NTAW Holdings Limited and its controlled entities
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	NTAW Holdings Limited
ABN:	97 095 843 020
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

2. Results for announcement to the market

	30 Jun 2024 $'000	30 Jun 2023 $'000	Change %
Revenues from ordinary activities	533,431	582,284	(8.4%)
Net profit from ordinary activities attributable to shareholders	1,563	3,331	(53.1%)
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	39,985	36,273	10.2%
Operating EBITDA[1]	**42,343**	**38,828**	**9.1%**
Less:			
Depreciation – plant & equipment	3,929	3,527	11.4%
Depreciation – right-of-use assets	18,972	17,655	7.5%
Finance costs – borrowings	6,878	6,238	10.3%
Finance costs – lease liabilities	3,929	2,140	83.6%
Income tax expense[2]	2,869	1,656	73.2%
Non-controlling interest (loss)	(321)	(436)	(26.4%)
Operating Net profit after tax before amortisation ("Operating NPATA")	**6,087**	**8,048**	**(24.4%)**

1 Operating EBITDA excludes non-recurring costs as disclosed in the Directors' Report.

2 Income tax expense has been adjusted to exclude impact of amortiation.

	Cents	Cents	Change %
Basic earnings per share	1.17	2.51	(53.4%)
Diluted earnings per share	1.13	2.42	(53.3%)

Dividends

	Cents	Cents	Change %
Interim dividend - fully franked	-	-	-
Final dividend - fully franked	-	-	-
	-	-	-

Comments

An explanation of the above figures is contained within the 'Review of operations' section of the Directors' Report, which is part of the attached Annual Report.

3. Net tangible assets

	Reporting Period Cents	Prior Period Cents
Net tangible assets per ordinary security	52.96	50.92

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Refer to note 22 in the attached Annual Report.

7. Dividend reinvestment plans

The dividend reinvestment plan ("DRP") dated 6 November 2017 is in operation. The DRP rules can be downloaded from the NTAW Holdings website: https://ntawholdings.com.au.

For participation in the DRP, an election notice must be received by the Share Registry no later than the business day after the record date for the dividend.

8. Details of associates and joint venture entities

Not applicable.

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

10. Attachments

Details of attachments (if any):

The Annual Report of NTAW Holdings Limited for the year ended 30 June 2024 is attached.

11. Signed

Signed ____________________________ Date: 27 August 2024

Murray Boyte
Chairman

NTAW Holdings Limited and its controlled entities

ABN 97 095 843 020

Annual Report - 30 June 2024

Contents

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Group") consisting of NTAW Holdings Limited (formerly "National Tyre & Wheel Limited") (referred to hereafter as the "Company", "NTAW Holdings", or "parent entity") and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of NTAW Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Murray Boyte	Independent Non-Executive Chairman
Peter Ludemann	Managing Director and Chief Executive Officer
Terry Smith	Non-Executive Director
Bill Cook	Independent Non-Executive Director (ceased 27 February 2024)
Robert Kent	Executive Director (ceased 28 January 2024)
Kenneth Gunderson-Briggs	Independent Non-Executive Director (appointed 13 December 2023)
Christopher Hummer	Executive Director (appointed 13 December 2023)
Tynan Young	Independent Non-Executive Director (appointed 30 January 2024)

Principal activities

The principal activity of the Group during the financial year ended 30 June 2024 was the distribution and marketing of motor vehicle tyres, wheels, tubes and related products throughout Australia, New Zealand and South Africa.

NTAW Holdings is the holding company for the following operating subsidiaries:

- National Tyre & Wheel Pty Ltd ("NTAW") (formerly "Exclusive Tyre Distributors Pty Ltd" ("ETD"));
- Exclusive Tyre Distributors (NZ) Limited ("ETDNZ");
- Dynamic Wheel Co. Pty Limited ("Dynamic" or "DWC");
- Statewide Tyre Distribution Pty Ltd ("Statewide");
- Top Draw Tyres Proprietary Limited t/a Tyrelife Solutions ("TLS");
- Tyres4U (NZ) Ltd ("Tyres4U NZ");
- Tyreright Operations Pty Ltd ("TRT");
- Black Rubber Pty Ltd & Black Rubber Sydney Pty Ltd (collectively "Black Rubber");
- Carters Tyre Service Limited, C.O. Tire & Retreading Co Limited & Tyre Distributors New Zealand Limited (collectively "Carter's");
- Solid Plus Operations Pty Ltd ("SPO");
- ACN 117 639 040 Pty Ltd (formerly "Integrated OE Pty Ltd"); and
- ACN 642 540 690 Pty Ltd (formerly "Tyres4U Pty Ltd" ("Tyres4U AU"))

There have been no significant changes in the nature of the Group's activities during the year.

Dividends

Dividends paid during the financial year were as follows:

	2024	**2023**
	$'000	**$'000**
Final dividend (2023: $1.50 per ordinary share paid on 7 October 2022)	-	1,981
Interim dividend	-	-
	-	**1,981**

At the date of signing these financial statements, there has been no dividends declared in respect of the 2024 financial year by the Company and no dividend's payable.

Operating and financial review

Review of operations
In FY2024, the Group achieved revenue of $533,431,000 and an operating EBITDA of $42,343,000. FY2024 Operating NPATA was $5,766,000.

In FY2024, demand for the Group’s products was constrained by low economic growth and weak consumer sentiment. A recession in New Zealand had a negative impact on Carter’s commercial truck tyre sales and trading conditions for TLS in South Africa remained difficult.

Goodyear’s exit from wholesaling and retreading in Australia and New Zealand presented opportunities for Group businesses, including the distribution of the Dunlop brand.

Labour availability improved in FY2024 but with higher labour costs. Deliveries from suppliers were more reliable and less expensive in FY2024.

The Group completed projects that are expected to enhance prospects for growth. These included the combination of Australian wholesale businesses (ETD, Tyres4U AU and Dunlop), getting all businesses on the same operating system and IT platform, the warehouse consolidation in Perth and changes to the senior management team.

The combined Australian wholesale business changed its name to National Tyre & Wheel Pty Ltd (“NTAW”) with the parent company changing its name to NTAW Holdings Limited. The Dunlop brand fills the premium passenger car, truck and bus tyre position in the product portfolio of NTAW and introduces NTAW to new customers.

NTAW stopped selling substitutable products, eliminating internal competition in the portfolio and improving margins. NTAW customers gained access to a wider range of products at all touchpoints.

In FY2024, eight NTAW Holdings subsidiary businesses were profitable with losses in 4 businesses, with material losses in Tyres4U AU and TRT. The Group response to these losses included brand rationalisation, new business combinations, changes to operating systems and changes to the senior management team outlined above as well as the continuing sale or closure of company owned Tyreright stores.

Black Rubber continued to prepare for growth in the truck, bus and earthmover segments by taking over five Tyreright stores and adopting the commercial hub model successfully adopted at Black Rubber’s Western Australian operations. After the balance date, Black Rubber entered into Agreements to acquire a retreading factory in Melbourne and commercial tyre retail business in Adelaide from Goodyear, with both purchases expected to be completed in 1Q25.

During the financial year, the NTAW Holdings Board changed with the appointments of Mr Christopher Hummer (Dynamic CEO), Mr Kenneth Gunderson-Briggs (also chairman of the Audit & Risk Committee and the Remuneration Committee) in Dec-23 and Mr Tynan Young in Feb-24. Mr Bill Cook resigned (Feb-24) and, sadly, Mr Robert Kent passed away suddenly (Jan-24).

In Jun-24:
- Mr Warwick Hay accepted an offer to join NTAW Holdings as Chief Operating Officer, commencing in September 2024 and taking responsibility for NTAW, DWC, ETD (NZ) and the people & culture shared services team;
- Mr Simon Billington was appointed CEO of NTAW, consolidating the management of that business; and
- Mr Geoff May was appointed CEO of Black Rubber with Mr John Zelesco as Executive Chairman.

Results highlights

NTAW Holdings has reported total revenue of $533,431,000 (2023: $582,284,000) for the financial year, a decrease of $48,853,000 (8.4%) on the prior year.

NTAW Holdings' statutory profit for the Group after providing for income tax and non-controlling interests amounted to $1,242,000 (2023: $2,895,000).

NTAW Holdings has a strong balance sheet with net assets of $117,296,000 (Jun-23: $115,340,000). The net debt position was $52,178,000 (Jun-23: $60,206,000) and a 'net debt to equity + gross debt' ratio of 25.0% (Jun-23: 28.9%).

Key operating metrics

	FY2024	FY2023
Gross profit margin	31.6%	28.1%
Operating costs as % of total revenue	24.1%	21.9%
Reported EBITDA[1] margin	7.5%	6.2%
Operating EBITDA[2] margin	7.9%	6.7%

1 EBITDA means earnings before interest, tax, depreciation and amortisation.

2 Refer to reconciliation between Reported EBITDA and Operating EBITDA below.

NTAW Holdings has reported a gross profit margin of 31.6% and an Operating EBITDA margin of 7.9%, with gross profit margin and Operating EBITDA margin increasing from that achieved in the prior year. The Group's operating costs as a percentage of sales of 24.1% was slightly greater than prior year due to one off consultancy costs in FY24.

Key financial results

$'000	FY2024	FY2023
Sales revenue	533,431	582,284
Gross profit	168,439	163,821
Reported EBITDA	39,985	36,273
Operating EBITDA	42,343	38,828
NPATA attributable to NTAW Holdings [1]	3,730	5,490

1 NPATA excludes non-controlling interests and amortisation on a tax effected basis.

Operating EBITDA

The Group has reported an EBITDA of $39,985,000 (2023: $36,273,000). The result for FY2024 includes non-recurring costs of $2,393,000 related to IT project implementation, an impairment loss, warehouse consolidation and store disposals and acquisition and consultancy costs. Unrealised foreign exchange gain on foreign exchange contracts and foreign currency denominated suppliers of $35,000 (2023: $185,000 loss) was recognised during the year. After taking into account the above items, an Operating EBITDA of $42,343,000 was earned in the reporting period (FY2023: $38,828,000) as shown in the following table:

$'000	FY2024	FY2023
Net profit after tax	**1,242**	**2,895**
Depreciation and amortisation	25,770	24,040
Finance costs (net)	10,806	8,378
Income tax expense	2,167	960
Reported EBITDA	**39,985**	**36,273**
IT project implementation costs	1,242	1,203
Impairment loss	270	-
Warehouse consolidation and store disposal costs	198	1,167
Acquisition and consultancy costs	683	-
Unrealised foreign exchange (gains)/losses	(35)	185
Operating EBITDA	**42,343**	**38,828**

Financial Position
Key financial information in relation to the Group's financial position at year end is shown below:

	30 June 2024	**30 June 2023**
Total assets ($'000)	413,097	376,047
Net assets ($'000)	117,296	115,340
Net debt[1] ($'000)	52,178	60,206
Shares on issue ('000)	134,136	133,271
Dividends per security (cents)	-	-

1 Net debt is total borrowings less cash and cash equivalents.

Significant balance sheet movements during the financial year were as follows:

- Net debt has decreased by $8,028,000;
- Net assets have slightly increased by $1,956,000; and
- 864,776 share options were redeemed for ordinary shares in FY2024.

Outlook

The Group's outlook is cautious having regard to various macro-economic and geopolitical risks and the present relatively poor consumer sentiment and low growth economies in Australia, New Zealand and South Africa.

NTAW's first full year as the Dunlop distributor in Australia and New Zealand is expected to provide revenue growth, with modest sales growth of other core NTAW brands.

Revenue growth is expected from executing the Black Rubber expansion plan, particularly if the Brooklyn retread factory and Wingfield tyre store assets are acquired.

Carter's Tyre Service revenue fell in 2H24 as the New Zealand economy slowed. Recovery of this revenue is expected in 2H25.

Revenue growth is expected from the opening of a new distribution centre in Palmerston North (NZ).

As the Group grows, it will require capital to:

- fund working capital required for the Dunlop distribution business;
- replenish capital used to acquire the Brooklyn retread factory and the Wingfield retail store;
- upgrade equipment for the Black Rubber expansion plans and to improve service levels in other businesses; and
- fund equipment required for the new warehouse in Palmerston North.

The Group is considering options to meet these requirements.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

On 17 July 2024, Black Rubber entered into an asset sale agreement to purchase the assets, inventory and plant & equipment, of a tyre retreading plant located in Brooklyn, Melbourne, Victoria from Goodyear & Dunlop Tyres (Aust) Pty Ltd. Completion of this agreement is subject to certain conditions.

On 8 August 2024, Black Rubber entered into an asset sale agreement to purchase the assets, inventory and plant & equipment, of a commercial tyre retail store located in Wingfield, Adelaide, South Australia from Goodyear & Dunlop Tyres (Aust) Pty Ltd. Completion of this agreement is subject to certain conditions.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations
The Group will continue to pursue gross profit improvement and additional cost reductions in the next financial year as it seeks to leverage the diversity and scale built up in recent years.

Material business risks
The Board is committed to monitoring and mitigating business risks faced by the Group, including the following key risks that have the potential to materially impact its financial prospects:

- **Changes to macro-economic conditions and government policy –** the prices of raw materials used in the manufacture of tyres as well as shipping costs can be volatile and are affected by supply and demand, both globally and regionally. Macroeconomic and geopolitical uncertainties can also affect the supply of, and demand for, the Group’s products. Government and Reserve Bank fiscal, monetary, trade and regulatory policy can impact interest rate and exchange rate movements, inflation (CPI), wages, employment, the composition of the vehicle fleet, consumer confidence, retail spending, goods movements and overall demand for consumer and commercial tyres and wheels. Geopolitical tensions can also impact consumer confidence, demand for commercial tyres and wheels as well as international trade. The Group seeks to reduce its exposure to these risks by operating diverse businesses, selling products that have an array of price/value propositions, having a low level of concentration amongst customers, maintaining a cadence of new products suitable for new vehicle types (e.g. electric and hybrid cars) and sourcing information to obtain insights about actual and potential changes.

- **Supplier risk** – the Group imports and distributes products manufactured by third parties, primarily located in China, India, USA, Taiwan and Indonesia. Apart from the manufacture of some retreaded truck and bus tyres, there is no tyre manufacturing in Australia or New Zealand. Most wheel manufacturing also occurs outside of Australia. Some tyre and wheel manufacturers directly distribute their products in Australia and/or New Zealand while others rely on third party distributors like the Group for the distribution of their products. The Group has been distributing brands such as Cooper, Mickey Thompson, Alliance, Double Coin, GT Radial and Advance for more than 20 years. In addition to these long-term supply relationships, the Company imports and distributes Radar, Tracmax, Dunlop, Sailun and Dynamo brands. There are risks that suppliers will cease manufacturing, be persuaded to shift distribution to another firm or decide to import and distribute for themselves. There are also risks that a supplier’s products will not respond to changes in the vehicle fleet, that new competing products will emerge or that the market position of a brand will not resonate with consumers or commercial customers. The Group seeks to manage these risks by entering into long term formal contracts with suppliers, maintaining less formal or shorter agreements, setting and meeting realistic expectations of sales performance, monitoring levels of supplier concentration and collaborating with suppliers in connection with product development, brand architecture and product development.

- **Foreign exchange risk** – a significant proportion of the Group’s costs and expenses are transacted in foreign currencies. Adverse movements between the Australian Dollar, New Zealand Dollar and South African Rand against the US Dollar increases the price at which the Group acquires its trading stock and result in volatility in profitability to the extent that the Group may or may not be able to pass on price increases to its customers (after allowing for the impact inventory cycles have on the time it takes for exchange rate movements to impact on cost of goods sold and the behaviour of competitors). The Group also seeks to use foreign exchange contracts to mitigate its foreign exchange exposures. The effect of foreign currency translation on operating results from offshore operations remains inherent in the Group’s business.

- **Business integration risk** – the Group has acquired interests in several businesses in recent years with the successful integration and capturing of synergies from the acquisitions and managing growth being critical to the Group’s continued performance and earnings. The Group’s Board and management is experienced in acquiring and integrating businesses, conducts comprehensive due diligence and ensures an integration plan is followed.

- **Retention of key personnel** – the Group’s future success is dependent on the expertise and experience of its key personnel and management. The loss of services of key members of management, and any delay in their replacement, or the failure to attract additional key managers to new roles could have a material adverse effect on NTAW Holding’s financial performance and ability to deliver on its growth strategies. The Group manages this risk with the ongoing development of management capabilities, effective delegation, knowledge sharing and succession plans for all key managers.

- **Customer risk** – the Group is dependent on its ability to retain its existing customers and attract new customers. Although customer concentration is low, sales revenue would be adversely affected if all members of a chain or group decided not to purchase products from the Group. Although this risk has been further reduced as a consequence of the recent acquisitions, the Group proactively manages its customer relationships and has established value adding customer loyalty programs.

- **Risk of competition** – the tyre and wheel wholesale market is highly competitive. Competition is based on factors including price, service, quality, performance standards, range and the ability to provide customers with an appropriate range of quality products in a timely manner. A failure by the Group to effectively compete with its competitors would adversely affect the Group's future financial performance and position.

- **Cyber risk –** A cyber safety risk is any threat to the confidentiality, integrity or availability of data. These threats include attacks on technology infrastructure which generates revenue and threaten to perpetually block access to data unless a ransom is paid (i.e. ransomware) and attacks to gain unauthorised access to data or records that can be used alone or with other information to identify, contact or locate a single person, including a customer or employee. The Group has training programs to alert employees to cyber risks and has implemented business continuity plans and disaster recovery plans to respond to cyber security incidents, and mitigate financial and reputational damage from any such incidents

- **Sustainability risk –** An actual or perceived failure to address sustainability-related topics, including climate change and the transition to a net carbon zero economy, has the ability to impact the Company's financial performance, reputation and operations, either directly within the business or due to changing stakeholder expectations. To address this risk, NTAW Holdings seeks to execute its integrated approach towards economic, environmental and social sustainability. Ensuring this approach is effective means ensuring a range of practices are initiated, maintained and continually improved, including managing potential issues in our supply chain and the Group's operations, sourcing sustainable products and packaging, where possible, and reducing carbon emissions.

Environmental regulation
The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	Murray Boyte
Title:	Independent, Non-Executive Chairman
Qualifications	BCA, MAICD, CMInstD, CA
Experience and expertise:	Mr Boyte has over 35 years' experience in merchant banking and finance, undertaking company reconstructions, mergers and acquisitions in Australia, New Zealand, North America and Hong Kong. In addition, he has held executive positions and Directorships in the transport, horticultural, financial services, investment, health services and property industries.
Other current directorships:	Eureka Group Holdings Limited (ASX: EGH) (appointed 24 November 2017); Hillgrove Resources Limited (ASX: HGO) (appointed 10 May 2019); Eumundi Group Limited (ASX: EBG) (appointed 1 March 2021)
Former directorships (last 3 years):	Abano Healthcare Group Limited (NZX: ABA) (resigned 22 December 2021)
Special responsibilities:	Member of Audit and Risk Committee; Member of Remuneration and Nominations Committee
Interests in shares:	245,211 ordinary shares
Interests in options and rights:	Nil

Name:	Peter Ludemann
Title:	Chief Executive Officer ("CEO") and Managing Director
Qualifications:	Degrees in Law and Commerce (Marketing) from University of New South Wales
Experience and expertise:	Mr Ludemann joined the Group as a director in 2012 and became full time CEO of NTAW Holdings in July 2013. He has worked as a commercial lawyer, a director of numerous private companies, the Managing Director of a Life Science Investment firm and as a Private Equity Investment Manager at AMP Capital. He has been the driving force behind the evolution of NTAW Holdings from a closely held family trust carrying on a niche 4WD tyre wholesale business to a more widely held entity operating in many tyre and wheel segments. He has managed the acquisition and integration of all the subsidiaries in that time and was responsible for the execution of a succession plan for NTAW Holdings founders, the creation of a public company corporate structure, the IPO and listing of NTAW Holdings as well as generational change within the Group.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	2,817,425 ordinary shares
Interests in options and rights:	350,000 options and 628,590 rights

Name:	Terry Smith
Title:	Non-Independent, Non-Executive Director
Experience and expertise:	Mr Smith has over 40 years' experience in tyre importing, wholesaling and retailing. Terry's career is one of successful entrepreneurship, as he and wife Susanne, were responsible for taking Exclusive Tyre Distributors from a start-up business to one of the largest independent national tyre wholesalers in Australia. Mr Smith is a Non-Executive Director but is not considered independent as he is a substantial holder of the Company.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of Remuneration and Nominations Committee
Interests in shares:	27,891,171 ordinary shares
Interests in options and rights:	Nil

Name:	Bill Cook
Title:	Independent, Non-Executive Director (ceased 27 February 2024)
Experience and expertise:	Mr Cook was an Independent Non-Executive Director of NTAW Holdings. Mr Cook commenced his career at Ford Motor Company in finance. He worked for Consolidated Press Holdings with the late Kerry Packer from 1983 to 1996 as Head of M&A and worldwide reporting. After two years as General Manager of Qantas Flight Catering's Sydney business he undertook Private Equity investment consulting roles, and subsequently joined AMP Capital as an investment manager in the Private Equity team. Since leaving AMP, Mr Cook has served as non-executive director for a number of companies, including NTAW Holdings since 2013.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of Audit and Risk Committee (ceased February); Member of Remuneration and Nominations Committee (ceased February)
Interests in shares:	460,427 ordinary shares held at time of his resignation.
Interests in options and rights:	Nil

Name:	Robert Kent
Title:	Executive Director (ceased 28 January 2024)
Qualifications:	Bachelor of Business (Marketing) from Queensland University of Technology and is a Graduate of the Australian Institute of Company Directors.
Experience and expertise:	Mr Kent was Managing Director of Publicis Mojo (Queensland), part of the global Publicis Groupe, from 2000 to 2017. During this time he was also a member of the Publicis National Board of Management. Mr Kent is a career advertising and marketing executive who has managed innumerable campaigns involving sales promotion and brand building across both traditional and digital channels. Concurrently with his advertising role, Mr Kent was Managing Director of leading digital marketing businesses, Personalised Plates Queensland from 2013 to 2017 and KiwiPlates (NZ) from 2016 to 2017, after winning the tender to operate each. Mr Kent was the Chair of the Company's Remuneration and Nominations Committee and a member of the Audit and Risk Committee during his tenure as a Director.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of Remuneration and Nominations Committee; Member of Audit and Risk Committee
Interests in shares:	331,500 ordinary shares held at the time of his resignation.
Interests in options and rights:	Nil

Name:	Kenneth Gunderson-Briggs
Title:	Independent, Non-Executive Director (appointed 13 December 2023)
Qualifications:	Bachelor of Business from the University of Technology, Sydney and is a Fellow of the CA ANZ
Experience and expertise:	Mr Gunderson-Briggs is a Chartered Accountant and a Registered Company Auditor, being a partner in a chartered accounting firm since 1990. Mr Gunderson-Briggs joined the Board of Harvey Norman Holdings Limited in 2003 where he has been the Chair of the Remuneration Committee since 2015 and Chair of the Audit & Risk and Nomination Committees since 2020. Mr Gunderson-Briggs was a Director of Australian Pharmaceutical Industries Limited from 2014 to 2022, being appointed as Chair of the Board in 2020.
Other current directorships:	Harvey Norman Holdings Limited (ASX: HVN) (appointed 30 June 2003)
Former directorships (last 3 years):	Australian Pharmaceutical Industries Limited (ASX: API) (resigned 31 March 2022 following the takeover of API by Wesfarmers Limited)
Special responsibilities:	Chair of Audit and Risk Committee from March 2024; Chair of Remuneration and Nominations Committee March 2024
Interests in shares:	Nil
Interests in options and rights:	Nil

Name:	Christopher Hummer
Title:	Executive Director (appointed 13 December 2023) and DWC Managing Director
Qualifications:	Graduate of Australian Institute of Company Directors GAICD
Experience and expertise:	An experienced company director for 35 years, Mr Hummer started his career building a business providing 24 hour emergency roadside repairs under contract to Royal Automobile club in Victoria, Mr Hummer has held directorships in building / construction, Automotive and Industry Associations. Chris worked with DMIB Berhad Malaysia to launch a range of offroad racing tyres to global markets before creating Dynamic Wheel Co in 1998. He has been responsible for growing DWC into a national wheel wholesaler since its part acquisition by NTD in 2013 before full acquisition in 2017 and supporting the international expansion of DWC wheel brands both in NTAW's New Zealand and South African entities . Mr Hummer was elected President (chair) of the Victorian Automotive Chamber of Commerce in 2022 and is also President of The Australian Tyre Dealers and Retread Association. Mr Hummer is a member of the Australian Chamber of Commerce and Industry council
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	2,387,488 ordinary shares
Interests in options and rights:	225,721 rights

Name:	Tynan Young
Title:	Independent, Non-Executive Director (appointed 30 January 2024)
Experience and expertise:	Mr Young has had a successful career within the technology sector, working in the media, finance and technology industries. My Young currently holds a technology leadership role at a leading data and research-driven trading business. Mr Young was previously the Global Head of Network and Data Centre at The Trade Desk (NASDAQ: TTD). Mr Young is a member of the Audit & Risk Committee.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of Audit and Risk Committee
Interests in shares:	7,460,609
Interests in options and rights:	Nil

Company secretaries

Jason Lamb

Mr Lamb is the Chief Financial Officer and joint Company Secretary. Mr Lamb has over 20 years' accountancy experience. He is a Certified Practicing Accountant with a Bachelor of Commerce (Accounting) and a Bachelor of Economics from The University of Queensland. Mr Lamb was responsible for setting up the financial accounting systems for NTAW Holdings. He has also been responsible for all financial due diligence work relating to business acquisitions and the establishment of financial reporting systems for those operating entities. He participates in all Board meetings for NTAW Holdings and each operating entity as well as overseeing the production of financial reports for all entities.

Hugh McMurchy

Mr McMurchy is the Group Financial Controller and joint Company Secretary. Mr McMurchy is a Chartered Accountant with a Bachelor of Commerce (Accounting and Finance) from The University of Queensland. Mr McMurchy has over 10 years' experience in public accounting before joining NTAW Holdings in 2020.

Meetings of directors

The number of meetings of the Company's Board of Directors ("the Board") and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Board		*Remuneration and Nominations Committee*		*Audit and Risk Committee*	
	Attended	Held	Attended	Held	Attended	Held
Murray Boyte	17	17	2	2	3	3
Peter Ludemann	17	17	2*	2*	3*	3*
Terry Smith	17	17	2	2	2*	3*
Bill Cook	12	13	1	1	3	3
Robert Kent	9	9	1	1	1	1
Kenneth Gunderson-Briggs	8	8	1	1	2	2
Christopher Hummer	8	8	1*	1*	2*	2*
Tynan Young	6	7	-	-	1	2

*Attended by invitation only

Remuneration Report (audited)

The remuneration report details the key management personnel ("KMP") remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and *Corporations Regulations 2001*.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

a) Principles used to determine the nature and amount of remuneration
b) Details of remuneration
c) Relationship between remuneration and Company performance
d) Service agreements
e) Share-based compensation
f) Equity instruments held by key management personnel
g) Other transactions with key management personnel

(a) Principles used to determine the nature and amount of remuneration

The objective of the Group's executive remuneration framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive remuneration with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform with accepted market practice for remuneration and reward. The Board of Directors ensures that executive remuneration satisfies the following key criteria for good remuneration governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Remuneration and Nominations Committee is responsible for reviewing remuneration arrangements for its directors and executives and making recommendations to the Board for consideration and approval. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The Remuneration and Nominations Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group, as determined by the Board.

Remuneration report (audited) (continued)

The reward framework is designed to align executive reward to shareholders' interests. The Board considers that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

Since the Company's listing on the Australian Securities Exchange ("ASX"), in accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration and Nominations Committee. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. The non-executive directors do not receive share options or other incentives.

Under NTAW Holdings' constitution, the directors decide the total amount paid to all directors as remuneration for their services. However, under the ASX listing rules, the aggregate non-executive directors' remuneration (i.e. excluding the Managing Director and executive directors, if any) for a financial year must not exceed the amount fixed by the Company in general meeting. This amount has been fixed at $750,000 per annum. Any changes to the aggregate remuneration will be put to a general meeting where the shareholders will be asked to approve a maximum annual aggregate remuneration.

The annual base non-executive director fees paid by the Company are $129,920 per annum (2023: $131,808) for the chairman and $83,149 per annum (2023: $84,367) for other non-executive directors. An additional fee of $12,644 per annum (2023: $12,644) has been paid to the chairman of each Board committee. Directors may also be reimbursed for all travelling and other expenses incurred in connection with their Company duties. Total annual fees payable to non-executive directors for FY2024 is $366,501 (FY2023: $313,185).

Executive director remuneration
Fees and payments to executive directors reflect the demands and responsibilities of their role. Executive directors' fees and payments are reviewed annually by the Remuneration and Nominations Committee.

Executive remuneration
The Group aims to reward executives based on their position and responsibilities, with a level and mix of remuneration which has both fixed and variable components. The executive remuneration framework includes the following components:

- Fixed remuneration – comprising base salary, superannuation contributions and other benefits, having regard to comparable market benchmarks. Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive;

Remuneration report (audited) (continued)

- Short-term incentive ("STI") program – an 'at risk' component of remuneration where, if individual, business unit and Group performance measures are met, senior executives will be awarded cash bonuses equal to a percentage of their fixed remuneration. Performance measures include a financial gateway hurdle and non-financial key performance indicators ("KPIs"). The percentage of fixed remuneration received is capped, but may vary, between individuals and depending on the level of performance achieved; and
- Long-term incentive ("LTI") program – an 'at risk' component of remuneration where senior executives are awarded rights which are subject to a total shareholder return ("TSR") performance condition and a service condition. The number of rights to be awarded will be determined by the Board having regard to the overall amount of executive remuneration and the annual profit impact of the rights awarded.

The combination of these comprises an executive's total remuneration. The Board believes this remuneration framework ensures that remuneration outcomes link to Company performance and the long-term interests of Shareholders.

2024 STI Program

During FY2024, senior executives' entitlement to an STI was based on achievement of agreed performance objectives including:
- Financial performance;
- Operational performance;
- Strategy and innovative initiatives;
- Workplace health and safety; and
- Stakeholder satisfaction.

Actual performance criteria varied between executives, having regard to their roles and responsibilities.

The Board applies the following general principles when determining and measuring performance targets and any STI incentive:

STI Pool	The size of the STI pool is determined by the Board, upon advice from the Remuneration and Nominations Committee, having regard to individual employment contracts. In consultation with the Remuneration and Nominations Committee, the Board assesses the Group's financial performance and the performance of key management personnel against agreed performance objectives.
Structure	The STI available is split between the achievement of financial gateway hurdles (at a group and/or individual operating entity level) and non-financial KPIs. The proportion of the STI between financial and non-financial varies between key management personnel. The financial gateway hurdles are based on Operating EBITDA which the Board believes is an acceptable proxy for overall operating performance. Operating EBITDA is calculated by adjusting Reported EBITDA for the impact of the adoption of AASB 16 *Leases* and non-operational related items.
Achievement	The achievement of financial and non-financial KPIs vary between key management personnel. The Board retains discretion in relation to the impact that non-recurring or unusual items may have on achievement of the STIs.

The actual amount received by key management personnel, as a result of achieving the pre-determined financial hurdles and non-financial KPIs, are listed in the remuneration tables below.

2024 LTI Program

Rights may be granted under the Employee Equity Plan ("EEP") which was adopted on 3 November 2021. Each right entitles the participant to receive one ordinary share in the Company on exercising. The specific terms relevant to the grant of rights are set out in an offer from the Company to the Eligible Person which contains details of the application price (which must not be for more than nominal consideration), the expiry date, the exercise price, the vesting date, any applicable performance conditions and other specific terms relevant to those options.

Remuneration report (audited) (continued)

During FY2024, 2,270,000 rights were granted to senior executives, including 700,000 issued to certain key management personnel, pursuant to the EEP on the specific key terms:

- The Vesting Date of the options is 30 September 2026, subject to meeting the Performance Conditions.
- The Performance Period for the Performance Conditions is the period from the Grant Date until the Vesting Date (inclusive of each of those dates).
- The performance conditions were as follows:

1) Total Shareholder Return ("TSR") condition – the Compound Annual Growth Rate ("CAGR") in the Company's Total Shareholder Return will be tested on the Vesting Date and the Rights will vest in accordance with the following TSR CAGR hurdles:

TSR CAGR	% of Rights to vest
Less than 7%	0%
At least 7% but less than 10% p.a.	50%
At least 10% but less than 15% p.a.	70% to 100% on a straight-line basis
At least 15% p.a.	100%

- TSR CAGR means the TSR compound annual growth rate as against the Base VWAP.
- TSR means the total shareholder return to a shareholder of the Company, inclusive of Share Price Appreciation, capital returns and dividends.
- Share Price Appreciation means the difference between the Base VWAP and Vesting VWAP.
- Base VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2023 financial report. The 2023 financial report was released on 29 August 2023 and the Base VWAP has been calculated at $0.65.
- Vesting VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2026 financial report, expected to be on or about 31 August 2026.

2) Service condition – continuous employment of the employee with NTAW Holdings or one of its subsidiaries from the Grant Date until the Vesting Date.

- The Expiry Date of the rights was 30 September 2028, which is two years after the Vesting Date, if not lapsed earlier.
- If the Performance Conditions are not met before the end of the Performance Period, the options will lapse.

(b) Details of remuneration

The key management personnel of the Group in FY2024 consisted of the following directors of NTAW Holdings Limited:

- Murray Boyte – Independent Non-Executive Chairman
- Peter Ludemann – Managing Director and Chief Executive Officer
- Terry Smith – Non-Executive Director
- Bill Cook – Independent Non-Executive Director (ceased 27 February 2024)
- Robert Kent – Executive Director (ceased 28 January 2024)
- Kenneth Gunderson-Briggs – Independent Non-Executive Director (appointed 13 December 2023)
- Christopher Hummer – Executive Director (appointed 13 December 2023)
- Tynan Young – Independent Non-Executive Director (appointed 30 January 2024)

And the following persons:

- Jason Lamb – Chief Financial Officer and Joint Company Secretary

Remuneration report (audited) (continued)

Amounts of remuneration
Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits[3]			Post-employment benefits	*Long-term benefits*	Share-based payments	
	Cash salary and fees[1]	Cash Bonus	Other[2]	Super-annuation	Long service leave	Equity-settled	Total
	$	$	$	$	$	$	$
2024							
Non-Executive Directors:							
M Boyte	117,045	-	-	12,875	-	-	129,920
T Smith	74,909	-	-	8,240	-	-	83,149
W Cook	57,651	-	-	6,342	-	-	63,993
K Gunderson-Briggs	54,347	-	-	-	-	-	54,347
T Young	35,092	-	-	-	-	-	35,092
Executive Directors:							
P Ludemann	612,565	201,604	-	27,500	9,979	157,252	1,008,900
R Kent	50,859	-	126,000	5,594	-	-	182,453
C Hummer[4]	198,105	78,363	-	14,808	3,483	33,596	328,355
Other Key Management Personnel:							
J Lamb	392,604	149,169	-	27,500	2,852	94,150	666,275
	1,593,177	**429,136**	**126,000**	**102,859**	**16,314**	**284,998**	**2,552,484**

1 Including movement in annual leave provisions.

2 The Group engaged in consulting services by R Kent in FY2024.

3 There were no non-monetary benefits paid during FY2024.

4 Remuneration details for period of FY2024 C Hummer was a KMP.

	Short-term benefits[3]			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees[1]	Cash bonus	Other[2]	Super-annuation	Long service leave	Equity-settled	Total
	$	$	$	$	$	$	$
2023							
Non-Executive Directors:							
M Boyte	119,283	-	-	12,525	-	-	131,808
T Smith	76,350	-	-	8,017	-	-	84,367
W Cook	87,792	-	-	9,218	-	-	97,010
Executive Directors:							
P Ludemann	678,863	-	-	25,385	30,804	130,510	865,562
R Kent	87,792	-	102,773	9,218	-	-	199,783
Other Key Management Personnel:							
J Lamb	403,041	20,000	-	25,439	32,909	78,475	559,864
	1,453,121	**20,000**	**102,773**	**89,802**	**63,713**	**208,985**	**1,938,394**

1 Including movement in annual leave provisions.

2 The Group engaged in consulting services by R Kent in FY2023.

3 There were no non-monetary benefits paid during FY2023.

Remuneration report (audited) (continued)

The relative proportion of the total remuneration opportunity of key management personnel of the Group is as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-Executive Directors:						
M Boyte	100%	100%	-	-	-	-
T Smith	100%	100%	-	-	-	-
W Cook	100%	100%	-	-	-	-
K Gunderson-Briggs	100%	-	-	-	-	-
T Young	100%	-	-	-	-	-
Executive Directors:						
P Ludemann	57%	59%	29%	29%	14%	12%
R Kent	100%	100%	-	-	-	-
C Hummer[1]	63%	-	28%	-	9%	-
Other Key Management Personnel:						
J Lamb	60%	61%	27%	27%	13%	12%

	Cash bonus paid/payable		*Cash bonus forfeited*[2]	
Name	**2024**	**2023**	**2024**	**2023**
Executive Director:				
P Ludemann	62%	-	38%	100%
C Hummer[1]	49%	-	51%	-
Other Key Management Personnel:				
J Lamb	77%	11%	23%	89%

1 C Hummer's FY2023 fixed and at risk remuneration not disclosed as was not a KMP member during that year.

2 Forfeited cash bonuses are not accrued in the relevant year's result.

(c) Relationship between remuneration and Company performance

The table below summarises the Group's performance and correlates it to the total key management personnel remuneration for the financial year:

Metric	**FY2024**	**FY2023**	**FY2022**	**FY2021**	**FY2020**
Sales revenue ($'000)	533,431	582,284	555,549	461,533	158,857
NPAT attributable to shareholders ($'000)	1,563	3,331	9,398	20,255	4,551
Operating EBITDA ($'000)	42,343	38,828	44,882	46,677	11,786
Share price at end of year ($)	0.42	0.57	0.97	1.06	0.38
Basic earnings per share (cents)	1.17	2.51	7.65	17.90	4.12
Dividends paid (cents per share)	-	-	4.50	8.00	1.25

Remuneration report (audited) (continued)

(d) Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements with no fixed tenure requirements. Details of these agreements for FY2024 were as follows:

Name:	Peter Ludemann
Title:	Managing Director and Chief Executive Officer
Details:	Mr Ludemann has an annual total fixed remuneration (TFR) of $646,123 consisting of base salary, superannuation and car allowance. Under the terms of his employment contract, he is eligible to receive short term incentives (STI) with a maximum opportunity of 50% of TFR per annum (at maximum performance levels). The STI will be in the form of an annual cash bonus, subject to the achievement of key performance indicators as determined by the Board. Subject to shareholder approval, Mr Ludemann will also be awarded long term incentives (LTI) under NTAW Holdings Employee Equity Plan. He has statutory leave entitlements and is entitled to 5 weeks annual leave per year. Either party may terminate the contract on 6 months' notice. In the case of termination by NTAW Holdings, NTAW Holdings may provide payment in lieu of notice. Mr Ludemann's employment contract does not contain any express redundancy provisions. Mr Ludemann's contract contains a 5 year non-compete restraint within Australia and New Zealand and a 12-month non-solicitation of employees, contractors and clients who deal with NTAW Holdings.
Name:	Jason Lamb
Title:	Chief Financial Officer and joint Company Secretary
Details:	Mr Lamb has an annual total fixed remuneration (TFR) of $429,940, consisting of base salary and superannuation. Under the terms of his employment contract, he is eligible to receive short term incentives (STI) with a maximum opportunity of 45% of TFR per annum (at maximum performance levels). The STI will be in the form of an annual cash bonus, subject to the achievement of key performance indicators as determined by the Board. Mr Lamb will also be awarded long term incentives (LTI) under NTAW Holdings Employee Equity Plan. He is eligible for short term incentives as determined by the Board. Mr Lamb has statutory leave entitlements. Either party may terminate the contract on 6 months' notice. In the case of termination by NTAW Holdings, NTAW Holdings may provide payment in lieu of notice. He is entitled to redundancy pay in accordance with NTAW Holdings legal obligations. Mr Lamb's contract contains a 6 month non-compete restraint within Australia and a 6-month non-solicitation of employees, contacts and clients with whom he has contact with, or influence over.

Remuneration report (audited) (continued)

Name:	Christopher Hummer
Title:	Executive Director and DWC Managing Director
Details:	Mr Hummer has an annual total fixed remuneration (TFR) of $370,661 ($239,707 since 13 December 2023), consisting of base salary, motor vehicle allowance and superannuation. Under the terms of his employment contract, he is eligible to receive short term incentives (STI) with a maximum opportunity of 45% of TFR per annum (at maximum performance levels). The STI will be in the form of an annual cash bonus, subject to the achievement of key performance indicators as determined by the Board. Mr Hummer will also be awarded long term incentives (LTI) under NTAW Holdings Employee Equity Plan. He is eligible for short term incentives as determined by the Board. Mr Hummer has statutory leave entitlements. Either party may terminate the contract on 6 months' notice. In the case of termination by NTAW Holdings, NTAW Holdings may provide payment in lieu of notice. He is entitled to redundancy pay in accordance with NTAW Holdings legal obligations. Mr Hummer's contract contains a 6 month non-compete restraint within Australia and a 6-month non-solicitation of employees, contacts and clients with whom he has contact with, or influence over.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct

All key management personnel are required to keep information obtained during their employment confidential, both during their employment and after their employment ends. Employment contracts contains an assignment of intellectual property created during the course of their employment.

(e) Share-based compensation

On 13 October 2023, 700,000 rights were issued to key management personnel. These rights have a vesting date of 30 September 2026 and an expiry date of 30 September 2028. The rights have a $nil exercise price and the fair value at grant date per right was $0.5148.

The rights have the following conditions:

1. Performance conditions were as follows:
   Total shareholder return ("TSR") condition – the Compound Annual Growth Rate ("CAGR") in the Company's Total Shareholder Return will be tested on the Vesting Date and the Rights will vest in accordance with the following TSR CAGR hurdles:

TSR CAGR	**% of Rights to vest**
Less than 7%	0%
At least 7% but less than 10% p.a.	50%
At least 10% but less than 15% p.a.	70% to 100% on a straight-line basis
At least 15% p.a.	100%

- TSR CAGR means the TSR compound annual growth rate as against the Base VWAP.
- TSR means the total shareholder return to a shareholder of the Company, inclusive of Share Price Appreciation, capital returns and dividends.
- Share Price Appreciation means the difference between the Base VWAP and Vesting VWAP.
- Base VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2023 financial report. The 2023 financial report was released on 29 August 2023 and the Base VWAP has been calculated at $0.65.
  Vesting VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2026 financial report, expected to be on or about 31 August 2026.

Remuneration report (audited) (continued)

2. Service condition – continuous employment of the employee with NTAW Holdings or one of its subsidiaries from the Grant Date until the Vesting Date.
    - The Expiry Date of the rights was 30 September 2028, which is two years after the Vesting Date, if not lapsed earlier.
    - If the Performance Conditions are not met before the end of the Performance Period, the options will lapse.

(f) Equity instruments held by key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Balance on (resignation)/ Appointment	Additions - Share Purchase Plan	Additions - Dividend Reinvestment Plan ("DRP")	Additions / (Disposals) - On-market	Balance at the end of the year
Ordinary shares						
M Boyte	245,211	-	-	-	-	245,211
T Smith	27,891,171	-	-	-	-	27,891,171
B Cook	460,427	(460,427)	-	-	-	-
R Kent	331,500	(331,500)	-	-	-	-
K Gunderson-Briggs	-	-	-	-	-	-
C Hummer	-	2,387,488	-	-	-	2,387,488
T Young	-	7,460,609	-	-		7,460,609
P Ludemann	2,817,425	-	-	-	-	2,817,425
J Lamb	75,418	-	-	-	-	75,418
	31,821,152	**9,056,170**	**-**	**-**	**-**	**40,877,322**

Options

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Balance on (resignation)/ Appointment	Granted / Lapsed	Exercised	Balance at the end of the year
Options					
M Boyte	-	-	-	-	-
T Smith	-	-	-	-	-
B Cook	-	-	-	-	-
R Kent	-	-	-	-	-
K Gunderson-Briggs	-	-	-	-	-
C Hummer	-	-	-	-	-
T Young	-	-	-	-	-
P Ludemann[1]	350,000	-	-	-	350,000
J Lamb[2]	320,000	-	-	-	320,000
	670,000	**-**	**-**	**-**	**670,000**

1 On 30 September 2022, 180,000 options which were granted on 8 November 2019 had vested. On 30 September 2023, 170,000 options which were granted on 25 February 2021 had vested. All options remain exercisable at 30 June 2024 and at the date of this report.

2 On 30 September 2022, 160,000 options which were granted on 8 November 2019 had vested. On 30 September 2023, 160,000 options which were granted on 25 February 2021 had vested. All options remain exercisable at 30 June 2024 and at the date of this report.

Remuneration report (audited) (continued)

Rights
The number of Rights to ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below

	Balance at the start of the year	Balance on (resignation)/ Appointment	Granted / Lapsed	Exercised	Balance at the end of the year
Rights					
M Boyte	-	-	-	-	-
T Smith	-	-	-	-	-
B Cook	-	-	-	-	-
R Kent	-	-	-	-	-
K Gunderson-Briggs	-	-	-	-	-
C Hummer	-	225,721	-	-	225,721
T Young	-	-	-	-	-
P Ludemann	228,590	-	400,000	-	628,590
J Lamb	114,295	-	300,000	-	414,295
	342,885	**225,721**	**700,000**	**-**	**1,268,606**

All Rights on issue remain unvested as at 30 June 2024.

(g) Other transactions with key management personnel

Related party transactions
During the reporting period, the Group leased business premises from a KMP member. The lease expires on 28 February 2026 with no renewal options. Rent payments for FY2024 totalled $299,569 (2023: $276,276), with a lease liability of $503,859 outstanding at 30 June 2024 (2023: $443,789).

The Group also engaged in consulting services of $126,000 from a KMP member which has been included as a short term benefit in section (b) above (2023: $102,773).

Loans to/from key management personnel
At 30 June 2024 and 30 June 2023, there were no loans to and/or from KMP.

(h) Non-binding vote adoption by shareholders at the 2023 Annual General Meeting

No comments were made and considered on the remuneration report for the financial year ended 30 June 2023 (prior financial year) at the Company’s 2023 Annual General Meeting.

A resolution that the remuneration report for the financial year ended 30 June 2023 be adopted was put to a vote at the Company’s 2023 Annual General Meeting and 99.1% of votes cast were in favour of the adoption of that remuneration report.

This concludes the Remuneration Report, which has been audited.

Shares under option
There were 2,110,000 unissued ordinary shares of NTAW Holdings Limited under option outstanding at the date of this report. These options were issued in three tranches with 720,000, 1,310,000 and 80,000 options outstanding, respectively; have an exercise price of $0.3735, $0.5745 and $0.5745, respectively; were granted on 08/11/2019, 25/02/2021 and 24/09/2021, respectively; and expire on 07/11/2024, 30/09/2025 and 30/09/2025, respectively. The option holders have no right to participate in any share issue prior to exercising the options.

On 13 October 2023, 2,270,000 rights were granted to senior executives where rights were granted to the Group's most highly remunerated officers being Peter Ludemann, Jason Lamb and Christopher Hummer (refer to note 26 for compensation details). At the date of this report, there were 2,703,781 unquoted rights to unissued ordinary shares of NTAW Holdings Limited outstanding. These rights were issued in two tranches with 853,781 (grant date 17/12/2021) and 1,850,000 (grant date 13/10/2023) rights outstanding, respectively, both tranches have a nil exercise price and expire on 30/09/2026 and 30/9/2028, respectively.

Shares issued on the exercise of options
During the year and in accordance with their terms, 915,000 options with an expiry date of 30 September 2024 were exercised (grant date 08/11/2019). As a result, 627,500 of the 915,000 options were net settled for 336,079 ordinary shares (exercised between 20/09/2023 and 03/10/2023) and the remaining 287,500 options were exercised at $0.3735 per ordinary share with a total consideration of $107,382 and 287,500 ordinary shares issued (exercised between 21/09/2023 and 11/10/2023).

Also during the year and in accordance with their terms, 300,000 options with an expiry date of 30 September 2025 were exercised (220,000 options grant date 25/02/2021; 80,000 options grant date 24/09/2021). As a result, 220,000 options were exercised at $0.5745 per ordinary share with a total consideration of $126,390 and 220,000 ordinary shares issued (exercise date 11/10/2023) and the remaining 80,000 options were net settled for 21,197 ordinary shares (exercise date 10/10/2023).

There were no amounts unpaid in relation to shares issued as a result of the exercise of options.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Group for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Group against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 30 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are of the opinion that the services as disclosed in note 30 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of Pitcher Partners
There are no officers of the Company who are former partners of Pitcher Partners.

Rounding of amounts
The Group is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of *the Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors

____

Murray Boyte
Chairman

27 August 2024
Brisbane

PITCHER PARTNERS

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The Directors
NTAW Holdings Limited
Level 2, 385 MacArthur Avenue
HAMILTON QLD 4007

Auditor's Independence Declaration

In relation to the independent audit for the year ended 30 June 2024, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of NTAW Holdings Limited and the entities it controlled during the year.

Pitcher Partners
PITCHER PARTNERS

ANDREW ROBIN
Partner

Brisbane, Queensland
27 August 2024

Nigel Fischer Jason Evans Brett Headrick Simon Chun James Field Felicity Crimston Murray Graham Edward Fletcher Tracey Norris

NTAW Holdings Limited and its controlled entities
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 $'000	2023 $'000
Revenue from contracts with customers	5	533,431	582,284
Other income	6	1,982	370
Expenses			
Cost of goods sold		(364,992)	(418,463)
Employee benefits and other related costs		(86,237)	(84,407)
Depreciation and amortisation	7	(25,770)	(24,040)
Occupancy		(7,425)	(7,763)
Computer and software costs		(7,151)	(6,705)
Motor vehicle costs		(5,617)	(6,686)
Marketing		(5,259)	(5,187)
Insurance		(4,383)	(4,104)
Professional fees and acquisition costs		(2,166)	(2,137)
Other		(11,905)	(10,885)
Finance costs	7	(11,099)	(8,422)
Profit before income tax expense		3,409	3,855
Income tax expense	8	(2,167)	(960)
Profit after income tax expense		**1,242**	**2,895**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		(105)	305
Other comprehensive income for the year, net of tax		(105)	305
Total comprehensive income for the year		**1,137**	**3,200**
Profit for the year is attributable to:			
Non-controlling interest		(321)	(436)
Owners of NTAW Holdings Limited		1,563	3,331
		1,242	**2,895**
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(321)	(436)
Owners of NTAW Holdings Limited		1,458	3,636
		1,137	**3,200**
		Cents	**Cents**
Basic earnings per share	25	1.17	2.51
Diluted earnings per share	25	1.13	2.42

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

NTAW Holdings Limited and its controlled entities
Consolidated statement of financial position
As at 30 June 2024

	Note	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	9	38,886	33,040
Trade and other receivables	10	74,440	76,743
Inventories	11	149,581	129,788
Other financial assets	12	1,577	1,279
Forward foreign exchange contract asset		-	271
Prepayments		3,595	4,111
Total current assets		268,079	245,232
Non-current assets			
Property, plant and equipment	13	16,965	16,791
Right-of-use assets	14	79,260	61,216
Intangible assets	15	48,054	51,265
Other financial assets	12	739	1,543
Total non-current assets		145,018	130,815
Total assets		413,097	376,047
Liabilities			
Current liabilities			
Trade and other payables	16	103,630	83,055
Borrowings	17	5,180	4,961
Lease liabilities	18	18,510	15,902
Provisions	19	10,262	11,339
Forward foreign exchange contract liability		157	-
Current tax liability		180	129
Total current liabilities		137,919	115,386
Non-current liabilities			
Borrowings	17	85,884	88,285
Lease liabilities	18	67,973	51,000
Provisions	19	2,233	2,250
Deferred tax	8	1,792	3,786
Total non-current liabilities		157,882	145,321
Total liabilities		295,801	260,707
Net assets		**117,296**	**115,340**
Equity			
Issued capital	20	94,569	94,068
Reserves	21	(880)	(1,093)
Retained earnings		20,854	19,291
Equity attributable to the owners of NTAW Holdings Limited		114,543	112,266
Non-controlling interest		2,753	3,074
Total equity		**117,296**	**115,340**

The above statement of financial position should be read in conjunction with the accompanying notes

	Issued capital $'000	Foreign currency translation reserve $'000	Share-based payments reserve $'000	Retained earnings $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2022	93,122	(3,027)	920	17,941	3,510	112,466
Profit after income tax expense for the year	-	-	-	3,331	(436)	2,895
Other comprehensive income for the year, net of tax	-	305	-	-	-	305
Total comprehensive income for the year	-	305	-	3,331	(436)	3,200
Transactions with owners in their capacity as owners:						
Redemption of share options (note 20)	20	-	(20)	-	-	-
Share-based payments (note 24)	-	-	729	-	-	729
Dividends paid (note 22)	926	-	-	(1,981)	-	(1,055)
Balance at 30 June 2023	**94,068**	**(2,722)**	**1,629**	**19,291**	**3,074**	**115,340**
Balance at 1 July 2023	94,068	(2,722)	1,629	19,291	3,074	115,340
Profit after income tax expense for the year	-	-	-	1,563	(321)	1,242
Other comprehensive income for the year, net of tax	-	(106)	-	-	-	(106)
Total comprehensive income for the year	-	(106)	-	1,563	(321)	1,136
Transactions with owners in their capacity as owners:						
Redemption of share options (note 20)	501	-	(267)	-	-	234
Share-based payments (note 24)	-	-	586	-	-	586
Dividends paid (note 22)	-	-	-	-	-	-
Balance at 30 June 2024	**94,569**	**(2,828)**	**1,948**	**20,854**	**2,753**	**117,296**

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		599,112	656,716
Payments to suppliers and employees		(553,128)	(622,900)
		45,984	33,816
Interest received		292	43
Interest and other finance costs paid		(6,945)	(6,067)
Income taxes paid		(4,108)	(1,515)
Net cash from operating activities	23	35,223	26,277
Cash flows from investing activities			
Payment of deferred consideration		(2,600)	(2,600)
Payments for property, plant and equipment		(4,649)	(4,110)
Proceeds from disposal of property, plant and equipment		1,148	687
Transfers to term deposits		(16)	(226)
Net cash used in investing activities		(6,117)	(6,249)
Cash flows from financing activities			
Proceeds from share issue		234	-
Proceeds from borrowings		-	4,292
Repayment of borrowings		(2,601)	(4,500)
Payment of principal and interest on lease liabilities		(21,133)	(18,879)
Dividends paid		-	(1,055)
Net cash used in financing activities		(23,500)	(20,142)
Net increase/(decrease) in cash and cash equivalents		5,606	(114)
Cash and cash equivalents at the beginning of the financial year		32,579	32,776
Effects of exchange rate changes on cash and cash equivalents		21	(83)
Cash and cash equivalents at the end of the financial year	9	**38,206**	**32,579**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover NTAW Holdings Limited as a Group consisting of NTAW Holdings Limited ("Company", "NTAW Holdings" or "Parent Entity") and the entities it controlled at the end of, or during, the year ("Group"). The financial statements are presented in Australian Dollars ("AUD"), which is NTAW Holdings Limited's functional and presentation currency.

NTAW Holdings Limited is a for-profit listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:
Level 2, 385 MacArthur Avenue
Hamilton QLD 4007

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 August 2024. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The new accounting standards, interpretations and amendments that are relevant to the activities of the Group have not had a material impact on the financial statements of the Group.

Parent entity information
In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 33.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of NTAW Holdings Limited as at 30 June 2024 and the results of all subsidiaries for the year then ended.

Note 2. Material accounting policy information (continued)

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Foreign currency translation
Foreign currency transactions
Foreign currency transactions are translated into Australian Dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian Dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian Dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency translation reserve in equity.

The foreign currency translation reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Net investment in foreign operations
The loans between the Australian and New Zealand entities are denominated in New Zealand Dollars. These loans are translated into Australian Dollars using the exchange rates at the reporting date. The resulting foreign exchange differences are recognised through the foreign currency translation reserve in equity.

Revenue recognition
The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Customer rebates are offered to certain customers based on agreed upon volume targets and time periods to achieve those targets. Customer rebates are accrued at reporting date based on progress against these agreed targets and the Group’s expectation of customers meeting or exceeding these volume targets throughout the rebate period, and are recorded against the customer’s receivables account.

Note 2. Material accounting policy information (continued)

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. There is significant integration between sales of goods and services revenue where the performance obligations are satisfied together.

Services revenue
Revenue from services performed is recognised when the services are rendered. No services performed include multiple deliverables.

Warranty obligations
Provisions for warranty obligations are measured at the Group’s estimate of the expenditure required to fulfil its warranty obligations at the reporting date.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

NTAW Holdings Limited (the 'head entity') and its wholly owned Australian subsidiaries (National Tyre & Wheel Pty Ltd, Dynamic Wheel Co. Pty Limited, ACN 117 639 040 Pty Ltd (formerly “Integrated OE Pty Ltd”), Statewide Tyre Distribution Pty Ltd, ACN 642 540 690 Pty Ltd (formerly ”Tyres4U Pty Ltd”), Tyreright Operation Pty Ltd, Black Rubber Pty Ltd, Black Rubber Sydney Pty Ltd, Solid Plus Operations Pty and NTAW Logistics Pty Ltd), have formed an income tax consolidated group under the tax consolidation regime. NTAW Holdings (NZ) Ltd (the ‘head entity’) and its wholly owned New Zealand subsidiaries (Exclusive Tyres Distributors (NZ) Limited, Tyres4U (NZ) Ltd, Carters Tyre Service Limited, C.O. Tire & Retreading Co Limited and Tyre Distributors New Zealand Limited) have formed an income tax consolidated group under the tax consolidation regime. In both consolidated income tax groups, the head entity and subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Note 2. Material accounting policy information (continued)

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach under AASB 9 *Financial Instruments* to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Expected credit losses are based on a review of receivable balances and identification of specific debtors, based on historical credit loss experience, and adjusted for factors that are specific to the receivable balance, as well as current and forward-looking economic conditions affecting the ability of the customers to settle the receivables.

Inventories
Finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	2.5% to 15%
Plant and equipment	5% to 60%
Motor vehicles	13.5% to 30%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated useful life of the assets.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 2. Material accounting policy information (continued)

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities
Lease liabilities are recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Brand names
Brand names are assessed as having an indefinite useful life on the basis of brand strength, ongoing expected profitability and continuing support. Brand names are not amortised, but are instead tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Customer relationships
Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of 7 to 10 years.

Importation rights
Importation rights acquired are amortised on a straight-line basis over the term of the distribution agreement, being 9 years. Importation rights are tested for impairment if events or changes in circumstances indicate that the rights might be impaired (e.g. compliance with the terms of the rights agreement including achieving minimum annual purchase volume levels).

Note 2. Material accounting policy information (continued)

Impairment of non-financial assets
Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit ("CGU") to which the asset belongs. Assets that do not generate cash inflows that are largely independent of the cash inflows from other assets are grouped together to form a cash-generating unit, which represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Provisions
Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits
Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled wholly within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high-quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, which are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using a Binomial option pricing model for options or a Monte Carlo simulation for rights, that takes into account the exercise price, the term of the award, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the award and (for rights only) the total shareholder return required for the various portion of rights to vest, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Note 2. Material accounting policy information (continued)

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

Rounding of amounts
The Company is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted
No Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have been early adopted by the Group for the annual reporting period ended 30 June 2024. These Standards and Interpretations are not expected to have a material impact on the Group in the current of future reporting periods and on foreseeable future transactions.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Recognition of identifiable intangible assets on acquisition
Brand names, customer relationships and accreditations have been recognised on the acquisition of subsidiaries in the prior period. Brand names have been valued using the relief from royalty method, customer relationships have been valued using the excess earnings method and accreditations have been valued using the reproduction cost method. The valuation of these assets is based on the acquisition date present value of expected future cash flows associated with the brand and the recurring current customers covering a period of 5 to 12 years. These cash flows have been calculated using annual growth rates of between 2.0%-6.3%, a terminal growth rate of 2.0%-2.5%, a royalty rate of 1.25%-4.0% (for brand name intangible assets) and a pre-tax discount rate between 13.0%-20.0%. Importation rights have been valued based on the acquisition cost. In FY2024, the Group recognised an impairment expense on a brand name belonging to the DWC and IOE CGU (refer to note 15).

Goodwill and other indefinite life intangible assets
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows (refer to note 15).

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves value-in-use calculations, which incorporate a number of key estimates and assumptions.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments (awards) at the date at which they are granted. The fair value is determined by using a Binomial model (options) or Monte Carlo simulation (rights) taking into account the terms and conditions upon which the awards were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Share-based payments expense under the Employee Equity Plan and Employee Share Option Plan has been recognised over the expected vesting period of the options. The share-based payment expense incurred is equal to the value of the award (i.e. rights, options) and management have assessed the fair value of the awards using a Binominal model for valuation of options and Monte Carlo simulation for valuation of rights. The following key criteria was used in each valuation: pre-determined exercise price, share price at grant date based on estimated enterprise value of the company, risk-free rate, volatility of share price, assumed vesting period from grant date and future share price targets (for the rights only) (refer to note 24 for further details of each group of awards issued).

Warranty provision
In determining the level of provision required for warranties the Group has made judgements in respect of the expected performance of the products, the number of customers who will actually claim under the warranty and how often, and the costs of fulfilling the conditions of the warranty (refer to note 19).

Makegood provision
The Group has provisions for makegood of leased premises. The Group has made judgements in respect of the expected costs to makegood premises. This has been based on historical makegood costs of premises where the lease has been terminated and where necessary, adjusted to reflect the makegood clauses stipulated in the lease agreements.

Incremental borrowing rate for lease accounting
Lease payments are discounting using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases within the Group, an incremental borrowing rate is used, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received.

Determining lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The lease term is reassessed if an option is exercised. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment.

Inventory
Management has assessed the value of inventory that is likely to be sold below cost using past experience and judgement on the likely sell through rates of various items of inventory and booked a provision for this amount.

Income tax
The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made (refer to note 8).

Note 4. Operating segments

Identification of reportable operating segments
The Group's operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ("CODM")) in assessing performance and in determining the allocation of resources.

The Directors are of the opinion that there is one reportable segment in the Group as the CODM reviews results, assesses performance and allocates resources at a Group level.

As the information reported to the CODM is the consolidated results of the Group, the segment results are shown throughout these financial statements and are not duplicated here.

Non-current assets
As at 30 June 2024, $116,378,000 (2023: $112,331,000) of the Group's non-current assets (excluding deferred taxes) were held in Australia, with $28,261,000 held in New Zealand (2023: $18,152,000) and $379,000 (2023: $333,000) held in South Africa, respectively.

Major customers
During FY2024, none of the Group's external revenue was derived from sales of greater than 10% to any customer (2023: none).

Note 5. Revenue from contracts with customers

	2024 $'000	2023 $'000
Sale of goods and services revenue	533,431	582,284
	533,431	**582,284**

There is significant integration between sales of goods and services revenue where the performance obligations are satisfied together.

Disaggregation of revenue
The disaggregation of revenue from contracts with customers by geographic region is as follows:

Australia	391,401	441,587
New Zealand	131,187	130,948
South Africa	10,843	9,749
	533,431	**582,284**

Note 6. Other income

Recovery of bad debts	95	15
Interest income	142	30
Finance income on the net investment in the lease	150	13
Gain/(loss) on disposal of property, plant and equipment	626	(39)
Other income	969	351
	1,982	**370**

Note 7. Expenses

	2024 $'000	2023 $'000
Profit before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	389	282
Plant and equipment	2,379	1,957
Motor vehicles	1,161	1,288
Right-of-use assets	18,972	17,655
Total depreciation	22,901	21,182
Amortisation		
Customer relationships	2,339	2,330
Importation rights	530	528
Total amortisation	2,869	2,858
Total depreciation and amortisation	25,770	24,040
Finance costs		
Interest and finance charges paid/payable for financial liabilities	7,170	6,282
Interest and finance charges paid/payable for lease liabilities	3,954	2,105
Other interest and finance charges paid/payable	(25)	35
Finance costs expensed	11,099	8,422
Foreign exchange loss		
Realised foreign exchange (gain)/loss	(716)	1,804
Unrealised foreign exchange (gain)/loss	(35)	185
Net foreign exchange (gain/)loss	(751)	1,989
Expense relating to leases		
Expense relating to short-term leases	344	1,385
Expense relating to leases of low value assets	23	-
	367	1,385
Superannuation expense		
Defined contribution superannuation expense	5,577	5,120
Impairment expense		
Impairment of intangible assets	270	-

Note 8. Income tax

	2024 $'000	2023 $'000
Income tax expense		
Current tax	3,429	2,857
Deferred tax	(1,756)	(1,075)
(Over)/under provision in prior years	494	(822)
Income tax expense	**2,167**	**960**
Deferred tax included in income tax expense comprises:		
(Increase)/decrease in deferred tax assets	(1,756)	(1,075)
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	3,409	3,855
Tax at the statutory tax rate of 30%	1,023	1,156
Tax effect amounts which are not deductible in calculating taxable income:		
Sundry items	778	703
	1,801	1,859
Adjustment recognised for prior periods	494	(822)
Difference in overseas tax rates	(128)	(77)
Income tax expense	**2,167**	**960**
Deferred tax		
Net deferred tax comprises temporary differences attributable to:		
Thin capitalisation debt deduction	457	-
Acquisition costs	(13)	(7)
Provisions	4,039	4,471
Property, plant and equipment	(1,622)	(3,355)
Intangibles	(5,203)	(6,304)
Right-of-use assets	(23,050)	(18,110)
Other	(1,596)	(421)
Lease liabilities	25,208	19,940
Foreign currency exchange	(12)	-
Deferred tax liabilities	**(1,792)**	**(3,786)**
Movements:		
Opening balance	(3,786)	(5,686)
Credited/(charged) to profit or loss	1,756	1,075
(Under)/over provision in prior year	242	822
Foreign exchange differences	(4)	3
Closing balance	**(1,792)**	**(3,786)**

Note 9. Cash and cash equivalents

	2024 $'000	2023 $'000
Cash at bank	38,886	33,040
	38,886	**33,040**

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	38,886	33,040
Bank overdraft (note 17)	(680)	(461)
Balance as per statement of cash flows	**38,206**	**32,579**

Note 10. Trade and other receivables

Trade receivables	74,838	77,220
Less: Allowance for expected credit losses	(1,009)	(1,304)
	73,829	75,916
Other receivables	611	827
	74,440	**76,743**

Allowance for expected credit losses
The Group has recognised a net loss of $205,000 (2023: $358,000) in profit or loss in respect of the expected credit losses. Trade receivables past due but not impaired amount to $13,089,000 (2023: $11,509,000).

At 30 June 2024 an ageing analysis of those trade receivables are as follows:

Not overdue	61,749	65,711
1 to 30 days overdue	9,901	9,055
31 to 60 days overdue	1,086	1,180
61 plus days overdue	2,102	1,274
	74,838	**77,220**

Refer to note 28 for further information on financial instruments.

Note 11. Inventories

Finished goods - at cost	125,863	118,232
Less: Provision for impairment	(326)	(612)
	125,537	117,620
Stock in transit - at cost	24,044	12,168
	149,581	**129,788**

Note 12. Other financial assets

	2024 $'000	2023 $'000
Current		
Term deposits	221	151
Net investment in leases	1,356	1,128
	1,577	**1,279**
Non-Current		
Term deposits	21	76
Net investment in leases	718	1,467
	739	**1,543**

The Group has classified the sublease of a warehouse and office space as finance leases because both subleases are for a significant portion of the remaining term of the head leases.

The following table sets out a maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Less than one year	1,444	1,238
One to two years	380	1,297
Two to three years	396	224
Total undiscounted lease payments receivable	**2,220**	**2,759**
Unearned finance income	(146)	(164)
Net investment in leases	**2,074**	**2,595**

Note 13. Property, plant and equipment

Leasehold improvements - at cost	2,785	2,227
Less: Accumulated depreciation	(1,446)	(931)
	1,339	1,296
Plant and equipment - at cost	25,669	24,008
Less: Accumulated depreciation	(15,749)	(14,296)
	9,920	9,712
Motor vehicles - at cost	21,393	21,806
Less: Accumulated depreciation	(15,687)	(16,023)
	5,706	5,783
	16,965	**16,791**

Note 13. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Balance at 30 June 2022	**1,357**	**9,908**	**5,566**	**16,831**
Additions	298	2,203	1,609	4,110
Disposals	(84)	(469)	(153)	(706)
Depreciation expense	(282)	(1,957)	(1,288)	(3,527)
Foreign exchange differences	7	27	49	83
Balance at 30 June 2023	**1,296**	**9,712**	**5,783**	**16,791**
Additions	470	2,698	1,285	4,453
Disposals	(31)	(82)	(115)	(228)
Depreciation expense	(389)	(2,379)	(1,161)	(3,929)
Foreign exchange differences	(7)	(29)	(86)	(122)
Balance at 30 June 2024	**1,339**	**9,920**	**5,706**	**16,965**

Note 14. Right-of-use assets

	2024 $'000	2023 $'000
Land and buildings - right-of-use	109,873	89,246
Less: Accumulated depreciation	(41,635)	(32,375)
	68,238	56,871
Plant and equipment - right-of-use	3,967	1,145
Less: Accumulated depreciation	(918)	(399)
	3,049	746
Motor vehicles - right-of-use	11,851	5,461
Less: Accumulated depreciation	(3,878)	(1,862)
	7,973	3,599
	79,260	**61,216**

Note 14. Right-of-use assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current year are set out below:

	Land and buildings $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Balance at 30 June 2022	**60,267**	**796**	**4,018**	**65,081**
Additions	20,700	191	817	21,708
Disposals	(8,039)	(27)	(102)	(8,168)
Depreciation expense	(16,268)	(208)	(1,179)	(17,655)
Foreign exchange differences	211	(6)	45	250
Balance at 30 June 2023	**56,871**	**746**	**3,599**	**61,216**
Additions	33,291	3,232	6,557	43,080
Disposals	(5,615)	(261)	(6)	(5,882)
Depreciation expense	(16,209)	(666)	(2,097)	(18,972)
Foreign exchange differences	(100)	(2)	(80)	(182)
Balance at 30 June 2024	**68,238**	**3,049**	**7,973**	**79,260**

Note 15. Intangible assets

	2024 $'000	2023 $'000
Goodwill	30,502	30,556
Less: Accumulated impairment loss	(1,311)	(1,311)
	29,191	29,245
Customer relationships	17,200	17,212
Less: Accumulated amortisation and impairment loss	(8,325)	(5,993)
	8,875	11,219
Importation rights	12,106	12,106
Less: Accumulated amortisation and impairment loss	(10,410)	(9,880)
	1,696	2,226
Brand names	8,362	8,375
Less: Accumulated impairment loss	(270)	-
	8,092	8,375
Accreditations	200	200
	48,054	**51,265**

Note 15. Intangible assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill $'000	Customer relationships $'000	Importation rights $'000	Brand Names $'000	Accreditations $'000	Total $'000
Balance at 30 June 2022	**29,000**	**13,500**	**2,754**	**8,310**	**200**	**53,764**
Amortisation expense	-	(2,330)	(528)	-	-	(2,858)
Foreign exchange differences	245	49	-	65	-	359
Balance at 30 June 2023	**29,245**	**11,219**	**2,226**	**8,375**	**200**	**51,265**
Amortisation expense	-	(2,339)	(530)	-	-	(2,869)
Impairment expense	-	-	-	(270)	-	(270)
Foreign exchange differences	(54)	(5)	-	(13)	-	(72)
Balance at 30 June 2024	**29,191**	**8,875**	**1,696**	**8,092**	**200**	**48,054**

Impairment of intangible assets
An impairment loss of $270,000 was recognised in relation to the MPC brand name associated with the DWC and IOE CGU. The fair value of the brand name using the relief from royalty method was determined to be less than the carrying value, resulting in the impairment being recognised this financial year. This impairment loss is classified in other expenses in the consolidated statement of profit or loss and other comprehensive income.

Impairment testing
For the purpose of impairment testing, goodwill and brand names are allocated to the respective cash-generating units:

	2024 $'000	2023 $'000
Goodwill		
CGU:		
- Tyre & Wheel	5,228	6,002
- DWC and IOE	3,113	2,339
- Black Rubber	7,680	7,680
- Carter's	13,170	13,224
	29,191	**29,245**
Brand names		
CGU:		
- DWC and IOE	2,123	2,393
- Black Rubber	2,400	2,400
- Carter's	3,569	3,582
	8,092	**8,375**

The Group tests whether goodwill and brand names have suffered any impairment on an annual basis. The recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions. The calculations are conducted using a discount cash flow methodology based on financial budgets approved by the Board of Directors for the 2025 financial year. The FY2025 cashflow budgets have then been extrapolated using estimated annual growth rates, together with terminal growth rates.

At 30 June 2024, resulting from an internal organisational restructure, the Group completed impairment testing of the DWC and IOE CGU, having previously been the IOE CGU in prior years. This realignment provides a more accurate representation of the Group's current operational structure and financial performance. Goodwill of $774,000 was reallocated from the Tyre & Wheel CGU to the DWC and IOE CGU as part of this realignment. This reallocation was performed using a relative value approach, reflecting the relative value DWC contributed to the Tyre & Wheel CGU on an EBITDA basis at the time of the reallocation. The comparative period illustrates the prior year CGU disclosures.

Note 15. Intangible assets (continued)

The following table sets out the key assumptions for those CGUs that have significant goodwill and brand names allocated to them, which have not been impaired during the year:

	2024			
	Tyre and Wheel	DWC and IOE	Black Rubber	Carter's
	%	%	%	%
Average annual growth rate beyond FY25 budget period(%)	3.0%	3.0%	3.0%	3.0%
Terminal growth rate (%)	2.5%	2.5%	2.5%	2.5%
Pre-tax discount rate (%)	14.7%	15.7%	15.0%	14.1%

	2023			
	Tyre and Wheel	IOE	Black Rubber	Carter's
	%	%	%	%
Average annual growth rate beyond FY24 budget period (%)	2.0%	2.0%	2.0%	2.0%
Terminal growth rate (%)	2.5%	2.5%	2.5%	2.5%
Pre-tax discount rate (%)	11.6%	15.7%	15.4%	14.6%

Management has determined the value assigned to each of the above key assumptions as follows:

Assumption	**Approach used to determine values**
Sales growth rate in FY25 budget period	Except as noted below, sales growth in the FY25 budget period reflects past performance adjusted for management's expectations of market developments in line with industry growth rates. Carter's CGU – sales growth in the FY25 budget period is higher than past experience reflecting new sales opportunities which commenced at the end of FY2024. Tyre & Wheel CGU – sales growth in the FY25 budget period is higher than past experience due to increased sales expected from the distribution of Dunlop in Australia and New Zealand.
Average annual growth rate beyond FY25 budget period	Average annual growth rate over the five-year forecast period beyond the 2025 financial year is based on past performance and management's expectations of market developments.
Terminal growth rate	Terminal growth rate was based on management's expectations of long-term growth.
Annual gross margin	Except as noted below, gross margin percentage in the budget and forecast period reflect past experience adjusted for management's expectations of market developments. Black Rubber CGU – gross margin % is 1.6% higher in the FY25 budget and forecast period than the gross margin percentage achieved in FY2024. This reflects improved purchasing opportunities. DWC and IOE CGU – gross margin % is 0.8% higher in the FY25 budget and forecast period than the gross margin percentage achieved in FY2024. This reflects a change in the CGU's product mix due to the realignment of this CGU due to the internal organisational restructure detailed above.
Discount rate	A post-tax estimate based on NTAW Holdings' weighted average cost of capital.

Significant estimate: Impact of possible changes in key assumptions
A sensitivity analysis was performed on key assumptions in FY2024.

In FY2024 and FY2023, with the exception of the Carter's CGU and Tyre and Wheel CGU, no reasonable change in any of the key assumptions would result in a material impairment.

Note 15. Intangible assets (continued)

Specifically for the Carter's CGU, the amount by which the recoverable amount exceeds the carrying amount is $4,900,000:

- a 0.73% (2023: 0.77%) decrease in the average annual gross margin % with no reduction in costs would require an impairment of the goodwill of this CGU; and
- a 1.7% (2023: 12.1%) decrease in the sales growth rate in the FY25 budget period with no reduction in costs would require an impairment of the goodwill of this CGU.

No reasonable change in any of the other key assumptions would result in a material impairment for the Carter's CGU in FY2024 and FY2023.

Specifically for the Tyre & Wheel CGU, the amount by which the recoverable amount exceeds the carrying amount is $41,200,000. A 4.5% (2023: 15.2%) decrease in the sales growth rate in the FY25 budget period with no reduction in costs would require an impairment of the goodwill of this CGU. No reasonable change in any of the other key assumptions would result in a material impairment for the Tyre & Wheel CGU in FY2024 and FY2023.

Note 16. Trade and other payables

	2024 $'000	2023 $'000
Current		
Trade payables	91,623	61,286
Accruals and other payables	12,007	19,169
Deferred consideration	-	2,600
	103,630	**83,055**

Refer to note 28 for further information on financial instruments.

Note 17. Borrowings

	2024 $'000	2023 $'000
Current		
Bank overdraft	680	461
Bank facility	4,500	4,500
	5,180	**4,961**
Non-current		
Bank facility	85,884	88,285
	85,884	**88,285**
Total secured liabilities		
The total secured liabilities are as follows:		
Bank overdraft	680	461
Bank facility	90,384	92,785
	91,064	**93,246**

The bank facility has an expiry date of 30 September 2027.

Refer to note 28 for further information on financial instruments.

Note 17. Borrowings (continued)

Assets pledged as security
The bank facility is secured over the assets of NTAW Holdings Limited and all subsidiaries except Top Draw Tyres Proprietary Limited t/a Tyrelife Solutions ("TLS"). The total value of TLS' assets as at 30 June 2024 is $5,741,000.

Compliance with loan covenants
The Group has complied with the financial covenants of its borrowing facility during the 2024 and 2023 reporting period.

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	2024 $'000	2023 $'000
Total facilities		
Bank overdraft	3,180	2,961
Bank facility	99,500	101,750
Bank guarantee	10,000	10,000
	112,680	114,711
Used at the reporting date		
Bank overdraft	680	461
Bank facility[1]	91,608	94,298
Bank guarantee	7,562	8,277
	99,850	103,036

1 Includes lease liabilities which were funded by the bank facility.

	2024 $'000	2023 $'000
Unused at the reporting date		
Bank overdraft	2,500	2,500
Bank facility	7,892	7,452
Bank guarantee	2,438	1,723
	12,830	11,675

Note 18. Lease liabilities

	2024 $'000	2023 $'000
Current		
Property leases	15,725	14,438
Equipment leases	764	265
Motor vehicle leases	2,021	1,199
	18,510	**15,902**
Non-current		
Property leases	59,468	48,213
Equipment leases	2,175	320
Motor vehicle leases	6,330	2,467
	67,973	**51,000**

The Group has leases for warehouse and office facilities, warehouse equipment and motor vehicles. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. All variable payments are linked to an index. The lease liabilities are secured by the related underlying asset.

Leasing activities
The table below describes the nature of the Group's leasing activities by type of right-of-use asset.

Right-of-use asset	No. of leases	Range of remaining term (yrs)	Average remaining term (yrs)	No. of leases with extension options	No. of leases with purchase options	No. of leases with variable payments linked to an index	No. of leases with termination options
Land and buildings	65	0.1 – 11.5	3.3	52	-	43	-
Plant and equipment	56	0.6 – 6.9	3.7	-	-	-	-
Motor vehicles	135	0.1 – 6.3	3.4	-	30	-	-

The total cash outflow for leases in the 2024 financial year was $21,133,000 (2023: $18,879,000).

Note 19. Provisions

	2024 $'000	2023 $'000
Current		
Employee benefits	9,769	10,504
Warranties	477	716
Make-good	16	119
	10,262	**11,339**

	2024 $'000	2023 $'000
Non-current		
Employee benefits	833	641
Warranties	578	822
Make-good	822	787
	2,233	**2,250**

Amounts not expected to be settled within the next 12 months
The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. Based on past experience, the Group expects all employees to take the full amount of accrued leave or require payment within the next 12 months.

Warranties
The provision represents the estimated warranty claims in respect of products sold which are still under warranty at the reporting date. The provision is estimated based on historical warranty claim information, sales levels and any recent trends that may suggest future claims could differ from historical amounts

Make-good
The provision represents the present value of the estimated expenditure required to restore leased premises to their original condition at the end of the lease term. These costs have been capitalised as part of the cost of the right-of-use assets once a reliable estimate of the cost can be made and are amortised over the term of the lease.

Movements in provisions
Movements in each class of provision (current and non-current) during the current financial year, other than employee benefits, are set out below:

Warranties	2024 $'000	2023 $'000
Carrying amount at the start of the year	1,538	1,615
Additional provisions recognised	-	689
Amounts used	(483)	(766)
Carrying amount at the end of the year	**1,055**	**1,538**
Make-good		
Carrying amount at the start of the year	907	745
Additional provisions recognised	-	435
Amounts used	(69)	(273)
Carrying amount at the end of the year	**838**	**907**

Note 20. Issued capital

	2024 Shares	2023 Shares	2024 $'000	2023 $'000
Ordinary shares - fully paid	134,136,094	133,271,318	94,569	94,068

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 Jul 2022	131,936,002		93,122
Shares issued per Dividend Reinvestment Plan	7 Oct 2022	1,286,312	$0.7200	926
Redemption of share options	14 Oct 2022	29,752	$0.3735	10
Redemption of share options	22 June 2023	19,252	$0.3735	10
Balance	30 June 2023	133,271,318		94,068
Redemption of share options	21 Sep 2023	37,113	$0.3735	10
Redemption of share options	22 Sep 2023	177,506	$0.3735	62
Redemption of share options	3 Oct 2023	183,960	$0.3735	48
Redemption of share options	10 Oct 2023	21,197	$0.5745	45
Redemption of share options	11 Oct 2023	445,000	$0.5745/$0.3735	336
Balance	**30 June 2024**	**134,136,094**		**94,569**

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

By way of a poll each share shall have one vote at a meeting.

Capital risk management
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group’s capital management policy seeks to maintain balance sheet strength and flexibility to respond to organic and inorganic opportunities as they arise, to create long-term sustainable value for shareholders, source the lowest cost available capital and service debt obligations.

Note 21. Reserves

	2024 $'000	2023 $'000
Foreign currency translation reserve	(2,828)	(2,722)
Share-based payments reserve	1,948	1,629
	(880)	**(1,093)**

Foreign currency translation reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian Dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The share-based payments reserve is used to recognise the value of equity benefits provided to employees as part of their remuneration. Share-based payments reserve is transferred to share capital upon exercising of options and is transferred to retained earnings upon lapsing or forfeiture of options.

Note 22. Dividends

Dividends paid or declared during the financial year were as follows:

	2024 $'000	2023 $'000
Final dividend for the year ended 30 June 2023 (2023: 30 June 2022) of $nil (2023: 1.50 cents) per ordinary share	-	1,981
Interim dividend for the year ended 30 June 2024 (2023: 30 June 2023) of $nil (2023: $nil) per ordinary share	-	-
	-	**1,981**

At the date of signing these financial statements, there has been no dividend's declared by the Company and no dividend's payable.

Franking credits

	2024 $'000	2023 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	20,339	19,027

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for franking credits or debits that will arise from the payment or refund of the amount of the provision for income tax or income tax refundable at the reporting date.

Note 23. Cash flow information

Reconciliation of profit after income tax to net cash from operating activities:

	2024 $'000	2023 $'000
Profit after income tax expense for the year	1,242	2,895
Adjustments for:		
Depreciation and amortisation	25,770	24,040
Share-based payments	586	729
Impairment of receivables	300	358
Net loss/(gain) on disposal of property, plant and equipment	(626)	39
Gain on modification of leases	(304)	-
Foreign exchange differences	389	1,814
Borrowing costs on draw down of debt	200	249
Interest charged on lease liabilities	3,954	2,105
Impairment of intangibles	270	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	2,003	1,370
Decrease/(increase) in inventories	(19,793)	(2,522)
Decrease/(increase) in other assets	518	1,042
Increase/(decrease) in trade and other payables	23,749	(3,190)
Increase/(decrease) in provisions	(1,094)	(2,097)
Increase/(decrease) in current tax liability/(asset)	51	1,337
Decrease/(increase) in deferred tax assets	(1,992)	(1,892)
Net cash from operating activities	**35,223**	**26,277**
Liabilities from financing activities: Borrowings and Lease liabilities		
Balance at the start of the year	159,687	160,341
Net cash flows*	(19,780)	(16,982)
Recognition of lease liabilities	43,080	21,308
Derecognition of lease liabilities	(5,802)	(5,252)
Foreign exchange differences	(318)	272
Balance at the end of the year	**176,867**	**159,687**

*Net cash flows are net of interest paid on lease liabilities

Non-cash financing activities for acquisition of right-of-use assets disclosed in note 14.

Note 24. Share-based payments

Employee Equity Plan ("EEP")
The Company adopted an employee equity plan on 3 November 2021. The details of the EEP are summarised as follows:

Under the Plan, eligible employees or contractors of a group company, directors (including non-executive directors) and other persons who are declared by the Board to be eligible to receive awards and who otherwise meet the criteria of an eligible participant under ASIC Class Order 14/1000 may be offered rights, options, exempt share awards, salary sacrifice share awards and performance share awards.

Participation in the EEP is at the Board's discretion and no individual has a contractual right to participate in it or to receive any guaranteed benefits.

Any right or option that has not vested may not be exercised, unless (subject to applicable laws) the Board exercises its absolute discretion, in circumstances where the Board considers it to be in the best interests of the Company to:

- vary or waive the relevant performance conditions and/or exercise conditions, and declare the rights and/or options to have vested; or
- bring forward the date upon which rights and/or options may be exercised.

An invitation may only be made under the EEP if the number of shares that may be acquired on exercise of the awards to which the invitation relates, when aggregated with:

- the number of shares which could be issued if each outstanding invitation or award under the EEP or any other employee equity incentive scheme of the Company (covered by the Class Order or an individual instrument made by ASIC in terms similar to the Class Order) was accepted or exercised; and
- the number of shares issued during the previous three years pursuant to the EEP or any other employee equity incentive scheme of the Company (covered by the Class Order or an individual instrument made by ASIC in terms similar to the Class Order),

but disregarding any invitation given, award acquired or share issued by way of or as a result of:

- an offer to a person situated outside of Australia at the time of receipt of the offer;
- an offer which did not require disclosure to investors under the Corporations Act; or
- an offer made under a disclosure document (within the meaning of the Corporations Act),

does not exceed 5% of the total number of issued shares at the time the invitation was made.

The EEP may be suspended or terminated at any time by resolution of the Board. Suspension or termination of the EEP will not prejudice the accrued rights of participants.

The Board will:

- reduce the exercise price of rights and/or options (if any) in the event of a new issue; and/or
- change the number of underlying shares to which awards relate in the event of a bonus issue, in accordance with the ASX Listing Rules.

Employee Share Option Plan ("ESOP")
The Company adopted an employee share option plan on 6 November 2017. The details of the ESOP are summarised as follows:

Options may be granted under the ESOP to any person who is, or is proposed to be, a full-time or part-time employee, a non-executive director, a contractor (40% full-time equivalent ("FTE")) or a casual employee (40% FTE) of the Company or any of its associated bodies corporate, and whom the Board determines to be an eligible person for the purposes of participation in the ESOP (referred to as an 'Eligible Person').

An option may not be granted under the ESOP if, immediately following its grant, the shares to be received on exercise of the option, when aggregated with the number of shares which would be issued if each unvested option granted under the ESOP or any other employee incentive scheme of the Company were to vest and be exercised and the number of shares issued in the previous 3 years under the ESOP or any other employee incentive scheme of the Company, exceeds 5% of the total number of issued shares at the time of grant (or any varied limit if permitted under the *Corporations Act 2001*, ASX Listing Rules and ASIC instruments). Certain offers of options may be excluded from calculation as permitted under Class Order 14/1000, including excluded offers under section 708 of the *Corporations Act 2001* and offers under a disclosure document.

Note 24. Share-based payments (continued)

Unless otherwise specified in the offer of an option, if a "Change of Control Event" occurs before the vesting date of an option, that option immediately vests and ceases to be subject to any performance condition to which it was subject. A Change of Control Event means the occurrence of one or more of the following events:

- a person who has offered to acquire all shares in the Company acquires Control (as defined in section 50AA of the *Corporations Act 2001*) of the Company;
- any other event occurs which causes a change in Control of the Company;
- unless the Board determines otherwise, a takeover bid is recommended by the Board or a scheme of arrangement which would have a similar effect to a full takeover bid is announced by the Company; and
- any other event which the Board reasonably considers should be regarded as a Change of Control Event.

If the Company conducts a rights issue, the exercise price of options will be adjusted in accordance with the adjustment formula for pro rata issues set out in the Listing Rules.

If the Company makes a bonus issue of securities to holders of shares, the rights of a holder in respect of an unexercised option will be modified such that the participant will receive, upon exercise of an option, one Share plus such additional securities which the participant would have received had the participant exercised the option immediately before the record date for that bonus issue and participated in the bonus issue as the holder of the share.

The Rules of the ESOP allow participants to utilise a cashless exercise facility where a Participant can set-off the Exercise Price against the number of shares which the participant is entitled to receive upon exercise of the participant's options. By using the cashless exercise facility, the participant will receive shares to the value of the surplus after the exercise price has been set-off. If a participant elects to use the cashless exercise facility, the participant will only be issued that number of shares (rounded down to the nearest whole number) as are equal to the value of the difference between the exercise price otherwise payable for the options and the then market value of the shares at the time of exercise (which is determined as the volume weighted average price of Shares on the ASX over the five trading days prior to exercise).

An unvested option lapses upon the first to occur of the following:

- its expiry date;
- any applicable performance condition not being satisfied prior to the end of any prescribed performance period;
- a transfer or purported transfer of the option in breach of the rules;
- 30 days following the day the participant ceases to be employed or engaged by the Company or an associated body corporate by resigning voluntarily and not recommencing employment with the Company or an associated body corporate before the expiration of that 30 days;
- 30 days following the day the participant ceases to be employed or engaged by the Company or an associated body corporate by reason of his or her death, disability, bona fide redundancy, or any other reason with the approval of the Board and the participant has not recommenced employment with the Company or an associated body corporate before the expiration of those 30 days, however the Board has a discretion to deem all or any of the options to have vested; or
- termination of the participant's employment or engagement with the Company or an associated body corporate on the basis the participant acted fraudulently, dishonestly, in breach of the participant's obligations or otherwise for cause.

A vested but unexercised option lapses upon the first to occur of the following:

- its expiry date;
- a transfer or purported transfer of the option in breach of the rules; or
- termination of the participant's employment or engagement with the Company or an associated body corporate on the basis the participant acted fraudulently, dishonestly, in breach of the participant's obligations or otherwise for cause.

Subject to the ASX Listing Rules and the law, the Board may at any time by resolution amend or add to the rules of the ESOP. However, the consent of a participant is required for any change to the rules or option terms which prejudicially affects the rights of the participant in relation to the option (except for certain changes, including changes to benefit the administration of the Plan or to comply with laws, ASX Listing Rules or regulations).

Note 24. Share-based payments (continued)

Set out below are summaries of outstanding options granted on 8 November 2019, 25 February 2021 and 24 September 2021 and outstanding rights granted on 17 December 2021 and 13 October 2023:

2024

Grant date	Expiry date	Exercise price	Balance at start of year	Granted	Lapsed	Exercised[1]	Balance at end of year
13/10/2023	30/09/2028	$0.0000	-	2,270,000	(420,000)	-	1,850,000
17/12/2021	30/09/2026	$0.0000	1,002,364	-	(148,583)	-	853,781
24/09/2021	30/09/2025	$0.5745	160,000	-	-	(80,000)	80,000
25/02/2021	30/09/2025	$0.5745	1,680,000	-	-	(220,000)	1,460,000
08/11/2019	07/11/2024	$0.3735	1,635,000	-	-	(915,000)	720,000
			4,477,364	**2,270,000**	**(568,583)**	**(1,215,000)**	**4,963,781**

1 During FY2024 and in accordance with the terms, 1,215,000 options were exercised by option holders. As a result, 350,224 options were net settled and the remaining 864,776 options were converted into ordinary shares. This resulted in a lower dilution of the issued capital of the Company on conversion. The weighted average share price at the date of exercise of Options during FY2024 was $0.8305 (FY2023: $0.5975).

2023

Grant date	Expiry date	Exercise price	Balance at start of year	Granted	Lapsed	Exercised	Balance at end of year
17/12/2021	30/09/2026	$0.0000	1,125,802	-	(123,438)	-	1,002,364
24/09/2021	30/09/2025	$0.5745	240,000	-	(80,000)	-	160,000
25/02/2021	30/09/2025	$0.5745	1,680,000	-	-	-	1,680,000
08/11/2019	07/11/2024	$0.3735	1,775,000	-	-	(140,000)	1,635,000
			4,820,802	**-**	**(203,438)**	**(140,000)**	**4,477,364**

At 30 June 2024, 720,000 options were exercisable at an exercise price of $0.3735 and 1,390,000 options were exercisable at an exercise price of $0.5745 (2023: $0.3735). The remaining rights balances at the end of the year had not vested.

The weighted average remaining contractual life of rights and options outstanding at the end of the financial year was 2.40 years (2023: 1.91 years). The weighted average exercise price of the rights and options outstanding at the end of the financial year was $0.2324 (2023: $0.3725). Options lapsed during the reporting period as the service conditions were not met.

Note 24. Share-based payments (continued)

The performance conditions for the rights granted on 17 December 2021 and 13 October 2023 were as follows:

1. Total shareholder return ("TSR") condition – the Compound Annual Growth Rate ("CAGR") in the Company's Total Shareholder Return will be tested on the Vesting Date and the Rights will vest in accordance with the following TSR CAGR hurdles:

TSR CAGR	% of Rights to vest
Less than 7%	0%
At least 7% but less than 10% p.a.	50%
At least 10% but less than 15% p.a.	70% to 100% on a straight-line basis
At least 15% p.a.	100%

- TSR CAGR means the TSR compound annual growth rate as against the Base VWAP.
- TSR means the total shareholder return to a shareholder of the Company, inclusive of Share Price Appreciation, capital returns and dividends.
- Share Price Appreciation means the difference between the Base VWAP and Vesting VWAP.
- For rights granted on 17 December 2021, the Base VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2021 financial report. The 2021 financial report was released on 31 August 2021 and the Base VWAP has been calculated at $1.25.
- For rights granted on 13 October 2023, Base VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2023 financial report. The 2023 financial report was released on 29 August 2023 and the Base VWAP has been calculated at $0.65.
- For rights granted on 17 December 2021, Vesting VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2024 financial report, expected to be on or about 30 August 2024.
- For rights granted on 13 October 2023, Vesting VWAP means the volume weighted average price of Shares over the 10 Trading Days (as that term is defined in the Listing Rules) immediately before and 10 Trading Days immediately after the release of the Company's 2026 financial report, expected to be on or about 31 August 2026.

2. Service condition – continuous employment of the employee with NTAW Holdings or one of its subsidiaries from the Grant Date until the Vesting Date.

The performance conditions for the options granted on 25 February 2021 and 24 September 2021 were as follows:

1. Earnings per share ("EPS") condition – the Company's earnings per share for the year ended 30 June 2021 is at least 10% higher than its EPS for the year ended 30 June 2020 or if this is not achieved, the Company's EPS for the year ended 30 June 2022 is at least 10% higher than its EPS for the year ended 30 June 2020.

   Calculation of the EPS growth rate is based upon the EPS results reported in NTAW Holdings financial statements for the above years.

   The base EPS for the year ended 30 June 2020 will be 5.51 cents per share. This is based upon the Company's 2020 net profit after providing for income tax and non-controlling interests and excluding amortisation (NPATA) attributable to Shareholders of $5.665 million. The target EPS based on NPATA attributable to Shareholders for the 2021 year or if this is not achieved, the 2022 year is, therefore, 6.06 cents per share.

   The EPS results to be used for the 2021 and 2022 years will be based upon the Company's audited financial statements for that year. However, the EPS may be adjusted for items which the Board, in its discretion, considers should be included in, or excluded from, this result. The EPS condition will be measured over two years if required to allow for uncertainty regarding the ongoing impact of COVID-19 on execution of the Company's growth strategies and the timing of synergies to be realised from the acquisition of ACN 642 540 690 Pty Ltd (formerly "Tyres4U Pty Ltd") in August 2020.

Note 24. Share-based payments (continued)

2. Service condition – continuous employment of the employee with NTAW Holdings or one of its subsidiaries from the Grant Date until the Vesting Date.

The performance conditions for the options granted on 8 November 2019 were as follows:

1. Earnings per share condition – Company's EPS for the year ended 30 June 2021 was to be at least 10% higher than its EPS for the year ended 30 June 2019.

   Calculation of the EPS growth rate is based upon the EPS results reported in NTAW Holdings' audited financial statements for the above years. The Basic EPS reported may be adjusted for items which the Board, in its discretion, considers should be included in, or excluded from, the result.

   The Board determined that the FY2019 base EPS for the Options would be 7.74 cents per share. This was based upon the Company's 2019 NPATA attributable to NTAW Holdings shareholders. The target EPS for the 2021 financial year (based upon the Company's NPATA attributable to NTAW Holdings shareholders) is 8.51 cents per share.

2. Service condition – continuous employment of the employee with NTAW Holdings or one of its subsidiaries from the Grant Date until the Vesting Date.

Valuation model inputs
The valuation model inputs used to determine the fair value at the grant date for the rights and options below, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected Volatility[1]	Dividend yield	Risk-free interest rate	Fair value at grant date
13/10/2023	30/09/2028	$0.8000	$0.0000	54.40%	1.88%	3.95%	$0.5148

1 The expected volatility is based on the historic volatility (based on the period from the date the Company listed on the ASX to the relevant grant date), adjusted for any expected changes to future volatility due to publicly available information.

Expenses recognised from share-based payment transactions
The expense recognised in relation to the share-based payment transactions was recognised within employee benefit expense within the statement of profit or loss as follows:

	2024 $'000	2023 $'000
Rights issued under the Employee Equity Plan and Options issued under the Employee Share Option Plan	586	729
Total expense recognised from share-based payment transactions	**586**	**729**

Note 25. Earnings per share

	2024 $'000	2023 $'000
Profit after income tax	1,242	2,895
Non-controlling interest	321	436
Profit after income tax attributable to the owners of NTAW Holdings Limited	**1,563**	**3,331**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	133,959,392	132,898,616
Adjustments for calculation of diluted earnings per share:		
Weighted number of Options and rights over ordinary shares	4,307,601	4,553,098
Weighted average number of ordinary shares used in calculating diluted earnings per share	**138,266,993**	**137,451,714**

	Cents	Cents
Basic earnings per share	1.17	2.51
Diluted earnings per share	1.13	2.42

Note 26. Key management personnel disclosures

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	2024 $	2023 $
Short-term benefits[1]	2,148,313	1,575,894
Post-employment benefits	102,859	89,802
Long-term benefits	16,314	63,713
Share-based payments	284,998	208,985
	2,552,484	**1,938,394**

1 The Group engaged in consulting services from a KMP member. Consulting fees for FY2024 totalled $126,000 (2023: $102,773), with $nil outstanding at 30 June 2024 (2023: $29,700).

Note 27. Related party transactions

Parent entity
NTAW Holdings Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 32.

Key management personnel
Disclosures relating to key management personnel remuneration are set out in note 26.

Options
The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

2024

	Balance at the start of the year	Balance at commencement of KMP	Granted / Lapsed	Exercised	Balance at the end of the year
Options					
P Ludemann[1]	350,000	-	-	-	350,000
J Lamb[1]	320,000	-	-	-	320,000
	670,000	**-**	**-**	**-**	**670,000**

1 All options have vested. These remain exercisable at 30 June 2024 and at the date of this report.

2023

	Balance at the start of the year	Balance at commencement of KMP	Granted / Lapsed	Exercised	Balance at the end of the year
Options					
P Ludemann[1]	350,000	-	-	-	350,000
J Lamb[2]	320,000	-	-	-	320,000
C Skead[3]	305,000	(305,000)	-	-	-
	975,000	**(305,000)**	**-**	**-**	**670,000**

1 On 30 September 2022, 180,000 options which were granted on 8 November 2019 had vested. These remain exercisable at 30 June 2023 and at the date of this report.

2 On 30 September 2022, 160,000 options which were granted on 8 November 2019 had vested. These remain exercisable at 30 June 2023 and at the date of this report.

3 No longer classified as key management personnel effective 1 July 2022.

Note 27. Related party transactions (continued)

Rights
The number of Rights to ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below

2024

	Balance at the start of the year	Balance at commencement of KMP	Granted / Lapsed	Exercised	Balance at the end of the year
Rights					
C Hummer	-	225,721	-	-	225,721
P Ludemann	228,590	-	400,000	-	628,590
J Lamb	114,295	-	300,000	-	414,295
	342,885	**225,721**	**700,000**	**-**	**1,268,606**

All Rights on issue remain unvested as at 30 June 2024.

2023

	Balance at the start of the year	Balance at commencement of KMP	Granted / Lapsed	Exercised	Balance at the end of the year
Rights					
P Ludemann	228,590	-	-	-	228,590
J Lamb	114,295	-	-	-	114,295
C Skead[1]	114,295	(114,295)	-	-	-
	457,180	**(114,295)**	**-**	**-**	**342,885**

1 No longer classified as key management personnel effective 1 July 2022.

All Rights on issue remain unvested as at 30 June 2023.

Transactions with related parties
During the reporting period, the Group leased business premises from a KMP member. The lease expires on 28 February 2026 with no renewal options. Rent payments for FY2024 totalled $299,569 (2023: $276,276), with a lease liability of $503,859 outstanding at 30 June 2024 (2023: $443,789).

The Group also engaged in consulting services of $126,000 from a KMP member which has been included as part of the FY2024 short term benefits disclosed in note 26 (2023: $102,773).

Receivable from and payable to related parties
There were no trade receivables from related parties at the current reporting date (2023: $nil).

Loans to/from related parties
At 30 June 2024 and 30 June 2023, there were no loans to and/or from related parties.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 28. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ("finance") under policies approved by the Board of Directors. These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

The Group holds the following financial instruments:

	Note	2024 $'000	2023 $'000
Financial assets			
Cash and cash equivalents [(a)]	9	38,886	33,040
Trade and other receivables [(a)]	10	74,440	76,743
Other financial assets [(a)]	12	2,316	2,822
Forward foreign exchange contract asset [(b)]		-	271
		115,642	112,876
Financial liabilities			
Trade and other payables [(c)]	16	103,630	83,055
Borrowings [(c)]	17	91,064	93,246
Lease liabilities [(c)]	18	86,483	66,902
Forward foreign exchange contract liability [(b)]		157	-
		281,334	243,203

(a) Financial assets at amortised cost
(b) Forward foreign exchange contract assets/liabilities at fair value through profit and loss
(c) Other financial liabilities at amortised cost

Market risk
Foreign currency risk
The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Note 28. Financial instruments (continued)

In order to protect against exchange rate movements, the Group has entered into forward foreign exchange contracts. These contracts are hedging highly probable forecasted cash flows for the ensuing financial year. Most of the Group's transactions are carried out in AUD. Exposures to currency exchange rates arise from the Group's overseas purchases, which are primarily denominated in US Dollars ("USD"). To mitigate the Group's exposure to foreign currency risk, non-AUD cash flows are monitored, and forward exchange contracts are entered into in accordance with the Group's risk management policies. The usual length of forward contracts entered into are short term and cover known USD exposures. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

At 30 June 2024, the Group had forward foreign exchange contracts to acquire USD $48,847,000 (2023: USD $25,916,000). These are due to mature within 7 months of balance date. The fixed exchange rates on these contracts ranged from 0.5894 to 0.6750 (2023: 0.6078 to 0.6800).

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in AUD, was as follows:

	2024 $'000	**2023 $'000**
Cash	77	10
Trade payables	(71,783)	(34,761)
Buy foreign currency (held for trading)	(157)	271
	(71,863)	**(34,480)**

2024	*% change*	*AUD strengthened Effect on profit before tax*	*Effect on equity*	*% change*	*AUD weakened Effect on profit before tax*	*Effect on equity*
USD	10%	6,533	4,573	10%	(7,985)	(5,589)

2023	*% change*	*AUD strengthened Effect on profit before tax*	*Effect on equity*	*% change*	*AUD weakened Effect on profit before tax*	*Effect on equity*
USD	10%	3,135	2,194	10%	(3,831)	(2,682)

The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations. The actual foreign exchange gain for the year ended 30 June 2024 was $751,000 (2023: loss of $1,989,000).

Note 28. Financial instruments (continued)

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

	2024 $'000	2023 $'000
Bank overdraft	680	461
Bank facility*	90,846	93,117
Net exposure to cash flow interest rate risk	**91,526**	**93,578**

*Bank facility disclosed above does not include capitalised loan establishment fees.

An analysis by remaining contractual maturities in shown in 'liquidity risk below.

The outstanding bank facility at 30 June 2024, totalling $90,846,000, is comprised of a trade finance facility ($68,346,000) and a loan ($22,500,000) (2023: $93,117,000 bank facility). An official increase/decrease in interest rates of 100 (2023: 100) basis points would have an adverse/favourable effect on profit before tax of $908,000 (2023: $931,000) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts' forecasts. Minimum principal repayments of $4,500,000 (2023: $4,500,000) are due during the subsequent 12-month period.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Cash and cash equivalents are held with Commonwealth Bank of Australia, ASB Bank (New Zealand) and Nedbank Limited (South Africa), all of which has a short-term Standard & Poor's credit rating of A-1+.

Credit risk for derivative financial instruments arises from the potential failure by counterparties to the contract to meet their obligations. The credit risk exposure to forward exchange contracts is the net fair value of these contracts.

The credit risk for net investment in leases relates to the ability of the lessee to pay the contractual cash flows stipulated within the lease.

Note 28. Financial instruments (continued)

Liquidity risk
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements
Unused borrowing facilities at the reporting date:

	2024 $'000	2023 $'000
Bank overdraft	2,500	2,500
Bank facility	7,892	7,452
Bank guarantee	2,438	1,723
	12,830	**11,675**

The bank overdraft facility trade finance facility may be drawn at any time and terminates on 30 September 2027. The bank guarantee facilities may be drawn at any time and have a weighted average maturity of 4.53 years (2023: 3.02 years).

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the Statement of financial position.

2024	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	103,630	-	-	-	103,630
Interest-bearing - variable					
Bank overdraft	680	-	-	-	680
Bank facility	8,544	8,343	85,489	-	102,376
Interest-bearing - fixed rate					
Lease liability	22,719	17,918	36,381	27,049	104,067
Total non-derivatives	135,573	26,261	121,870	27,049	310,753
Derivative liability/(asset)					
Forward foreign exchange contracts net settled	157	-	-	-	157
Total derivatives	157	-	-	-	157

Note 28. Financial instruments (continued)

2023	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	80,455	-	-	-	80,455
Deferred consideration	2,600	-	-	-	2,600
Interest-bearing - variable					
Bank overdraft	461	-	-	-	461
Bank facility	8,438	8,248	87,675	-	104,361
Interest-bearing - fixed rate					
Lease liability	16,758	14,461	27,133	13,786	72,138
Total non-derivatives	108,712	22,709	114,808	13,786	260,015
Derivative liability/(asset)					
Forward foreign exchange contracts net settled	(271)	-	-	-	(271)
Total derivatives	(271)	-	-	-	(271)

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 29. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Forward foreign exchange contracts - derivatives	-	157	-	157
Total liabilities	-	157	-	157

2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Forward foreign exchange contracts - derivatives	-	271	-	271
Total assets	-	271	-	271

There were no transfers between levels during the financial year.

Note 29. Fair value measurement (continued)

The carrying amounts of cash, trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The carrying amounts of borrowings and lease liabilities are assumed to approximate their fair values given they were entered into at market rates and the borrowings are at variable rates.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Derivative financial instruments have been valued using third party quoted rates, adjusted as appropriate. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Note 30. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the Company, and its network firms:

	2024 $	2023 $
Audit services - Pitcher Partners		
Audit or review of the financial statements	354,046	350,000
Other services - Pitcher Partners		
Transaction services	93,960	-
Tax compliance services	34,850	36,670
	128,810	36,670
Total remuneration of services provided by Pitcher Partners	**482,856**	**386,670**
Audit services - network firms		
Audit or review of the financial statements	14,212	8,565
Other services - network firms		
Tax compliance services	23,343	22,809
	23,343	22,809
Total remuneration of services provided by Pitcher Partner's network firms	**37,555**	**31,374**

Note 31. Contingent liabilities

The Group has given bank guarantees as at 30 June 2024 of $7,562,000 (2023: $8,277,000) to various landlords and suppliers for standby letters of credit.

Note 32. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
National Tyre & Wheel Pty Ltd (formerly "Exclusive Tyres Distributors Pty Ltd")	Australia	100%	100%
Dynamic Wheel Co. Pty Limited	Australia	100%	100%
ACN 117 639 040 Pty Ltd (formerly "Integrated OE Pty Ltd")	Australia	100%	100%
Statewide Tyre Distribution Pty Ltd	Australia	100%	100%
ACN 642 540 690 Pty Ltd (formerly "Tyres4U Pty Ltd")	Australia	100%	100%
Tyreright Operations Pty Ltd	Australia	100%	100%
Black Rubber Pty Ltd	Australia	100%	100%
Black Rubber Sydney Pty Ltd	Australia	100%	100%
Solid Plus Operations Pty Ltd	Australia	100%	100%
NTAW Logistics Pty Ltd	Australia	100%	100%
NTAW Holdings (NZ) Ltd	New Zealand	100%	100%
Exclusive Tyres Distributors (NZ) Limited	New Zealand	100%	100%
Tyres4U (NZ) Ltd	New Zealand	100%	100%
Carters Tyre Service Limited	New Zealand	100%	100%
C.O. Tire & Retreading Co Limited	New Zealand	100%	100%
Tyre Distributors New Zealand Limited	New Zealand	100%	100%
Top Draw Tyres Proprietary Limited	South Africa	50%	50%

Top Draw Tyres Proprietary Limited's ("TLS") principal place of business First Floor, 25 Village Road, Kloof, 2640, South Africa. The non-controlling interest holds 50% ownership of TLS and has 50% of voting rights. No dividends have been paid to NTAW Holdings or the non-controlling interest. The loss allocated to the NCI during the reporting period was $321,000 (2023: $436,000 loss). The accumulated non-controlling interest at 30 June 2024 totalled $2,753,000 (2023: $3,074,000).

Set out below is supplementary financial information about Top Draw Tyres Proprietary Limited:

	2024 $'000	2023 $'000
Statement of profit or loss and other comprehensive income		
Revenue	10,843	9,749
(Loss)/profit after income tax	(642)	(872)
Total comprehensive income	**(642)**	**(872)**
Statement of financial position		
Total current assets	5,362	10,079
Total non-current assets	379	384
Total current liabilities	2,035	6,239
Total non-current liabilities	33	33
Total equity	**3,673**	**4,191**

Note 33. Parent entity information

Set out below is the supplementary information about the parent entity.

	Parent Entity	
	2024	**2023**
	$'000	**$'000**
Statement of profit or loss and other comprehensive income		
(Loss)/profit after income tax	(3,505)	295
Total comprehensive income	**(3,505)**	**295**
Statement of financial position		
Total current assets	7,384	5,372
Total assets	194,031	204,899
Total current liabilities	6,960	11,116
Total liabilities	93,603	103,559
Equity		
Issued capital	94,569	93,122
Reserves	1,948	920
Retained earnings	3,911	7,298
Total equity	**100,428**	**101,340**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had a deed of cross guarantee in place in relation to certain subsidiaries at 30 June 2024 and 30 June 2023. Refer to note 34.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 34. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

- National Tyre & Wheel Limited;
- Exclusive Tyres Distributors Pty Ltd;
- Dynamic Wheel Co. Pty Limited;
- ACN 117 639 040 Pty Ltd (formerly “Integrated OE Pty Ltd”);
- Statewide Tyre Distribution Pty Ltd;
- ACN 642 540 690 Pty Ltd (formerly ”Tyres4U Pty Ltd”);
- Tyreright Operations Pty Ltd;
- Black Rubber Pty Ltd;
- Black Rubber Sydney Pty Ltd;
- Solid Plus Operations Pty Ltd;
- NTAW Logistics Pty Ltd;
- NTAW Holdings (NZ) Ltd;
- Exclusive Tyres Distributors (NZ) Limited;
- Tyres4U (NZ) Ltd;
- Carters Tyre Service Limited;
- C.O. Tire & Retreading Co Limited; and
- Tyre Distributors New Zealand Limited.

By entering into the deed, the Australian wholly owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by National Tyre & Wheel Limited, they also represent the 'Extended Closed Group'.

Note 34. Deed of cross guarantee (continued)

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

	Closed Group	
	2024	2023
Statement of profit or loss and other comprehensive income	$'000	$'000
Revenue	522,588	572,535
Other income	1,935	327
Cost of goods sold	(355,524)	(409,917)
Employee benefits and other related costs	(85,292)	(83,365)
Depreciation and amortisation	(25,726)	(23,991)
Occupancy	(7,374)	(7,714)
Computer and software costs	(7,099)	(6,655)
Motor vehicle costs	(5,518)	(6,598)
Marketing	(5,042)	(4,786)
Insurance	(4,289)	(4,004)
Professional fees and acquisition costs	(2,114)	(2,084)
Other	(11,494)	(10,672)
Finance costs	(11,019)	(8,349)
Profit before income tax expense	4,032	4,727
Income tax expense	(2,148)	(960)
Profit after income tax expense	**1,884**	**3,767**
Other comprehensive income		
Foreign currency translation	309	856
Other comprehensive income for the year, net of tax	309	856
Total comprehensive income for the year	**2,193**	**4,623**
Equity – retained earnings		
Retained earnings at the beginning of the financial year	20,923	15,897
Profit after income tax expense	1,884	3,767
Dividends paid	-	(1,981)
Opening retained earnings of entities joining the Closed Group	-	3,240
Retained earnings at the end of the financial year	**22,807**	**20,923**

Note 34. Deed of cross guarantee (continued)

Statement of financial position	Closed Group 2024 $'000	Closed Group 2023 $'000
Current assets		
Cash and cash equivalents	38,437	32,681
Trade and other receivables	73,234	75,153
Inventories	145,951	121,688
Other financial assets	1,573	1,537
Prepayments	3,522	4,094
Current tax asset	-	-
	262,717	235,153
Non-current assets		
Property, plant and equipment	16,622	16,468
Right-of-use assets	79,260	61,210
Intangible assets	48,054	51,265
Other financial assets	4,907	5,712
	148,843	134,655
Total assets	411,560	369,808
Current liabilities		
Trade and other payables	102,328	77,348
Borrowings	4,500	4,500
Lease liabilities	18,510	15,895
Provisions	10,209	11,265
Other financial liabilities	157	-
Current tax liability	180	129
	135,884	109,137
Non-current liabilities		
Borrowings	85,883	88,285
Lease liabilities	67,973	51,000
Provisions	2,233	2,250
Deferred tax	1,824	3,837
	157,913	145,372
Total liabilities	293,797	254,509
Net assets	**117,763**	**115,299**
Equity		
Issued capital	94,569	94,068
Reserves	387	308
Retained earnings	22,807	20,923
Total equity	**117,763**	**115,299**

Note 35. Events after the reporting period

On 17 July 2024, Black Rubber entered into an asset sale agreement to purchase the assets, inventory and plant & equipment, of a tyre retreading plant located in Brooklyn, Melbourne, Victoria from Goodyear & Dunlop Tyres (Aust) Pty Ltd. Completion of this agreement is subject to certain conditions.

On 8 August 2024, Black Rubber entered into an asset sale agreement to purchase the assets, inventory and plant & equipment, of a commercial tyre retail store located in Wingfield, Adelaide, South Australia from Goodyear & Dunlop Tyres (Aust) Pty Ltd. Completion of this agreement is subject to certain conditions.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

		Body corporates		Tax residency	
Entity name	**Entity type**	**Place formed or incorporated**	**% of share capital held**	**Australian or foreign**	**Foreign Jurisdiction**
NTAW Holdings Limited	Body Corporate	Australia	N/A	Australia	N/A
National Tyre & Wheel Pty Ltd (formerly "Exclusive Tyre Distributors Pty Ltd")	Body corporate	Australia	100%	Australia	N/A
Exclusive Tyre Distributors (NZ) Limited*	Body corporate	New Zealand	100%	Australia	New Zealand
Dynamic Wheel Co. Pty Limited	Body corporate	Australia	100%	Australia	N/A
Statewide Tyre Distribution Pty Ltd	Body corporate	Australia	100%	Australia	N/A
Top Draw Tyres Proprietary Limited	Body corporate	South Africa	50%	Foreign	South Africa
Tyres4U (NZ) Limited*	Body corporate	New Zealand	100%	Australia	New Zealand
Tyreright Operations Pty Ltd	Body corporate	Australia	100%	Australia	N/A
Black Rubber Pty Ltd	Body corporate	Australia	100%	Australia	N/A
Black Rubber Sydney Pty Ltd	Body corporate	Australia	100%	Australia	N/A
Carters Tyre Service Limited*	Body corporate	New Zealand	100%	Australia	New Zealand
C.O. Tire & Retreading Co Limited*	Body corporate	New Zealand	100%	Australia	New Zealand
Tyre Distributors New Zealand Limited*	Body corporate	New Zealand	100%	Australia	New Zealand
Solid Plus Operations Pty Ltd	Body corporate	Australia	100%	Australia	N/A
ACN 117 639 040 Pty Ltd (formerly "Integrated OE Pty Ltd")	Body corporate	Australia	100%	Australia	N/A
ACN 642 540 690 Pty Ltd (formerly "Tyres4U Pty Ltd")	Body corporate	Australia	100%	Australia	N/A
NTAW Logistics Pty Ltd	Body corporate	Australia	100%	Australia	N/A
NTAW Holdings (NZ) Limited*	Body corporate	New Zealand	100%	Australia	New Zealand

*Body corporates are tax residents of Australia and New Zealand.

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001.* The entities listed in the statement are NTAW Holdings Limited and all the entities it controls in accordance with *AASB 10 Consolidated Financial Statements.*

The percentage of share capital disclosed for bodies corporate included in the statement represent the economic interest in the consolidated financial statements.

In developing the disclosures in the statement, the Directors have applied current legislation and where available judicial precedent in the determination of Australian or foreign tax residency.

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture with the consolidated entity

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- the information disclosed in the attached consolidated entity disclosure statement is true and correct as at 30 June 2024;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group 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 described in note 34 to the financial statements.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

On behalf of the directors

____
Murray Boyte
Chairman

27 August 2024
Brisbane

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Independent Auditor's Report to the Members of NTAW Holdings Limited (formerly called National Tyre & Wheel Limited)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NTAW Holdings Limited (formerly called National Tyre & Wheel Limited) ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of goodwill and separately identifiable intangible assets **Refer to Note 15: Intangible assets**	
As part of business combinations completed during prior years, the Group recognised goodwill and other intangible assets valued at $29.191 million and $18.863 million respectively. These intangible assets relate to the acquisition of various subsidiaries of NTAW Holdings Limited, with these subsidiaries being the basis of management's determination of Cash-Generating Units ("CGU") in the Group. The carrying amount of goodwill and the intangible assets is supported by value-in-use calculations prepared by management which are based on budgeted future cash flows, key estimates and significant judgements such as the annual growth rates, discount rate and terminal value growth rate. This is a key area of audit focus as the value of the intangible assets is material and the evaluation of the recoverable amount of these assets requires significant judgement in determining the key estimates supporting the expected future cash flows of the CGUs and the utilisation of the relevant assets.	Our procedures included: • Understanding and evaluating the design and implementation of management's processes and controls over the impairment assessment process; • Assessing and evaluating management's determination of the Group's CGUs based on our understanding of the nature of the Group's business and the identifiable groups of cash generating assets; • Comparing the cash flow forecasts used in the value-in-use calculations to Board approved budgets for the 2025 financial year and the Group's historic actual performance; • Assessing and evaluating the significant judgements and key estimates used for the impairment assessment, in particular, the annual growth rates, discount rate and terminal value growth rate; • Checking the mathematical accuracy of the impairment testing model and agreeing relevant data to the latest budgets; • Performing sensitivity analysis by varying significant judgements and key estimates, including the annual growth rates, discount rate and terminal value growth rate, for the CGUs to which goodwill and indefinite useful life intangible assets relate; and • Assessing the adequacy of the Group's disclosures in respect of impairment testing of goodwill and indefinite useful life intangible assets.
Revenue recognition **Refer to Note 5: Revenue**	
The Group's revenue, $533.431 million, is primarily derived from the sale of product through retail and wholesale channels, domestically and internationally. We focused on the existence, cut-off and appropriate recognition of both settled and unsettled (trade debtors) revenue as a key audit matter as revenue is a key contributor to the determination of profit.	Our procedures included: • Understanding and evaluating the design and implementation of controls and processes for recognising and recording revenue transactions; • Testing the existence of revenue by agreeing a sample of revenue transactions to supporting documentation; • Testing the cut-off of revenue by agreeing a sample of outstanding debtor invoices to delivery information and by testing a sample of credit notes issued post year-end; • Assessing the adequacy and accuracy of the disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group’s directors’ report which was obtained as at the date of our audit report, and any additional other information included in the Group’s annual report for the year ended 30 June 2024, but does not include the financial report and our auditor’s report thereon. The Group’s annual report is expected to be made available to us after the date of this auditor's 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgment to determine the appropriate action to take.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001;* and
(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and
(c) for such internal control as the directors determine is necessary to enable the preparation of:
(i) 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
(ii) 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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related 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 judgement 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 20 of the directors' report for the year ended 30 June 2024. In our opinion, the Remuneration Report of NTAW Holdings Limited (formerly called National Tyre & Wheel Limited), for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pitcher Partners

PITCHER PARTNERS

ANDREW ROBIN
Partner

Brisbane, Queensland
27 August 2024

The shareholder information set out below was applicable as at 15 August 2024.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	% of total shares issued
1 to 1,000	245	0.1
1,001 to 5,000	439	0.9
5,001 to 10,000	238	1.4
10,001 to 100,000	471	11.2
100,001 and over	119	86.4
	1,512	100.0
Holding less than a marketable parcel	275	0.0

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	**% of total shares issued**
ST Corso Pty Ltd	27,307,594	20.36
EM Australia 2021 Pty Ltd (The TWA A/C)	10,697,389	7.98
Sandhurst Trustees Ltd (Collins St Value Fund A/C)	10,313,488	7.69
Strategic Value Pty Ltd (Tal Super A/C)	6,067,482	4.52
BNP Paribas Nominees Pty Ltd (IB AU Noms Retailclient)	3,834,731	2.86
Citicorp Nominees Pty Limited	3,623,614	2.70
Mr Roshan Charles Chelvaratnam	3,133,076	2.34
Mr Stephen Criag Jermyn (Jermyn Family S/Fund A/C)	3,000,000	2.24
Micpip Nominees Pty Ltd (Micpip Super Fund A/C)	2,929,133	2.18
Mr John Peter Ludemann	2,643,884	1.97
SCJ Pty Limited (Jermyn Family A/C)	2,502,952	1.87
J.P. Morgan Nominees Australia Pty Ltd	2,250,859	1.68
National Nominees Limited	2,119,900	1.58
Exldata Pty Ltd	2,096,208	1.56
Exldata Pty Ltd	1,699,788	1.27
HSBC Custody Nominees (Australia) Limited	1,395,097	1.04
Mr Christopher John Hummer	1,338,560	1.00
Mrs Christine Lorraine Hummer	1,071,152	0.78
Mrs Christine Lorraine Hummer	1,048,928	0.78
Mr Christopher John Hummer	1,048,928	0.76
	90,122,763	67.16

Unquoted equity securities
There are 2,110,000 unquoted unissued ordinary shares of NTAW Holdings Limited under option at the date of this report. There are 2,703,781 unquoted rights to unissued ordinary shares of NTAW Holdings Limited at the date of this report.

Substantial holders
Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	**% of total shares issued**
ST Corso Pty Ltd atf the Smith Trading Trust, Terence Smith & Susanne Smith (together Smith Group)	27,891,171	20.79
Anthony Young	11,820,714	8.81
EM Australia 2021 Pty Ltd (TWA A/C)	10,697,389	7.98
Sandhurst Trustees Ltd (Collins St Value Fund A/C)	10,313,488	7.69
Ryan Young	10,150,697	7.57
Tynan Young	7,460,609	5.56

Voting rights
The voting rights attached to ordinary shares are by way of a poll each share shall have one vote at a meeting.

There are no other classes of equity securities on issue at the date of this report.

There are no equity securities subject to voluntary escrow at the date of this report.

Directors	Murray Boyte - Chairman Peter Ludemann - Managing Director and Chief Executive Officer Terry Smith Kenneth Gunderson-Briggs Christopher Hummer Tynan Young
Company secretaries	Jason Lamb Hugh McMurchy
Registered office and principal place of business	Level 2 385 MacArthur Avenue Hamilton QLD 4007 Telephone: (07) 3212 0950 Facsimile: (07) 3212 0951
Share register	Computershare Investor Services Pty Limited Level 1 200 Mary Street Brisbane QLD 4000 Telephone: 1300 787 272
Auditor	Pitcher Partners Level 38 345 Queen Street Brisbane QLD 4000
Solicitors	Bentleys Legal (NSW) Level 14 60 Margaret Street Sydney NSW 2000
Bankers	Commonwealth Bank of Australia Ground Floor, Tower 1 201 Sussex Street Sydney NSW 2000
Stock exchange listing	NTAW Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: NTD)
Website	https://ntawholdings.com.au
Corporate Governance Statement	The Company's directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (4th Edition) ("Recommendations") to the extent appropriate to the size and nature of the Group's operations. The Company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation since listing, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations. The Company's Corporate Governance Statement and policies, which is approved at the same time as the Annual Report, can be found on its website: https://ntawholdings.com.au/investors-asx-announcements/corporate-governance