
ARA Manufacture | BM Doors



Name: Karen West
Job Title: Payroll/Accounts Officer
Division: ARA Electrical | J.A. Martin
Location: Tomago, NSW

"Karen has been with the business since 2012 and is instrumental in our day-to-day running of the office. Karen is hard working and always willing to help. A valuable team member."

Phil Lowbridge, General Manager
ARA Electrical | J.A. Martin



Name: Keith Slaughter
Job Title: SA Operations Manager
Division: ARA Fire
Location: Regency Park, SA

"Keith cultivates a culture of excellence across the SA Fire business. His leadership is felt throughout, driving both outstanding results and high client satisfaction. His calm, focused approach makes him an invaluable part of the business."

Darren Walsh, Director
ARA Fire



Name: Kurt Joschke
Job Title: Operations Coordinator
Division: ARA Building Services
Location: Regency Park, SA

"Kurt leads with precision, humility, collaboration and hands-on expertise. Managing a small maintenance team in SA, Kurt ensures operations run smoothly, while assisting in the field as a skilled plumber. He is a quiet achiever whose impact resonates beyond the job description."

Tony Murr, Managing Director
ARA Building Services



Name: Riaan Smith
Job Title: Operations Supervisor
Division: ARA Hardware
Location: Christchurch, NZ

"Riaan leads our projects delivery team for our Southern region and does so with diligence and professionalism. He is an asset, consistently ensuring all aspects of our customer projects are delivered to a high standard."

Bonny Harman, Chief Executive
ARA Hardware



Name: Sam Fang
Job Title: Technical Support
Division: ISCS
Location: Frenchs Forest, NSW

"Sam never ceases to amaze us all with his technical skills and knowledge and ability to always find a solution to technical challenges."

James Austen, General Manager
ISCS



Name: Scott Waltmann
Job Title: Locksmith
Division: ARA Manufacture | Gridlocks
Location: Queanbeyan, NSW

"Scott is a valuable Grid Locks team member, always willing to assist and mentor others. His knowledge and hard work are a great asset to ARA."

Tim Everett, Managing Director
ARA Manufacture



Name: Kyle Medgyes
Job Title: Electrician
Division: ARA Electrical | CES
Location: Melbourne, VIC

"Kyle is a highly valued employee who is rapidly becoming a highly skilled service and project technician, going above and beyond on a regular basis. Always willing to do whatever it takes to get the job completed on time."

Dean Gatenby, General Manager
ARA Electrical | CES



Name: Lim Ping
Job Title: Project Administrator
Division: ARA Manufacture | ACD
Location: Bayswater, VIC

"Lim continues to deliver excellent service. His attention to detail has been instrumental in ACD successfully completing our largest project to date Frankston Hospital. He is a very valuable part of ACD."

Jamie Cruickshank, General Manager
ARA Manufacture | ACD



Name: Mark Watts
Job Title: Account Manager
Division: BJ Safety Supplies
Location: Clayton, VIC

"Mark has been a valued and dependable member of the BJ Safety Supplies team for over 32 years. His dedication, hard work, knowledge and strong customer relationships have made him an integral part of the team."

Stuart Harmer, Managing Director
ARA Products



Name: Michael Kroon
Job Title: Electrician
Division: ARA Servcore
Location: Bella Vista, NSW

"Michael is incredibly hardworking, reliable, and always goes above and beyond to provide exceptional service to our clients. His dedication and commitment make him a valuable member of the Servcore team."

Nathan Clegg, Managing Director
ARA Technologies



Name: Stephen Swatridge
Job Title: Account Manger
Division: ARA Fire
Location: Kings Park, NSW

"Stephen is a team player who develops relationships with our customers and clients. He always receives high marks from our customers at our regular meetings."

Chantelle Yousif, General Manager
ARA Fire



Name: Steven Weet
Job Title: Coordinator
Division: ARA Electrical | Kenshaw
Location: Cardiff, NSW

"Steven commands respect from his peers & colleagues with his vast industry knowledge, skills & ability. His supportive nature and willingness to go the extra mile fosters a positive and collaborative work environment."

Adam Malcolm, General Manager
ARA Electrical | Kenshaw



Name: Tony Angelucci
Job Title: Team Lead
Division: ARA Manufacture | BM Doors
Location: Airport West, VIC

"Tony has improved efficiencies and reduced costs by standardising pallet design and the innovative use of pre-cut components which have significantly enhanced our pallet manufacturing process. Tony is a great implementer."

Kevin Schutz, Production Manager
ARA Manufacture | BM Doors



Name: My Trang Nguyen
Job Title: Client Service Manager
Division: ARA Building Services | Advanced
Location: Kingsgrove, NSW

"My is a valued member of the Administration and Client Services team. Her unwavering dedication, willingness to support others, and commitment to excellence make her an invaluable part of Advanced Buildings."

Tony Murr, Managing Director
ARA Building Services



Name: Nathan Riley
Job Title: Fire Alarm & Testing Supervisor
Division: Wheeler Industries
Location: Orange, NSW

"Nathan is an integral member of the Wheelers team, possessing great skill and knowledge. Through recent challenges, Nathan continues to step up, take on extra responsibility and find valuable ways of contributing to the team."

Michael Brady, General Manager
Wheeler Industries



Name: Paige McDonald
Job Title: Operations Manager
Division: ARA Building Services | AIB
Location: Taren Point, NSW

"Paige demonstrates and actively leads by example. Paige not only demonstrates professionalism, but has earned the respect of her fellow colleagues, fostering a positive and productive work environment. She constantly analyses workflows and identifies areas of improvement."

Tony Murr, Managing Director
ARA Building Services



Name: Raghuvindra Rudra
Job Title: Industrial Designer
Division: ARA Manufacture | BM Doors
Location: Airport West, VIC

"Raghu's exceptional industrial design skills transform leadership vision into innovative, practical hardware solutions. His ability to conceptualise and develop new components drives business success behind the scenes, making him an often-unrecognised contributor to our success."

Leigh Gesthuizen, BDM
ARA Manufacture | BM Doors



Name: Tracy Lennon
Job Title: National Payroll Officer
Division: ARA Fire & Security
Location: Kingsgrove, NSW

"Tracy has been a dedicated team member for over 10 years, consistently demonstrating reliability and commitment. She goes above and beyond, always offering support and sharing her knowledge."

Tony Franov, Director
ARA Fire & Security



Name: Vishal Vijaydev
Job Title: Team Lead
Division: ARA Manufacture | BM Doors
Location: Airport West, VIC

"Vish has greatly improved door machining efficiency and output whilst minimising defects. Through calm, patient coaching, he's successfully led and developed a new team, fostering growth and excellence. His quiet leadership ensures continuous improvement."

Kevin Schutz, Production Manager
ARA Manufacture | BM Doors



Name: Veronica Cooper
Job Title: Client Relationship Manager
Division: ARA Property Services
Location: Camberwell, VIC

"Veronica goes above and beyond to support new Indigenous employees. She actively connects and ensures young employees feel supported."

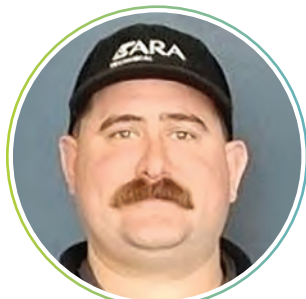
Shannon Laffey, Executive General Manager
ARA Property Services

Thank you to the
unsung heroes of ARA

● ARA apprenticeships completed in 2024-2025



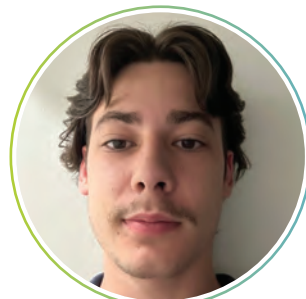
Name: Adam Hind
Job Title: Electrician
Division: ARA Electrical | J.A Martin
Location: Tomago, NSW



Name: Ben McDonald
Job Title: Service Technician
Division: ARA Mechanical
Location: Kingsgrove, NSW



Name: Brody Sheridan
Job Title: Electrician
Division: ARA Electrical
Location: Unanderra, NSW



Name: Dean Simurina
Job Title: Security Technician
Division: ARA Security
Location: Kingsgrove, NSW



Name: Michelle Tran
Job Title: Locksmith
Division: ARA Locksmiths | Integrity
Location: Rydalmere, NSW



Name: Mohammad Tanjim Rahman
Job Title: Electrician
Division: ARA Electrical | Datatech
Location: Tingalpa, QLD



Name: Nick Harring
Job Title: Sprinkler Fitter
Division: ARA Fire
Location: Balcatta, WA



Name: Rohan Frupp
Job Title: Electrician
Division: ARA Electrical | J.A Martin
Location: Tomago NSW



Name: Dylan Parasiliti
Job Title: Service Technician
Division: ARA Mechanical
Location: Kingsgrove, NSW



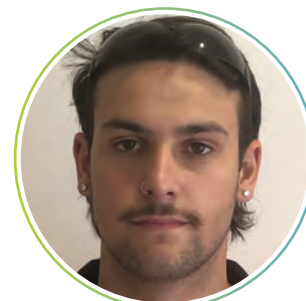
Name: Jayden Joy - Strauts
Job Title: Electrician
Division: ARA Electrical
Location: Ingleburn, NSW



Name: Joel Lawton
Job Title: Electrician
Division: ARA Electrical
Location: Ingleburn, NSW



Name: Jordan Shipstone
Job Title: Sprinkler Fitter
Division: ARA Fire
Location: Balcatta, WA



Name: Sam Collins
Job Title: Linesman
Division: ARA Electrical
Location: Singleton, NSW



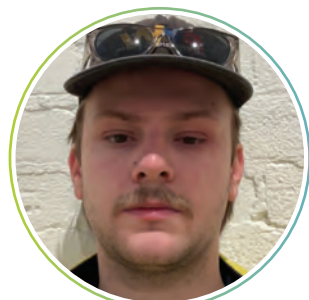
Name: Sean Walker
Job Title: Electrician
Division: ARA Electrical | J.A Martin
Location: Tomago, NSW



Name: Shaun Myers
Job Title: Junior HVAC Technician
Division: ARA Mechanical
Location: Kingsgrove, NSW



Name: Thomas Stiff
Job Title: Electrician
Division: ARA Electrical
Location: Ingleburn, NSW



Name: Joshua Rayden
Job Title: Electrician
Division: ARA Servcore
Location: Balcatta, WA



Name: Keewen Lee
Job Title: Electrical Technician
Division: ARA Manufacture | Leda
Location: Tuggerah, NSW



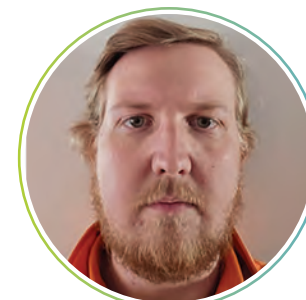
Name: Kerrin O'Malley
Job Title: Electrician
Division: ARA Electrical | J.A Martin
Location: Tomago, NSW



Name: Kyle Malcolm
Job Title: Fitter/Machinist
Division: ARA Electrical | Kenshaw
Location: Cardiff, NSW



Name: Tomasz Kawa
Job Title: Electrician
Division: ARA Electrical
Location: Ingleburn, NSW



Name: William Angilley
Job Title: Electrician
Division: ARA Electrical
Location: Ingleburn, NSW



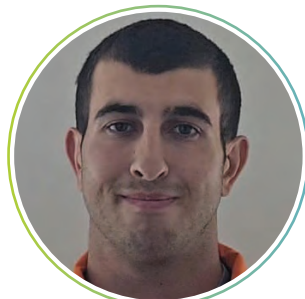
Name: William Denny
Job Title: Electrical Fitter
Division: ARA Electrical | Kenshaw
Location: Cardiff, NSW



Name: Linden Taylore
Job Title: Service Technician
Division: ARA Mechanical
Location: Orange, NSW



Name: Malcolm Green
Job Title: Electrician
Division: ARA Servcore
Location: Balcatta, WA



Name: Matthew Kontogiorgis
Job Title: Electrician
Division: ARA Electrical
Location: Ingleburn, NSW



Name: Matthew Mutkins
Job Title: Service Technician
Division: ARA Mechanical
Location: Kingsgrove, NSW

We congratulate all our employees who have recently completed their apprenticeship. These dedicated individuals are the future of ARA.

It's different here.

Here at ARA we Care & Share & Dare

We dare



ARA Films

ARA Films is a new initiative of the ARA Group. We are proud of ARA Films' debut documentary feature, Changing Track.

We share Transparency

We are transparent to our customers. When there's a problem, we tell them and we fix it.



"ARA is everywhere!"
We dare

Sanjay Chudgar
Group Financial Controller, ARA

Broad range of services

ARA's services are evident across the day to day lives of all of us in Australia and New Zealand.

Decentralised organisation

We share



Managers run their businesses like they own them and they manage their own people.



"I love the autonomy we are given to run our business."

Jason Moore
Managing Director, ARA Electrical

We care

Care for our community

We believe it is our responsibility to give back to the communities in which we work and live.



We share Profit sharing

\$17 million 2025
\$15 million 2024

We share

High dividend yield

ARA 9.0%
ASX 3.1%

Family business

We value our employees.

We care

"It's like a family. I love what we do and i've been able to make a difference."



Michael Vais Senior
Senior Projects Manager, ARA Security

Wiimali program

We care



Employee recruitment, mentoring and community engagement program for all internal staff who identify as Aboriginal or Torres Strait Islander. We hold the Wiimali Awards annually.

We dare

Acquisitions "Growing with purpose."



Juan Quintero
Chief Technical Officer, ARA

Educated yet aggressive acquisition program. Not afraid to take on financially troubled businesses.

Sustainable resilience

Governance, people and planet

We believe good governance is driven by transparency. This is the fourteenth consecutive Annual Report ARA has published. We are a private Group that wants to ensure all our stakeholders are well informed about the responsibility we take towards our governance, our people, the communities in which we work, and our planet.

Our Governance

ARA has a well experienced Board, with five independent directors. Our Code of Conduct establishes the ethical standards of conduct and behavioural expectations of our directors. Our code aims to encourage the highest standards of conduct from our Board as they support and guide the Group, our CEO and the Senior Management Team.

Safety

The safety of our people and our customers is a critical part of our daily work lives and inherent in our culture. Our dedicated workplace health and safety teams work to ensure our people know how to manage risk and keep the environments in which we work safe. Our businesses conduct regular safety training and report on lost time injury and safety incidents to assist management identify risk areas and ensure high safety standards.

Legal and risk management

Our experienced internal legal and risk team support our business leaders to ensure we understand potential risks across the Group, in areas including:

- contractual terms
- industrial relations
- acquisitions
- other compliance matters

Cyber risk

Our Cyber Risk Framework was established six years ago to ensure cyber resilience in a challenging environment. To protect our infrastructure and data we have invested in:

- ongoing end-user training
- dedicated internal security team
- 24/7 external security operations centre

Modern slavery statement

We respect human rights and are committed to ensuring we engage in responsible supply chains. Our Modern Slavery Statement complies with the *Modern Slavery Act 2018 (Cth)*. This is ARA's fifth statement and covers the reporting period 1 July 2024 to 30 June 2025.

Tax governance

Our Tax Corporate Governance framework is governed by our Board's Tax Policy, our Tax Operations Manual and our Tax risk Management & Procedures Manual. Our Board's Tax Policy has been drafted in line with the Australian Taxation Office tax corporate Governance "best practices" for corporate taxpayers. All taxes paid on our profits are paid to tax authorities in Australia, New Zealand and China. In financial year 2024, the Group paid \$22 million of income tax in Australia and New Zealand.

Our people and our communities

With over 4000 employees across Australia and New Zealand we are proud to be an employee-owned company. We celebrate our employee successes with recognition each year of our unsung heroes in our Annual Report. (see page 25)

Training and education

The ongoing training and education opportunities for our workforce is embedded in our culture. We encourage our employees to develop their skills. As a growing organisation, new opportunities evolve regularly for our employees.

We have a strong focus on diversity and inclusion through our apprenticeship programs. We have a growing number of young female and Indigenous trade apprentices. We work closely with the Departments of Education in NSW

and VIC, not-for-profit organisations, Apprenticeship Australia Network Providers, and Disability Employment Service Providers.

Health and wellbeing

We are focused on supporting the mental health and wellbeing of our people through supportive team environments and company policies which drive safe and respectful behavior in our workplaces. Our Employee Assistance Program provides qualified counselling services, available for all employees and their families.

Gender equality

We are compliant with the Workplace Gender Equality Agency. The ARA Group is dedicated to promoting workplace diversity and ensuring equal access to employment for all. We acknowledge that while the metric applied by the Workplace Gender Equality Agency is universally recognised, it is only one measure of gender pay equity and does not consider differences in roles and responsibilities. Each year our

businesses review all employees' pay based on a comparison of role, experience and responsibility to ensure equal pay for all employees, and for all genders.

Indigenous engagement

Our Indigenous partner, ARA Indigenous Services, is an industry leader and educator in Indigenous engagement. Our second Innovate Reconciliation Action Plan was launched in 2024. We are committed to creating a culturally safe work environment for Indigenous employees and building a partnership with Indigenous communities and businesses.

In the community

Giving back to the communities in which we work and live is a core value for ARA. The ARA Group supports many organisations across conservation, literature, the arts and sport. In the last financial year we donated more than \$3 million to support our communities and not-for-profit organisations.

All the organisations we support are highlighted on pages 37 and 38 of this report.

Our Planet

Climate change is a global issue. The corporate world has a responsibility to do its part to manage the effect of climate change. ARA's Sustainability Committee has established a road map to ensure we continue building a climate resilient business.

Energy consumption

As a services company we rely on energy resources to fuel our fleet, plant, offices and factories. We conduct regular reviews of our locations to assess our energy usage, renewable energy sources and recycling initiatives. We have started introducing electric and hybrid vehicles to our fleet where possible. We expect to further replace our existing heavy commercial fleet with electric or hybrid vehicles when they become available to the market.

Environmental accreditation

Many of our businesses are ISO14001 Environmental accredited and have policies and procedures in place to minimise the risk of negative environmental impact. This includes the implementation of recycling programs to conserve resources and reduce waste.

Sustainability standards

Our Sustainability Committee have started preparing for the new Australian Sustainability Reporting Standards, which will be in place for financial year 2026. We are entering a new phase of environmental reporting and will be required to report on our Scope 1 and 2 emissions.

ARA. Here for you. Here for good.®

● ARA in the community

We believe that supporting the communities in which we work and live makes us a better company. As an integral part of our culture at ARA, we believe we have a responsibility to assist our communities. Once we become committed to an organisation, our aim is to remain consistently committed as we attempt to build a meaningful partnership.

Throughout 2025, ARA continued to support many wonderful organisations.

ARA Endowment Fund

We are proud to support three key foundations: The GO Foundation, The Indigenous Literacy Foundation, and The David Lynch Foundation.



Higher Education

The ARA Group is the Principal Partner of the National Institute of Dramatic Art (NIDA). ARA provides scholarships for Indigenous students at the University of Sydney.



Youth Homelessness

ARA is a National Partner of the Property Industry Foundation. The Property Industry Foundation aims to have a tangible impact on Youth Homelessness.



Sports

ARA is the naming rights sponsor of the Australian Cycling Team and the principal partner of the Australian Cycling Academy. ARA is an Official Partner of the Sydney Swans, for both the men's and women's teams. ARA also sponsors the ARA First Nations Foundations 10-week sporting program for Indigenous youth alongside the Sydney Swans and is also a sponsor of the Inner West Hawks football club.



Conservation

ARA's longest partner in the community is the Taronga Zoo. ARA is a Crown sponsor and began supporting the Taronga Zoo in 2009.



Here for the readers, the writers and the idea creators

We believe that celebrating writing, sharing ideas and telling stories is more important than ever. Books and literature offer people a way to broaden their horizons, to learn and to see the world from a different perspective. We are committed to our arts and literature partnerships.

Writers Festivals and Youth Arts and Literature

ARA has been the principal partner of the Sydney Writers' Festival since 2016 and the principal partner of the Melbourne Writers Festival since 2020. We have this year become the principal partner of the Auckland Writers Festival. Each festival attracts thousands of attendees to hear from local and international authors each year. ARA's support further expands to foster a deeper engagement with the arts, books and literature through our partnerships with Russ the Story Bus, Story Factory and the Monkey Baa theatre.



The ARA Historical Novel Prize

In 2020, ARA in partnership with the Historical Novel Society Australasia established the ARA Historical Novel Prize. This literary prize recognises historical fiction, and ARA provides \$150,000 of prize monies, making this the richest literary prize in Australia and New Zealand. The winners of 2024 were Beverley McWilliams for *Spies in the Sky* and Melissa Lucashenko for *Edenglassie*, which has since won many other awards.



The ARA Book Club

Beginning in 2024, we created the ARA Book Club. The club highlights literature written by Australian and New Zealand authors. The club brings readers across the ARA Group together to discuss and share their thoughts, ideas and opinions. We have also invited the authors of the book to join the Book Club meetings.

“In society today when our focus is stolen by constant news and social media feeds, reading a book ignites our imagination and provides solace in a turbulent world.”

● Edward Federman

● ARA expands cotton industry footprint

J.A. Martin, a business of ARA Electrical, is an established electrical company that have been providing switchboard, engineering and projects for over 50 years. Recently, the team completed two groundbreaking projects, bringing a new era to the cotton gin industry throughout Australia.

Within the outer region of Katherine in the Northern Territory, the first ever Cotton Gin had been completed in 2023. This gin will help eliminate transport of the cotton to Queensland and will be a hub for over 90 cotton growers to process their cotton. J.A. Martin was responsible for the electrical design, field installation and successfully installed custom switchboards to assist with the gin's electrical efficiency and reliability.

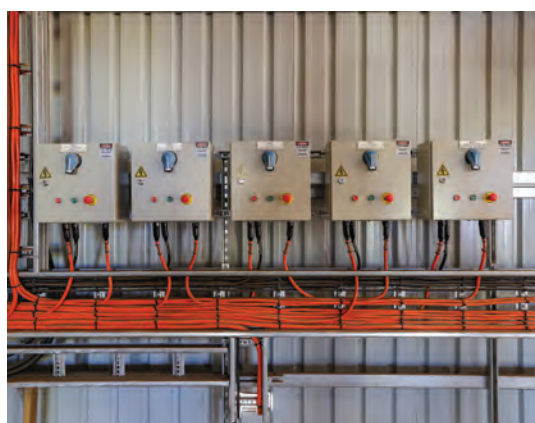
"Delivering the first cotton gin in the Northern Territory was a proud moment for our team," said Jason Moore, Managing Director of ARA Electrical. "It's a testament to our ability to deliver complex projects in remote locations while maintaining the highest standards of quality and safety."

Drawing on the success of this project, J.A. Martin are nearing the completion of Kununurra's first cotton gin in Western Australia. This gin will utilise Lake Argyle to have the gin powered by hydro-electric power, showcasing J.A. Martin's focus on innovation and excellence within the industry. This cotton gin will become one of the safest and most energy efficient gins in Australia.

Phil Lowbridge, the General Manager of J.A. Martin has stated "The Kununurra project in Western Australia is a milestone not just for J.A. Martin Electrical, but for the cotton industry as a whole."

"We've integrated cutting-edge electrical systems that will make this one of the most energy-efficient gins in the country."

J.A. Martin is a trusted partner throughout the cotton industry as we continue to be at the forefront of providing high quality, energy efficient gins right across Australia.



Photographs
ARA Electrical | J.A Martin - Electrical design and installation
Carroll, NSW

"Delivering the first cotton gin in the Northern Territory was a proud moment for our team."

● Jason Moore



In-house design and manufacturing

ARA Manufacture through ARA subsidiary, BM Doors, is a market leader in the design and manufacture of security doors. Rigorous testing ensures our products offer buildability, reliability, adaptability and inspectability. Understanding the ever-changing requirement for security, ARA has developed a diverse range of products fit for application.

Our experienced in-house design team take security door concepts as specified by our customers and demanded by the market and design our products.

Real Steel

Real Steel, acquired in July 2025, works predominately within the Defence market. Real Steel focuses on high tolerance manufacturing. A high level of quality is maintained with all parts CNC machined in-house and dimensionally certified using calibrated co-ordinate measuring machines.

Real Steel's machinery operates and measures by microns, helping to produce more complex and stronger geometries. The machinery is fully integrated with 3D scanning and modelling workflows, providing an innovative approach to our manufactured products. They utilise CNC lathes and mills capable of producing complex geometries, prototyping and the production of small runs of intricate parts.

With this capability and the focus being the Australian market, Real Steel will expand to the Tier 1 defence manufacturing sector. The resources of ARA Manufacture as a larger company with more resources will assist Real Steel. Within the Tier 1 sector, focus will be defence aerospace, submarines and naval applications.

ARA Manufacture will continue to invest in machinery and technology to create an improved manufacturing environment that will enable us to innovate with new product design development.

Patents

Many of ARA Manufacture's products are patented. These patents have been granted in Australia, the United States, Canada, the UK, New Zealand and Europe. Using our in-house research and development capabilities we are continually looking for improvements to our patents.

Emergency messaging solution

Introducing the ARA Fire Emergency Messaging Solution, an advanced communication system developed by ARA Fire, to enhance safety in emergency situations. This messaging solution was designed specifically for retail spaces, commercial buildings, and public venues. It ensures that critical alerts reach the appropriate individuals promptly and effectively.

In case of an emergency, the emergency message will appear across multiple channels throughout the area such as digital signage, public announcement systems and loudspeakers.

ARA Fire's application programming interface signal ensures the emergency message is visible and heard throughout the channels. The clients must also coordinate directly with their media provider for screen content, design, and messaging.

The metal enclosure, seen in the image provided, was created in-house by Leda, an ARA Products business. Leda designs, engineers and manufactures high security products. This enclosure was built to secure and protect the tablet.

Some of the key features of this advanced messaging solution include:

- **Seamless Integration:** The system integrates with existing fire and security infrastructures, facilitating easy deployment without the need for extensive overhauls.
- **Multi-Channel Alerts:** Emergency messages can be dispatched via various channels, including SMS, email, public address systems, and digital signage, ensuring comprehensive coverage.
- **Customisable Messaging:** Alerts can be tailored to specific emergency scenarios, allowing for precise and relevant communication during different types of incidents.
- **Fast and Reliable Communication:** The solution is engineered to deliver rapid notifications, aiding in the swift protection of lives and assets during emergencies.

This system is subject to an AUS and NZ patent application, highlighting ARA Fire's dedication to innovation and the advancement of current fire emergency communication products and services.



Photographs
Left: BM Doors, manufacturing process
Right: ARA Fires emergency messaging solution






ARA insurance building

In 2013, ARA first entered the insurance building business. We had mixed success during the next ten years. It has always been a business that ARA has wanted to grow.

Beginning in 2023, ARA began a focused approach to the acquisition of high performing insurance building companies. In the last two years, ARA has grown their insurance building capabilities through the acquisition of five different insurance building companies. Each acquired business has a location where ARA can expand its coverage around Australia. Each acquired business is also approved to provide their service by different insurance companies, thus resulting in a strong market coverage.

This process has led to ARA becoming one of the largest insurance building companies in Australia.

A summary of the growth of the ARA Insurance Building business

Date acquired	Company	Locations
Oct 2023	 UBS URBAN BUILDING SOLUTIONS	Sydney
Mar 2024	 AIB Australia's Insurance Builders	Sydney and NSW South Coast
Jul 2024	 advanced buildings and restorations	Brisbane, Gold Coast, Sydney and Melbourne
Nov 2024	 hbi AUSTRALIA	Northern NSW
Mar 2025	 KBA	Newcastle, Brisbane, Rockhampton, Melbourne, Perth

ARA Building Services is continually looking to expand our reach within the insurance and government sectors and strengthen our insurance building and restoration capabilities.



Photographs
 Above left: ARA Building Services, roof repair
 Above right: Insurance building repairs and restoration
 Right: Landslide restoration - Seaforth, NSW



Audited financial statements

Photograph
ARA Manufacture - Leda Security bollards
Bondi Beach, NSW



Directors' report

Your directors submit their report on ARA Group Limited (the "Company") and its controlled entities (collectively the "Group") for the year ended 30 June 2025.

Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period, unless otherwise stated.

Edward Federman (Executive Director and Executive Chair)

Edward Federman is a Co-Founder, Executive Chair and Chief Executive Officer of ARA Group Limited. Edward also serves on the Group's Compensation Committee.

Leo Browne (Non-Executive Director and Company Secretary)

Leo Browne is a Co-Founder and Non-Executive Director of ARA Group Limited. Leo also serves on the Group's Compensation Committee.

James Marshall (Non-Executive Director)

James Marshall joined the Board as a Non-Executive Director in 2014. James is a corporate lawyer and Head of Restructuring at Ashurst law firm.

Brett Chambers (Non-Executive Director)

Brett Chambers joined the Board as an Executive Director in 2010. Brett retired as the Managing Director of the Electrical Division in 2021, and now serves as a Non-Executive Director of ARA Group Limited.

Norbert Schweizer OAM (Non-Executive Director and Company Secretary)

Norbert Schweizer OAM joined the Board as a Non-Executive Director in 2006. Norbert is a corporate lawyer and founder of Schweizer Kobras legal practice.

Allison McCann (Executive Director and Company Secretary)

Allison McCann joined the Board as an Executive Director in 2017. Allison is the Group's Chief Financial Officer, Company Secretary and serves on the Group's Compensation Committee.

Tony Franov (Executive Director)

Tony Franov joined the Board as an Executive Director in 2018. Tony has worked for the Group since 2001. Tony is the Managing Director of the ARA Fire and Security Division.

John Sampson (Non-Executive Director)

John Sampson joined the Board as a Non-Executive Director in 2024. John is an experienced investor with over twenty-two years international experience in investment and funds management.

Other officers

David Sefton (Company Secretary)

David Sefton was appointed Company Secretary in 2015. David is the Group's General Counsel and has worked for the Group since 2015.

Directors' report

Directors' meetings

	Number of Board meetings eligible to attend	Number of Board meetings attended	Number of compensation committee meetings held	Number of compensation committee meetings attended
Directors				
Edward Federman	4	4	2	2
Leo Browne	4	2	2	2
Allison McCann	4	4	2	2
James Marshall	4	4	N/A	N/A
Brett Chambers	4	4	N/A	N/A
Norbert Schweizer OAM	4	4	N/A	N/A
Tony Franov	4	4	N/A	N/A
John Sampson	4	4	N/A	N/A

Results of operations

The Group's net profit for the financial year after providing for income tax amounted to \$46,629,000 (2024: \$34,405,000). The net profit for the year increased 36% from the previous year and was driven by acquisitions and a strong performance across the whole group.

Review of operations

Total sales of the Group's products and services were \$1,204,341,000 in 2025 compared with \$968,951,000 in 2024, an increase of \$235,390,000, or 24%. The increase in revenue was principally due to acquisitions made during the year. The Group's earnings before interest, tax, depreciation and amortisation and the impact of AASB 16 *Leases* (EBITDA) amounted to \$93,406,000 in 2025 compared with \$75,035,000 in 2024, an increase of \$18,371,000, or 24%.

EBITDA includes three one-off items, including the gains on two bargain purchases. The net impact of these items was an increase in EBITDA of \$3,101,000 for the financial year.

After accounting for the one-off items, the remaining increase in EBITDA of \$15,270,000 is due primarily to acquisitions made during the year.

The Group's EBITDA before profit sharing expense was \$111,014,000 in 2025 (9% of revenue) and \$90,287,000 in 2024 (9% of revenue), an increase of \$20,727,000, or 23%.

Earnings before interest, tax, depreciation, amortisation (EBITDA) summary

	2025 \$000	2024 \$000
EBITDA		
EBITDA prior to adjusting for AASB 16 Leases	93,406	75,035
Impact of AASB 16 Leases	23,718	19,380
EBITDA after the impact of AASB 16 Leases	117,124	94,415

The Group made a number of acquisitions during the financial year including a number of building insurance repair businesses with presence across Australia, a fire protection and installation group and a nursing labour hire business, both based in Queensland.

At 30 June 2025, the confirmed forward orders totalled approximately \$688,000,000 (2024: \$438,000,000). The backlog remains strong across all divisions.

EBITDA was 8% of sales (30 June 2024: 8% of sales) before the impact of AASB 16 *Leases*, 10% of sales (30 June 2024: 10% of sales) after the impact of AASB 16 *Leases*.

Directors' report

Principal activities

The principal activities of the Group entity during the financial year were the provision of essential building services (installation and service) such as fire protection and life safety systems services, electrical engineering and high voltage services, electronic security services and products, air conditioning, building fit out and building repairs, building insurance repairs, building automation, cleaning services, nursing agency, distribution of security, fire and door hardware products and the manufacturing of specialised building products such as steel doors, ballistic doors and partitions, steel security doors, steel and timber fire doors, aluminium security shutters and grilles, door locking systems, electrical switch boards and switch rooms. The acquisitions in 2025 increased the activities of the companies in the Group during the year.

Significant changes in the state of affairs

The consolidated financial statements have been prepared based upon conditions existing at 30 June 2025 and considering events up to the date of this report.

During the year, the Group issued 6,134,306 new shares, increasing the number of shares issued from 52,149,251 at 30 June 2024 to 58,283,557 at 30 June 2025. This increased contributed equity by \$42,661,000 from \$165,848,000 at 30 June 2024 to \$208,509,000 at 30 June 2025. The issue of new shares relate to:

- 4,991,280 new shares issued as purchase consideration for businesses acquired
- 524,791 newly issued shares under the Group's dividend reinvestment plan, and
- 618,235 newly issued shares to new and existing shareholders.

On 16 December 2024, the Group entered into an Amended Facility Agreement with its banks Westpac Banking Corporation and Commonwealth Bank of Australia, to include an additional bank, National Australia Bank. The total Facility in place at 30 June 2025 was \$344,000,000, an increase of \$75,000,000 from 30 June 2024. The Facility includes a revolving cash advance facility and a term loan facility to assist the Group to fund organic growth and strategic acquisitions. The revolving cash facility matures on 31 July 2027 and the term loan facility matures on 31 July 2028.

At 30 June 2025, net debt was \$184,000,000 (30 June 2024: \$141,000,000). The increase in net debt was principally due to funding for business acquisitions during the year. At 30 June 2025, the leverage ratio calculated in accordance with the Amended Facility Agreement was 1.75 (30 June 2024: 1.77). Net bank interest expense increased by \$2,071,000, due to an increase in debt during the year to fund acquisitions (30 June 2024: an increase of \$4,279,000 due to higher interest rates and an increase in debt to fund acquisitions). The Group's interest cover ratio (EBIT divided by interest expense) was 5 times at 30 June 2025 (30 June 2024: 5 times).

The Group made a number of acquisitions during the year.

There have been no other significant changes in the state of affairs of the Group during the year.

Significant events after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future developments

The Group will continue to focus on margin improvements in all of its businesses. The Directors continue to seek management to focus on margin improvements, although it is recognised that the competitive environment and the state of some sectors of the local economy makes it difficult for significant margin increases.

The Group's acquisition strategy will remain consistent in its approach to examine opportunities that complement its current services and products. One element of the Group's acquisition strategy is to acquire companies that increase the overall operating margin of the Group. It is expected the Group will continue to focus on organic growth and improved operating margins in 2026, although appropriate acquisition opportunities will be thoroughly investigated. It remains the goal of the Directors to pay fully franked dividends during the financial year 2026.

If the Group identifies appropriate acquisitions in 2026 it will likely use a combination of new equity, cash flow from operations, and borrowings to finance the execution of any acquisitions, as it did in 2025.

Directors' report

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory. The Group has implemented an Environmental Management Policy and continues to work towards ISO accreditation in all of its businesses.

Dividends

The Group paid \$0.63 per share in 2025 (2024: \$0.65) of which \$0.15 per share relates to dividends declared at 30 June 2024. Fully franked dividends amounting to \$34,847,000 or \$0.63 per share, were declared by ARA Group Limited during the financial year (2024: \$30,213,000, or \$0.60 per share). Of the total amount declared in 2025, \$8,743,000, or \$0.15 per share, was paid on 2 July 2025. The dividend payment was provided for at 30 June 2025.

In addition to dividends paid by ARA Group Limited, ARA Indigenous Services Pty Ltd declared total dividends of \$2,123,000 in 2025 to its shareholders (2024: \$2,683,000). \$1,083,000 related to shareholders outside the Group (2024: \$1,368,000).

Share options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification and insurance of directors and officers

Insurance premiums of \$79,500 (2024: \$79,500) were paid during the financial year for Directors and Officers Liability Insurance.

Indemnification of auditor

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young (Australia), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the financial year.

Proceedings on behalf of the Company

No person has applied for the leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Rounding

The amounts contained in the financial report have been rounded to the nearest thousands \$000 (where rounding is applicable), except when otherwise indicated under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

Auditor independence declaration

The auditor's independence declaration is included on page 51 of the financial report.

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



Edward Federman
Executive Director
Sydney
12 August 2025

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

	Notes	2025 \$000	2024 \$000
Revenue from contracts with customers	5	1,204,341	968,951
Gain on bargain purchases	4	12,701	-
Changes in inventories of finished goods and work in progress		(2,674)	(4,178)
Raw materials and consumables used		(298,306)	(309,883)
Employee benefits expense		(407,742)	(332,428)
Management and subcontract fees		(311,198)	(157,203)
Profit sharing expense		(17,608)	(15,252)
Depreciation of property, plant and equipment		(6,853)	(6,533)
Depreciation of right-of-use assets		(20,718)	(17,353)
Amortisation expense	6.b	(9,490)	(6,168)
Other expenses from ordinary activities	6.c	(61,539)	(55,167)
Acquisition expenses		(851)	(386)
Finance costs	6.d	(14,706)	(12,635)
Finance costs - lease liabilities related to right-of-use assets		(3,722)	(2,513)
Profit before income tax expenses		61,635	49,252
Income tax expense	7	(15,006)	(14,847)
Net profit for the year		46,629	34,405
Net profit for the year is attributable to:			
Owners of the Parent		45,546	33,037
Non-controlling interests		1,083	1,368
		46,629	34,405
Other comprehensive income/(loss)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent years:			
Exchange differences on translation of foreign operations	21.b	535	(594)
Net unrealised loss on cash flow hedges, net of tax		(1,086)	-
Net other unrealised comprehensive loss to be reclassified to profit or loss in subsequent periods		(551)	(594)
Other comprehensive loss for the year		(551)	(594)
Total comprehensive income for the year		46,078	33,811
Total comprehensive income for the year is attributable to:			
Owners of the Parent		44,995	32,443
Non-controlling interests		1,083	1,368
		46,078	33,811

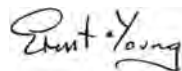
The accompanying notes form part of these financial statements.

Auditor's independence declaration to the directors of ARA Group Limited

As lead auditor for the audit of the financial report of ARA Group Limited for the financial year ended 30 June 2025, I declare 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;
- No contraventions of any applicable code of professional conduct in relation to the audit; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ARA Group Limited and the entities it controlled during the financial year.



Ernst & Young



Gregory J Logue
Partner
12 August 2025

Consolidated statement of financial position
As at 30 June 2025

	Notes	2025 \$000	2024 \$000
Assets			
Current assets			
Cash and cash equivalents	9	60,101	43,990
Trade and other receivables	10	190,111	144,819
Inventories	11	39,952	37,278
Prepayments		6,386	6,650
Total current assets		296,550	232,737
Non-current assets			
Other receivables	10	141	286
Property, plant and equipment	13	28,003	20,410
Right-of-use assets	14	56,071	43,092
Goodwill and intangible assets	15	448,913	337,668
Deferred tax assets	7	12,401	7,314
Total non-current assets		545,529	408,770
Total assets		842,079	641,507
Liabilities			
Current liabilities			
Trade and other payables	16	186,471	136,823
Deferred acquisition purchase consideration	17	11,483	4,878
Contract liabilities	18	7,687	8,960
Lease liabilities related to right-of-use assets	14	21,326	16,030
Employee benefits liabilities	20	38,861	30,938
Income tax payable		6,637	4,276
Total current liabilities		272,465	201,905
Non-current liabilities			
Lease liabilities related to right-of-use assets	14	38,716	30,391
Deferred acquisition purchase consideration	17	2,259	2,601
Interest-bearing loans and borrowings	19	244,000	185,000
Employee benefits liabilities	20	9,054	4,764
Total non-current liabilities		294,029	222,756
Total liabilities		566,494	424,661
Net assets		275,585	216,846
Equity			
Contributed equity	21.a	208,509	165,848
Other reserves	21.b	929	(4,450)
Retained earnings		65,612	54,913
Equity attributable to equity holders of the parent		275,050	216,311
Non-controlling interests		535	535
Total equity		275,585	216,846

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity
For the year ended 30 June 2025

	Notes	Contributed equity \$000	Other reserves \$000	Retained earnings \$000	Non-controlling interests \$000	Total equity \$000
At 1 July 2023		124,365	(3,856)	52,089	535	173,133
Profit for the year		-	-	33,037	1,368	34,405
Other comprehensive loss	21.b	-	(594)	-	-	(594)
Total comprehensive (loss)/income for the year		-	(594)	33,037	1,368	33,811
Transactions with owners in their capacity as owners:						
Shares issued during the year		41,483	-	-	-	41,483
Dividends paid or provided for	8	-	-	(30,213)	(1,368)	(31,581)
At 30 June 2024		165,848	(4,450)	54,913	535	216,846
At 1 July 2024		165,848	(4,450)	54,913	535	216,846
Profit for the year		-	-	45,546	1,083	46,629
Other comprehensive loss	21.b	-	(551)	-	-	(551)
Total comprehensive (loss)/income for the year		-	(551)	45,546	1,083	46,078
Transactions with owners in their capacity as owners:						
Shares issued during the year	21	42,661	-	-	-	42,661
Acquisition of subsidiaries		-	5,930	-	-	5,930
Dividends paid or provided for	8	-	-	(34,847)	(1,083)	(35,930)
At 30 June 2025		208,509	929	65,612	535	275,585

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

For the year ended 30 June 2025

	2025	2024
Notes	\$000	\$000
Operating activities		
Receipts from customers	1,314,148	1,068,659
Payments to suppliers and employees	(1,193,047)	(969,219)
Borrowing costs paid	(18,428)	(15,148)
Income tax paid	(22,339)	(18,478)
Net cash flows from operating activities	80,334	65,814
Investing activities		
Purchase of plant and equipment	(7,255)	(7,225)
Proceeds from sale of plant and equipment	1,370	579
Payment for investments and businesses acquired	4(67,679)	(37,095)
Net cash flows used in investing activities	(73,564)	(43,741)
Financing activities		
Proceeds from borrowings	107,000	70,400
Repayment of borrowings	(48,000)	(43,050)
Payment of lease liabilities	(20,320)	(17,315)
Proceeds from issued capital	2,319	4,636
Dividends paid - owners of the parent entity	8(30,438)	(29,551)
Dividends paid to non-controlling interest	(1,220)	(1,357)
Net cash flows from/(used in) financing activities	9,341	(16,237)
Net increase in cash and cash equivalents	16,111	5,836
Cash and cash equivalents at 1 July	43,990	38,154
Cash and cash equivalents at 30 June	960,101	43,990

The accompanying notes form part of these financial statements.

Notes to the consolidated financial statements

For the year ended 30 June 2025

1. Corporate information

The consolidated financial statements of ARA Group Limited and its controlled entities (the "Group") for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 12 August 2025.

ARA Group Limited (the "Company" or "Parent Entity") is a for-profit company limited by shares, incorporated and domiciled in Australia.

The registered office and principal place of business of the Parent Entity is 83 Alexander Street, Crows Nest, NSW 2065.

The nature of the operations and principal activities of the Group are described in the directors' report. Information on the Group's structure is provided in Note 12. Information on the Group's related party relationships is provided in Note 22.

2. Accounting policies

a. Basis of preparation

These consolidated general purpose financial statements have been prepared in compliance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standards - Simplified Disclosures*. The Group is a for-profit, private sector entity for the purposes of preparing these consolidated financial statements.

The consolidated financial statements are presented in Australian dollars and all values are rounded to the nearest thousands (\$000), except when otherwise indicated under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

The financial statements have been prepared on a historical cost basis except for contingent considerations which have been measured at fair value.

b. Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 July 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Group intends to adopt these new amended Standards and interpretations, if applicable, when they become effective.

c. Basis of consolidation

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as ARA Group Limited, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends have been eliminated in full.

Non-controlling interests are allocated their share of net profit after tax in the consolidated statement of profit or loss and other comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the Parent. Losses are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

c. Basis of consolidation (continued)

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the Parent Entity's share of components previously recognised in other comprehensive income ("OCI") to profit or loss, or retained earnings, as appropriate.

d. Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e. Taxes

i. Income tax

The charge for income tax expense for the year is based on the profit for the year adjusted for any non-assessable or non-deductible items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is accounted for using the statement of tax balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is charged in the consolidated statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future profits will be available against which deductible temporary differences can be utilised.

The amount of benefit brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

e. Taxes (continued)

ii. Deferred tax (continued)

ARA Group Limited and its wholly-owned subsidiaries have formed an income tax consolidated group under the Tax Consolidation Regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the Parent Entity. The current tax liability of each group entity is then subsequently assumed by the Parent Entity. The group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 1 July 2004. The consolidated group has entered into a tax sharing agreement whereby each Company in the group contributes to the income tax payable in proportion to their contribution to profit before tax of the tax consolidated group.

f. Inventories

Raw material and stores, work in progress and finished goods are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out or weighted average cost basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

g. Property, plant and equipment

Each class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation and accumulated impairment. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Impairment

The carrying amount of property, plant and equipment is reviewed for indicators of impairment annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over their estimated useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Class of fixed asset	Depreciation rate
Leasehold improvements	10% - 20%
Plant and machinery	7.5% - 40%
Office furniture and equipment	7.5% - 20%
Computer equipment and software	33% - 40%
Motor vehicles	22.5%

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

h. Leases

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Property leases	10% to 80%
Plant and equipment	7.5% to 40%
Motor vehicles	12.5% to 30%

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.i Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and machinery (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

i. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss and other comprehensive income in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

j. Foreign currency transactions and balances

Foreign currency transactions during the year are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of exchange ruling at that date.

The gains and losses from conversion of short-term assets and liabilities, whether realised or unrealised, are included in profit from ordinary activities as they arise.

Both the functional and presentation currency of the Group is Australian dollars (\$) except for New Zealand and China entities where the functional currency are New Zealand dollars and China Renminbi, respectively.

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their consolidated statement of profit or loss and other comprehensive income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

l. Employee entitlements

Provision is made for the Group's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at an amount that is considered to approximate the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

m. Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are deducted from equity.

n. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit or loss and other comprehensive income. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised as other expense and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

o. Dividend to equity holders of the Parent Entity

The Group recognises a liability to make cash distributions to equity holders of the Parent Entity when the distribution is authorised and the distribution is no longer at the discretion of the Group. A corresponding amount is recognised directly in equity.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

p. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred, and disclosed separately in the consolidated statement of profit or loss and other comprehensive income.

The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability are recognised in accordance with AASB 9 *Financial Instruments* in the consolidated statement of profit or loss and other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

q. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss and other comprehensive income.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

q. Intangible assets (continued)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

A summary of the policies applied to the Group's intangible assets is, as follows:

	Goodwill	Development costs	Brand name	Customer contracts	Intellectual property
Useful lives	Indefinite	Finite	Indefinite	Finite	Finite
Amortisation method used	No amortisation	Amortised on a straight line basis over 7 years	No amortisation	Amortised on a straight line basis over 4-9 years	Amortised on a straight line basis over 10 years

Research and development costs

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to reliably measure the expenditure attributable to the intangible asset during its development. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefit from the related project.

The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use, or more frequently when an indication of impairment arises during the reporting period.

r. Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdrafts.

s. Revenue from contracts with customers

The Group is in the business of providing essential building services (installation and service) such as fire protection and life safety systems services, electrical engineering and high voltage services, electronic security services and products, air conditioning, building fit out and building repairs, building insurance repairs, building automation, cleaning services, nursing agency, distribution of security, fire and door hardware products and the manufacturing of specialised building products such as steel doors, ballistic doors and partitions, steel security doors, steel and timber fire doors, aluminium security shutters and grilles, door locking systems, electrical switch boards and switch rooms. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of goods

Revenue from sale of goods relates primarily to the Group's Products Division and includes the sale of commercial, industrial and high security doors, architectural hardware, fire protection equipment, security access products including access control and CCTV. Revenue from the sale of goods is recognised at a point in time when the performance obligation is satisfied which is generally on the delivery of goods to the customer.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

s. Revenue from contracts with customers (continued)

The transaction price is typically fixed for each performance obligation, with no variable revenue associated with this revenue stream.

Payment terms are typically due within 30 to 60 days from delivery.

Warranty is provided on all of the Group's manufactured products for 12 to 24 months. Warranty for products which the Group has a distribution agreement for is typically 12 to 24 months.

Returns and refunds are accepted under our standard terms and conditions.

Rendering of services

Revenue from services is derived from building services (installation and service) including services for fire protection, electrical engineering and high voltage, electronic security, air conditioning, building repairs, cleaning services and nursing agency. With the exception of cleaning and nursing agency services, service revenue is recognised over time based on percentage of completion. The percentage of completion of each project is assessed using the proportion of costs incurred to date compared to the total forecast cost. Where losses are anticipated, they are provided for in full.

In rendering services, variations to the original contract may occur. Variations may result in an increase, decrease or omission of any part of the scope. Under AASB 15 *Revenue from contracts with customers* variations can be included as variable consideration if the rights and obligations relating to the variation are enforceable. The variable consideration should be estimated by using either the 'expected value' method (the sum of probability-weighted amounts in a range of possible consideration amounts) or the 'most likely amount' method (the single most likely amount in a range of possible consideration amounts). The Group has adopted the 'most likely amount' method.

For cleaning and nursing agency services, contracts are usually entered into with customers for a fixed period of time and defined scope with specified costs (i.e. hourly, monthly or yearly rates). Revenue is recognised as the service is provided/delivered to the customer in accordance with the contract terms. In most cases, revenue is recognised on a straight-line basis. From time to time, customers may request additional services. These services are agreed with the customer prior to the commencement of work, including the time period, scope and costs.

Services are invoiced according to the terms of the engagement, and are generally due within 30 to 60 days from invoicing.

Warranty provided on services rendered is typically 12 months or in line with legislative requirements.

Construction revenue

Construction revenue relates to larger sized contracts for commercial, industrial and residential customers. Contract works can be for design, design and construct, installation and retrofit works for fire protection, electrical engineering, high voltage electrical works, electronic security, heat, ventilation and air conditioning "HVAC", building fit out and building repairs works.

The performance obligation is satisfied over-time and is accounted for in accordance with "Rendering of Services" above.

Works are invoiced according to the terms of the engagement, and are generally due within 30 to 60 days from invoicing.

Defect liability periods are typically 12 months from practical completion.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

t. Other income

i. Interest income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate (EIR), which is the rate that exactly discounts estimated future cash receipts through the effective life of the financial asset to the net carrying amount of the financial asset.

ii. Dividend income

Dividend income is recognised when the right to receive a dividend has been established.

u. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

v. Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus transaction costs.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments); and
- Financial assets at fair value through profit or loss.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

v. Financial instruments – initial recognition and subsequent measurement (continued)

i. Financial assets (continued)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the EIR method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and other receivables.

Financial assets at fair value through profit or loss

This category includes derivative instruments which the Group had not irrevocably elected to classify at fair value through OCI.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

v. Financial instruments – initial recognition and subsequent measurement (continued)

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss and other comprehensive income.

This category generally applies to interest-bearing loans and borrowings.

Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30-60 days of recognition.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss and other comprehensive income.

w. Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the consolidated financial statements

For the year ended 30 June 2025

2. Accounting policies (continued)

w. Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

x. Comparatives

Where necessary, comparative figures have been reclassified to conform with changes in presentation of assets and liabilities but resulting in no impact to the over all profit for the year.

3. Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Judgements

The Group considers that the entity in which it owns less than 50% of the voting rights meets the requirements under the accounting standards to be consolidated as part of the Group. Although ARA Group Limited holds 49% of the share capital of the entity with the remaining 51% being held by one other party, ARA Group Limited has the casting vote in Board decisions in the event of a deadlock.

Key estimates - Impairment of goodwill and other intangible assets with indefinite useful life

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to an impairment of assets. Where an impairment exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the CGUs, using a value in use discounted cash flow methodology, to which the goodwill and intangibles with indefinite useful lives are allocated. No impairment loss was recognised in the current year or the prior year in respect of goodwill.

Determining the lease term of contracts with renewal options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Notes to the consolidated financial statements

For the year ended 30 June 2025

3. Critical accounting estimates and judgements (continued)

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Notes to the consolidated financial statements

For the year ended 30 June 2025

4. Business combinations

Acquisitions in 2025

Effective 3 February 2025, the Group acquired the shares of Downs Superior Nursing Agency Pty. Ltd. ("DNA") for an initial consideration of \$16,500,000, net of cash acquired. Included in the purchase consideration was an initial cash payment of \$12,200,000, the issuance of shares to the value of \$4,000,000 and deferred contingent consideration of \$300,000. An additional amount of \$652,000 was paid as an adjustment to target working capital. The deferred contingent consideration is based on the first year's earnings of the business. Total maximum deferred consideration payable of \$300,000 has been recorded as a liability at the date of this report. The liability is due to be settled within the next financial year. Downs Superior Nursing Agency Pty. Ltd. is a nurse recruitment and nurse labour hire company based in Queensland.

Effective 3 March 2025, the Group acquired the shares of Simarco Pty Limited, KBA Insurance Repairs Pty Ltd, KBA Restorations Pty Ltd and Brighton Roofing Australia Pty Ltd ("KBA Group") for total consideration, net of cash acquired, of \$36,813,000. Included in the purchase consideration was an initial cash payment of \$20,339,000, the issuance of shares to the value of \$10,075,000, deferred consideration of \$1,625,000 and deferred contingent consideration of up to \$5,000,000. Deferred contingent consideration is based on the first year's earnings of the business. Total maximum deferred consideration of \$6,625,000 has been recorded as a liability and in equity at the date of this report. The outstanding deferred consideration is due to be settled within the next two financial years. KBA Group is a building company focused on insurance building repairs across Australia.

Effective 2 April 2025, the Group acquired the shares of Auscoast Fire Protection Services Pty Limited, shares of Coastal Fire Protection and Electrical Pty Ltd and certain assets held by Fire Fab Trust ("Auscoast Group") for a total consideration, net of cash acquired of \$18,909,000. Included in the purchase consideration was an initial cash payment of \$8,713,000, the issuance of shares to the value of \$11,512,000, deferred consideration of \$1,000,000 and deferred contingent consideration of \$2,500,000. The deferred contingent consideration is based on the first year's earnings of the business. Total maximum deferred consideration of \$3,500,000 has been recorded as a liability and in equity at the date of this report. The outstanding deferred consideration is due to be settled within the next two financial years. Auscoast Group is a fire protection installation and fabrication business based in Queensland.

Effective 1 July 2024, the Group acquired the shares of Advanced Buildings (ACT) Pty Limited, Advanced Buildings (NSW) Pty. Limited, Advanced Buildings (Queensland) Pty. Limited, Advanced Buildings (S.A.) Pty. Limited, Advanced Buildings (TAS) Pty. Limited, Advanced Buildings (TAS) Pty. Limited, Advanced Buildings (W.A.) Pty. Limited, Advanced Buildings Pty Limited, and Advanced Buildings Restorations Pty. Limited ("Advanced Buildings Group"). The acquisition resulted in a gain on bargain purchase amounting to \$11,116,000, due to the recognition of intangible assets acquired. The gain on bargain purchase is recognised in the consolidated statement of profit or loss and other comprehensive income. Advanced Buildings Group is an insurance building repairs business across Australia.

A number of other acquisitions were completed during the year. Total consideration of all other acquisitions was \$41,062,000. Included in the purchase consideration was the issuance of shares to the value of \$6,850,000 and deferred contingent consideration of \$5,657,000. An additional gain on bargain purchase of \$1,585,000 was recognised for a small acquisition.

The net assets acquired were measured at fair value.

No contingent liabilities were identified at the acquisition date for any business combinations acquired.

All acquisitions have been provisionally accounted for at 30 June 2025.

Notes to the consolidated financial statements

For the year ended 30 June 2025

4. Business combinations (continued)

Acquisitions acquired and liabilities assumed

The table below discloses the fair values of the identifiable assets and liabilities of acquisitions in 2025 as at the date of acquisition.

Fair value recognised on acquisition

		DNA	KBA Group	Auscoast	Others	Total
	Notes	\$000	\$000	Group	\$000	\$000
				\$000		
Assets						
Receivables		1,476	3,337	11,775	19,018	35,606
Inventory		-	-	-	3,968	3,968
Other assets		12	1,389	147	3,694	5,242
Property, plant and equipment	13	-	1,768	1,890	4,624	8,282
Deferred tax asset	7	17	310	1,256	6,124	7,707
Total assets		1,505	6,804	15,068	37,428	60,805
Liabilities						
Payables and other liabilities		174	3,590	4,408	21,845	30,017
Employee provisions		55	1,034	1,528	5,578	8,195
Contract revenue received in advance		-	-	2,660	407	3,067
Deferred tax liability	7	1,699	331	-	6,573	8,603
Income tax payable		109	-	2,505	1,301	3,915
Total liabilities		2,037	4,955	11,101	35,704	53,797
Total identifiable net (liabilities)/assets at fair value		(532)	1,849	3,967	1,724	7,008
Goodwill and intangible assets	15	17,684	34,964	14,942	52,039	119,629
Gain on bargain purchase		-	-	-	(12,701)	(12,701)
Purchase consideration transferred		17,152	36,813	18,909	41,062	113,936

Notes to the consolidated financial statements

For the year ended 30 June 2025

4. Business combinations (continued)

	DNA	KBA Group	Auscoast	Others	Total
	\$000	\$000	Group	\$000	\$000
			\$000		
Purchase consideration					
Cash	20,525	20,339	8,713	35,059	84,636
Cash (deferred consideration)	300	2,500	426	3,657	6,883
Shares issued	4,000	10,075	11,512	6,850	32,437
Shares issued (deferred consideration)	-	4,125	3,074	2,000	9,199
Less: Cash acquired	(7,673)	(226)	(4,816)	(6,504)	(19,219)
Total consideration	17,152	36,813	18,909	41,062	113,936
Net cash outflow on acquisition					
Cash consideration	20,525	20,339	8,713	35,059	84,636
Deferred consideration paid during the year for current acquisitions	-	-	-	375	375
Deferred consideration paid during the year for prior acquisitions	-	-	-	1,036	1,036
Costs on acquisition	-	-	-	851	851
Less: cash acquired	(7,673)	(226)	(4,816)	(6,504)	(19,219)
Total cash consideration	12,852	20,113	3,897	30,817	67,679

Acquisitions in 2024

Effective 1 November 2023, the Group acquired the shares of Australian Fire Supplies & Fabrication Pty Ltd, Fire Fab Australia Pty Ltd, AFT Fire Supplies Pty Ltd, and AFSF Group Pty Limited (AFS) for total consideration, net of cash acquired of \$18,030,000. Included in the purchase consideration was the issuance of shares to the value of \$18,273,000 and an estimated deferred consideration up to \$2,728,000. The deferred consideration was contingent on the future earnings of the business and was recorded as a liability at the date of this report. The liability was expected to be paid within the next five years. AFS was a major distributor of fire protection products, principally fixed fire supplies – pipe, fittings, valves, and sprinkler heads located in Ingleburn, New South Wales.

A number of other acquisitions were completed during the year. Total consideration net of cash acquired of all other acquisitions was \$47,342,000. Included in the purchase consideration are cash payments of \$29,140,000, the issuance of shares to the value of \$15,503,000 and deferred consideration of \$4,160,000.

The net assets acquired were measured at fair value.

No contingent liabilities were identified at the acquisition date for any business combinations acquired.

All acquisitions have been provisionally accounted for at 30 June 2024. These were finalised during the 30 June 2025 financial year.

Notes to the consolidated financial statements
For the year ended 30 June 2025

4. Business combinations (continued)

Assets acquired and liabilities assumed

The table below discloses the fair values of the identifiable assets and liabilities of acquisitions in 2024 as at the date of acquisition:

Fair value recognised on acquisition

	Final \$000	Provisional \$000
Assets		
Receivables	11,176	11,176
Inventory	4,805	4,805
Other assets	650	675
Property, plant and equipment	1,495	1,495
Deferred tax asset	455	455
Total assets	18,581	18,606
Liabilities		
Payables and other liabilities	9,307	9,307
Employee provisions	1,456	1,456
Deferred tax liability	3,783	3,783
Income tax payable	363	363
Total liabilities	14,909	14,909
Total identifiable net assets at fair value	3,672	3,697
Goodwill and intangible assets	56	-
Purchase consideration transferred	3,728	3,697
	Final \$000	Provisional \$000
Purchase consideration		
Shares issued	33,775	33,775
Cash	29,440	29,440
Less: Cash acquired	(4,732)	(4,732)
Cash (deferred consideration)	655	655
Shares (deferred consideration)	6,233	6,233
Total consideration	65,371	65,371
Net cash outflow on acquisition		
Cash consideration	29,440	29,440
Deferred consideration paid during the year for prior acquisitions	12,002	12,002
Costs on acquisition	385	385
Less: cash acquired	(4,732)	(4,732)
Total cash consideration	37,095	37,095

Notes to the consolidated financial statements
For the year ended 30 June 2025

5. Revenue from contracts with customers

a. Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2025 \$000	2024 \$000
Type of goods or service		
Sale of goods	226,151	214,350
Rendering of services	756,748	581,056
Construction revenue	221,442	173,545
Total revenue from contracts with customers	1,204,341	968,951
Geographical markets		
Australia	1,109,680	884,830
New Zealand	94,661	84,121
Total revenue from contracts with customers	1,204,341	968,951
Timing of revenue recognition		
Goods transferred at a point in time	226,151	214,350
Services and construction revenue transferred over time	978,190	754,601
Total revenue from contracts with customers	1,204,341	968,951

b. Performance obligations

Information about the Group's performance obligations are summarised below:

Sale of goods

Revenue from the sale of goods is recognised at a point in time when the performance obligation is satisfied which is generally on the delivery of the goods to the customer.

Rendering of services and construction revenue

The performance obligation for rendering of services and construction revenue is satisfied over time as the services are provided.

6. Other income and expenses

a. Superannuation expense

	2025 \$000	2024 \$000
Included in employee benefits expense:		
Superannuation expense	32,495	25,750

Notes to the consolidated financial statements
For the year ended 30 June 2025

6. Other income and expenses (continued)

b. Amortisation expense

	2025	2024
	\$000	\$000
Amortisation of facility fees	346	333
Amortisation of customer contracts	9,116	5,777
Amortisation of patents	28	28
Amortisation of intellectual property	-	30
	9,490	6,168

c. Other expenses from ordinary activities

	2025	2024
	\$000	\$000
Rent and outgoings	21,472	17,179
Leasing costs	11,533	9,437
Lease adjustment (AASB 16)	(23,718)	(19,380)
	9,287	7,236

Motor vehicle expenses	9,835	8,985
Consultants	5,712	4,653
Communication	3,234	2,858
Insurances	5,813	4,367
Repairs and maintenance	3,131	2,575
Computer expenses	6,131	4,738
Travel	4,162	3,518
Other staff expenses	4,348	4,462
Bad debts write-off and expected credit losses	757	1,485
Donations and sponsorship	2,911	2,318
Exposition, trade shows, conference and marketing	1,414	1,198
Legal fees	923	716
Other expenses	3,881	6,058
	52,252	47,931
	61,539	55,167

d. Finance costs

Borrowing costs:

	2025	2024
	\$000	\$000
External interest paid	14,706	12,635

Notes to the consolidated financial statements
For the year ended 30 June 2025

7. Income tax

The major components of income tax expense for the years ended 30 June 2025 and 30 June 2024 are:

	2025	2024
	\$000	\$000
Consolidated statement of profit or loss		
Current income tax:		
Current income tax expense	20,876	17,376
Adjustments in respect of current income tax of previous year	(352)	315
Deferred tax:		
Relating to origination and reversal of temporary differences	(5,518)	(2,844)
Income tax expense reported in the consolidated statement of profit or loss	15,006	14,847

Deferred tax related to items recognised in OCI during the year:

Net loss on cash flow hedges	465	-
Deferred tax charged to OCI	465	-

The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2025	2024
	\$000	\$000
Accounting profit before income tax	61,635	49,252
At Australia's statutory income tax rate of 30% (2024: 30%)	18,491	14,776
Difference in tax rates	35	23
Non-allowable items	1,165	680
Gain on bargain purchase not assessable for income tax	(3,810)	-
Tax offsets	(502)	(563)
Prior year adjustments	(300)	(121)
Other	(73)	52
Income tax expense attributable to profit from ordinary activities	15,006	14,847

	1 July 2024	Additions due to business combinations	Deferred tax recognised in profit or loss	Deferred tax recognised in OCI	30 June 2025
	\$000	\$000	\$000	\$000	\$000
Expected credit losses	412	93	55	-	560
Other provisions and accruals	3,055	1,980	2,073	-	7,108
Employee leave provisions	10,254	2,456	1,631	-	14,341
Fixed assets	(1,637)	-	509	-	(1,128)
Work in progress	1,274	(198)	348	-	1,424
Retentions	(1,167)	-	(866)	-	(2,033)
Intangible asset	(5,752)	(7,138)	2,261	-	(10,629)
Leases	875	-	139	-	1,014
Interest rate swap	-	-	-	465	465
Tax losses	-	1,911	(632)	-	1,279
	7,314	(896)	5,518	465	12,401

Notes to the consolidated financial statements

For the year ended 30 June 2025

7. Income tax (continued)

	1 July 2023	Additions due to business combinations	Deferred tax recognised in profit or loss	30 June 2024
	\$000	\$000	\$000	\$000
Expected credit losses	419	-	(7)	412
Other provisions and accruals	2,423	19	613	3,055
Employee leave provisions	9,531	600	123	10,254
Fixed assets	(1,856)	-	219	(1,637)
Work in progress	1,323	(244)	195	1,274
Retentions	(1,083)	-	(84)	(1,167)
Intangible asset	(3,819)	(3,538)	1,605	(5,752)
Leases	695	-	180	875
	7,633	(3,163)	2,844	7,314

Reflected in the statement of financial position as follows:

	2025	2024
	\$000	\$000
Deferred tax assets	30,126	15,759
Deferred tax liabilities	(17,725)	(8,445)
Deferred tax assets, net	12,401	7,314

Reconciliation of deferred tax assets, net

	2025	2024
	\$000	\$000
As of 1 July	7,314	7,633
Tax income during the period recognised in profit or loss	5,518	2,844
Deferred taxes during the period recognised in OCI	465	-
Deferred taxes acquired in current year business combinations	(896)	(3,163)
As at 30 June	12,401	7,314

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to the consolidated financial statements

For the year ended 30 June 2025

8. Dividends

	2025	2024
	Per share	Per share
	\$	\$
	\$000	\$000
Dividends declared (all franked to 30%)		
Quarter 1		
Fully paid, Ordinary class (52,641,545 shares) (2024: 46,775,951 shares)	0.150	7,896
Quarter 2		
Fully paid, Ordinary class (53,828,855 shares) (2024: 50,529,139 shares)	0.150	8,074
Quarter 3		
Fully paid, Ordinary class (56,297,646 shares) (2024: 51,962,670 shares)	0.180	10,134
Quarter 4		
Declared and not paid, Ordinary Class (58,283,557 shares) (2024: 52,149,251 shares)	0.150	8,743
Total	0.630	34,847

	2025	2024
	\$000	\$000
Dividends payable brought forward	7,822	9,233
Dividends declared during the year	34,847	30,213
Dividends reinvested during the year	(3,488)	(2,072)
Dividends paid during the year	(30,438)	(29,552)
Dividends payable carried forward	8,743	7,822
Dividends payable to non-controlling interest	145	282
Total dividend payable	8,888	8,104

Notes to the consolidated financial statements
For the year ended 30 June 2025

8. Dividends (continued)

Franking credit balance

	2025	2024
	\$000	\$000
Total dividends declared by ARA Indigenous	2,123	2,683
Dividends declared by ARA Indigenous to shareholders outside the Group	1,083	1,368
Dividends payable by ARA Indigenous outside the Group	145	282
	2025	2024
	\$000	\$000
The amount of franking credits available for the subsequent financial year are:		
Franking account balance as at the start of the financial year at 30% (2024: 30%)	43,928	42,324
Franking credits from payment of income taxes as at the end of the financial year	28,895	16,284
Franking debits from payment of dividends	(15,564)	(14,680)
	57,259	43,928

9. Cash and cash equivalents

	2025	2024
	\$000	\$000
Cash at bank and on hand	60,101	43,990

Notes to the consolidated financial statements
For the year ended 30 June 2025

9. Cash and cash equivalents (continued)

Cash flow reconciliation

	2025	2024
	\$000	\$000
Reconciliation of net profit after tax to net cash flows from operations:		
Profit for the year	46,629	34,405
Adjustments for:		
Acquisition costs	851	386
Depreciation and amortisation	16,343	12,701
Decrease in provision for expected credit losses	86	(107)
Depreciation of right-of-use assets	20,718	17,353
Gain on bargain purchase	(12,701)	-
(Profit)/loss (net) on sale of assets	(219)	205
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables and other financial assets	(9,354)	5,085
Decrease/(increase) in inventories	1,953	(189)
Decrease/(increase) in prepayments	1,107	(1,990)
Increase in deferred tax assets	(5,984)	(2,844)
Increase in trade and other payables	20,265	3,377
Decrease in income tax payable	(1,554)	(787)
Increase in employee benefits	4,018	1,085
Decrease in contract liabilities	(1,273)	(2,272)
Decrease in other reserves	(551)	(594)
Net cash flows from operating activities	80,334	65,814

Credit stand-by arrangement and loan facilities

The Group has a syndicated bank facility with Westpac Banking Corporation, Commonwealth Bank of Australia and National Australia Bank. An updated Variation and Accession Deed was signed on 16 December 2024. National Australia Bank joined the syndication at this date. The total facility available to the Group increased to \$344,000,000 (2024: \$269,000,000). Of these facilities \$251,534,000 was utilised at 30 June 2025 (2024: \$191,635,000). All bank covenants were satisfied during the year.

As at 30 June 2025

The Group has a \$100,000,000 term loan facility. The Group is required to repay principal of \$1,250,000 if the gearing ratio at any quarter-end exceeds 2.00. The Group has forecasted the gearing ratio to stay below 2.00 throughout financial year 2026. The term loan is non-current and matures on 31 July 2028.

The Group has a \$225,000,000 revolving cash advance facility. This facility does not amortise and has two years remaining on its term, maturing on 31 July 2027. The loan is classified as non-current.

The Group has a credit card facility with Westpac Banking Corporation of \$4,186,000, \$4,000,000 out of the total credit card facility is included in the syndicated bank facility. An additional \$186,000 is available outside the facility for the entities in New Zealand. \$2,038,000 was utilised at 30 June 2025. In addition, the Group has a \$10,000,000 bank guarantee facility and a \$5,000,000 overdraft facility.

Notes to the consolidated financial statements

For the year ended 30 June 2025

9. Cash and cash equivalents (continued)

As at 30 June 2024

The Group has a \$100,000,000 term loan facility. The Group is required to repay principal of \$1,250,000 per quarter if the gearing ratio at any quarter-end exceeds 2.00. The Group has forecasted the gearing ratio to stay below 2 throughout financial year 2025. The term loan has therefore been classified as non-current at 30 June 2024. The maturity of the loan is 31 July 2028.

The Group has a \$150,000,000 revolving cash advance facility. This facility does not amortise and has three years remaining on its term, maturing on 31 July 2027.

The Group has a credit card facility with Westpac Banking Corporation of \$4,183,000, of which \$4,000,000 is included in the syndicated bank facility. An additional \$183,000 is available outside the facility for the entities in New Zealand. \$1,500,000 was utilised at 30 June 2024. In addition, the Group has a \$10,000,000 bank guarantee facility and a \$5,000,000 overdraft facility.

Interest rate swap

On 31 March 2025, the Group entered into a 5-year interest rate swap and a 3-year interest rate swap to hedge the interest rate exposure associated with \$100,000,000 term loan. Each swap has a notional amount of \$50,000,000. Under the swap arrangement, the Group pays a fixed rate and receives a floating-rate based on BBSY. Since inception, the mark to market valuation has been recognised in the hedge reserve.

10. Trade and other receivables

	2025 \$000	2024 \$000
Current		
Trade receivables	181,510	139,847
Provision for expected credit losses	(1,879)	(1,483)
	179,631	138,364
Retentions	7,973	4,833
Other receivables	2,507	1,622
	190,111	144,819
Non-current		
Other receivables	141	286

11. Inventories

	2025 \$000	2024 \$000
Raw materials and stores	10,194	7,083
Work in progress	4,807	7,094
Finished goods	26,767	24,881
Provision for obsolescence	(1,816)	(1,780)
	39,952	37,278

Notes to the consolidated financial statements

For the year ended 30 June 2025

12. Controlled entities

Name of entity	% Equity interest	
	Principal activities	2025 2024
Advanced Buildings (ACT) Pty Limited (a)	Building	100 -
Advanced Buildings (NSW) Pty. Limited (a)	Building	100 -
Advanced Buildings (Queensland) Pty. Limited (a)	Building	100 -
Advanced Buildings (S.A.) Pty. Limited (a)	Building	100 -
Advanced Buildings (TAS) Pty. Limited (a)	Building	100 -
Advanced Buildings (Victoria) Pty Ltd (a)	Building	100 -
Advanced Buildings (W.A.) Pty. Limited (a)	Building	100 -
Advanced Buildings Pty Limited (a)	Building	100 -
Advanced Buildings Restorations Pty. Limited (a)	Building	100 -
AFSF Group Pty Limited	Product	100 100
AFT Fire Supplies Pty Ltd	Product	100 100
Allen & Newton Pty Ltd	Building	100 100
Allen & Newton Queensland Pty Ltd	Building	100 100
ARA Building Services (NSW) Pty Ltd	Building	100 100
ARA Building Services (Qld) Pty Ltd	Building	100 100
ARA Building Services Pty Limited	Building	100 100
ARA Corporate Services Pty Limited	Corporate	100 100
ARA Electrical Engineering Services Pty Limited	Electrical	100 100
ARA Electrical High Voltage Services Pty Ltd	Electrical	100 100
ARA Electrical Major Projects Division Pty Ltd	Electrical	100 100
ARA Fire Protection Services Pty Limited	Fire and Security	100 100
ARA Indigenous Services Pty Ltd	Building	49 49
ARA Manufacture Pty Ltd	Product	100 100
ARA Manufacture Victoria Pty Ltd (formerly Hunter Power Pty Limited)	Product	100 100
ARA Marine Pty Ltd (formerly Wiltrading Stace Pty Ltd)	Fire and Security	100 100
ARA Mechanical Services Pty Limited	Building	100 100
ARA Property Development Pty Ltd (j)	Building	100 -
ARA Property Services Pty Ltd the trustee for CMC Unit Trust	Building	100 100
ARA Security Services Pty Limited	Fire and Security	100 100
ARA Technologies Pty Limited (formerly Servcore Pty Limited)	Fire and Security	100 100
Asset Fire Security & Mechanical Services Pty Ltd	Fire and Security	100 100
Auscoast Fire Services Pty Ltd (i)	Fire and Security	100 100
Australasian Vaulting Industries Pty Ltd	Fire and Security	100 100
Australian Fire Supplies & Fabrication Pty Ltd	Product	100 100
Australia's Insurance Builders Pty Ltd	Building	100 100
Austratronics Pty Ltd	Fire and Security	100 100
Brighton Roofing Australia Pty Ltd (h)	Building	100 -
CMC Cleaning Services Pty Ltd	Building	100 100
CMC ECRM Pty Ltd	Building	100 100
CMC Maintenance Pty Ltd	Building	100 100
CMC Property Services (Aust) Pty. Ltd.	Building	100 100
CMC Rapid Response Pty Ltd	Building	100 100
CMC Unit Trust	Building	100 100
Coastal Fire Protection and Electrical Pty Ltd (i)	Fire and Security	100 -
Complex Solutions (Aust) Pty Ltd	Building	100 100
Construction Electrical Services Pty Ltd	Electrical	100 100

Notes to the consolidated financial statements

For the year ended 30 June 2025

12. Controlled entities (continued)

Name of entity	% Equity interest		
	Principal activities	2025	2024
Crimewatch Video Pty. Ltd.	Fire and Security	100	100
Downs Superior Nursing Agency Pty. Ltd. (g)	Building	100	-
Dynamic Facilities Maintenance Group Pty Limited	Building	100	100
Environmental Automation Pty Limited	Building	100	100
Excell Control Pty Limited	Electrical	100	100
Fire Fab Australia Pty Ltd	Product	100	100
Fire Suppression Services Pty Ltd	Fire and Security	100	100
Grid Locks Locksmiths Pty Ltd (c)	Product	100	-
Home Mods Projects Pty Ltd (e)	Building	100	-
HUD Electronic Security Pty Ltd	Fire and Security	100	100
HUD Security Pty Ltd	Fire and Security	100	100
ID Supplies Pty Ltd	Product	100	100
Integrity Security Pty Ltd (b)	Fire and Security	100	-
Interactive Cabling Pty Ltd	Electrical	100	100
International Security Control Solutions Pty Ltd	Product	100	100
JBM Power Pty Ltd	Electrical	100	100
KBA Insurance Repairs Pty Ltd (h)	Building	100	-
KBA Restorations Pty Ltd (h)	Building	100	-
KDB Intellectual Pty Ltd	Product	100	100
Lec Safe Australia Pty Ltd	Building	100	100
Leda Export Pty Ltd	Product	100	100
Leda Group (Australia) Pty Ltd	Product	100	100
Leda International Pty. Limited	Product	100	100
Leda Security Exports Pty Ltd	Product	100	100
Leda Security Products (Ningbo) Co Ltd	Product	100	100
Leda Security Products Pty Ltd	Product	100	100
Leda Trading Pty Limited	Product	100	100
Monarch Group Pty Limited	Product	100	100
Multidoors Manufacturing Pty Limited	Product	100	100
Multidoors Pty Limited	Product	100	100
National Construction Solutions Pty Ltd	Building	100	100
Ningbo Fenghua Leda Security Manufacturing Co., Ltd	Product	100	100
OAS Data Cabling Pty Ltd	Fire and Security	100	100
Oceanlink Marine Services Pty Ltd	Fire and Security	100	100
Parking Guidance Australia Pty Limited	Product	100	100
Secureme Group Pty Ltd	Fire and Security	100	100
Sherry Services & Maintenance Pty Ltd	Electrical	100	100
Sicada Fire & Safety (nsw) Pty Ltd	Fire and Security	100	100
Sicada Fire & Safety Pty Ltd	Fire and Security	100	100
Sicada Holdings Pty Ltd	Fire and Security	100	100
Simarco Pty Limited (h)	Building	100	-
TALV Pty Limited	Building	100	100
Thermoscan Inspection Services Pty Ltd	Building	100	100
Transelect Pty Ltd	Electrical	100	100
Urban Building Solutions Pty Ltd	Product	100	100
Viacon Projects Pty Ltd (f)	Building	100	-
Web ID Pty Ltd	Building	100	100

Notes to the consolidated financial statements

For the year ended 30 June 2025

12. Controlled entities (continued)

Name of entity	% Equity interest		
	Principal activities	2025	2024
ARA Group NZ Limited	Product	100	100
ARA Group Hardware Limited	Product	100	100
ARA Hardware LP	Product	100	100
ARA Marine Limited	Fire and Security	100	100
ARA Security Limited	Product	100	100
James Bull & Co Chch Limited (d)	Product	100	-
ISCS NZ Limited (formerly Reliabull Hardware Company Limited) (d)	Product	100	-
Marine Fire Services Limited	Fire and Security	100	100
Servcore NZ Limited	Product	100	100
SignOn Limited	Product	100	100

a. Advanced Buildings Group was acquired on 2 July 2024.

b. Integrity Security Pty Ltd was acquired on 1 August 2024.

c. Grid Locks Locksmith Pty Ltd was acquired on 2 September 2024.

d. James Bull & Co Chch Limited and Reliabull Hardware Company Limited were acquired on 1 November 2024.

e. Home Mods Projects Pty Ltd was acquired on 8 November 2024.

f. Viacon Projects Pty Ltd was acquired on 1 December 2024.

g. Downs Superior Nursing Agency Pty. Ltd. was acquired on 3 February 2025.

h. KBA Insurance Repairs Pty Ltd, KBA Restorations Pty Ltd, Simarco Pty Limited and Brighton Roofing Australia Pty Ltd were acquired on 3 March 2025.

i. Auscoast Fire Services Pty Ltd and Coastal Fire Protection and Electrical Pty Ltd were acquired on 2 April 2025.

j. ARA Property Development Limited was incorporated on 7 May 2025.

All wholly owned controlled entities incorporated in Australia are subject to a Deed of Cross Guarantee with the exception of ARA Building Services (Qld) Pty Ltd and ARA Building Services (NSW) Pty Ltd.

All wholly owned controlled entities are incorporated in Australia with the exception of ARA Group NZ Limited, ARA Group Hardware Limited, ARA Hardware LP, ARA Marine Limited, ARA Security Limited, Marine Fire Services Limited, James Bull & Co Chch Limited, ISCS NZ Limited, Servcore NZ Limited and SignOn Limited which are incorporated in New Zealand and Ningbo Fenghua Leda Security Manufacturing Co., Ltd and Leda Security Products (Ningbo) Co Ltd which are incorporated in China.

Notes to the consolidated financial statements
For the year ended 30 June 2025

13. Property, plant and equipment

	Land and buildings	Leasehold improvements	Plant and machinery	Office furniture and equipment	Computer equipment and software	Motor vehicles	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cost							
At 1 July 2024	-	12,503	27,070	2,907	8,515	7,685	58,680
Additions	-	1,441	3,873	138	628	1,175	7,255
Acquisition of subsidiary	1,219	1,527	1,731	478	432	2,895	8,282
Disposals	-	(359)	(905)	(6)	(236)	(1,545)	(3,051)
Translation*	-	38	45	18	37	41	179
At 30 June 2025	1,219	15,150	31,814	3,535	9,376	10,251	71,345
Accumulated depreciation							
At 1 July 2024	-	7,627	17,375	2,211	7,166	3,891	38,270
Depreciation charge for the year	12	1,319	2,573	462	882	1,605	6,853
Disposals	-	(348)	(456)	(1)	(197)	(898)	(1,900)
Translation*	-	15	16	17	29	42	119
At 30 June 2025	12	8,613	19,508	2,689	7,880	4,640	43,342
Net book value							
At 30 June 2025	1,207	6,537	12,306	846	1,496	5,611	28,003
At 30 June 2024	-	4,876	9,695	696	1,349	3,794	20,410

*Translation relate to exchange rate differences on translation of property, plant and equipment held in foreign subsidiaries.

Notes to the consolidated financial statements
For the year ended 30 June 2025

14. Leases

Group as a lessee

The Group has lease contracts for various items of property, plant, machinery, vehicles and other equipment used in its operations. Leases of property, plant and machinery generally have lease terms between 2 and 10 years, while motor vehicles and other equipment generally have lease terms between 1 and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of property, machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Property leases	Plant and equipment	Motor vehicles	Total
	\$000	\$000	\$000	\$000
As at 30 June 2024	24,447	310	18,335	43,092
Additions	11,740	288	13,571	25,599
Disposals	(1,137)	-	-	(1,137)
Modifications	8,982	41	212	9,235
Depreciation expense	(11,893)	(153)	(8,672)	(20,718)
As at 30 June 2025	32,139	486	23,446	56,071

Set out below are the carrying amounts of lease liabilities related to right-of-use assets:

	2025	2024
	\$000	\$000
Current	21,326	16,030
Non-current	38,716	30,391

Presented below is a maturity analysis of future lease payments:

	2025	2024
	\$000	\$000
Within one year	23,908	17,348
After one year but not more than five years	42,994	31,642
More than five years	2,752	2,730
	69,654	51,720

The amount of expense relating to short-term leases and leases of low-value assets recognised in profit or loss during the year ended 30 June 2025 was \$3,226,000 (2024: \$2,746,000).

Notes to the consolidated financial statements
For the year ended 30 June 2025

15. Goodwill and intangible assets

	Note	Goodwill \$000	Development costs \$000	Brand name \$000	Customer contracts \$000	Intellectual property \$000	Total \$000
Cost							
At 1 July 2024		310,121	848	6,472	40,154	661	358,256
Additions		-	539	-	-	-	539
Finalisation of prior year acquisition		56	-	-	-	-	56
Acquisition of a subsidiary	4	90,928	-	4,906	23,795	-	119,629
Translation*		165	-	-	-	-	165
At 30 June 2025		401,270	1,387	11,378	63,949	661	478,645
Accumulated amortisation							
At 1 July 2024		-	388	-	19,563	637	20,588
Amortisation		-	28	-	9,116	-	9,144
At 30 June 2025		-	416	-	28,679	637	29,732
Net book value							
At 30 June 2025		401,270	971	11,378	35,270	24	448,913
At 30 June 2024		310,121	460	6,472	20,591	24	337,668

*Translation relates to exchange rate differences on translation of intangible assets held in foreign subsidiaries.

Notes to the consolidated financial statements
For the year ended 30 June 2025

16. Trade and other payables

	Note	2025 \$000	2024 \$000
Current			
Trade payables		100,613	77,861
Other payables			
Trade creditors accruals		7,418	6,685
Profit sharing accruals		17,442	15,081
Statutory payments		30,887	14,239
Other creditors and accruals		21,223	14,853
Dividends payable	8	8,888	8,104
		85,858	58,962
		186,471	136,823

17. Deferred acquisition purchase consideration

	2025 \$000	2024 \$000
Current		
Deferred acquisition purchase consideration	11,483	4,878
Non-current		
Deferred acquisition purchase consideration	2,259	2,601
Aggregate deferred acquisition purchase consideration	13,742	7,479

Included in deferred purchase consideration for acquisitions is \$13,508,000 (2024: \$6,888,000) related to current year acquisitions. Refer to Note 4 for further details. The remaining \$234,000 (2024: \$591,000) is related to prior year acquisitions.

Of the total deferred consideration outstanding \$7,000,000 will be settled in ARA shares at \$7.00 per share if earnings thresholds are achieved.

18. Contract liabilities

	2025 \$000	2024 \$000
Short-term advances for services	7,687	8,960

Notes to the consolidated financial statements
For the year ended 30 June 2025

19. Interest-bearing loans and borrowings

	Note	Interest rate (%)	Maturity Financial years	2025 \$000	2024 \$000
Non-current					
Bank bills and loans secured	23	6.06 - 6.97	2025: 2 - 3 years 2024: 3 - 4 years	244,000	185,000

The bank bills and loans are secured by a fixed charged over the Group's assets. Refer to Note 9 for further details. Finance leases and hire purchases are included in lease liabilities.

The carrying amounts of assets pledged as security, the current market value of which exceeds the value of the mortgages are:

	2025 \$000	2024 \$000
First mortgage over all of the assets of the parent entity and all controlled entities - total assets pledged as security	842,079	641,507

20. Employee benefits liabilities

	2025 \$000	2024 \$000
Current		
Annual leave	27,216	20,520
Long service leave	11,645	10,418
	38,861	30,938
Non-current		
Long service leave	9,054	4,764
Aggregate employee entitlement liability	47,915	35,702

21. Contributed equity and reserves
a. Contributed equity

	2025 \$000	2024 \$000
Fully paid shares		
58,283,557 fully paid ordinary shares (2024: 52,149,251)	208,509	165,848

Notes to the consolidated financial statements
For the year ended 30 June 2025

21. Contributed equity and reserves (continued)
a. Contributed equity (continued)

	2025	
	Numbers	\$000
Fully paid ordinary shares		
At beginning of financial year	52,149,251	165,848
Issued during financial year	618,235	4,234
Reinvestment of dividend	524,791	3,488
Issued during financial year		
- acquisitions in prior year	357,382	2,502
- acquisitions in 2025	4,633,898	32,437
At reporting date	58,283,557	208,509

The Group issued ordinary shares at \$7.00 per share during the year for new shares issued, including those issued for current year acquisitions. The Group issued ordinary shares at a discounted price of \$6.65 per share during the year for shares issued under the Group's dividend reinvestment plan. The Group issued ordinary shares at \$6.65 and \$7.00 per share during the year to employees for profit sharing incentives earned in the previous financial year and issued in the current financial year, and for deferred contingent consideration for acquisitions completed in prior financial years but earned in the current financial year.

b. Other reserves

i. Movement

	Other reserve \$000	Hedge reserve \$000	Foreign currency translation reserve \$000	Total \$000
Year ended 30 June 2025				
Balance at the start of the financial year	(2,840)	-	(1,610)	(4,450)
Acquisition of subsidiaries	5,930	-	-	5,930
Net unrealised loss on cash flow hedges	-	(1,551)	-	(1,551)
Deferred tax on net unrealised loss on cash flow hedges	-	465	-	465
Currency translation differences	-	-	535	535
	3,090	(1,086)	(1,075)	929
Year ended 30 June 2024				
Balance at the start of the financial year	(2,840)	-	(1,016)	(3,856)
Currency translation differences	-	-	(594)	(594)
	(2,840)	-	(1,610)	(4,450)

ii. Nature and purpose of reserve

Other reserve

The other reserves represents goodwill arising from subsequent acquisitions of previous non-controlling interests and contingent consideration classified as equity.

Notes to the consolidated financial statements

For the year ended 30 June 2025

21. Contributed equity and reserves (continued)

b. Other reserves (continued)

ii. Nature and purpose of reserve (continued)

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries and branches.

22. Related party disclosures

a. Rental property paid to Directors

The Group rented certain properties that are controlled by members of the Group's key management personnel. The total rental paid during the year amounted to \$703,480 (2024: \$744,909).

Amounts paid to related parties during the year for rent are subject to commercial lease.

b. Compensation of key management personnel of the Group

Total compensation expense of key management personnel amounted to \$13,179,182 during the year ended 30 June 2025 (2024: \$11,859,921).

c. Directors fees

Total directors fees for the year amounted to \$360,000 (2024: \$400,833). Of this \$32,500 was outstanding and recognised as payable as at 30 June 2025 (2024: \$32,500).

d. Bank guarantees

The Group issued one bank guarantee totalling \$87,725 (2024: \$87,725) on behalf of one of the Group's key management personnel. All fees in relation to the bank guarantee have been reimbursed to the Group.

As at 30 June 2025 and 2024, there were no outstanding balances owing or payable to related parties for services provided to related parties.

23. Commitments and contingencies

Commitments

There are no commitments as at the reporting date which would have a material effect on the Group's consolidated financial statements as at 30 June 2025 (2024: \$nil).

Contingent liabilities

The Parent Entity and all its wholly owned controlled entities with the exception of ARA Building Services (Qld) Pty Ltd and ARA Building Services (NSW) Pty Ltd, are subject to a Deed of Cross Guarantee in respect of finance facilities provided to its ultimate parent entity and other entities controlled thereby. All assets of the Company are pledged as security in respect of this facility with a registered charge being in place.

The total facility available to the Group at 30 June 2025 from Westpac Banking Corporation, Commonwealth Bank of Australia and National Australia Bank is \$344,000,000 (2024: \$269,000,000). Of these facilities, an amount of \$ 10,000,000 (2024: \$10,000,000) is available for indemnity guarantees and as at 30 June 2025 the Group had \$ 5,496,000 (2024: \$5,189,000) of indemnity guarantees outstanding.

The Group has a credit card facility with Westpac Banking Corporation of \$4,186,000 (2024: \$4,183,000). \$2,038,000 was utilised at 30 June 2025 (2024: \$1,500,000).

The Group has a surety bond facility with Liberty Mutual Insurance Company of \$60,000,000 (2024: \$60,000,000). At 30 June 2025, the Group had \$41,109,000 (2024: \$30,805,000) of surety bonds outstanding with Liberty Mutual Insurance Company.

Notes to the consolidated financial statements

For the year ended 30 June 2025

24. Events after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

25. Closed group class order

a. Entities subject to class order relief

Pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*, the wholly owned subsidiaries listed below are relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports.

It is a condition of the Class Order that the Parent Entity and each of its subsidiaries enter into a deed of cross guarantee (Deed). Under the Deed the Parent Entity guarantees the payment of all debts of each of the named subsidiaries in full, in the event of a winding up. The subsidiaries in turn guarantee the payment of all debts of the Parent Entity in full in the event that it is wound up.

The subsidiaries that are party to the Deed are:

Advanced Buildings (ACT) Pty Limited
Advanced Buildings (NSW) Pty. Limited
Advanced Buildings (Queensland) Pty. Limited
Advanced Buildings (S.A.) Pty. Limited
Advanced Buildings (TAS) Pty. Limited
Advanced Buildings (Victoria) Pty Ltd
Advanced Buildings (W.A.) Pty. Limited
Advanced Buildings Pty Limited
Advanced Buildings Restorations Pty. Limited
AFSF Group Pty Limited
AFT Fire Supplies Pty Ltd
Allen & Newton Pty Ltd
Allen & Newton Queensland Pty Ltd
ARA Building Services Pty Limited
ARA Corporate Services Pty Limited
ARA Electrical Engineering Services Pty Limited
ARA Electrical High Voltage Services Pty Ltd
ARA Electrical Major Projects Division Pty Ltd
ARA Fire Protection Services Pty Limited
ARA Manufacture Pty Ltd
ARA Marine Pty Ltd (formerly Wiltrading Stace Pty Ltd)
ARA Manufacture Victoria Pty Ltd (formerly Hunter Power Pty Limited)
ARA Mechanical Services Pty Limited
ARA Property Development Pty Ltd
ARA Property Services Pty Ltd the trustee for CMC Unit Trust
ARA Security Services Pty Limited
ARA Technologies Pty Limited (formerly Servcore Pty Limited)
Asset Fire Security & Mechanical Services Pty Ltd
Auscoast Fire Services Pty Ltd
Australasian Vaulting Industries Pty Ltd
Australian Fire Supplies & Fabrication Pty Ltd
Australia's Insurance Builders Pty Ltd
Austratronics Pty Ltd
Brighton Roofing Australia Pty Ltd
CMC Cleaning Services Pty Ltd
CMC ECRM Pty Ltd
CMC Maintenance Pty Ltd
CMC Property Services (Aust) Pty. Ltd.

Notes to the consolidated financial statements

For the year ended 30 June 2025

25. Closed group class order (continued)

a. Entities subject to class order relief (continued)

CMC Rapid Response Pty Ltd
Coastal Fire Protection And Electrical Pty Ltd
Complex Solutions (Aust) Pty Ltd
Construction Electrical Services Pty Ltd
Crimewatch Video Pty. Ltd.
Downs Superior Nursing Agency Pty. Ltd.
Dynamic Facilities Maintenance Group Pty Limited
Environmental Automation Pty Limited
Excell Control Pty Limited
Fire Fab Australia Pty Ltd
Fire Suppression Services Pty Ltd
Grid Locks Locksmiths Pty Ltd
Home Mods Projects Pty Ltd
HUD Electronic Security Pty Ltd
HUD Security Pty Ltd
ID Supplies Pty Ltd
Integrity Security Pty Ltd
Interactive Cabling Pty Ltd
International Security Control Solutions Pty Ltd
JBM Power Pty Ltd
KBA Insurance Repairs Pty Ltd
KBA Restorations Pty Ltd
KDB Intellectual Pty Ltd
Lec Safe Australia Pty Ltd
Leda Export Pty Ltd
Leda Group(Australia) Pty Ltd
Leda International Pty. Limited
Leda Security Exports Pty Ltd
Leda Security Products Pty Ltd
Leda Trading Pty Limited
Monarch Group Pty Limited
Multidoors Manufacturing Pty Limited
Multidoors Pty Limited
National Construction Solutions Pty Ltd
OAS Data Cabling Pty Ltd
Oceanlink Marine Services Pty Ltd
Parking Guidance Australia Pty Limited
Secureme Group Pty Ltd
Sherry Services & Maintenance Pty Ltd
Sicada Fire & Safety (nsw) Pty Ltd
Sicada Fire & Safety Pty Ltd
Sicada Holdings Pty Ltd
Simarco Pty Limited
TALV Pty Limited
Thermoscan Inspection Services Pty Ltd
Transelect Pty Ltd
Urban Building Solutions Pty Ltd
Viacon Projects Pty Ltd
Web ID Pty Ltd

Notes to the consolidated financial statements

For the year ended 30 June 2025

25. Closed group class order (continued)

b. Consolidated statement of profit or loss and other comprehensive income

	2025	2024
	\$000	\$000
Profit before income tax expense	52,637	41,526
Income tax expense	(12,393)	(12,381)
Net profit for the period	40,244	29,145
Retained earnings at the beginning of the period	37,073	38,141
Dividends provided for or paid	(34,847)	(30,213)
Retained earnings at the end of the period	42,470	37,073

c. Consolidated statement of financial position

	2025	2024
	\$000	\$000
Current assets		
Cash and cash equivalents	49,017	35,216
Trade and other receivables	158,189	116,232
Inventories	29,554	28,055
Other assets	7,433	5,834
Total current assets	244,193	185,337
Non-current assets		
Other financial assets	59,318	45,268
Other debtors	133	259
Property, plant and equipment	23,875	16,958
Right-of-use assets	45,925	37,134
Deferred tax assets	10,730	6,470
Goodwill and intangible assets	400,426	299,538
Total non-current assets	540,407	405,627
Total assets	784,600	590,964
Current liabilities		
Trade payables	81,336	63,294
Other payables	89,482	55,925
Contract liabilities	6,180	7,431
Lease liabilities related to right-of-use assets	17,946	14,054
Income tax payable	3,645	3,534
Employee benefits	35,681	28,328
Other financial liabilities	10,612	-
Total current liabilities	244,882	172,566

Notes to the consolidated financial statements
For the year ended 30 June 2025

25. Closed group class order (continued)
c. Consolidated statement of financial position (continued)

	2025	2024
	\$000	\$000
Non-current liabilities		
Lease liabilities related to right-of-use assets	31,372	26,008
Other creditors	2,259	2,601
Employee benefits	8,978	4,708
Other financial liabilities	244,000	185,000
Total non-current liabilities	286,609	218,317
Total liabilities	531,491	390,883
Net assets	253,109	200,081
Equity		
Share capital	208,509	165,848
Retained earnings	42,470	37,073
Other reserves	2,130	(2,840)
Total equity	253,109	200,081

26. Information relating to parent ARA Group Limited

	2025	2024
	\$000	\$000
Current assets	325,704	104,973
Non-current assets	538,599	553,480
Total assets	864,303	658,453
Current liabilities	27,243	18,007
Non-current liabilities	768,628	620,253
Total liabilities	795,871	638,260
Net assets	68,432	20,193
Contributed equity	208,509	165,848
Other reserves	4,844	-
Accumulated losses	(144,921)	(145,655)
	68,432	20,193
Profit for the year	35,581	12,757
Total comprehensive income	34,495	12,757

Notes to the consolidated financial statements
For the year ended 30 June 2025

26. Information relating to parent ARA Group Limited (continued)

Dividends

The Group paid \$0.63 per share in 2025 (2024: \$0.65) of which \$0.15 per share relates to dividends declared at 30 June 2024. Fully franked dividends amounting to \$34,846,670, or \$0.63 per share, were declared by ARA Group Limited during the financial year (2024: \$30,212,552, or \$0.60). Of the total amount declared in 2025, \$8,742,534, or \$0.15 per share, was paid on 2 July 2025. The dividend declared was provided for at 30 June 2025.

The Company has entered into a deed of cross guarantees with all of its wholly owned controlled entities incorporated in Australia with the exception of ARA Building Services (Qld) Pty Ltd and ARA Building Services (NSW) Pty Ltd.

The Company had no commitments as at 30 June 2025 (2024: \$nil).

The Company had no contingent assets and contingent liabilities as at 30 June 2025 (2024: \$nil).

27. Auditor's remuneration

The auditor of ARA Group Limited and its controlled entities is Ernst & Young (Australia).

	2025	2024
	\$	\$
Amounts received or due and receivable by Ernst & Young (Australia) audit firm for:		
Audit of financial statements	666,175	649,297
Other non-audit services	284,402	184,400
	950,577	833,697

Consolidated entity disclosure statement
For the year ended 30 June 2025

Name of entity	Entity type	Body Corporate country of incorporation	Body corporate % of share capital held	Country of tax residence
Advanced Buildings (ACT) Pty Limited	Body corporate	Australia	100	Australia
Advanced Buildings (NSW) Pty. Limited	Body corporate	Australia	100	Australia
Advanced Buildings (Queensland) Pty. Limited	Body corporate	Australia	100	Australia
Advanced Buildings (S.A.) Pty. Limited	Body corporate	Australia	100	Australia
Advanced Buildings (TAS) Pty. Limited	Body corporate	Australia	100	Australia
Advanced Buildings (Victoria) Pty Ltd	Body corporate	Australia	100	Australia
Advanced Buildings (W.A.) Pty. Limited	Body corporate	Australia	100	Australia
Advanced Buildings Pty Limited	Body corporate	Australia	100	Australia
Advanced Buildings Restorations Pty. Limited	Body corporate	Australia	100	Australia
AFSF Group Pty Limited	Body corporate	Australia	100	Australia
AFT Fire Supplies Pty Ltd	Body corporate	Australia	100	Australia
Allen & Newton Pty Ltd	Body corporate	Australia	100	Australia
Allen & Newton Queensland Pty Ltd	Body corporate	Australia	100	Australia
ARA Building Services (NSW) Pty Ltd	Body corporate	Australia	100	Australia
ARA Building Services (Qld) Pty Ltd	Body corporate	Australia	100	Australia
ARA Building Services Pty Limited	Body corporate	Australia	100	Australia
ARA Corporate Services Pty Limited	Body corporate	Australia	100	Australia
ARA Electrical Engineering Services Pty Limited	Body corporate	Australia	100	Australia
ARA Electrical High Voltage Services Pty Ltd	Body corporate	Australia	100	Australia
ARA Electrical Major Projects Division Pty Ltd	Body corporate	Australia	100	Australia
ARA Fire Protection Services Pty Limited	Body corporate	Australia	100	Australia
ARA Indigenous Services Pty Ltd	Body corporate	Australia	49	Australia
ARA Manufacture Pty Ltd	Body corporate	Australia	100	Australia
ARA Manufacture Victoria Pty Ltd (formerly Hunter Power Pty Limited)	Body corporate	Australia	100	Australia
ARA Marine Pty Ltd (formerly Wiltrading Stace Pty Ltd)	Body corporate	Australia	100	Australia
ARA Mechanical Services Pty Limited	Body corporate	Australia	100	Australia
ARA Property Development Pty Ltd	Body corporate	Australia	100	Australia
ARA Property Services Pty Ltd the trustee for CMC Unit Trust	Body corporate	Australia	100	Australia
ARA Security Services Pty Limited	Body corporate	Australia	100	Australia
ARA Technologies Pty Limited (formerly Servcore Pty Limited)	Body corporate	Australia	100	Australia
Asset Fire Security & Mechanical Services Pty Ltd	Body corporate	Australia	100	Australia
Auscoast Fire Services Pty Ltd	Body corporate	Australia	100	Australia
Australasian Vaulting Industries Pty Ltd	Body corporate	Australia	100	Australia
Australian Fire Supplies & Fabrication Pty Ltd	Body corporate	Australia	100	Australia
Australia's Insurance Builders Pty Ltd	Body corporate	Australia	100	Australia
Austratronics Pty Ltd	Body corporate	Australia	100	Australia
Brighton Roofing Australia Pty Ltd	Body corporate	Australia	100	Australia
CMC Cleaning Services Pty Ltd	Body corporate	Australia	100	Australia
CMC ECRM Pty Ltd	Body corporate	Australia	100	Australia
CMC Maintenance Pty Ltd	Body corporate	Australia	100	Australia
CMC Property Services (Aust) Pty. Ltd.	Body corporate	Australia	100	Australia
CMC Rapid Response Pty Ltd	Body corporate	Australia	100	Australia
CMC Unit Trust	Trust	Australia	100	Australia (1)

Consolidated entity disclosure statement
For the year ended 30 June 2025

Name of entity	Entity type	Body Corporate country of incorporation	Body corporate % of share capital held	Country of tax residence
Coastal Fire Protection and Electrical Pty Ltd	Body corporate	Australia	100	Australia
Complex Solutions (Aust) Pty Ltd	Body corporate	Australia	100	Australia
Construction Electrical Services Pty Ltd	Body corporate	Australia	100	Australia
Crimewatch Video Pty. Ltd.	Body corporate	Australia	100	Australia
Downs Superior Nursing Agency Pty. Ltd.	Body corporate	Australia	100	Australia
Dynamic Facilities Maintenance Group Pty Limited	Body corporate	Australia	100	Australia
Environmental Automation Pty Limited	Body corporate	Australia	100	Australia
Excell Control Pty Limited	Body corporate	Australia	100	Australia
Fire Fab Australia Pty Ltd	Body corporate	Australia	100	Australia
Fire Suppression Services Pty Ltd	Body corporate	Australia	100	Australia
Grid Locks Locksmiths Pty Ltd	Body corporate	Australia	100	Australia
Home Mods Projects Pty Ltd	Body corporate	Australia	100	Australia
HUD Electronic Security Pty Ltd	Body corporate	Australia	100	Australia
HUD Security Pty Ltd	Body corporate	Australia	100	Australia
ID Supplies Pty Ltd	Body corporate	Australia	100	Australia
Integrity Security Pty Ltd	Body corporate	Australia	100	Australia
Interactive Cabling Pty Ltd	Body corporate	Australia	100	Australia
International Security Control Solutions Pty Ltd	Body corporate	Australia	100	Australia
JBM Power Pty Ltd	Body corporate	Australia	100	Australia
KBA Insurance Repairs Pty Ltd	Body corporate	Australia	100	Australia
KBA Restorations Pty Ltd	Body corporate	Australia	100	Australia
KDB Intellectual Pty Ltd	Body corporate	Australia	100	Australia
Lec Safe Australia Pty Ltd	Body corporate	Australia	100	Australia
Leda Export Pty Ltd	Body corporate	Australia	100	Australia
Leda Group (Australia) Pty Ltd	Body corporate	Australia	100	Australia
Leda International Pty. Limited	Body corporate	Australia	100	Australia
Leda Security Exports Pty Ltd	Body corporate	Australia	100	Australia
Leda Security Products (Ningbo) Co Ltd	Body corporate	China	100	China
Leda Security Products Pty Ltd	Body corporate	Australia	100	Australia
Leda Trading Pty Limited	Body corporate	Australia	100	Australia
Monarch Group Pty Limited	Body corporate	Australia	100	Australia
Multidoors Manufacturing Pty Limited	Body corporate	Australia	100	Australia
Multidoors Pty Limited	Body corporate	Australia	100	Australia
National Construction Solutions Pty Ltd	Body corporate	Australia	100	Australia
Ningbo Fenghua Leda Security Manufacturing Co., Ltd	Body corporate	China	100	China
OAS Data Cabling Pty Ltd	Body corporate	Australia	100	Australia
Oceanlink Marine Services Pty Ltd	Body corporate	Australia	100	Australia
Parking Guidance Australia Pty Limited	Body corporate	Australia	100	Australia
Secureme Group Pty Ltd	Body corporate	Australia	100	Australia
Sherry Services & Maintenance Pty Ltd	Body corporate	Australia	100	Australia
Sicada Fire & Safety (nsw) Pty Ltd	Body corporate	Australia	100	Australia
Sicada Fire & Safety Pty Ltd	Body corporate	Australia	100	Australia
Sicada Holdings Pty Ltd	Body corporate	Australia	100	Australia
Simarco Pty Limited	Body corporate	Australia	100	Australia
TALV Pty Limited	Body corporate	Australia	100	Australia
Thermoscan Inspection Services Pty Ltd	Body corporate	Australia	100	Australia

Consolidated entity disclosure statement
For the year ended 30 June 2025

Name of entity	Entity type	Body Corporate country of incorporation	Body corporate % of share capital held	Country of tax residence
Transelect Pty Ltd	Body corporate	Australia	100	Australia
Urban Building Solutions Pty Ltd	Body corporate	Australia	100	Australia
Viacon Projects Pty Ltd	Body corporate	Australia	100	Australia
Web ID Pty Ltd	Body corporate	Australia	100	Australia
ARA Group NZ Limited	Body corporate	New Zealand	100	New Zealand
ARA Group Hardware Limited	Body corporate	New Zealand	100	New Zealand
ARA Hardware LP	Partnership	New Zealand	100	New Zealand
ARA Marine Limited	Body corporate	New Zealand	100	New Zealand
ARA Security Limited	Body corporate	New Zealand	100	New Zealand
James Bull & Co Chch Limited	Body corporate	New Zealand	100	New Zealand
ISCS NZ Limited (formerly Reliabull Hardware Company Limited)	Body corporate	New Zealand	100	New Zealand
Marine Fire Services Limited	Body corporate	New Zealand	100	New Zealand
Servcore NZ Limited	Body corporate	New Zealand	100	New Zealand
SignOn Limited	Body corporate	New Zealand	100	New Zealand

(1) Australian income tax laws do not provide a test for determining the tax residency of a trust entity. The country of tax residence disclosed for trusts is based on the residence of the responsible entity or trustee.

Directors' declaration

In accordance with a resolution of the directors of ARA Group Limited (the "Company"), I state that:

In the opinion of the directors:

- a. the consolidated financial statements and notes of the Company and its controlled entities (collectively, the "Group") for the financial year ended 30 June 2025 are 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 its performance for the year ended on that date;
 - complying with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Regulations 2001*; and
- b. the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act* is true and correct;
- c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- d. as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in Note 25 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the board



Edward Federman
Executive Director
Sydney
12 August 2025

Independent auditor's report to the members of ARA Group Limited

Opinion

We have audited the financial report of ARA Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, 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 consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and
- Complying with Australian Accounting Standards – Simplified Disclosures 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 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly 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 (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001; and
- ▶ The consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the directors determine is necessary to enable the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ▶ The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating 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

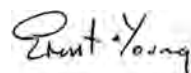
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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 judgment 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 units 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 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.



Ernst & Young



Gregory J Logue
Partner
Sydney
12 August 2025

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