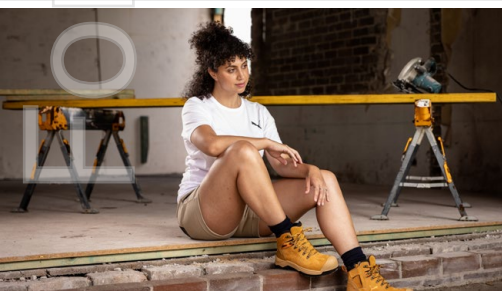
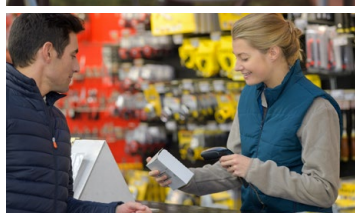


# 2025 Annual Report

An Australian Multi-Sector Distribution Company



**STEALTHGROUP**  
HOLDINGS LTD



# About Stealth

We provide products and solutions,  
made for everyone, used every day.

Stealth Group Holdings is a distributor, wholesaler, and a retailer of industrial maintenance, repair and operating (MRO) supplies, consumer products and other related products and services.

Through two distinct divisions — Industrial Distribution and Consumer Products, Stealth uses a combination of multichannel and single channel online business models to provide customers, primarily businesses, with a range of options for finding and purchasing products through an Australia-wide network of highly integrated distribution centres, branches, company stores, websites, retail reseller stores, and independent operators.

Stealth's diversified businesses today, distribute hundreds of leading brands which are known for their quality, are made for everyone, and designed to be used every day, to more than 40,000 businesses, institutions, trade-professionals, and retail consumers. Retail consumers buy our products in-store and online. Business customers place orders online via their mobile devices or email, over the phone, through a sales representative, or in-person at local branches. These customers represent a broad collection of industries, including commercial, mining, infrastructure, government, manufacturing, construction, transportation, telco, consumer electronics, FMCG and convenience.

Stealth products include categories such as power tools, hand tools, safety, materials handling, automotive, electrical, workplace, hardware, building, construction and mobile accessories, power, audio, device protection as well as services like inventory management, design & manufacture, and technical support.

Approximately 1,100 suppliers provide Stealth with 200,000 products stocked in the company's distribution centres, stores and branches Australia-wide with a further 300,000 products available on demand. Stealth employs ~250 team members directly across Australia.

## Customer Value Proposition

- Passionate customer-centric company.
- Convenience, accessibility, fast and simple shopping experience.
- Everyday best prices.
- Unmatched customer experience.
- Efficient delivery and distribution options.

**For more information on Stealth,  
visit [www.stealthgi.com](http://www.stealthgi.com)**

# Group Performance

FY25 saw the Group continue its growth journey across all key metrics.

<b>Sales<sup>1</sup></b> Up 27.6% to \$145.1m 2024: \$113.7m	<b>Revenue</b> Up 24.7% to \$141.7m 2024: \$113.7m	<b>Gross Profit</b> Up 20.8% to \$40.7m 2024: \$33.7m
<b>EBITDA<sup>2</sup></b> Up 62.3% to \$9.9m 2024: \$6.1m	<b>NPAT</b> Up 130.3% to \$3.1m 2024: \$1.4m	<b>Earnings per Share</b> Up 96.2% to 2.63¢ 2024: 1.34 cents
<b>Nett Debt</b> Down 37.3% to \$6.8m 2024: \$10.8m	<b>Cash</b> Up 42.3% to \$14.4m 2024: \$10.1m	<b>Female Representation</b> 42% Across the Group

Notes:  
1. Sales is a Non-IFRS term, where trade rebates are added back to reported revenue.  
2. EBITDA is a Non-IFRS term. Refer to reconciliation of profits table in OFR.

# Our History

We are one of Australia's largest distribution companies.

Industrial | Safety | Automotive | Workplace | Consumer

Sales Growth  
(\$ millions)

300

250

200

150

100

75

50

25

0



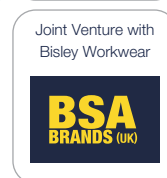
2014



2016



2018



2019

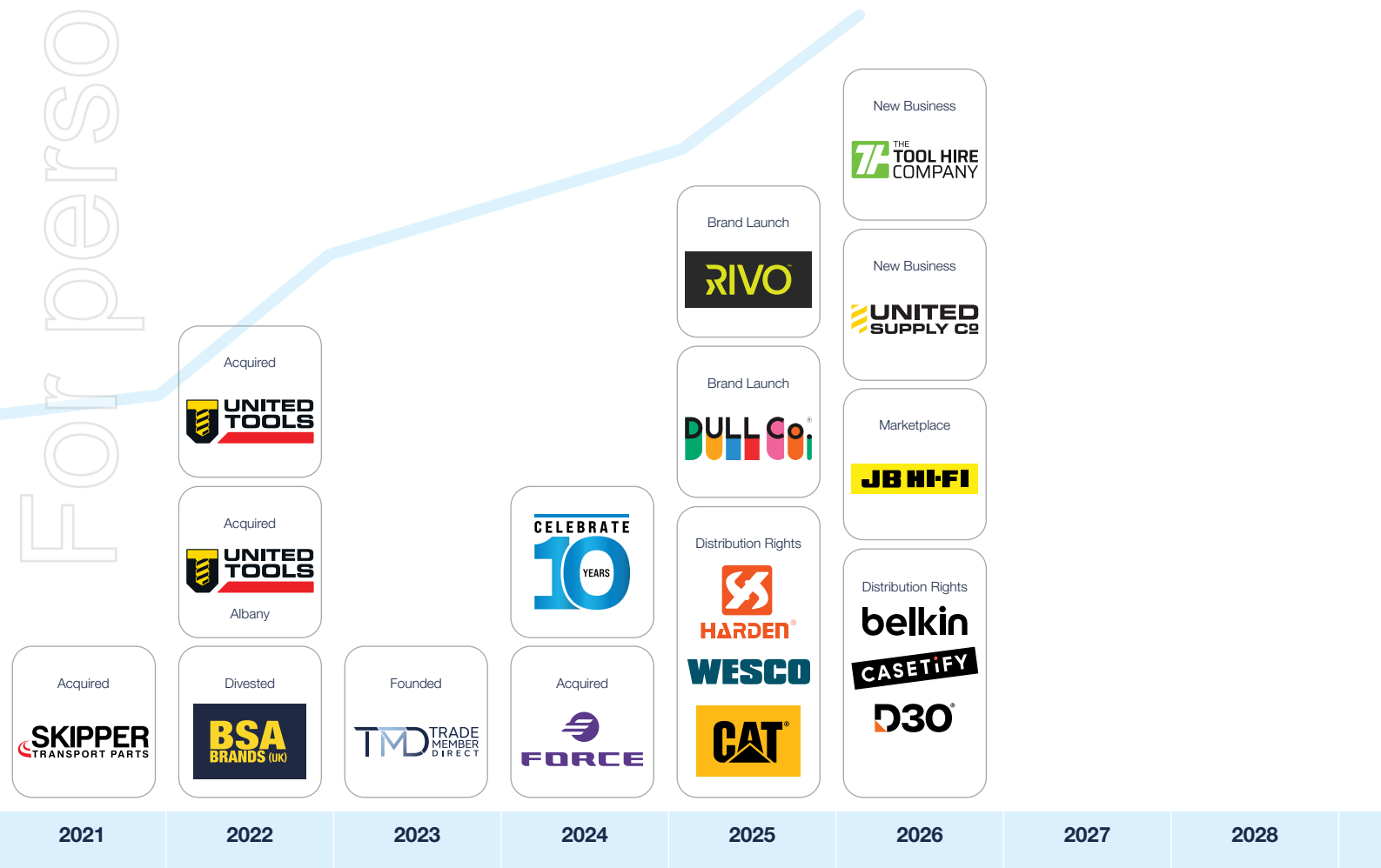


2020

The images used throughout this document are solely for illustrative purposes.

# Contents

Group Performance	1
Our History	2
The Stealth Approach	4
Quality and Sustainability	7
Our Businesses	8
Our Products	10
Supporting our Community	12
Chairman's Message	14
Leadership Team	18
Operating and Financial Review	20
Directors' Report	29
Annual Financial Report	41
Corporate Directory	80



# The Stealth Approach



Our ongoing commitment is building and growing a thriving business with a long term outlook to create value for all stakeholders.



Deliver a satisfactory return to shareholders



Focusing on responsible management to deliver sustainable profitability and long-term growth



Engaging fairly with our suppliers and sourcing ethically and sustainably



Looking after our people and providing a safe, and healthy work environment



Supporting the communities where we operate



Acting with trust and integrity in all of our dealings



Continuing to provide more customer value and better experiences

## Our Vision

To build Stealth into Australia's market-leading alternative to the majors for industrial maintenance, repairs and operations (MRO) and consumer products and services.

## Our Purpose

We're here to help provide businesses, trade-professionals and retail consumers, with products and solutions, made for everyone, used every day.

We are a quality company to invest in. Our objective is to deliver a satisfactory return to all stakeholders.

## Value Creating Strategies

Our ongoing commitment of creating value for shareholders is driven through responsible long-term management and being a market leading alternative.

Building and strengthening our businesses through operating excellence, innovation and satisfying customer needs by renewing our portfolio, providing the best range of products and best customer experience, in-store, online, through our sales team and connected with our loyalty program.



## Our FY28 Targets

### Financial

- \$300m revenue by 2028 at 8% EBITDA.
- Driving top-line and bottom-line results.
- Maintaining a conservative balance sheet and cash flow generation.
- Using our competitive advantage to grow market share in a profitable way.

### Catalysts for growth

1. Existing customers and new customers
2. Productivity improvements, including AI actions
3. Expand range, new brands-products and services
4. Digital commerce
5. More stores, new formats, merchandising
6. Partnerships, mergers and acquisitions
7. New value delivery approaches (eg; Loyalty program)
8. New channels, markets and geographies
9. Adjacencies, new competitive arenas and industries

# Our Business Model

The Group operates through two distinct divisions — **Industrial Distribution** and **Consumer Products** — using an **omnichannel model** spanning wholesale, company-owned branches and stores, reseller and member networks, retail and trade partnerships, design & manufacturing, hire services, onsite solutions, store-in-store operations, e-commerce, and online marketplaces. These channels are supported by a large national sales force, customer contact centres, and integrated logistics and operations infrastructure.



## Industrial Distribution

The Industrial Distribution Division supplies a **broad range of multi-category** industrial maintenance, repairs and operations (MRO) products — including PPE, workwear, uniforms, power tools, hand tools, automotive, hardware, fasteners, materials handling, equipment, workplace consumables and more. Alongside its product breadth, the division also provides value-added services such as onsite solutions, inventory management, and tool and equipment hire.

The division operates across **B2B, B2C and hybrid models**, with five businesses structured to suit their markets — some focused purely on B2B, others on B2C, and some operating hybrid formats.

- **B2B** – Serving corporates, multinationals, SME's, government, trade-professionals, and industrial resellers through wholesale distribution, sales representatives, technical specialists, contact centres, trade counters, store-in-store operations, onsite, hire, and digital platforms.
- **B2C** – Supplying retail consumers directly through company-owned and trade partner stores, as well as online channels.
- **Hybrid** – Some businesses (e.g. **C&L Tool Centre**) operate across both models, with trade counters and retail outlets serving businesses and consumers side by side — maximising channel reach and brand presence.

The division's scale consists of more than 40 branches and stores (a mix of company-owned and trade partner outlets), approximately 1,100 suppliers, over 200,000 stocked products, with a further 300,000 non-stocked products available on demand).

## Consumer Products

The Consumer Products Division is a **brand-centric, multi-category distributor** representing exclusive, non-exclusive, own-label and white-label products across mobile accessories, audio, power and safety consumables.

The division supplies products through both B2B and B2C models:

- **B2B** – Wholesale supply into major national retailers and convenience partners including JB Hi-Fi, Officeworks, 7-Eleven, Coles, The Good Guys, Retravision and mobile repair chains such as PTC and Mobile Experts.
- **B2C** – Direct-to-consumer sales through online shopping websites, online marketplaces and company-owned stores.
- **Design & Manufacturing** – Providing large customers with tailored white-label brands and ranges.

The division acts as a **go-to-market partner** for global and exclusive brands, providing sales, marketing, merchandising, design & manufacturing, and logistics services to maximise brand penetration and sell-through. Products are currently ranged in approximately 3,500 stores nationwide and across multiple online channels.

# Quality and Sustainability

Our commitment to quality and sustainability is embedded across every stage of our operations. Our integrated framework encompasses quality assurance, APCO-aligned initiatives, ethical sourcing, responsible supply chain practices, and the scalable capabilities of our national distribution centres. These pillars drive our operational excellence, enhance customer trust, and support long-term sustainable growth.



## **Ethical compliance** – BSCI, SA8000, SMETA

We partner exclusively with suppliers who uphold high standards of corporate social responsibility, including fair labour practices, safe working conditions, and adherence to globally recognised workplace codes of conduct. Ethical compliance is non-negotiable in our value chain.



## **Independent testing**

To uphold the integrity and reliability of our products, we engage Intertek, a world-leading quality assurance provider, for independent product testing and pre-shipment inspections. This ensures our products consistently meet and often exceed applicable industry standards.



## **Technical compliance** – ISO 9001, ISO 9002

Our global manufacturing partners are ISO-certified in quality management systems, covering the full product lifecycle, from design and development to production and after-sales service. This underpins our commitment to quality, consistency, and continuous improvement.



## **Environmental compliance** – ISO 14001

We work with partners certified to ISO 14001 for environmental management, with systems in place to monitor and reduce environmental impacts across operations. As an active member of the Australian Packaging Covenant Organisation (APCO), we are aligned to the national goal of achieving 100% recyclable packaging.

We recognise our environmental footprint and are actively working to reduce it. With over six million tonnes of packaging waste discarded annually by Australian households, we are accelerating the shift to biodegradable and recyclable materials. Through innovation, responsible packaging choices, and consumer education, we are contributing to a more circular and sustainable economy.

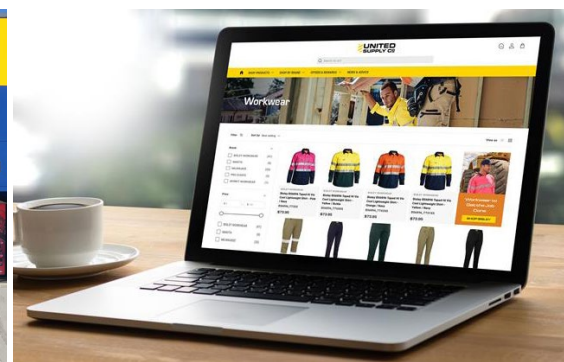


**100% Recycled Packaging**  
APCO approved



# Our Businesses

## Industrial Distribution



Our Industrial Distribution Division operates across B2B, B2C and hybrid models, with more than 40 branches and stores, ~1,100 suppliers, and over 200,000 stocked products, plus a further 300,000 sourced on demand. The division also provides value-added services including onsite solutions, inventory management, and tool and equipment hire.



## 43 Locations

As of 30 June 2025

7

100% company owned branches and stores

36

Independent partner stores

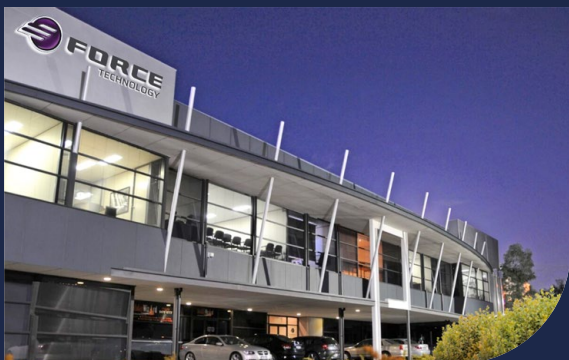


\*Map locations are for illustration purposes only.

● Company owned ● Member owned

For personal use only

## Consumer Products



Our Consumer Products are sold through both B2B and B2C channels: supplying national retailers and convenience partners including JB Hi-Fi, Officeworks, 7-Eleven, Coles, The Good Guys, Retravisión and PTC, as well as direct-to-consumer in approximately 3,500 stores nationwide. The division also provides design, manufacturing and procurement services for large customers seeking to develop their own white-label ranges.



### Product brands

belkin.

CASE•MATE



EFM

OTTERBOX

POPSOCKETS

D30®

CASETiFY

ember

RIVO™

# Our Products

## Industrial Distribution

The Industrial Distribution Division supplies a broad range of multi-category industrial maintenance, repairs and operations (MRO) products — including PPE, workwear, uniforms, power tools, hand tools, automotive, hardware, fasteners, materials handling, equipment, workplace consumables and more.



## Consumer Products

The Consumer Products Division is a brand-centric, multi-category distributor representing exclusive, non-exclusive, own-label and white-label products across mobile accessories, audio, power and safety consumables.



# Supporting our Community



## The Biggest Morning Tea

Stealth was once again proud to participate in the Cancer Council's Biggest Morning Tea, one of the nation's largest community fundraising initiatives demonstrating our ongoing commitment to making a meaningful difference in the lives of Australians affected by cancer.

This year, employees across our national network hosted morning tea events at offices and worksites, raising vital funds to support cancer research, prevention programs, and essential services for patients and their families. With nearly one in two Australians diagnosed with cancer before the age of 85, this initiative holds deep personal significance for many within our team.

Our participation reflects Stealth's core values and reinforces our commitment to giving back to the communities where we live and work.

## NBCF - Pink Ribbon Breakfast

Breast cancer remains the most common cancer affecting Australian women, with around 57 people diagnosed every day. Encouragingly, survival rates continue to rise—today, 89 out of every 100 women diagnosed live for five years or more beyond their diagnosis.

Over the past year, breast cancer has touched the lives of several of our employees, as well as their families and friends. In support of those who have required detection, treatment, or early intervention, our offices and branches across Australia were transformed into vibrant displays of hot pink during the Pink Ribbon Morning Tea event.

## MACA Cancer 200 Ride for the Perkins

We were proud to support MLG's participation in the 2024 MACA Cancer 200 Ride for the Perkins, an inspiring two-day, 200km cycling event that raises vital funds for the Harry Perkins Institute of Medical Research and supports cancer research in Western Australia.

The ride brings together individuals of all skill levels for two days of camaraderie, breathtaking scenery, and a shared commitment to making a difference in the fight against cancer.

Congratulations to the MLG team on their outstanding efforts and continued dedication to this important cause.

Stealth and Heatleys proudly supported MLG as a Gold Sponsor for the 2024 event. MLG has been a valued and long-standing customer of Heatleys, and we were honoured to be presented with a commemorative framed riding jersey in recognition of our support.



EFM Cares Program



R U OK Day

## R U OK? Day

R U OK? Day is a powerful national reminder of the importance of staying connected and checking in with those around us. At Stealth Group, the wellbeing of our people remains a top priority, and we are proud to support this important initiative each year across our organisation.

In FY25, we marked R U OK? Day with a series of team morning teas that encouraged open conversations and connection. These events not only reinforced our commitment to mental health awareness but also provided a platform to launch our new Mental Health & Wellbeing Program.

Developed in partnership with leading provider Assure, this program delivers comprehensive support services to our employees and their immediate families. From professional counselling and mental health guidance to practical tools for navigating life's challenges, the initiative is designed to foster resilience, enhance wellbeing, and ensure our people feel supported.

## The Salvation Army

DULL Co.® is proud to stand alongside The Salvation Army in their mission to support Australians experiencing hardship, crisis, and social disadvantage. Through this meaningful partnership, a portion of proceeds from every DULL Co.® product sold contributes directly to the Salvos' vital programs and community services across the country.

This alliance reflects DULL Co.'s commitment to driving positive social impact and supporting those who need it most. By backing the Salvos, we are not only providing essential resources to individuals in crisis, we're also helping build stronger, more compassionate communities.

## EFM Cares Program

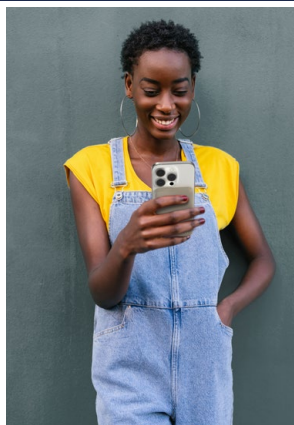
Our community partnerships enable us to support our environment and community.

**Carbon Neutral** – By purchasing any of our power products, you help us plant more native trees around Australia through Carbon Neutral.

**Mission Australia** – By purchasing EFM Cases and Screen Guards you are supporting Mission Australia fight homelessness.

**Starlight Children's Foundation** – By purchasing any of our audio products, you are supporting Starlight Children's Foundation as they brighten the lives of seriously ill children.

# Chairman's Message



## Our Moment to Shine

Dear Shareholders,

FY2025 marks a defining chapter in Stealth Group's journey. I am pleased to report that your company has delivered record financial performance, executed on its strategic blueprint with discipline, and significantly strengthened its market position. We are not only meeting expectations—we are exceeding them.

From our humble beginnings, listing on the ASX in 2018 to today, FY2025 stands as the **most transformative year in our company's history**, both in terms of financial achievement and strategic execution.

### Record Performance and Shareholder Value

The 12 months to 30 June 2025 saw **unprecedented growth. Sales surged 27.6% to \$145.1 million**, driven by strong organic growth, expanded distribution reach, and full-year contribution from Force Technology.

**EBITDA increased by 62% to \$9.9 million**, and **Net Profit After Tax rose by 130% to \$3.1 million**, reflecting operating leverage, disciplined cost control, and strategic execution.

**Net debt was reduced by 37% to \$6.8 million**, down from \$10.8 million a year earlier, further strengthening our balance sheet and funding flexibility.

Cash generation remained strong throughout the year, underpinning investment capacity and enabling growth initiatives without compromising financial discipline.

Most notably, our **share price increased from \$0.21 to \$0.73**, delivering a **Total Shareholder Return (TSR) of 252%**, and lifting our **market capitalisation from \$24 million to \$94 million**.

This dramatic uplift reflects growing investor confidence and market recognition of our performance, strategic momentum, and future potential.

### Strategic Execution and Milestone Achievements

FY2025 was defined by **strategic clarity and operational excellence**.

We launched and delivered several ASX-announced initiatives, including:

- The successful acquisition and full-year integration of Force Technology International, now a cornerstone of our new consumer division.
- A \$7.5 million capital raise aligned to new strategic initiatives that deliver future benefit, conducted at \$0.60 per share, supporting growth without diluting value.
- The launch of "The Tool Hire Company", will establish Stealth's presence in the equipment rental sector with a scalable model targeting high-return, low-capital equipment rentals.
- Investment in exclusive brand rights for CASETiFY, Ember, CAT®, WESCO, Harden Tools, Belkin and our own label DULL Co.®, unlocking margin expansion and deeper retail penetration.
- Delivery of \$6.0 million in iPhone 17 pre-sales, a 50% increase over the prior year, backed by guaranteed customer orders across JB Hi-Fi, Officeworks, Telco channels, and leading convenience retailers.

These initiatives have not only generated strong financial outcomes—they have positioned Stealth as a **leading multi-vertical distribution powerhouse**, with scalable, defensible assets across industrial, business, trade, retail, and consumer channels.



## Operational Excellence and Disciplined Growth

Across our business units, we've driven improvements in margin, network reach, product exclusivity, and store-level economics. Key highlights include:

- Expansion to over 3,500 retail reseller locations, including national, independent, and store-in-store formats.
- Enhanced stockturn, inventory discipline, and zero-based budgeting.
- Improved operating leverage, underpinned by technology investment, automation, and back-office efficiency.
- Continued positive free cash flow and low debt levels, with pro forma net debt/EBITDA at 0.7x.
- Safety, compliance, and ESG benchmarks that support long-term sustainable operations.

Our model continues to deliver **low-capital, high-cash conversion growth**, enabling us to scale with strong returns on invested capital.

Our share price increased from \$0.21 to \$0.73, delivering a Total Shareholder Return (TSR) of 252%.

## Capital Management and Cashflow Generation

Stealth remained disciplined in its capital management approach, balancing investment with strong cash generation. Our **cash in bank balance at 30 June 2025 was \$14.4 million**, up 42% from \$10.1 million at 30 June 2024. Key cash movements included:

- Continued investment in automation, cybersecurity, and customer platforms.
- Full repayment of our final fixed debt facility of \$1.0 million in September 2024.
- Payment of a fully franked dividend of \$0.62 million in October 2024.
- An additional \$2.7 million in customer receipts received on 1–2 July 2025, supporting a strong FY26 opening cash position.
- Net proceeds of \$7.1 million received from the April 2025 capital raise.
- Capital expenditure outlay of \$4.8 million directed towards long-term growth initiatives.

Together, these actions have further strengthened our financial platform and support our continued trajectory toward FY28.

## Capital Expenditure

In FY2025, we delivered our **highest level of capital investment since inception**, with **\$4.8 million** deployed into growth-enabling initiatives to support future scale and capability.

- New exclusive and private-label brands: CAT®, WESCO, CASETiFY, Belkin, D3O, Harden Tools, DULL Co.®, and RIVO.
- New business infrastructure and platforms: Tool Hire division systems, 3x new online stores (launching FY26), JB Hi-Fi Marketplace integration, and a unified HR technology system (to be completed October 2025).
- Customer performance uplift: New customer service platform linking email, ticketing, and service levels to improve customer response and experience.
- Retail upgrades: 4x store refurbishments across Perth, Brisbane, and Karratha.
- Loyalty Rewards Program: A technology-enabled trade member portal offering enhanced supplier pricing, member benefits, and product access.

We also delivered major website upgrades, system developments, and cybersecurity enhancements to enable scalable and secure growth.



### FX reclassification adjustment

In 2H25, we implemented an **FX reclassification adjustment**, removing foreign exchange gains from the Profit and Loss statement and relocating them to Other Comprehensive Income. This enhanced the comparability of our core earnings.

The reclassification would have the following impact on 1H25 results:

- \$0.52 million in other income
- \$0.52 million in EBITDA and NPBT
- \$0.364 million in NPAT

This accounting adjustment ensured a more accurate view of underlying operating performance.

### Supporting Our Community

While FY2025 was a breakout financial year, we remained deeply committed to the communities we serve and the people behind our business.

We continued our support of important causes, including the **Cancer Council's Biggest Morning Tea** and the **Cancer 200 Ride for the Perkins Institute**.

We also celebrated **International Women's Day**, with female representation now **42% across the Group** — a figure we're proud of and committed to further improving.

Across the business, we continue to invest in safety, training, well-being, and a performance-led culture that empowers our people and partners.

### Outlook - Demand Grows

Looking ahead, our path to FY28 is both clear and compelling, underpinned by a multi-year strategy and multi-million-dollar investment program.

Strategic Goal	FY28 Target
Sales	\$300 million
EBITDA Margin	8%
Net Profit After Tax	5%
Exclusive & Own Brand Sales	>\$30 million
Omni-channel Expansion	Wholesale, company-owned stores, retail and trade partnerships, direct-to-business and direct-to-consumer channels, as well as shop-in-shops, showrooms, and digital commerce platforms.
Delivery supported by	a large sales force, contact centres, and integrated logistics, packaging, shipping, and operations infrastructure.
New Brands and M&A Optionality	Industrial + Consumer
Culture, People, and Execution	Core to delivery

We are resolute in our commitment to deliver these outcomes and continue building a **company of scale, resilience, and long-term shareholder value**.

Demand for our products continues to grow, enabled by a differentiated, multi-sector distribution model that is now disrupting the industry.

### Closing Acknowledgements

I want to sincerely thank our shareholders — both long-standing and new—for your continued trust. The Board is grateful for your support and belief in our mission.

To our Executive and Management Teams, and every Stealth employee across Australia—your hard work, passion, and integrity are the foundation of our success.

FY2025 was our breakout year.

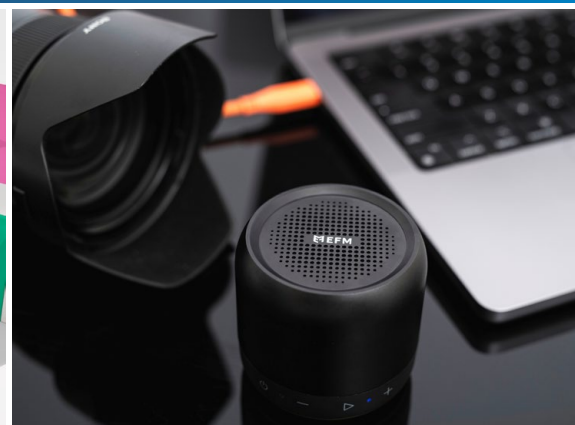
**FY2026 to FY2028 is our moment to shine.**

We are ready.

Sincerely,

**Chris Wharton AM**  
Chairman  
Stealth Group Holdings Ltd.  
26 August 2025

# Brands added to our Portfolio in FY2025



By securing exclusive distribution rights for these leading brands, we reaffirm our commitment to delivering premium quality, greater value, and enhanced customer experiences—while strengthening our market position and accelerating our path toward FY28 growth ambitions.

## Exclusive distribution



**WESCO**

**belkin**

**CASETiFY**

**D30**

**ember**

**HARDEN**

## Own label



## Range expansion



EFM is an existing brand however we extended the range into audio and power.

# Leadership Team

## Board of Directors



### 1 Chris Wharton AM

INDEPENDENT  
NON-EXECUTIVE CHAIRMAN

Mr. Wharton is Chairman of Thriver Finance, a WA-based investment company.

He is the former Chief Executive Officer of Seven West Media WA (SWM) and led the acquisition of the Seven Media Group, which ultimately became Seven West Media.

He is a Fellow of the Australian Institute of Company Directors, the Australian Institute of Management. He was awarded an Order of Australia Medal in the 2016 Queen's Birthday honours for services to the print and broadcast industries and for services to the community.

### 2 John Groppoli

NON-EXECUTIVE DIRECTOR

Mr. Groppoli is the Principal of GlenForest Corporate, a boutique legal strategy, governance and board advisory firm based in Perth, WA.

Mr Groppoli is the Chairman of Perth Markets Group Ltd, Hunt Architects and MAD3 Consulting Engineers.

Mr. Groppoli acts as External General Counsel to Stealth and the Board considers that Mr. Groppoli is not an independent Director.

### 3 Simon Poidevin

INDEPENDENT  
NON-EXECUTIVE DIRECTOR

Mr. Poidevin worked in Global Financial Markets for over 37 years, spending 14 years with Citigroup, culminating in heading the firm's Corporate Equity Broking division in Australia.

Simon was previously Managing Director, Corporate Broking at Bell Potter Securities Limited, a leading Australian full-service broking and financial advisory firm from 2013 to 2020.

Mr. Poidevin represented Australia in Rugby Union from 1980 to 1992, captaining the Wallabies in 1986 and 1987. He was a member of the 1991 Rugby World Cup winning Wallabies, the first Australian Rugby team to win a Rugby World Cup.

### 4 Mike Arnold

GROUP MANAGING  
DIRECTOR

Mike is the founder of Stealth Group Holdings. He has nearly 40 years of international experience in supply chain management, product sales, distribution and logistics.

His previous positions include Executive Director/ Chief Operating Officer of ADG Global Supply (ASX listed entity) between 2010 and 2013, Chief Executive Officer of Lakewood Logistics for 9 years, and Group General Manager of State Warehousing & Distribution Services (SWADS), one of Australia's largest privately owned logistics companies before being acquired by Australia Post in 2005.



5



6



7



8



9



10



11



12



13



14



15

#### 5 Luke Cruskall

GROUP CHIEF  
OPERATING OFFICER

Luke has over 20 years of management experience across public and private sector organisations including General Manager, Chief Executive Officer and Board level roles.

#### 6 Matthew Green

CHIEF FINANCIAL OFFICER

Matthew is a qualified Accountant with over 30 years of commercial and finance experience, the majority of which have been in senior roles within both public practice and commercial environments.

#### 7 Matt Minchin

GENERAL MANAGER  
PEOPLE & CULTURE

Matt is a highly skilled Human Resources leader, with over 15 years' experience working with national and global companies across a variety of industries including logistics, health and mining.

#### 8 Mike Bradock

GENERAL MANAGER  
SUPPLY CHAIN

Mike is a supply chain leader with over 20 years' experience predominantly in the resources sector focussed on improving lifecycle costs and working capital.

#### 9 Jessica Rich

GENERAL MANAGER  
CORPORATE AFFAIRS

Jessica has 15 years experience in the Marketing and Communications field, spanning a variety of industries including mining, construction and automotive.

#### 10 Jessica Christo

GROUP MANAGER  
MARKETING &  
COMMUNICATIONS

Jessica is a dedicated marketing and communications professional with over 10 years of experience across a range of industries, including healthcare, employment services, automotive, and industrial sectors.

#### 11 Philip Podgorski

GENERAL MANAGER  
TECHNOLOGY

Philip has over 10 years' experience leading business systems architecture innovation in large energy and industrial organisations.

#### 12 Carl Bonham

CHIEF EXECUTIVE OFFICER –  
CONSUMER DIVISION

Carl has had a successful career spanning 20 years in the retail sectors holdings senior positions with the Rebel Group and Dick Smith Electronics.

#### 13 Brendan Rossiter

GROUP FINANCIAL  
CONTROLLER – TREASURY &  
STATUTORY REPORTING

Brendan is an experienced finance executive, with over 20 years in senior finance roles. His broad industry experiences spans mining and mining services, retail, wholesale, fast-moving consumer goods, agriculture, telecommunications and research and development.

#### 14 Rod Ward

GENERAL MANAGER  
OPERATIONS - HEATLEYS SIA

Rod is a strategic business leader with over 20 years leadership and management experience across various industries and markets in Global and ASX Listed organisations.

#### 15 Karin Douglas

GENERAL MANAGER SALES -  
HEATLEYS SIA

Karin is an accomplished results driven sales leader with a background in Telecommunications and the industrial market, both in South Africa and Australia.

# Operating and Financial Review



This Operating and Financial Review (**OFR**) sets out information and commentary that aims to provide additional clarity on the financial results of Stealth Group Holdings Ltd (**Stealth, Stealth Group or Company**) and its controlled entities (**Consolidated Entity or Group**) for the financial year ended 30 June 2025, its operations, its future strategies, prospects and the risks it faces that may have a material impact on its future financial results.

The OFR is part of the Directors' Report and is designed to complement and support the financial report.

Its purpose is to communicate an understanding of the Group's results, including the underlying reasons behind its performance, drawing together the announcements and communications made throughout the financial year.

## Business Overview

Stealth Group Holdings Ltd is a diversified Australian distribution company delivering products and solutions to business, trade professionals, and retail consumers across multiple sectors.

The Group operates through two distinct divisions – Industrial Distribution and Consumer Products – supported by an omnichannel model that spans wholesale, company-owned branches and stores, reseller and member networks, retail and trade partnerships, design and manufacturing, hire services, onsite solutions, store-in-store formats, e-commerce, and online marketplaces. These channels are underpinned by a large national sales force, customer contact centres, and integrated logistics and operations infrastructure.

## Primary Objective

Stealth's primary objective is to build and grow a thriving business with a long term growth outlook to create value for shareholders.

Delivering on this objective requires a multi-pronged approach to value-creation, including:

- Deliver a satisfactory return to shareholders
- Continuing to provide more customer value and better customer experiences
- Focusing on responsible management to deliver sustainable profitability and long-term growth
- Looking after our people and providing a safe, fulfilling work environment
- Giving back to the communities we serve
- Engaging fairly with our suppliers, and sourcing ethically and sustainably
- Acting with trust and integrity in all of our dealings

## 2025 Year in Review

### Key Performance Highlights

FY25 saw the Group deliver another strong year of growth across all financial metrics, demonstrating continued momentum in its strategic execution and commercial performance:

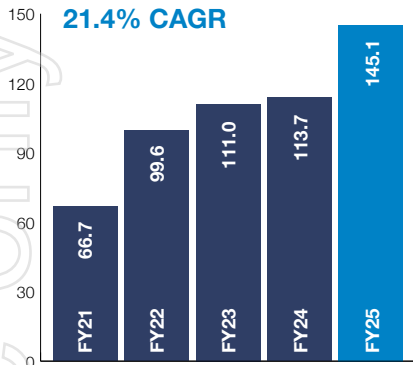
- \$145.1m in Sales<sup>1</sup> and \$40.7m Gross Profit, both record highs for the Group and marking the seventh consecutive year of sales<sup>1</sup> and profit growth since listing in FY19.
- \$9.9m Statutory EBITDA<sup>2</sup>, up 62.3% on FY24 (\$6.1m), and \$6.5m Statutory EBIT<sup>2</sup>, up 101.1%, both reflecting operating leverage gains and disciplined cost management.
- \$4.4m Statutory Profit before Tax, up 124.4% (FY24: \$2.0m).
- \$3.1m Statutory Net Profit after Tax attributable to Members, up 130.3% on FY24 (\$1.36m).
- Record Earnings per Share of 2.63 cents, up 96.2% on FY24 (1.34 cents).
- Share price increased 247% over FY25, lifting the Group's market capitalisation to \$94.5m as at 30 June 2025.
- Free Cash Flow maintained at breakeven despite \$4.8m capital investment.
- Net Debt reduced 37% to \$6.8m, supporting a Net Debt to EBITDA ratio of 0.7x, down from 1.8x in FY24.
- Force Technology contributed its first full year of operations in FY25, supporting growth across the Consumer Division.

#### Notes:

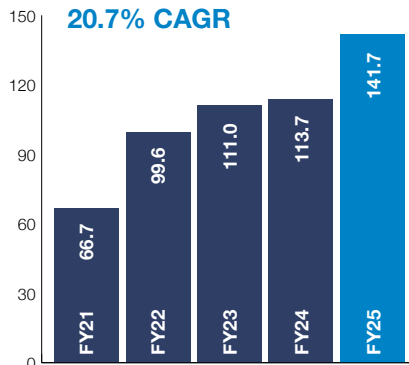
1. Sales is a Non-IFRS term, where trade rebates are added back to reported revenue.
2. EBIT and EBITDA are Non-IFRS terms. Refer to reconciliation of profits table in OFR.

# Growth trend comparison since 2021

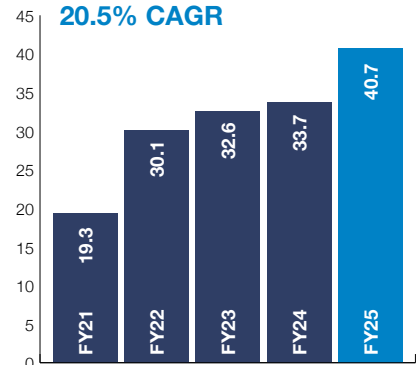
Sales (\$m)<sup>1</sup>



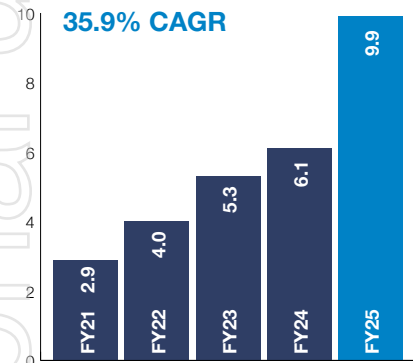
Group Revenue (\$m)<sup>2</sup>



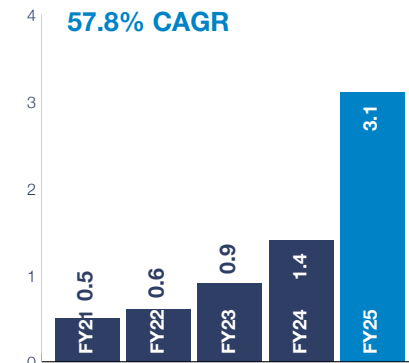
Gross Profit (\$m)



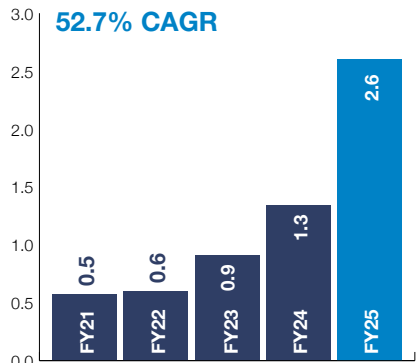
EBITDA (\$m)<sup>3</sup>



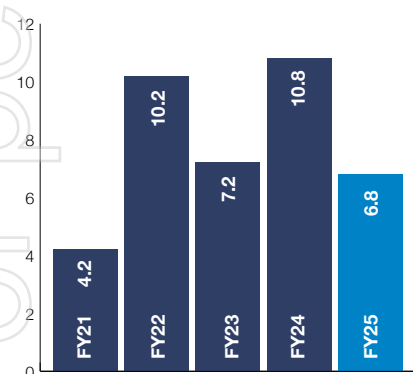
NPAT (\$m)



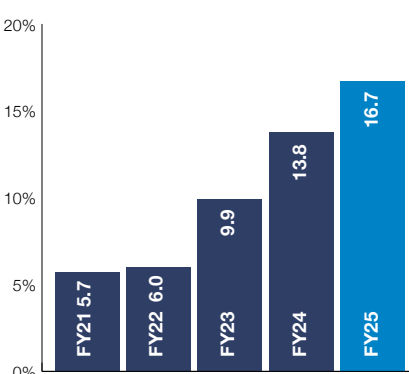
Earnings per Share (cents)



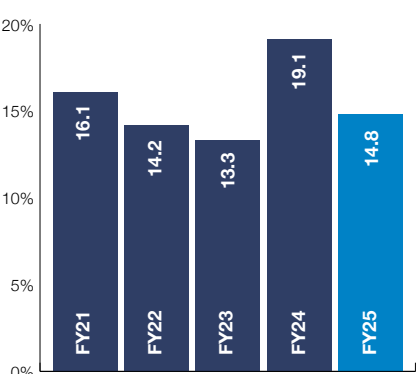
Net Debt (\$m)



ROCE<sup>4</sup>



Inventory / Sales Ratio<sup>5</sup>



<sup>1</sup> Sales is a Non-IFRS term, where trade rebates are added back to reported revenue.

<sup>2</sup> From continuing operations.

<sup>3</sup> EBITDA (earnings before interest, tax, depreciation and amortisation) is a non-IFRS term not subject to audit.

<sup>4</sup> Exclusive of Force for FY24. ROCE - Return On Capital Employed

<sup>5</sup> Exclusive of \$7.2m Force Inventory for FY24. CAGR - Compound Annual Growth Rate

## Trading Results FY25

	Continuing Operations <sup>2,3</sup>			Consolidated Operations <sup>3</sup>		
	FY25 \$'000	FY24 \$'000		FY25 \$'000	FY24 \$'000	
<b>Revenue</b>	<b>141,726</b>	113,680	<b>24.7%</b>	<b>141,726</b>	113,893	<b>24.4%</b>
Gross Profit	<b>40,667</b>	33,656	20.8%	<b>40,667</b>	33,850	20.1%
<b>Statutory EBITDA<sup>1</sup></b>	<b>9,865</b>	6,079	<b>62.3%</b>	<b>9,865</b>	6,202	<b>59.0%</b>
Add: Growth Related Investment costs	<b>110</b>	352	(68.8%)	<b>110</b>	352	(68.8%)
<b>Underlying EBITDA<sup>1</sup></b>	<b>9,975</b>	6,431	<b>55.1%</b>	<b>9,975</b>	6,554	<b>52.2%</b>
<b>Statutory PBT</b>	<b>4,441</b>	1,856	<b>139.3%</b>	<b>4,441</b>	1,979	<b>124.4%</b>
<b>Statutory NPAT attributable to members</b>	<b>3,121</b>	1,221	<b>155.6%</b>	<b>3,121</b>	1,355	<b>130.3%</b>
<b>Earnings per share (cents)</b>	<b>2.63</b>	1.21	<b>117.4%</b>	<b>2.63</b>	1.34	<b>96.2%</b>

	Continuing Operations <sup>2</sup>		
	FY25	FY24	
<b>Gross Profit margin %</b>	<b>28.7%</b>	29.6%	<b>(3.1%)</b>
Personnel - % of revenue	<b>14.7%</b>	17.9%	17.1%
Other expenses - % of revenue	<b>7.0%</b>	6.4%	(8.1%)
<b>Total expenses - % of revenue</b>	<b>21.7%</b>	24.3%	<b>10.4%</b>
<b>Statutory EBITDA<sup>1</sup> margin</b>	<b>7.0%</b>	5.3%	<b>30.2%</b>
Depreciation & Amortisation (incl. AASB 16) - % of revenue	<b>2.4%</b>	2.5%	5.4%
Finance costs (incl. AASB 16) - % of revenue	<b>1.5%</b>	1.2%	(21.3%)
<b>Statutory Profit before Tax margin</b>	<b>3.1%</b>	1.6%	<b>91.9%</b>

<sup>1</sup> EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), Underlying EBITDA and Statutory EBITDA are non-IFRS terms which have not been subject to audit or review; Underlying EBITDA is determined by adding back Transaction costs to the Statutory EBITDA which in turn has been determined by adding back Depreciation and amortisation expense, and Finance costs to profit from continuing operations before tax.

<sup>2</sup> All FY25 operations are continuing, (FY24: \$0.13m relating to Foreign Currency Translation Reserve benefit less UK closure costs).

<sup>3</sup> Calculations on whole numbers.

## Financial Performance

- Group Sales increased 27.6% to \$145.1m (FY24: \$113.7m), underpinned by continued growth in both business divisions:
- Industrial Division: +2.7%
- Consumer Division: +11.6%
- Revenue of \$141.7m, up 24.7% year-on-year.
- Gross Profit of \$40.7m, up 20.8% on FY24 (\$33.7m).
- Gross Profit Margin at 28.7%, compared to 29.6% in FY24, due to sales mix and investments in new retail offerings.
- Statutory EBITDA of \$9.9m, an increase of \$3.8m year-on-year.
- Statutory NPAT of \$3.1m, up from \$1.4m in FY24, delivering the strongest net profit result in the Group's history.
- Earnings per Share reached 2.63 cents, up from 1.34 cents in FY24, driven by improved profitability and scaling benefits.

## Five-year key financial performance trend (\$'000)

	2025	2024	2023	2022	2021
Revenue	141,726	113,680	110,993	99,601	69,745
Gross Profit	40,667	33,656	32,551	30,069	20,260
Gross Profit margin	28.7%	29.6%	29.3%	30.2%	29.0%
Underlying EBITDA <sup>1</sup>	9,975	6,431	5,491	4,897	2,802
Statutory EBITDA <sup>1</sup>	9,865	6,079	5,265	3,988	2,913
Statutory EBIT <sup>1</sup>	6,517	3,241	2,322	1,421	1,285
Statutory PBT <sup>2</sup>	4,441	1,856	1,254	697	890
Consolidated Statutory NPAT	3,121	1,355	902	596	558
Basic earnings per share (cents)	2.63	1.34	0.91	0.60	0.57
Share price @ 30 June (cents)	73.0	21.0	12.5	10.0	10.5
Increase/(decrease) in share price (%)	247%	68%	25%	(4.8%)	52.2%

1 EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), Underlying EBITDA and Statutory EBITDA are non-IFRS terms which have not been subject to audit or review; Underlying EBITDA is determined by adding back Transaction costs to the Statutory EBITDA which in turn has been determined by adding back Depreciation and amortisation expense, and Finance costs to profit from continuing operations before tax.

2 FY24 Continuing operations performance is the Group's consolidated performance excluding the Group's net NPAT contribution from discontinued operations of \$0.13m relating to Foreign Currency Translation Reserve benefit less UK closure costs during FY24.

	FY25 \$'000	FY24 \$'000		FY25 \$'000	FY24 \$'000
<b>Balance Sheet</b>			<b>Capital Employed</b>		
Total Assets	92,387	85,192	Inventories	20,918	21,732
Net Debt <sup>3</sup>	6,775	10,816	Trade and other receivables	19,783	19,162
Shareholder Equity	30,249	20,368	Trade and other payables	(25,558)	(25,622)
Gearing (net debt to net debt + equity)	18.3%	34.7%	Other current assets	1,167	807
<b>Cash Flows</b>			<b>Net Working Capital</b>		
Operating cash flows (excluding tax)	5,078	6,249	Property, plant and equipment	2,802	2,418
Tax	(157)	2	Intangible assets	22,651	17,959
Investing cash flows (excluding acquisitions)	(4,837)	(1,549)	Other assets	10	7
Free cash flow	84	4,702	Provisions and other liabilities - current	(2,638)	(2,749)
Acquisition of subsidiaries (net of cash acquired)	-	(13)	<b>Capital Employed</b>		
Financing cash flows	4,209	(2,269)	Net financial debt	(6,775)	(10,816)
Net cash movement	4,293	2,420	Net tax balances	173	339
<b>Debt</b>			Net right-of-use asset / (lease liability)	(284)	(369)
Cash	14,441	10,148	Deferred consideration	(2,000)	(2,500)
Gross Debt <sup>3</sup>	(21,216)	(20,964)	<b>Net Assets</b>		
Net Debt <sup>3</sup>	(6,775)	(10,816)		30,249	20,368
AASB 16 property lease liabilities	(9,517)	(11,948)	<b>Shareholder Returns</b>		
Deferred consideration	(2,000)	(2,500)	Earnings per Share - Members (cents)	2.63	1.34
Total	(18,292)	(25,264)	ROCE (Statutory EBIT <sup>1</sup> )	16.7%	9.6%
			ROE (Statutory NPAT <sup>2</sup> )	10.3%	6.0%
			Market Capitalisation	94,559	24,233

1 ROCE (Return on Capital Employed). FY24 includes one month Force P&L contribution and consolidated Balance Sheet.

2 ROE (Return on Equity). FY24 includes one month Force P&L contribution and consolidated Balance Sheet.

3 Refer note C3 of Annual Report. Gross Debt comprises working capital and acquisition debt, equipment lease liabilities and insurance funding. Net Debt is Gross Debt less Cash. Gross Debt and Net Debt exclude AASB 16 property lease liabilities and deferred consideration.

## Balance Sheet

- Net Assets increased to \$30.2m, up 48.5% on FY24 (\$20.4m), reflecting the \$7.5m capital raising, improved earnings and retained profits.
- Total Assets grew to \$92.4m, up from \$85.2m in FY24.
- Net Debt reduced to \$6.8m, down from \$10.8m, and Net Debt to EBITDA ratio reduced to 0.7x.
- Cash and Cash Equivalents of \$14.4m, boosted by a capital raise and improved cash generation.

## Cash Flows

- Operating Cash Flow of \$4.9m, slightly down from \$6.3m in FY24.
- Free Cash Flow of \$0.1m, after \$4.8m capital investment.
- Cash inflows boosted by \$2.7m received in early July FY26, not included in FY25 result.

## Capital and debt management

- Gross Debt remained steady at \$21.2m, while increased cash reserves drove Net Debt down by \$4.0m.
- Gearing ratio (Net Debt / Net Debt + Equity) improved to 18.3%, down from 34.7% in FY24.
- Capital Expenditure of \$4.8m, funding:
  - New brand launches (e.g. CAT, Belkin, Casetify)
  - Digital channel expansion (3 new online shops)
  - Store upgrades and platform enhancements (e.g. Loyalty program, HR tech, JB Hi-Fi marketplace)
- Dividends paid: \$0.62m in October 2024; final dividend FY24 of 0.84 cents, fully franked.
- The Group continues to apply capital management disciplines across cash balances, working capital management, customer collections, supplier payments and debt repayments.

## Shareholder Returns

- Earnings per Share of 2.63 cents, up 96.2% (FY24: 1.34 cents).
- Market Capitalisation increased nearly 4x to \$94.5m, reflecting strong investor confidence.
- Return on Capital Employed (ROCE) increased to 16.7%, up from 13.8% in FY24.
- Total shareholder base expanded to 959 holders (FY24: 706), highlighting growing market interest.

## Reconciliation of Profits table – Growth Related Investments

The Group has delivered Underlying EBITDA<sup>1</sup> from continuing operations of \$10.0m in FY25 (FY24: \$6.4m) after adding back the Growth- Related Investments made in FY25 totalling \$0.1m (FY24: \$0.4m).

The Group's strategy has continued to focus on increasing market share within existing markets, pursuing opportunities in emerging markets and evaluating acquisition opportunities that add shareholder value, with focus on accelerating new network partnerships, ecommerce, data capabilities, capital management, marketing and completing & considering merger and acquisitions.

A reconciliation of Underlying EBITDA<sup>1</sup> to the reported profit after tax attributable to the members is shown in the following table:

Reconciliation – full-year financial results	FY25 \$'000	FY24 \$'000
<b>Underlying EBITDA<sup>1</sup> from continuing operations</b>	<b>9,975</b>	<b>6,431</b>
<b>Growth Related Investments:</b>		
Transaction costs – due diligence, acquisition analysis, post-acquisition integration, and other related professional fees <sup>2</sup>	(110)	(352)
<b>Statutory EBITDA<sup>1,2</sup></b>	<b>9,865</b>	<b>6,079</b>
Less: Depreciation	(3,348)	(2,838)
<b>Statutory EBIT<sup>1</sup></b>	<b>6,517</b>	<b>3,241</b>
Less: Net Finance Costs	(2,076)	(1,385)
<b>Profit for the period before tax – continuing operations</b>	<b>4,441</b>	<b>1,856</b>
Profit for the period before tax – discontinued operations	-	123
<b>Profit for the period before tax attributable to Members</b>	<b>4,441</b>	<b>1,979</b>
<b>Profit for the period after tax attributable to Members</b>	<b>3,121</b>	<b>1,355</b>

<sup>1</sup> EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), Underlying EBITDA and Statutory EBITDA are non-IFRS terms which have not been subject to audit or review; Underlying EBITDA is determined by adding back Transaction costs to the Statutory EBITDA which in turn has been determined by adding back Depreciation and amortisation expense, and Finance costs to profit from continuing operations before tax.

<sup>2</sup> Transaction costs in FY25 include branch consolidation costs and post acquisition costs associated with Force Technology (FY24: included costs relating to post-acquisition and integration costs relating to acquisition of Force in FY24, plus other opportunities evaluated but which ultimately did not proceed, and branch consolidation costs).

## Sustainability, people and other matters

### Sustainability and Climate

Stealth does not consider it has direct material exposures to climate-related risks through the nature of its business, however, Stealth works closely with both suppliers and customers who may have material exposures to climate-related risks that could indirectly impact Stealth's operations and supply chain.

Force packaging uses the world's most eco-friendly paper, complying with Forest Stewardship Council (FSC) guidelines and certifications that ensure that wood-derived materials are sourced from sustainably managed forests (including responsible water and energy usage, as well as forestry practices). Where plastics are used by Force, it keeps packaging plastic to an absolute minimum and for the small amount we do include, we use corn starch bioplastic. Refer to page 7 for more detail on Quality and Sustainability.

### Safety, people and wellbeing

Stealth maintains a continuous focus on critical safety risks, robust safety systems and targeted training and awareness programs with its employees. This focus includes how we move product safely through our supply chains, warehouses and customers. Safety audits are undertaken, including with assistance of external consultants, and safety incidents are reported to the board of directors.

Stealth has partnered with Assure Programs in offering Mental Health and holistic Wellbeing support to the Group's employees.

Stealth reports under WGEA requirements and continues to actively promote and support workplace gender equality, inclusion and diversity.

### Other

Stealth has formally submitted its Modern Slavery Statement in accordance with the Modern Slavery Act 2018. This demonstrates the Company's ongoing commitment to upholding ethical business practices, strengthening transparency within its operations, and mitigating risks of modern slavery across its supply chain.

## Operating brands

### Heatleys Safety, Industrial & Automotive (Heatleys)

Heatleys Safety, Industrial & Automotive is a leading distribution brand, servicing customers across Australia with a comprehensive range of industrial, safety, workplace and automotive products. With a strong presence in Western Australia and a growing national footprint, Heatleys is renowned for its broad product offering, competitive pricing, and commitment to exceptional customer service.

Leveraging Stealth's extensive supplier network and omni-channel capabilities, Heatleys provides tailored solutions to businesses and trade professionals across multiple sectors. Its reputation for reliability and expertise makes it a key pillar in Stealth Group Holdings' multi-channel distribution strategy.

### C&L Tool Centre (C&L)

C&L Tool Centre, located in Brisbane, is a well-established distribution business, specialising in the supply of tools, equipment and industrial products to trade professionals and businesses across Australia. Known for its strong customer relationships and industry expertise, C&L Tool Centre offers an extensive product range from leading global brands, supported by competitive pricing and reliable service.

As part of Stealth's omni-channel distribution network, C&L Tool Centre leverages group-wide sourcing, logistics and supplier partnerships to deliver value-added solutions tailored to the needs of its customers. Its reputation for quality and product knowledge positions C&L Tool Centre as a trusted partner across multiple sectors.

### United Supply Co. (USC)

United Supply Co. is a trade-focused distribution and buying group within Stealth Group Holdings, established to create a stronger, more profitable distribution platform by uniting partners, members and dealer networks under a shared commercial model.

Designed to support both internal operations and independent business owners, United Supply Co. enables the sale of Stealth's extensive product range through a variety of retail formats, including industrial, tool, safety, rural and auto stores.

The business plays a strategic role in expanding reach and service capability for those seeking to diversify and grow. With a clear vision to become Australia's leading alternative to the major distribution players, United Supply Co. strengthens the Group's presence across the independent retail and trade landscape.

### Trade Member Direct (TMD)

Trade Member Direct (TMD) is Stealth Group Holdings' exclusive trade-focused sales and support channel, designed to service the needs of business and trade customers across Australia. Operating as part of Stealth's multi-channel distribution network, TMD provides direct access to an extensive range of industrial, safety, automotive, workplace and consumer products, supported by competitive pricing and personalised account management.

Through TMD, customers benefit from streamlined ordering, nationwide delivery, tailored product solutions and access to Stealth's broad supplier network. This dedicated trade platform plays a key role in strengthening customer relationships, supporting business growth, and enhancing the overall value proposition within the Stealth Group Holdings portfolio.

### Force Technology International Pty Ltd (Force)

Force Technology is the consumer technology division of Stealth Group Holdings, specialising in the design, development and distribution of mobile accessories and lifestyle technology products. Known for its innovation, quality and contemporary design, Force Technology offers a diverse range of products that enhance everyday connectivity and convenience for consumers.

In addition to developing its own brands, Force Technology holds exclusive distribution agreements with several leading global technology brands. Force Technology supplies major retail and online channels across Australia. Its strong focus on brand development, product differentiation and strategic partnerships makes it a key driver of growth within Stealth Group Holdings' consumer division.

## Material economic, environmental and social sustainability risks

The activities of the Consolidated Entity are subject to a number of risks and other factors which may impact its future performance. The Company recognises that risk is inherent to any business activity and that managing risk effectively is critical to the immediate and future success of the Group. As a result, the Board has adopted a Risk Management Policy which sets out the Group's system of risk oversight, management of material business risks and internal control. Refer section G3 for how the Group manages risk.

Some of these risks may be mitigated by the use of safeguards and appropriate controls. However, many of the risks, especially geo-political and economic risks, are outside the control of the Directors and the Management of the Consolidated Entity and may not be mitigated either in whole or in part. Risk management includes identification, assessment, prioritisation and efficiently addressing the risks that pose the greatest threat.

The following is not intended to be an exhaustive list of the risk factors to which the Group is exposed, however it highlights both generic and specific risks which may have a material impact on the financial performance of the Group.

## Industry and market risks

### Inflation and market risks

Inflation could cause Stealth's operating and administrative expenses to grow more rapidly than net sales, which could result in lower gross margins and lower net earnings. Market variables, such as inflation of product costs, labour rates and fuel, freight and energy costs, as well as geopolitical events could potentially cause the Group to be unable to manage its operating and administrative expenses in a way that would enable it to leverage its revenue growth into higher net earnings. For example, Russia's invasion of Ukraine and other geopolitical conflicts, as well as the related international response, has and may continue to exacerbate inflationary pressures, including causing increases in fuel and other energy costs. In addition, Stealth's inability to pass on increases in costs to customers in a timely manner, or at all, could cause Stealth's operating and administrative expenses to grow, which could result in lower gross profit margins and lower net earnings.

### Supply chain risks

Stealth's logistics or supply chain network could be disrupted by the occurrence of: one or more natural or human induced disasters, including earthquakes, tsunamis, storms, hurricanes, floods, fires, droughts, tornados and other extreme weather; pandemic diseases or viral contagions such as the COVID-19 pandemic; geopolitical events, such as war, civil unrest or terrorist attacks in a country in which Stealth operates or in which its suppliers are located; disruptions in transport networks, including from transport providers or third party work stoppages related to labour strikes or lockouts; and the imposition of measures that create barriers to or increase the costs associated with international trade. Even when Stealth is able to find alternate sources for certain products, they may cost more or require the Company to incur higher transportation costs, which could adversely impact the Company's profitability and financial condition. Any of these circumstances could impair Stealth's ability to meet customer demand for products and result in lost sales, increased supply chain costs, penalties, or damage to Stealth's reputation, any of which, could adversely impact results of operations and financial performance.

### Strategy and disruption risks

Customer behaviour and preferences continue to change and are influenced by factors such as economic conditions, digital and technological development and disruption, sustainability preference and increasing choices. Stealth's strategy puts customers first, with ongoing focus on value, loyalty, e-commerce and experience.

In executing its strategy, there is a risk that Stealth may not realise the full benefits of initiatives that underpin its strategic plan. There is also a risk that initiatives may experience scope, time or cost variability or overruns. Stealth manages this risk through oversight by the Group's Board and management team.

Stealth's business operations and strategic priorities are subject to ongoing review and development and, where necessary, modification.

### Competition risks

Any increase in competitive activity from new or existing competitors may have a detrimental effect on the Group's operations, particularly if Stealth fails to respond effectively to that competitive activity or its response is delayed. Increased competition may also adversely impact Stealth's long-term performance and profitability. We seek to manage this risk through the delivery of our strategic plan and execution of initiatives.

### Foreign exchange risks

The Group has a comprehensive hedging strategy in place to mitigate the impact of potential material currency movements relating to the import of products denominated in USD. The Group continuously monitors macroeconomic indicators to identify risks and opportunities.

## Business acquisition and integration

Achieving Stealth's medium term growth targets requires both organic growth and business acquisitions. In relation to acquisitions, Stealth follows a process of identification, evaluation, negotiation, acquisition and integration. Each step in the process is important in delivering successful growth through acquisition, and key judgements are required at each stage in order to assess the likely success and future performance of the integrated, combined entity.

Stealth identified and assessed several potential acquisitions of scale during the year, investing significant management time and working with external advisors to undertake due diligence to assess the operational, financial and legal strategic fit with the Company's disciplined criteria.

Stealth's acquisition history includes acquisitions completed in FY24 (Force), FY22 (STP in August 2021, UTL in March 2022 and UTA in May 2022), in addition to C&L Tools acquisition in FY21 and Heatleys and ISG in FY19.

The Group will continue to invest in the identification and evaluation of acquisition opportunities in order to achieve its strategic growth objectives by 2028.

The future performance of businesses acquired remains subject to uncertainty which is mitigated by an effective post-acquisition integration process. This includes coordinating geographically separated organisations, integrating information technology systems, integrating personnel and combining different corporate and workplace cultures.

Acquisitions are integrated into the Group via a carefully planned process executed with minimal loss of employees or customers – clear communication and consideration for the existing cultures are keys to success, including keeping key management teams in place following acquisition, and Stealth continues to demonstrate integration proficiency in executing these processes.

## Access to funding

Stealth has had its debt funding facilities with CBA since FY21, which have provided the Group with expanded facilities both for acquisition-specific funding as well as broader working capital funding, including the acquisition of Force. There is a risk that the access to funding could be withdrawn and/or that Stealth does not meet the compliance requirements associated with the funding facility. Cash management and treasury are monitored by the Group on a daily basis, combined with regular meetings between Stealth management and its financier. In addition, the Group has access to equity markets as a listed entity.

## Regulation and compliance risks

Stealth's operations require compliance with various legal and regulatory requirements including work health and safety, environmental regulations, workplace legislation, public liability, privacy and security, financial regulations and disclosure and reporting. Any regulatory breach could have a material negative impact on the reputation or financial results of Stealth or its stakeholders. Non-compliance with applicable laws and regulations could expose Stealth to fine, penalties, investigations, liabilities and reputation impacts. The Group's internal processes are assessed and tested for identification of and compliance with these requirements.

## IT risks including digital disruption, cyber, data and infrastructure

Stealth currently operates numerous IT systems across its organisation, including for eCommerce activities, some of which it hosts and other which are cloud-based. There is a risk that cyber security, data breaches or loss of IT infrastructure access could occur, which could impact on the Group's ability to conduct its business were these losses to occur for an extended period of time. Additionally, digital disruption presents risks that the Group could lose business to competitors, however the launch of new Online marketplaces by the Group could also see it gain business from its competitors. The Group continues to invest in digital channels, targeted strategies on mitigation campaigns against cyber security by upgrading systems and placing ongoing stronger protection measures across the group.

## Environmental and social sustainability

The Group's operations may become subject to significant environmental regulations in the jurisdictions in which it operates, and it may become exposed to material social sustainability risks in the future. At the present time, the Group's operations are not subject to significant environmental regulations in the jurisdictions in which it operates, and it does not have any material exposure to social sustainability risks. A watching brief is maintained on these areas and if any material risk is identified it will be raised and assessed.

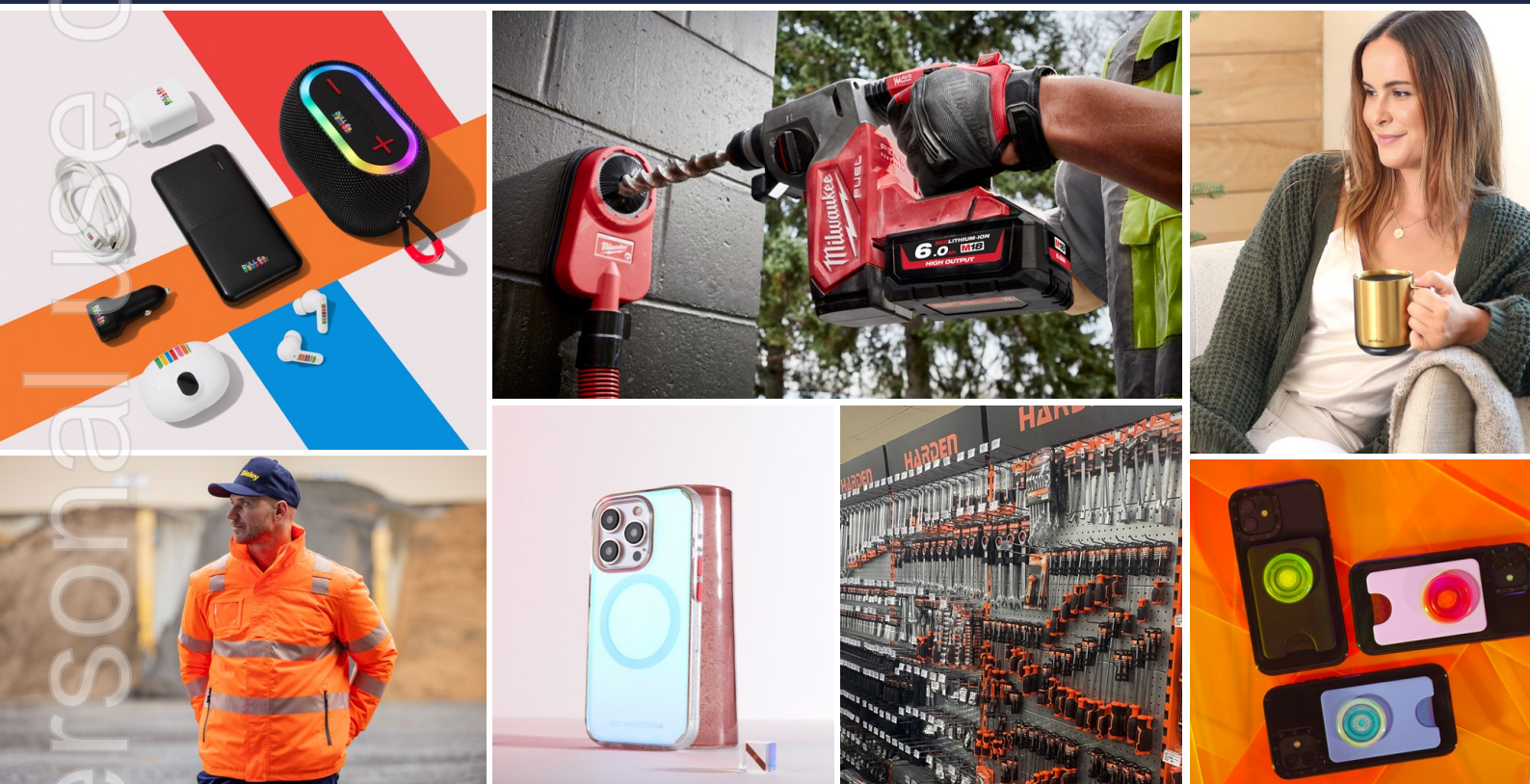
## Summary

As a leading Australian multi-sector distribution company with two distinct divisions — Industrial and Consumer — servicing business, trade, and retail customers across diverse markets, this depth and diversity is expected to provide a steady flow of growth and opportunities over the coming years.

We are resolute in our commitment to deliver these outcomes and continue building a company of scale, resilience, and long-term shareholder value. Demand for our products continues to grow, enabled by a differentiated, multi-sector distribution model that is now disrupting the industry.

# Directors' Report

For the year ended 30 June 2025



# Directors' Report

The Directors present their report together with the consolidated financial statements of Stealth Group Holdings Ltd (**Stealth** or **Company**) and its controlled entities (**Consolidated Entity** or **Group**) for the financial year ended 30 June 2025 and the auditor's report thereon.

## Directors

The names and particulars of the Directors of the Company during or since the end of the financial year and up to the date of this report unless otherwise stated:

Michael Alan Arnold (Group Managing Director)

Christopher Scott Wharton AM (Chairman)

Giovanni (John) Groppoli

Simon Paul Poidevin

All were Directors from the start of the period to the date of this report.

### Michael Arnold (MAICD) – Managing Director

#### Experience and expertise

Mike is the founder of Stealth Group Holdings. He has transformed the company from a startup in 2014 into one of Australia's largest public-listed industrial distribution groups.

With over 38 years of international experience in distribution and supply chain management, Mike has extensive experience in senior leadership roles within the industry. He previously served as the Executive Director and Chief Operating Officer of ADG Global Supply. Before that, Mike was the Managing Director and CEO of Lakewood Logistics for nine years, a joint venture company held between Australia Post and Mike. Concurrently, he held the position of Group General Manager of SWADS from 2004 to 2006, one of Australia's then-largest privately-owned 3rd party logistics companies, which was acquired by Australia Post in 2005. Mike's expertise and vision have been instrumental in shaping the success of these organisations.

The Board considers that Mr. Arnold is not an independent Director.

#### Other current listed entity Directorships

None

#### Former listed entity Directorships in last 3 years

None

#### Special responsibilities at Stealth

Managing Director  
Member of the Audit and Risk Committee  
Member of the Remuneration and Nomination Committee

### Christopher Wharton AM (FAIM & FAICD) – Independent Non-Executive Chairman

#### Experience and expertise

Mr. Wharton is Chairman of Thrive Finance, a WA-based investment company.

He is the former Chief Executive Officer of Seven West Media WA (SWM) and led the acquisition of the Seven Media Group, which ultimately became Seven West Media.

Prior to the formation of SWM he was CEO of publicly-listed West Australian Newspaper Holdings and before that, CEO of Channel Seven Perth for nine years. He was responsible for all SWM's print, online and television and radio broadcasting assets in WA.

He began his career as a journalist and worked in all areas of newspaper management in Sydney before being appointed Chief Executive Officer of Perth's Community Newspaper Group in 1995. In 2013, he became Chairman of Community Newspaper Group. His community and business involvement includes board memberships of the Telethon Trust from 2000-2017 and Gold Corporation from 2002-2019. Chris was a member of the WA Olympic Team Appeal Committee from 2000-2017 and a director of the West Coast Eagles Football Club from 2013-2021.

He is a Fellow of the Australian Institute of Company Directors, the Australian Institute of Management and is a former Councillor and Vice President of the WA Chamber of Commerce and Industry. He is also a former member of the Committee for Perth. He was awarded an Order of Australia Medal in the 2016 Queen's Birthday honours for services to the print and broadcast industries and for services to the community.

#### Other current listed entity Directorships

None

#### Former listed entity Directorships in last 3 years

None

#### Special responsibilities at Stealth

Chairman of the Board  
Member of the Audit and Risk Committee  
Member of the Remuneration and Nomination Committee

### Giovanni Groppoli (B. Juris; LLB & FAICD) – Non-Executive Director

<b>Experience and expertise</b>	<p>Mr. Groppoli is the Principal of GlenForest Corporate (a boutique legal strategy, governance and board advisory firm based in Perth). He is a Fellow of the AICD.</p> <p>Mr Groppoli is the Chairman of Perth Markets Group Ltd, Hunt Architects and MAD3 Consulting Engineers.</p> <p>He is a former director and acting Non-Executive Chairman of Automotive Holdings Group Ltd (now Eagers Automotive Ltd). He was a partner of national law firm Deacons (now Norton Rose Fulbright) from 1987 to 2004.</p> <p>Mr. Groppoli left private practice in 2005 and until 2018 was the managing director of Milner's Brand Marketing, and Aviva Mann Optical Group.</p> <p>Mr. Groppoli acts as External General Counsel to Stealth and the Board considers that Mr. Groppoli is not an independent Director.</p>
<b>Other current listed entity Directorships</b>	None
<b>Former listed entity Directorships in last 3 years</b>	None
<b>Special responsibilities at Stealth</b>	Chair of the Remuneration and Nomination Committee Member of the Audit and Risk Committee

### Simon Poidevin – Independent Non-Executive Director

<b>Experience and expertise</b>	<p>Mr. Poidevin worked in Global Financial Markets for over 37 years, spending 14 years with Citigroup, culminating in heading the firm's Corporate Equity Broking division in Australia.</p> <p>Simon was previously Managing Director, Corporate Broking at Bell Potter Securities Limited, a leading Australian full- service broking and financial advisory firm from 2013 to 2020.</p> <p>Currently, Simon is an Advisory Board Member of leading Safe Harbour insolvency and restructuring firm Wexted Advisors, a Director of WAM Active Limited (ASX:WAA) and has served as a board member on the UNSW Foundation since 1999.</p> <p>Mr. Poidevin represented Australia in Rugby Union from 1980 to 1992, captaining the Wallabies in 1986 and 1987. He was a member of the 1991 Rugby World Cup winning Wallabies, the first Australian Rugby team to win a Rugby World Cup.</p> <p>He was awarded The Australian Sports Medal in 2000 and The Centenary Medal in 2003. He was inducted into the Sport Australia Hall of Fame in 1991 and into the Australian Rugby Hall of Fame in 2014.</p> <p>He is Chairman of The Sports Advisory Council at UNSW and co-founded the establishment of the "Lexcen Scholarships" at the University in 1988. The "Ben Lexcen Sports Scholarships Program" has supported over 220 UNSW Elite Athletes since its creation, enabling 33 Olympians who have collectively won 15 Olympic Medals.</p> <p>Simon was awarded a Bachelor of Science (Hons) at UNSW in 1982. He is a member of both the UNSW Sporting Hall of Fame and the UNSW Faculty of Science Hall of Fame. He received the prestigious UNSW Alumni Award in 1990.</p>
<b>Other current listed entity Directorships</b>	Appointed as a Director of WAM Active Limited (ASX:WAA) on 7 December 2021
<b>Former listed entity Directorships in last 3 years</b>	Nil
<b>Special responsibilities at Stealth</b>	Chair of the Audit and Risk Committee Member of the Remuneration and Nomination Committee

The name and particulars of the Company Secretary of the Company during or since the end of the financial year are:

John Boland (resigned 16 May 2025)

Anthony Benino (appointed 16 May 2025)

### Anthony Benino

<b>Experience and expertise</b>	<p>Anthony has over 35 years senior executive experience in public ASX and private companies.</p> <p>Anthony has performed the Chief Financial Officer and Company Secretary role at a number of ASX listed companies including Sanford Securities, Home Building Society and Finder Energy Ltd. Anthony is currently the Treasurer of the Royal Perth Golf Club.</p> <p>Anthony is a Chartered Accountant and Associate Member of the Governance Institute of Australia.</p>
---------------------------------	---

## Directors' Meetings and Committee Meetings

The Company has both a Remuneration and Nomination Committee and an Audit and Risk Committee. Due to the size of the Board and the Group's operations, the Board has determined that it is appropriate that all Directors are members of each committee. The Remuneration and Nomination Committee is chaired by Mr. Giovanni Groppoli. The Audit and Risk Committee is chaired by Mr. Simon Poidevin.

The number of Directors' meetings (including meetings of the Committees) and the number of meetings attended by each of the Directors of the Company during the year ended 30 June 2025 are:

Director	Board meetings		Remuneration and Nomination Committee meetings		Audit and Risk Committee meetings	
	Held	Attended	Held	Attended	Held	Attended
Michael Arnold	10	10	1	1	3	3
Christopher Wharton (AM)	10	10	1	1	3	3
Giovanni Groppoli	10	10	1	1	3	3
Simon Poidevin	10	10	1	1	3	3

## Directors' Interests

	Held at 1 Jul 2024 / Date of appointment	Purchases / (Sales)	Issued Dividend Re-investment Plan	Issued approved Nov 24 AGM	Held at 30 Jun 2025 and at the date of this Directors' Report
Mr. C Wharton	2,675,122	-	71,561	-	2,746,683
Mr. M Arnold	11,255,927	(592,050)	301,113	217,392	11,182,382
Mr. G Groppoli	1,428,895	-	38,224	-	1,467,119
Mr. S Poidevin	100,000	-	2,675	-	102,675

## Principal Activity

Stealth Group Holdings Ltd is a leading Australian multi-sector distribution company with two distinct divisions — Industrial and Consumer — servicing business, trade, and retail customers across diverse markets.

Stealth operates through wholesale, company-owned stores, retail and trade partnerships, direct-to-business and direct-to-consumer channels, as well as shop-in-shops, showrooms, and digital commerce platforms — supported by a large sales force, contact centres, and integrated logistics, packaging, shipping, and operations infrastructure.

## Review of Operations

The review of operations is contained in the Operating and Financial Review (OFR) section of this Annual Report.

## Changes in State of Affairs

Changes in the state of affairs of the Company are contained in the OFR section of this Annual Report.

## Events since the end of the financial year

Other than the Directors determining to pay a final dividend, there has not arisen in the interval between the year end and the date of this Report any other matter, item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Dividends

The Company paid a \$971,879 dividend on 24 October 2024.

Since year end, the Directors have determined to pay a fully franked final dividend of \$1,295,330 at a rate of \$0.01 per share (2024: \$0.0084 per share).

Record date for determining entitlements to the final dividend is 5.00 pm (AWST) on 7 October 2025.

## Options

As at the date of this report, there are no unissued ordinary shares under option or performance rights arrangements. During FY25 521,741 (FY24: 1,250,639) ordinary shares were issued from discretionary performance rights.

## Future Developments

Information on future developments is contained in the OFR section of this Annual Report

## Material Business Risks

The proposed future activities of the Consolidated Entity are subject to several risks and other factors which may impact its future performance. Some of these risks may be mitigated using safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and the Management of the Consolidated Entity and may not be mitigated either in whole or in part. The material risks are discussed in greater detail in the OFR.

## Environmental Regulations

The Consolidated Entity's operations are not subject to significant environmental regulations in the jurisdictions in which it operates.

## Corporate Governance

The Board of Directors is responsible for the operational and financial performance of the Company, including its corporate governance. The Company believes that the adoption of good corporate governance adds value for stakeholders and enhances investor confidence. The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The Company's Corporate Governance Statement is available on the Company's website, in a section titled Corporate Governance: <https://stealthgi.com/corporategovernance/>

## Indemnification and Insurance of Officers and Auditors

### Indemnification

The Company has agreed to indemnify the current Directors and Officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and Officers of the Company, except where the liability arises out of misconduct.

The agreement stipulates that the Company will meet, to the maximum extent permitted by law, the full amount of any such liabilities, including costs and expenses.

The Company has not agreed to indemnify its current auditors, BDO Audit Pty Ltd.

### Insurance premium

The Company paid a premium, during the financial year in respect of a director and officer liability insurance policy, insuring the Directors of the Group, the Company Secretary, and executive officers of the Group against a liability incurred as a Director, secretary or executive officer to the extent permitted by the *Corporations Act 2001* (**Corporations Act**).

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Director's and officers' liability and legal expenses' insurance contracts as such disclosure is prohibited under the terms of the contract.

## Proceedings on behalf of the Company

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

## Audit and non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditors BDO for audit services provided during the year are set out below. There were no amounts paid or payable to the auditors BDO for non-audit services during the year.

	2025 \$	2024 \$
<b>Audit Services</b>		
Audit Services - BDO	158,289	142,775
<b>Total remuneration for audit services</b>	158,289	142,755

## Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 73.

## Round of Amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

## Remuneration Report – Audited

This Remuneration Report, which forms part of the Directors' Report, outlines the remuneration arrangements of the key management personnel of the Company and the Consolidated Entity in accordance with the requirements of the *Corporations Act 2001*. This information has been audited as required by section 308(3C) of the Corporations Act.

The Remuneration Report is structured as follows:

1. Key Management Personnel
2. Remuneration Overview for Financial Year 2025
3. Remuneration Governance
4. Non-Executive Director Remuneration Arrangements
5. Executive Remuneration Arrangements
  - a. Remuneration Principles and Strategy
  - b. Approach to Setting Remuneration
  - c. Performance Linked Remuneration and Details of Incentive Plans
  - d. Executive Service Agreements
6. Remuneration of Key Management Personnel
7. Performance Rights awarded, vested and lapsed/forfeited during the year
8. Shareholdings of Key Management Personnel
9. Other Key Management Personnel Transactions

## 2. Remuneration Overview for Financial Year 2025

The following provides an overview of the Consolidated Entity remuneration framework for Executives and a summary of outcomes for the financial year ended 30 June 2025 (FY25).

Remuneration component	Overview
Fixed remuneration	Fixed remuneration was paid in line with contractual agreements.
Short-term incentives (STI)	<p>STI measures are determined using financial and non-financial targets established at the commencement of each financial year. The financial targets range from threshold to stretch targets or milestones measured against specifically defined Revenue and EBIT performance indices.</p> <p>The FY25 outcomes in relation to the financial targets did not produce any payments for the threshold opportunity (FY24: nil).</p> <p>The FY25 outcomes in relation to the non-financial targets, including the provision of discretionary payments to key management personnel, was the issue of 434,784 ordinary shares with a value of \$124,926 (FY24: cash payment of \$125,000).</p>
Long-term incentives (LTI)	<p>The Company did not grant any Performance Rights to any KMP under the LTI scheme during FY25 (FY24: nil).</p> <p>There were no movements in performance Rights in FY25 and there are no outstanding Performance Rights granted to any KMP as of 30 June 25.</p> <p>928,267 Performance Rights granted to KMP in FY21 vested in FY24. This vesting was due to the achievement of the EPS component (50%) and the KMP meeting the three-year service condition (30 September 23). The TSR component (50%) was not achieved, and these Performance Rights lapsed in FY24.</p>
Total remuneration	In FY25, the total remuneration was \$1,735,555, this amounted to an increase of \$40,970 (2.4%) compared to the previous financial year (FY24: \$1,694,585) (see Remuneration of Key Management Personnel table below).

## 1. Key Management Personnel

Key management personnel of the Consolidated Entity are defined as those persons having authority and responsibility (directly or indirectly) for planning, directing and controlling the major activities of the Company and the Consolidated Entity including any Director (whether Executive or otherwise) of the Company (as per AASB 124 *Related Party Disclosures*) and certain key executives (together **KMP**).

For the purposes of this Report, the term "Executive" includes the Managing Director and other key executives of the Consolidated Entity.

The following people were KMP of the Consolidated Entity at any time during the financial year and up to the date of this Report and, unless otherwise indicated, were KMP for the entire financial year:

### Executive Director

Mr. Michael Arnold - Group Managing Director

### Non-Executive Directors

Mr. Christopher Wharton AM - Independent Non-Executive Chairman

Mr. Giovanni (John) Groppoli - Non-Executive Director

Mr. Simon Poidevin - Independent Non-Executive Director

### Key Executives

Mr. Luke Cruskall - Group Chief Operating Officer

Mr. Matthew Green - Group Chief Financial Officer  
(Appointed 9 June 2025)

Mr. John Boland - Group Chief Financial Officer  
(Resigned 16 May 2025)

### 3. Remuneration Governance

#### Remuneration and Nomination Committee

The Remuneration and Nomination Committee reviews, and recommends to the Board for approval, the remuneration policy to enable the Company to attract and retain both Executives and Directors who will create value for shareholders having regard to compensation amounts considered to be:

- (a) commensurate for a company of its size and the nature and level of commercial activity; and
- (b) necessary given the organisations and sector that the Company is competing against and within.

The Committee is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed. If necessary, the Remuneration and Nomination Committee obtains independent advice on the appropriateness of remuneration packages given:

- (a) trends in comparable companies and applicable sectors; and,
- (b) the strategic and business objectives of the Consolidated Entity.

Further information on the Remuneration and Nomination Committee's role, responsibilities and membership are set out in the Corporate Governance Statement.

### 4. Non-Executive Director Remuneration Arrangements

#### Remuneration Policy

In accordance with best corporate practice and governance, the structure of Non-Executive Directors' remuneration is clearly distinguished from that of the Executives.

The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and any subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable.

The determination of Non-Executive Directors' remuneration within the legally permitted maximum will be made by the Board having regard to the value of the contributions made by each Non-Executive Director to the Company. The current aggregate Non-Executive Director fee pool has been set at \$450,000 per annum.

#### Level of Non-Executive Directors' Fees

The level of Non-Executive Directors' fees for the financial year ending 30 June 2025 were as follows<sup>1</sup>:

Name	Non-Executive Directors' fees	Chair of Committee fees
Mr. Christopher Wharton	\$93,333 per annum	Not applicable
Mr. Giovanni (John) Groppoli	\$63,333 per annum	\$10,000 per annum
Mr. Simon Poidevin	\$63,333 per annum	\$10,000 per annum

Notes:

<sup>1</sup> Excludes statutory superannuation.

#### Non-Executive Directors Appointment Letters

The Company has entered into letters of appointment with each of the Non-Executive Directors pursuant to which, each of the above-mentioned parties are appointed as Non-Executive Directors of the Company, subject to the Constitution relating to retirement by rotation and re-election of Directors. The letter also summarises the board policies and terms, including remuneration relevant to the office of a non-executive director.

#### Use of Remuneration Consultants

To ensure the Remuneration and Nomination Committee is fully informed when making remuneration decisions, it seeks external remuneration advice from time to time. When engaged, remuneration consultants are appointed by, and report directly to, the Committee.

During the year, the Company did not engage remuneration consultants to aid with benchmarking of non-executive Directors. In any event, neither the Board nor the Company received remuneration recommendations (as defined in the Corporations Act) from any remuneration consultant in relation to any other KMP.

#### Voting and comments made at the Company's 2024 Annual General Meeting

At the 2024 Annual General Meeting, 93.8% of votes cast were in favour of the adoption of the Company's remuneration report for the 2024 financial year. The Company did not receive any comments at the Annual General Meeting on its remuneration report.

In addition to the Directors' Fees, a Non-Executive Director may be paid other fees or amounts (subject to any necessary shareholder approval, non-cash performance incentives such as options) as the Board may determine where a Non-Executive Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Non-Executive Director.

Non-Executive Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Non-Executive Directors.

Non-Executive Directors do not receive any retirement benefits, other than statutory superannuation guarantee contributions, nor do they receive any performance related compensation.

## 5. Executive Remuneration Arrangements

Remuneration for Executives is set out in their respective employment agreements.

Executive Directors may receive performance related remuneration.

### (a) Remuneration Principles and Strategy

The remuneration structures explained below are competitively set to attract and retain suitably qualified and experienced candidates, reward the achievement of strategic and business objectives and achieve the broader outcome of value creation for shareholders.

The remuneration structures take into account the following:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the relevant segment's performance;
- the Consolidated Entity's performance including:
  - the Consolidated Entity's earnings and financial position; and
  - subsequent to the ASX-listing, the growth in share price and shareholder return.

The following table illustrates how the Consolidated Entity remuneration strategy aligns with strategic direction and links remuneration outcomes to performance.

Remuneration component	Vehicle	Purpose	Link to performance
Fixed remuneration	Fixed remuneration consists of base remuneration as well as statutory superannuation and other benefits including motor vehicle allowances and income protection insurance. The Consolidated Entity pays fringe benefits tax on these benefits, where applicable.	To provide competitive fixed remuneration for key executives determined by the seniority of the position, the scope of their role and the knowledge, skill and experience required to perform the role.	Company and individual performance are considered during the annual remuneration reviews of the KMP.
STI	At-risk bonus provided in the form of cash.	To reward executives for their contribution to achievement of a range of financial and non-financial business outcomes, as well as individual objectives.	Group Net Profit Before Tax is the key financial metric, other than for the Managing Director whose STIs are based on Group Net Profit After Tax.
LTI	Awards are made in the form of options over ordinary shares or the issue of performance rights in the Company. Performance rights do not attract dividends or voting rights.	Acts as a tool for retention of the executive and encourages the executive to take a long-term view of Consolidated Entity performance.	Vesting conditions and performance measures will be set by the Board each year. No LTI was offered in FY24 or FY25.

### Statutory key performance indicators of the Group over the past five years

	2025	2024	2023	2022	2021
Profit for the year attributable to owners of Stealth Group Holdings Ltd (\$'000)	3,121	1,355	902	596	558
Basic earnings per share (cents)	2.63	1.34	0.91	0.60	0.57
Share price @ 30 June (cents)	73.0	21.0	12.5	10.0	10.5
Increase/(decrease) in share price (%)	247%	68%	25%	(5%)	52%
Total KMP incentives <sup>1</sup> as percentage of profit/(loss) for the year (%)	4.0%	9.8%	15.4%	9.4%	24.3%

<sup>1</sup> KMP incentives comprise bonuses and share-based payments as per remuneration report.

### (b) Approach to Setting Remuneration

The executive remuneration framework consists of a mixture of fixed remuneration, STIs and LTIs. The Company aims to reward Executives with a level and mix of remuneration appropriate to their position, responsibilities and performance within the business and aligned with market practice.

The Company's remuneration policy is intended to provide the opportunity to earn rewards for outstanding performance against threshold and stretch targets set by the Board.

Remuneration levels are considered annually through a remuneration review that considers the performance of the Company and the individual employee, geographical reach and complexity, relevant market movements and trends and the broader economic environment.

### (c) Performance Linked Remuneration and Details of Incentive Plans

#### Short-term incentive plan

The Consolidated Entity operates an annual short-term incentive plan (**STIP**) for certain key employees. Under the STIP, participants have the opportunity to receive a cash incentive payment determined by the Board up to a maximum percentage of their fixed annual remuneration each year, conditional on the achievement of both financial and non-financial performance targets and criteria.

The financial criteria relate to the financial performance of the Consolidated Entity and the participant's performance against budget and the non-financial criteria/targets relate to achievement of team and individual key performance indices (**KPI**). These financial and non-financial criteria are selected with the purpose of directly aligning individual rewards with the delivery of the overall strategy and performance of the Consolidated Entity.

The performance measures against which each participant's STI is assessed, and their relative weightings, will be tailored to a participant's role and will be set by the Board each year. Certain minimum conditions set by the Board must be satisfied in order to receive a payment. However, the Board at all times retains ultimate discretion on the payment of any bonus.

Specific performance targets are set for the delivery of financial performance outcomes ranging from threshold to stretch profitability.

STI financial targets are specific profit measures aligned to:

- consolidated profit for the Managing Director and certain KMP; and
- divisional profit for key operational employees.

The non-financial criteria are evaluated by reference to, or against, a range of measures. The assessment (and the intended objectives) is derived from the following measures:

Non-financial measure	Overview and objective
Strategic business development	<ul style="list-style-type: none"> <li>• KPIs aligned to delivery of strategic plan and initiatives</li> <li>• Effective integration of acquisitions and alignment to target objectives</li> <li>• Growth in customers, suppliers, product range, network partnerships</li> </ul>
Stakeholder relationships	<ul style="list-style-type: none"> <li>• Management of external relationships (manufacturers, partners, distributors, suppliers)</li> <li>• KPIs aligned to customer relationships and successful business outcomes</li> </ul>
People management	<ul style="list-style-type: none"> <li>• KPIs aligned to compliance with and promotion of the Consolidated Entities values, policies and behaviours</li> </ul>
Expense management	<ul style="list-style-type: none"> <li>• Expense management targets are set</li> <li>• KPIs aligned to the achievement of budget and identifying and implementing strategies to reduce costs</li> </ul>
Compliance and reporting	<ul style="list-style-type: none"> <li>• Specific measures surrounding compliance with policies and adherence with regulatory requirements</li> </ul>

At the end of the financial year and subsequent to the completion of the financial year-end audit, the Remuneration and Nomination Committee and Board assess the performance of the Consolidated Entity, the relevant segment and the individual KMPs against the performance criteria set. If it is determined that the performance criteria has been reached, the Remuneration and Nomination Committee recommends the STI to be paid to the individual KMPs subject to approval by the Board.

The Board may at its sole discretion also approve STI payments to key employees for other non-financial performance-based outcomes as reasonably determined from time to time. Discretionary payments may be awarded by the Board either during the financial year or at the end of the financial year.

Participation in the STIP in a particular financial year does not give rise to any entitlement to participate in any such arrangement for future years, any replacement arrangement, or any other incentive plan which the Consolidated Entity may have in place.

#### Long-term incentive plan

The Company has adopted a long-term incentive plan (**LTIP**) in order to assist in the motivation and retention of key employees.

The LTIP is designed to align the interests of eligible employees more closely with the interests of shareholders by providing:

- an opportunity for eligible employees to receive an equity interest in the Company; and,
- participants with the incentive to deliver growth in shareholder value.

Under the LTIP, eligible employees may be offered options and/or performance rights which may be subject to vesting conditions set by the Board, up to a specific limit calculated as a percentage of their fixed annual remuneration each year, and otherwise conditional on achievement of the stipulated performance criteria.

The performance measures against which each participant's LTI is assessed and their relative weightings will be set by the Board each year.

At the end of the financial year and subsequent to the completion of the year-end audit, the Remuneration and Nomination Committee and the Board will assess the performance of the Consolidated Entity, the relevant segment and individual against the KPIs set down.

This approach ensures that the quantum of STIs earned and paid to any individual KMP is directly driven by a financial performance metric relevant to that person's role. The total amount of STIs paid in a financial year is directly linked to the overall financial performance of the Company for that year.

Actual performance is determined on the basis of the audited financial results and for non-financial criteria, performance is determined on the basis of internal management reviews and reports.

If it is determined a KPI has been reached or satisfied, the Remuneration and Nomination Committee will recommend that options and / or performance rights be issued to the individuals, subject to approval by the Board. Performance rights and options may only be offered to Executive Directors subject to approval by shareholders in a general meeting and any other approval required under the Corporations Act or Listing Rules.

#### Performance Conditions

No LTI was offered during FY25 (FY24: nil).

#### Assessing performance and claw-back of remuneration:

The Remuneration and Nomination committee is responsible for assessing performance against KPIs and determining the STI and LTI to be paid.

In the event of serious misconduct or a material misstatement in the Company's financial statements, the Remuneration and Nomination committee may cancel or defer performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

#### Consolidated Entity Performance and its link to Short-Term Incentives and Long-Term Incentives

##### STI Financial performance measures for FY25

The FY25 financial performance measures were Consolidated Entity Net Profit Before Tax in respect of the Executives and Consolidated Entity Net Profit After Tax in respect of the Managing Director. Given the results of FY25, an STI Financial was not considered payable.

##### STI Non-financial performance measures for FY25

The 2025 outcomes in relation to the non-financial targets, included the provision of discretionary payments to KMP, was the issue of 434,784 ordinary shares with a value of \$124,926 to KMP (FY24: cash payment of \$125,000).

##### LTI measures for FY25

The Company did not grant any Performance Rights to KMP under the LTIP for FY25 (FY24: nil).

#### (d) Executive Service Agreements

Remuneration and other terms of employment for the KMP are formally set out in their respective employment agreements which also contain customary clauses dealing with, amongst other things, immediate termination for gross misconduct and confidentiality.

A summary of the key contractual provisions of the executive service agreements for each of the Executives in place at the date of this report or during the year is set out below:

Name and job title	Commencement Date	Contract duration	Notice period	Termination provision
Michael Arnold, Group Managing Director	1 July 2018	Ongoing contract	12 months (Executive or Company)	Without cause: Must be employed at 30 September in the year of payment to be eligible to receive STI. All vested and unexercised LTI can be exercised in accordance with the rules of the LTIP.  With cause: STI is not awarded, and unvested LTI will lapse.  At the ultimate discretion of the Company as to whether any STI or LTI is payable on termination.
Luke Cruskall, Chief Operating Officer	1 August 2018	Ongoing contract	Executive: 3 months  Company: 6 months (additional 2 months should termination occur in November or December)	Without cause: Must be employed at 30 September in the year of payment to be eligible to receive STI. All vested and unexercised LTI can be exercised in accordance with the rules of the LTIP.  With cause: STI is not awarded, and unvested LTI will lapse.  At the ultimate discretion of the Company as to whether any STI or LTI is payable on termination.
Matthew Green, Chief Financial Officer	9 June 2025	Ongoing contract	3 months (Executive or Company)	At the ultimate discretion of the Company as to whether any STI or LTI is payable on termination.
John Boland, Chief Financial Officer	10 August 2020	Resigned 16 May 2025	Executive: 3 months  Company: 3 months	Without cause: Must be employed at 30 September in the year of payment to be eligible to receive STI. All vested and unexercised LTI can be exercised in accordance with the rules of the LTIP.  With cause: STI is not awarded, and unvested LTI will lapse.  At the ultimate discretion of the Company as to whether any STI or LTI is payable on termination.

## 6. Remuneration of Key Management Personnel

The tables below provides the remuneration details for the Non-Executive Directors, Executive Director and KMP of the Consolidated Entity for the financial years ended 30 June 2025 and 30 June 2024:

	Short-Term Employment Benefits				Post-Employment benefits	Long-Term Employment Benefits		Total \$	% of Rem that is performance based
	Base salary, fees & allowances \$	Bonuses earned and payable \$	Share-based payments \$	Other non-monetary benefits \$	Super-annuation \$	Long service leave \$	Share-based payments \$		
<b>2025</b>									
<b>Non-Executive Directors</b>									
Mr. C Wharton	93,333	-	-	-	10,733	-	-	104,066	-
Mr. G Groppoli	73,333	-	-	-	8,433	-	-	81,766	-
Mr. S Poidevin	73,333	-	-	-	8,433	-	-	81,766	-
<b>Total Non-Executive Directors</b>	<b>239,999</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,599</b>	<b>-</b>	<b>-</b>	<b>267,598</b>	<b>-</b>
<b>Executive Director</b>									
Mr. M Arnold	486,800	-	77,174	24,782	29,932	7,630	-	626,318	12%
<b>Total Executive Director</b>	<b>486,800</b>	<b>-</b>	<b>77,174</b>	<b>24,782</b>	<b>29,932</b>	<b>7,630</b>	<b>-</b>	<b>626,318</b>	
<b>Other KMP</b>									
Mr. L Cruskall – COO	403,033	-	28,651	11,078	29,932	12,793	-	485,487	6%
Mr. M Green – CFO <sup>1</sup>	16,923	-	-	-	1,946	261	-	19,130	-
Mr. J Boland – CFO <sup>2</sup>	286,486	-	19,101	871	26,564	-	-	333,022	6%
<b>Total Other KMP</b>	<b>706,442</b>	<b>-</b>	<b>47,752</b>	<b>11,949</b>	<b>58,442</b>	<b>13,054</b>	<b>-</b>	<b>837,639</b>	<b>6%</b>
<b>Total KMP</b>	<b>1,433,241</b>	<b>-</b>	<b>124,926</b>	<b>36,731</b>	<b>115,973</b>	<b>20,684</b>	<b>-</b>	<b>1,735,555</b>	<b>7%</b>

Notes:

1 From date of appointment on 9th June 2025

2 Up to date of resignation on 16th May 2025

	Short-Term Employment Benefits				Post-Employment benefits	Long-Term Employment Benefits		Total \$	% of Rem that is performance based
	Base salary, fees & allowances \$	Bonuses earned and payable \$	Share-based payments \$	Other non-monetary benefits \$	Super-annuation \$	Long service leave \$	Share-based payments \$		
<b>2024</b>									
<b>Non-Executive Directors</b>									
Mr. C Wharton	85,000	-	-	-	9,350	-	-	94,350	-
Mr. G Groppoli	65,000	-	-	-	7,150	-	-	72,150	-
Mr. S Poidevin	65,000	-	-	-	7,150	-	-	72,150	-
<b>Total Non-Executive Directors</b>	<b>215,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,650</b>	<b>-</b>	<b>-</b>	<b>238,650</b>	<b>-</b>
<b>Executive Director</b>									
Mr. M Arnold	486,800	125,000	-	18,054	27,500	9,436	-	666,790	19%
<b>Total Executive Director</b>	<b>486,800</b>	<b>125,000</b>	<b>-</b>	<b>18,054</b>	<b>27,500</b>	<b>9,436</b>	<b>-</b>	<b>666,790</b>	
<b>Other KMP</b>									
Mr. L Cruskall – COO	343,200	-	-	49,284	27,500	15,957	4,832	440,773	1%
Mr. J Boland – CFO	311,624	-	-	1,547	27,500	3,573	4,128	348,372	1%
<b>Total Other KMP</b>	<b>654,824</b>	<b>-</b>	<b>-</b>	<b>50,831</b>	<b>55,000</b>	<b>19,530</b>	<b>8,960</b>	<b>789,145</b>	<b>1%</b>
<b>Total KMP</b>	<b>1,356,624</b>	<b>125,000</b>	<b>-</b>	<b>68,885</b>	<b>106,150</b>	<b>28,966</b>	<b>8,960</b>	<b>1,694,585</b>	<b>8%</b>

## 7. Performance Rights awarded, vested and lapsed/forfeited during the year

There were no Performance Rights granted to executives as LTI-based remuneration during FY25 (FY24: Nil).

There are no deferred Performance Rights as of 30 June 2025 (30 June 2024: Nil).

## 8. Shareholdings of Key Management Personnel

The movement during the year in the number of ordinary shares in the Company held directly or indirectly or beneficially by each member of the Key Management Personnel, including their related parties, is as follows:

KMP	Held at 1 Jul 2024/ Date of appointment	Purchases/ (Sales)	Issued under Dividend Reinvestment Plan	Issued discretionary bonus	Held at 30 Jun 2025 and at the date of this Directors' Report
<b>Directors</b>					
Mr. C Wharton <sup>1</sup>	2,675,122	-	71,561	-	2,746,683
Mr. M Arnold <sup>2</sup>	11,255,927	(592,050)	301,113	217,392	11,182,382
Mr. G Groppoli <sup>3</sup>	1,428,895	-	38,224	-	1,467,119
Mr. S Poidevin <sup>4</sup>	100,000	-	2,675	-	102,675
<b>Senior Executives</b>					
Mr. L Cruskall <sup>5</sup>	586,448	-	-	130,435	716,883

Note:

- 1,191,029 Shares held by Nicarddon Pty Ltd as trustee for the Wharton Family Trust. Mr. Wharton is a director and shareholder of the trustee and a beneficiary of the trust. 1,555,654 Shares held by Christopher Wharton & Donna Wharton as trustee for Wharton Super Fund, of which trust Mr. Wharton is joint trustee and a beneficiary of the superannuation fund.
- 9,796,420 Shares held by Sorrento200 Holdings Pty Ltd as trustee for the Sorrento200 Holdings Trust. Mr. Arnold is a director and shareholder of the trustee and a beneficiary of the trust. 903,247 Shares held by Michael Alan Arnold & Linda Jan Arnold as trustee for Talukei Super Fund, of which Mr. Arnold is joint trustee and a beneficiary of the superannuation fund. 482,715 shares held by Michael Alan Arnold & Linda Jan Arnold as trustee for Arnold Family Trust. Mr. Arnold is a director and shareholder of the trustee and a beneficiary of the trust.
- 1,159,094 Shares held by Giovanni (John) Groppoli as trustee for The Milo Trust. Mr. Groppoli is a beneficiary of the trust. 308,025 Shares held by Glen Forest Pty Ltd as trustee for the Jubaea Super Fund, of which Mr. Groppoli is a director and a shareholder of the trustee and a beneficiary of the superannuation fund.
- 102,675 Shares held by Brydem Pty Ltd as trustee for Simon Poidevin Family Trust. Mr. Simon Poidevin is a director Brydem Pty Ltd and is a beneficiary of the Simon Poidevin Family Trust.
- 533,700 Shares held by the Trustee for JOL Cruskall Superannuation Fund, of which Mr. Cruskall is trustee and a beneficiary of the superannuation fund. 183,183 shares held by Mr. Cruskall in his name.

No options were held by, issued to, or exercised by KMP during the year.

## 9. Other Key Management Personnel Transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The related party transactions with KMP are set out below.

	2025 \$	2024 \$
The Company engaged GlenForest Corporate of which Giovanni Groppoli is the Principal for the provision of both legal and corporate advisory services. John Groppoli was appointed a Director on 30 June 2018	11,453	29,137
Trade and other payables owing to GlenForest Corporate of which Giovanni Groppoli is the Principal, from the Company as at end of the year	3,025	19,800

The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

There were no other KMP transactions during the 2025 or 2024 financial years.

### Options

No options were held by, issued to, or exercised by KMP during the year.

### Loans to Key Management Personnel

There were no loans to KMP during the year.

### This concludes the Remuneration Report, which has been audited.

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

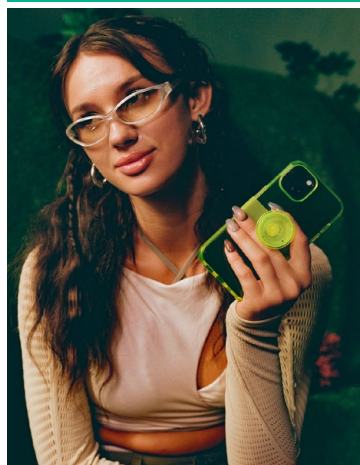
On behalf of the Directors



**Michael Arnold**  
Group Managing Director  
Perth, 26 August 2025

# Annual Financial Report

For the year ended 30 June 2025



# Consolidated Statement of Profit or Loss and Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>Continuing operations</b>			
Revenue	B2	141,726,469	113,680,264
Cost of sales		(101,059,544)	(80,023,887)
<b>Gross profit</b>		<b>40,666,925</b>	<b>33,656,377</b>
Other income	B2	28,636	6,452
Personnel expenses		(20,945,364)	(20,266,453)
Administration expenses		(9,181,169)	(6,254,576)
Occupancy expenses		(565,427)	(704,079)
Transaction costs	B2	(109,735)	(352,116)
Depreciation and amortisation expense	B2	(3,347,788)	(2,838,037)
Finance costs	B2	(2,104,737)	(1,391,659)
<b>Profit from continuing operations before income tax</b>		<b>4,441,341</b>	<b>1,855,909</b>
Income tax expense	D1	(1,320,277)	(634,699)
<b>Profit after tax from continuing operations</b>		<b>3,121,064</b>	<b>1,221,210</b>
Profit after tax from discontinued operations		-	134,070
<b>Profit for the year</b>		<b>3,121,064</b>	<b>1,355,280</b>
Profit for the year attributable to:			
<b>Owners of the Company</b>		<b>3,121,064</b>	<b>1,355,280</b>
<b>Comprehensive income</b>			
<b>Profit for the year</b>		<b>3,121,064</b>	<b>1,355,280</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		6,831	(215,704)
Loss on cash flow hedges		(153,530)	-
<b>Total comprehensive income for the year</b>		<b>2,974,365</b>	<b>1,139,576</b>
Total comprehensive income for the year attributable to:			
<b>Owners of the Company</b>		<b>2,974,365</b>	<b>1,139,576</b>
<b>Earnings per share for profit attributable to the ordinary equity holders of the company:</b>			
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	E4	2.63	1.34
Diluted earnings per share	E4	2.63	1.33

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

# Consolidated Statement of Financial Position

As at 30 June 2025

	Note	2025 \$	2024 \$
<b>Current Assets</b>			
Cash and cash equivalents	C1	14,440,724	10,147,518
Trade and other receivables	C4	19,782,578	19,162,069
Inventories	C5	20,918,251	21,731,590
Other assets		1,166,682	807,463
<b>Total Current Assets</b>		<b>56,308,235</b>	<b>51,848,640</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	C7	2,801,666	2,417,985
Right-of-use assets	C12	9,233,643	11,579,593
Intangible assets	C8	22,651,257	17,958,718
Deferred tax assets	D3	1,382,287	1,380,730
Other assets		10,016	6,700
<b>Total Non-Current Assets</b>		<b>36,078,869</b>	<b>33,343,726</b>
<b>Total Assets</b>		<b>92,387,104</b>	<b>85,192,366</b>
<b>Current Liabilities</b>			
Trade and other payables	C9	25,558,402	25,622,429
Lease liabilities	C12	1,849,228	2,209,810
Financial liabilities	C11	21,215,489	20,885,188
Current tax liabilities	D2	893,586	-
Provisions	C10	2,387,130	2,581,031
<b>Total Current Liabilities</b>		<b>51,903,835</b>	<b>51,298,458</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	C12	7,668,122	9,738,433
Financial liabilities	C11	2,000,000	2,500,000
Deferred tax liabilities	D3	315,746	1,042,149
Provisions	C10	250,487	245,764
<b>Total Non-Current liabilities</b>		<b>10,234,355</b>	<b>13,526,346</b>
<b>Total Liabilities</b>		<b>62,138,190</b>	<b>64,824,804</b>
<b>Net Assets</b>		<b>30,248,914</b>	<b>20,367,562</b>
<b>Equity</b>			
Issued capital	E1	24,587,582	16,862,246
Accumulated funds	E3	5,324,999	3,329,344
Reserves	E1	336,333	175,972
<b>Total Equity</b>		<b>30,248,914</b>	<b>20,367,562</b>

The consolidated statement of financial position is to be read in conjunction with the accompanying notes:-

# Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

Attributable to owners of Stealth Group Holdings Ltd

	Issued Capital \$	Reserves \$	Accumulated Funds \$	Total \$
Balance as at 1 July 2023	13,528,699	557,791	1,974,064	16,060,554
Profit for the year	-	-	1,355,280	1,355,280
Other comprehensive income for the year	-	(215,704)	-	(215,704)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(215,704)</b>	<b>1,355,280</b>	<b>1,139,576</b>
Transactions with Equity Holders in their capacity as Equity Holders				
Ordinary shares issued	3,355,470	(177,591)	-	3,177,879
Share issue costs	(21,923)	-	-	(21,923)
Share based payments – long term incentives	-	11,476	-	11,476
<b>Balance as at 30 June 2024</b>	<b>16,862,246</b>	<b>175,972</b>	<b>3,329,344</b>	<b>20,367,562</b>
Balance as at 1 July 2024	16,862,246	175,972	3,329,344	20,367,562
Profit for the year	-	-	3,121,064	3,121,064
Other comprehensive income for the year	-	160,361	(153,530)	6,831
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>160,361</b>	<b>2,967,534</b>	<b>3,127,895</b>
Transactions with Equity Holders in their capacity as Equity Holders				
Ordinary shares issued	8,034,016	-	-	8,034,016
Share issue costs	(308,680)	-	-	(308,680)
Dividend paid	-	-	(971,879)	(971,879)
<b>Balance as at 30 June 2025</b>	<b>24,587,582</b>	<b>336,333</b>	<b>5,324,999</b>	<b>30,248,914</b>

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

# Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		139,840,629	117,887,250
Payment to suppliers		(133,277,733)	(110,458,984)
Interest paid		(1,484,936)	(1,179,342)
Income tax refund received / (paid)		(156,792)	1,850
<b>Net cash inflow from operating activities</b>	C2	<b>4,921,168</b>	<b>6,250,774</b>
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		(1,072,157)	(371,184)
Proceeds from the sale of plant and equipment		26,371	57,154
Interest received		28,636	6,452
Payment for intangible assets		(3,820,362)	(1,241,366)
Payment for acquisition of business / subsidiary – net of cash acquired	F3	-	(12,786)
<b>Net cash (outflow) from investing activities</b>		<b>(4,837,512)</b>	<b>(1,561,730)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issue		7,500,000	-
Payments for share issue costs		(440,972)	-
Payments for dividend		(621,547)	-
Proceeds from financial liabilities		1,657,729	931,863
Repayment of financial liabilities		(3,885,660)	(3,200,722)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>4,209,550</b>	<b>(2,268,859)</b>
<b>Net increase in cash and cash equivalents</b>		<b>4,293,206</b>	<b>2,420,185</b>
Cash and cash equivalents at the beginning of the year		10,147,518	7,727,333
<b>Cash and cash equivalents at the end of the year</b>	C1	<b>14,440,724</b>	<b>10,147,518</b>

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## Section A: About this Report

### A1 Reporting Entity

Stealth Group Holdings Ltd (**Stealth** or **Company**) is a company domiciled in Australia. The consolidated financial statements for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the **Group** and individually as **Group Entities**).

The Company's registered office and principal place of business is Level 2, 43 Cedric Street, Stirling Western Australia 6021.

### A2 Basis of Preparation

#### (a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements of the Consolidated Entity comply with International Financial Reporting Accounting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB). It presents the results of Stealth and its controlled entities (Consolidated Entity).

The consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The consolidated financial statements are prepared on an accruals basis and are based on historical costs except where otherwise stated. The financial statements were approved by the Board of Directors on 26 August 2025.

#### (b) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

#### (c) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to use judgement, estimates and assumptions that affect the application of accounting policies and hence the reported amounts of assets, liabilities, income and expenses. The following table lists the areas where a higher degree of judgement or complexity was involved, and areas that have the potential to be materially adjusted in their presentation in the financial statements should those estimates or assumptions be incorrect.

Estimates and underlying assumptions are reviewed on an ongoing basis and any required revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected:

(i)	Taxation – estimation of current tax payable and current tax expense, and recognition of deferred tax asset	Section D
(ii)	Business combinations – fair value of purchase consideration	Section F3
(iii)	Intangible assets – estimation of impairment	Section C8
(iv)	Inventories – valuation of inventory	Section C5

### A3 Material Accounting Policies

The accounting policies set out in Section I to the consolidated financial statements have been applied consistently to all periods presented in these consolidated financial statements.

## Section B: Business Performance

### B1 Operating Segments

The Consolidated Entity results are reported as two business segments (FY2024: two) based on the nature of operations, which are reviewed regularly by the Board of Directors. The principal results reviewed for each area are revenue and adjusted operating profit.

The Board of Directors' view is that there were two reportable segments during the current reporting period, being the operations of Industrial Services (Industrial) and Consumer Technology (Consumer). These are different to the reportable segments as reported at FY2024, post the Group's acquisition of Force effective 1 June 2024. The FY24 comparatives have been restated in accordance with the two reportable segments for FY25.

The Group's Industrial operations are judged by management to form a single operating segment, due to a combination of factors, including overlapping nature of their customers and their suppliers, of the products they sell and how they are sold, and their competitors, being primarily Australia-wide operations.

The Group's Consumer operations are judged by management to form a single operating segment, due to the overlapping nature of services that they provide, the suppliers they interact with and their competitors, both operating on an Australia-wide basis.

Unless stated otherwise, all amounts reported to the Board of Directors with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Consolidated Entity.

All intersegment transactions are eliminated on consolidation of the Consolidated Entity's financial statements. Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. Usually, segment assets are clearly identifiable based on their nature and physical location. Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. The following items of revenue and expenses are not allocated to operating segments as they are not considered part of the core operations of any segment: Finance expense and Income tax expense. Transactions costs are allocated to Corporate.

Year ended 30 June 2025	Industrial \$	Consumer \$	Unallocated \$	Group Total \$
<b>Total revenue</b>	103,635,835	38,090,634	-	<b>141,726,469</b>
<b>Adjusted operating profit / (loss)</b>	6,336,011	2,126,322	(1,806,520)	<b>6,655,813</b>
Transaction costs	(91,095)	-	(18,640)	<b>(109,735)</b>
<b>Operating profit / (loss)</b>	6,244,916	2,126,322	(1,825,160)	<b>6,546,078</b>
Finance expense				<b>(2,104,737)</b>
<b>Profit before income tax</b>				<b>4,441,341</b>
Income tax expense				<b>(1,320,277)</b>
<b>Profit for the year attributable to owners of the company</b>				<b>3,121,064</b>
Reportable segment assets	41,869,208	14,899,556	35,618,340	<b>92,387,104</b>
Reportable segment liabilities	30,042,779	13,071,288	19,024,123	<b>62,138,190</b>
Capital employed	11,826,429	1,828,268	16,594,217	<b>30,248,914</b>
Capital expenditure	637,070	117,743	349,862	<b>1,104,675</b>
Depreciation and amortisation	2,680,160	178,563	489,065	<b>3,347,788</b>

Refer section B2 for revenue from services.

Unallocated segment operating profit / (loss) represents corporate cost of the Company that are not directly attributable to either segment. Unallocated assets and liabilities are total assets and liability of the Company reduced for inter segment loans. Unallocated revenue in FY24 is revenue of closed company owned store, 6 on-premises customer stores and 5 independent member stores.

Year ended 30 June 2024	Industrial \$	Consumer \$	Unallocated \$	Group Total \$
<b>Total Revenue</b>	100,933,859	1,913,521	10,832,883	<b>113,680,264</b>
<b>Adjusted operating profit / (loss)</b>	6,365,607	247,942	(2,890,745)	<b>3,722,804</b>
Transaction costs	(255,633)	-	(96,483)	<b>(352,116)</b>
<b>Operating profit / (loss)</b>	6,109,974	247,942	(2,987,228)	<b>3,370,688</b>
Finance expense				<b>(1,391,659)</b>
<b>Profit before income tax</b>				<b>1,979,029</b>
Income tax expense				<b>(623,749)</b>
<b>Profit for the year attributable to owners of the company</b>				<b>1,355,280</b>
Reportable segment assets	51,712,019	12,200,117	21,280,230	<b>85,192,366</b>
Reportable segment liabilities	34,942,745	12,065,015	17,817,044	<b>64,824,804</b>
Capital employed	16,769,274	135,102	3,463,186	<b>20,367,562</b>
Capital expenditure	250,083	-	86,347	<b>336,430</b>
Depreciation and amortisation	2,486,141	17,704	334,192	<b>2,838,037</b>

## B2 Revenues, Other Income and Other Expenses

	2025 \$	2024 \$
<b>(a) Revenue</b>		
Sales revenue	133,170,056	104,174,625
Service revenue	8,556,413	9,505,639
<b>Total revenue</b>	<b>141,726,469</b>	<b>113,680,264</b>
<b>(b) Other income</b>		
Interest income	28,636	6,452
<b>(c) Other expenses</b>		
Expected credit losses	20,560	6,328
<b>(d) Employee benefits expense</b>		
Wages and salaries costs (excluding superannuation)	16,796,375	17,067,376
Superannuation	2,226,677	1,848,712
<b>(e) Depreciation and amortisation</b>		
Depreciation of property, plant and equipment	673,268	532,742
Depreciation of right-of-use assets	2,048,570	1,949,294
Amortisation of intangible assets	625,950	356,001
<b>Total depreciation and amortisation</b>	<b>3,347,788</b>	<b>2,838,037</b>
<b>(f) Finance costs</b>		
Interest expense for lease liabilities	424,718	241,472
Interest expense for financial liabilities	1,680,019	1,150,187
<b>Total finance costs</b>	<b>2,104,737</b>	<b>1,391,659</b>
<b>(g) Transaction costs</b>		
Pre- and post-acquisition and integration costs relating to business combinations, M&A and other strategic reviews not proceeded with, and branch consolidation costs.	109,735	352,116

## Section C: Operating Assets and Liabilities

### C1 Cash and Cash Equivalents

	2025 \$	2024 \$
Cash and bank balances	14,440,724	10,147,518

Refer to section G3 Financial Instruments and Risk Management for risk exposure analysis on cash and cash equivalents.

### C2 Reconciliation of Cash Flows Used in Operating Activities

	2025 \$	2024 \$
<b>(a) Profit after income tax</b>	<b>3,121,064</b>	1,355,280
Adjustments for:		
Depreciation of property, plant and equipment	673,268	532,742
Depreciation of right-of-use assets	2,048,570	1,949,294
Amortisation of intangible assets	625,950	356,001
Profit on sale of non-current assets	(11,163)	(4,952)
Share based payment expense	183,696	11,476
Interest expense right-of-use liabilities	424,718	241,472
Interest income recognised in profit/loss	(28,636)	(6,452)
Other non-cash income/(expense)	139,124	(215,704)
Change in operating assets and liabilities, net of effects from purchase of controlled entities:		
(Increase)/decrease in trade and other receivables	(1,878,034)	3,818,152
(Increase)/decrease in inventories	(1,995,866)	(1,434,980)
(Increase)/decrease in deferred tax assets	856,204	1,046,512
(Increase)/decrease in other current assets	848,306	(829,199)
Increase/(decrease) in trade and other payables	(64,038)	191,872
Increase/(decrease) in provisions	(189,178)	(274,865)
Increase/(decrease) in current tax liabilities	893,586	(7,494)
Increase/(decrease) in deferred tax liabilities	(726,403)	(478,381)
<b>Net cash inflow from operating activities</b>	<b>4,921,168</b>	6,250,774

Non-cash investing and financing activities disclosed in other notes include:

- 2025 nil, prior year acquisition of Force – refer section F3. Includes right-of-use assets and lease liabilities acquired, issue of shares as consideration and deferred outperformance incentive.
- Shares issued to employees on vesting of Performance Rights – refer sections E1 and E6.

### C3 Net Debt

Refer sections C1 Cash, C11 financial liabilities and C12 lease liabilities for gross assets and liabilities under each category, movements and other disclosure requirements.

	2025 \$	2024 \$
Current borrowings - variable interest rate	(21,178,818)	(20,826,797)
Current borrowings - fixed interest rate	(36,671)	(58,391)
Total current borrowings (excluding AASB16 lease liabilities)	(21,215,489)	(20,885,188)
Total non-current borrowings	-	-
Equipment leases due within 1 year	-	(48,030)
Equipment leases due after 1 year	-	(30,296)
<b>Total borrowings (excluding AASB16 property lease liabilities)</b>	<b>(21,215,489)</b>	(20,963,514)
<b>Cash on hand (all unrestricted cash balances)</b>	<b>14,440,724</b>	10,147,518
<b>Net debt</b>	<b>(6,774,765)</b>	(10,815,996)

Net Debt focuses on balances and movements in Cash and Financial Liabilities only, reflecting operational-focused cash and debt categories.

## C4 Trade and Other Receivables

	2025 \$	2024 \$
Trade receivables	17,532,431	15,703,002
Expected credit losses	(348,506)	(354,917)
	17,183,925	15,348,085
Income tax receivables	-	7,806
Rebates and other receivables	2,598,653	3,806,178
	19,782,578	19,162,069

### Impairment

The Group assessed on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk, refer Section G3 for credit risk. The Group mitigates its credit risk (and expected credit losses exposure) through debtor insurance policies.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Expected loss rate is 0.0% for balances 31-60 days (2024: 1.0%), 3.0% (2024: 5.0%) for balances 61-90 days and 45.5% (2024: 76.4%) for balances >90 days.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. There was one such instance noted in the FY23 year that remains outstanding at 30 June 2025 for \$146,197 (2024: \$146,197).

Movements in the expected credit losses for trade and other receivables were as follows:

	2025 \$	2024 \$
At beginning of the year	354,917	233,833
Expected credit losses acquired on acquisition of subsidiary	43,500	128,683
Expected credit losses for impairment during the year	20,560	6,328
Debts written off during the year	(70,471)	(13,927)
At end of the year	348,506	354,917

At 30 June 2025, the ageing analysis of trade and other receivables is as follows:

	2025 \$	2024 \$
0 – 30 Days	10,403,804	9,477,396
31 – 60 Days	5,120,442	4,801,965
61 – 90 Days	1,501,697	1,126,277
+90 Days	506,488	297,364
	17,532,431	15,703,002

## C5 Inventories

	2025 \$	2024 \$
Finished goods – at cost	22,864,566	23,655,258
Provision for obsolescence	(1,946,315)	(1,923,668)
	20,918,251	21,731,590

Inventories recognised as an expense during the year ended 30 June 2025 amounted to \$98,343,362 (2024: \$74,175,083). These were included in cost of sales.

No specific write-down of inventory values was recognised in 2025 (2024: \$Nil).

## C6 Other Assets

	2025 \$	2024 \$
<i>Current</i>		
Prepayments	1,084,526	627,288
Deposits paid	82,156	180,175
	<b>1,166,682</b>	807,463
<i>Non-Current</i>		
Other	10,016	6,700
	<b>10,016</b>	6,700

## C7 Property, Plant and Equipment

	Computer Equipment	Motor Vehicles	Plant & Equipment	Building	Total
<b>Year ended 30 June 2024</b>					
At 1 July 2023, net of accumulated depreciation	561,430	443,767	664,354	442,261	2,111,812
Additions	14,711	26,337	78,963	216,419	336,430
Acquisition through business combinations (WDV)	311,567	-	166,791	86,600	564,958
Disposals	-	(43,945)	(16,044)	(2,484)	(62,473)
Depreciation for the year	(202,774)	(109,891)	(140,249)	(79,828)	(532,742)
<b>At 30 June 2024, net of accumulated depreciation</b>	<b>684,934</b>	<b>316,268</b>	<b>753,815</b>	<b>662,968</b>	<b>2,417,985</b>
<b>At 30 June 2024</b>					
Cost	4,806,167	974,221	3,937,575	1,236,774	10,954,737
Accumulated depreciation	(4,121,233)	(657,953)	(3,183,760)	(573,806)	(8,536,752)
<b>Net carrying amount</b>	<b>684,934</b>	<b>316,268</b>	<b>753,815</b>	<b>662,968</b>	<b>2,417,985</b>
<b>Year ended 30 June 2025</b>					
At 1 July 2024, net of accumulated depreciation	684,934	316,268	753,815	662,968	2,417,985
Additions	105,087	14,216	143,973	841,399	1,104,675
Acquisition through business combinations (WDV)	-	-	-	-	-
Disposals	(475)	(34,699)	(547)	(12,005)	(47,726)
Depreciation for the year	(332,710)	(67,530)	(153,507)	(119,521)	(673,268)
<b>At 30 June 2025, net of accumulated depreciation</b>	<b>456,836</b>	<b>228,255</b>	<b>743,734</b>	<b>1,372,841</b>	<b>2,801,666</b>
<b>At 30 June 2025</b>					
Cost	4,907,908	821,477	4,078,215	2,067,071	11,874,671
Accumulated depreciation	(4,451,072)	(593,222)	(3,334,481)	(694,230)	(9,073,005)
<b>Net carrying amount</b>	<b>456,836</b>	<b>228,255</b>	<b>743,734</b>	<b>1,372,841</b>	<b>2,801,666</b>

## C8 Intangible Assets

	2025 \$	2024 \$
<b>Goodwill</b>		
<b>Opening balance</b>	<b>16,884,232</b>	10,585,357
Arising on acquisition through business combination – Force Technology International Pty Ltd	-	4,797,431
Additional goodwill identified in provisional accounting period - acquisition – Force Technology International Pty Ltd <sup>1</sup>	-	1,501,444
<b>Closing balance</b>	<b>16,884,232</b>	16,884,232
<b>Internally generated assets</b>		
Opening balance	<b>3,107,274</b>	1,887,530
Additions – internal development	<b>3,817,045</b>	1,219,744
<b>Closing balance</b>	<b>6,924,319</b>	3,107,274
<b>Total intangible assets at cost</b>	<b>23,808,551</b>	19,991,506
<b>Less: accumulated amortisation - Internally generated assets</b>	<b>(1,157,294)</b>	(531,344)
<b>Total Intangible Assets</b>	<b>22,651,257</b>	19,460,162

Note 1 - Refer section F3 for detailed breakdown of business combinations.

### Impairment - Goodwill

For the purpose of impairment testing, the recoverable amount of each Cash Generating Unit (CGU) was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of each CGU.

The calculated recoverable amount for each CGU was determined to be greater than it's carrying amount and therefore no impairment adjustment is required to be recognised.

The value in use assessment was calculated based on the present value of the cash flow projections over a five-year period and are based on the Group's performance and growth over the forecast periods based on the Group's plans and management's assessment of the impacts of underlying economic conditions, past performance and other factors on each CGU's financial performance.

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

- Pre-tax discount rate: reflects specific risks relating to the Group.
- Revenue growth: reflects expectations based on past performance however excludes future synergy and growth targets that management are pursuing linked to acquisitions both during FY25 and as subsequent events.
- Gross profit margin: reflects expectations based on past performance, excluding future synergy and growth targets management are pursuing.
- Terminal growth rate: consistent with long-term industry reports and forecasts.

A sensitivity analysis showed that a 10% change in any of the above assumptions would not trigger a material impairment.

	Goodwill	GP %	Terminal Growth Rate	Discount Rate
Industrial division	10,585,357	28%	2%	12%
Consumer Technology division	6,298,875	28%	2%	12%
Total goodwill	16,884,232			

### Internally Generated Assets

The Group continued to invest in internal generated assets, primarily eCommerce products to facilitate online purchasing by customers, and exclusive distribution right assets, complementing the SGI Product Information Management (PIM) solution from FY24. As of 30 June 2025, the carrying amount of these internally generated assets was \$5,767,025 (2024: \$2,575,930).

The Group amortises intangible assets with a finite useful life, using the straight line method over the following periods:

- Information Technology Platforms - 1-7 years
- Exclusive distribution rights - over the life of the contract

Refer Section G1 for significant judgments on internally generated assets.

## C9 Trade and Other Payables

	2025 \$	2024 \$
<b>Current – unsecured</b>		
Trade creditors	20,085,445	17,554,711
Other creditors	1,729,097	2,267,649
Accrued expense	3,231,932	5,102,889
GST payable	511,928	697,180
	<b>25,558,402</b>	<b>25,622,429</b>

## C10 Provisions

	2025 \$	2024 \$
<b>Current</b>		
Provision for employee entitlements	2,015,683	2,581,031
Provision for warranties	371,447	-
<b>Total current provisions</b>	<b>2,387,130</b>	<b>2,581,031</b>
<b>Non-current</b>		
Occupancy provision	166,078	167,193
Provision for warranties	1,223	-
Provision for employee entitlements	83,186	78,571
<b>Non-current total</b>	<b>250,487</b>	<b>245,764</b>

## C11 Financial Liabilities

	2025 \$	2024 \$
<b>Current</b>		
<b>Borrowings</b>		
Commonwealth Bank of Australia facility	21,178,818	20,826,797
Insurance premium funding	36,671	58,391
<b>Total current borrowings and financial liabilities</b>	<b>21,215,489</b>	<b>20,885,188</b>
<b>Non-current</b>		
<b>Other financial liabilities</b>		
Deferred outperformance – Force Technology International Pty Ltd	2,000,000	2,500,000
<b>Total non-current other financial liabilities</b>	<b>2,000,000</b>	<b>2,500,000</b>
<b>Total non-current financial liabilities</b>	<b>2,000,000</b>	<b>2,500,000</b>
<b>Total Financial Liabilities</b>	<b>23,215,489</b>	<b>23,385,188</b>

	2025 \$	2024 \$
<b>Financing arrangements</b>		
The Group had access to the following undrawn borrowing facilities at the end of the reporting year:		
<b>Floating Rate</b>		
- Expiring within one-year unused facility (CBA Bill Facility, CBA Guarantee Facility and Credit Card Facility)	5,887,905	5,618,086
Cash on Hand	14,440,724	10,147,518
<b>Total Available</b>	<b>20,328,629</b>	<b>15,765,604</b>

The Stealth CBA facility (excluding separate Force CBA facility noted below) is a working capital facility. The Group's finance facilities with CBA, other than relating to the acquisition of Force in June 2024, were consistent at \$15.0 million for the whole of FY25 (FY24: \$15.0 million) relating to working capital facilities. This CBA facility is secured by a floating charge over the Australia-based assets of Stealth Group Holdings Ltd. The interest rate is variable and was 5.57% p.a. at 30 June 2025 (2024: 6.16%).

The Force CBA facility is distinct to the Stealth CBA noted above. This facility comprises \$10.0m (FY24: \$8.5m) of working capital facilities. The Force CBA facility is secured by a floating charge over the assets of Force Technology International Pty Ltd and a parent guarantee by Stealth Group Holdings Ltd. The interest rate is variable and was 5.39% p.a. at 30 June 2025 (2024: 6.15%).

Insurance Premium Funding Facility had fixed interest rate of 3.90% over its term of ten months (2023: 2.75% over ten months term).

### Deferred Liabilities

- The Force Technology International Pty Ltd outperformance incentive is payable in cash in October 2026 if specific profit targets are exceeded in FY26. The calculation basis is Force pro-forma normalised EBITDA for FY26, from which subtract \$2.5 million from the total Force EBITDA, multiply the result by four and multiply the resulting figure by 25% to determine the final payment amount.

## C12 Right-of-Use Assets and Lease Liabilities

### Accounting policy for the Group's leasing activities

Rental contracts are typically made for fixed periods of 2 to 10 years and may include extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets may not be used as security for borrowing purposes.

#### 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 comprising the initial measurement of 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 an estimate of restoration costs.

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 shorter. Where the consolidated entity 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.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

	2025 \$	2024 \$
Opening Carrying Value Non-Current Right-of-use asset	11,579,593	7,753,370
Right-to-use asset arising upon Business Combination	-	2,979,321
Depreciation	(2,048,570)	(1,949,294)
Lease extension and rate increase / (lease cancellation)	(297,380)	2,796,196
<b>Closing Carrying Value of Non-Current Right-of-use asset</b>	<b>9,233,643</b>	<b>11,579,593</b>

#### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the following lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payments that are based on an index or a rate.
- amounts expected to be payable by the lessee under residual value guarantees.
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.
- the variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

	2025 \$	2024 \$
Current lease liabilities	1,849,228	2,209,810
Non-current lease liabilities	7,668,122	9,738,433
<b>Total lease liabilities</b>	<b>9,517,350</b>	<b>11,948,243</b>

The Group has motor vehicle lease liabilities of \$30,297 as of 30 June 2025 (2024: \$78,326), comprising current liabilities of \$25,512 (2024: \$48,030) and non-current liabilities of \$4,785 (2024: \$30,296). The lease liabilities secured over motor vehicles have interest rates fixed at rates between 2.87% and 7.06% (2024: 2.34% and 7.06%). The term of the leases is between 4 and 5 years with equal monthly repayments. The Group did not acquire any assets via non-cash financing (2024: \$nil).

The lease liabilities relating to properties are measured at the present value of the remaining lease payments, discounted, using the Company's incremental borrowing rate, which was determined by reference to the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and condition, by reference to risk-free interest rates, third party data and other factors specific to the Group (including acquisitions adding new lease liabilities to the Group). The weighted average incremental borrowing rate applied to the lease liabilities was 3.6% (2023: 3.6%).

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

	AASB 16 leases due within 1 year \$	AASB 16 leases due after 1 year \$	Total \$
<b>Lease liabilities under AASB 16 – 30 June 2023</b>	1,583,830	6,457,370	8,041,200
Cash flows	(513,871)	(1,496,382)	(2,010,253)
Acquisitions and new lease – lease liabilities and lease incentives	1,139,851	4,777,445	5,917,296
<b>Lease liabilities under AASB 16 – 30 June 2024</b>	2,209,810	9,738,433	11,948,243
Cash flows	(360,582)	(2,070,311)	(2,430,893)
Acquisitions and new lease – lease liabilities and lease incentives	-	-	-
<b>Lease liabilities under AASB 16 – 30 June 2025</b>	<b>1,849,228</b>	<b>7,668,122</b>	<b>9,517,350</b>

## Section D: Taxation

### D1 Income Tax Expense

	2025 \$	2024 \$
<b>(a) Income tax credit / (expense) from continuing operations</b>		
Current tax	(1,062,740)	(66,566)
Deferred tax	(257,537)	(568,133)
	(1,320,277)	(634,699)
<b>(b) Income tax (expense) is attributable to:</b>		
Profit from continuing operations	(1,320,277)	(634,699)
Profit from non-continuing operations	-	10,950
	(1,320,277)	(623,749)
<b>(c) Numerical reconciliation between tax expense and pre-tax net profit</b>		
Profit from continuing operations before income tax expense	4,441,341	1,855,909
Profit from non-continuing operations before income tax expense	-	123,120
Income tax expense calculated at 30% (2024: 30%)	(1,332,402)	(593,708)
Effect on amounts which are not subject to tax:		
Non-assessable income	-	63,726
Non-deductible items	(31,180)	(42,413)
Overprovision / (under provision) from prior year	28,704	(33,884)
Other	14,601	(17,470)
<b>Income tax expense</b>	<b>(1,320,277)</b>	<b>(623,749)</b>

### D2 Current Tax Liabilities

	2025 \$	2024 \$
Income tax payable	893,586	-

### D3 Deferred Tax Balances

Deferred tax balances are presented in the consolidated statement of financial position as follows:

	2025 \$	2024 \$
<b>Deferred tax assets</b>		
Receivables	104,084	111,902
Payables, accruals and provisions	943,268	1,206,593
Capital costs deductible over five years	114,903	28,185
Inventory	208,073	-
Other items	11,959	34,050
	1,382,287	1,380,730
<b>Deferred tax liabilities</b>		
Accrued income	-	4,023
Property, plant and equipment	286,782	512,463
Inventory	-	505,731
Unrealised foreign exchange gains	(9,476)	9,409
Other items	38,440	10,523
	315,746	1,042,149

### D4 Tax Rates and Tax Consolidation

	2025 \$	2024 \$
Australia	30%	30%

#### Tax consolidation legislation

Stealth Group Holdings Ltd and its wholly owned Australian controlled entities elected to enter the tax consolidation regime from 1 July 2017. The accounting policy in relation to this legislation is set out in Section F1.

## Section E: Capital Structure

### E1 Issued Capital and Reserves

	Number of Shares 2025	Number of Shares 2024	2025 \$	2024 \$
<b>Ordinary shares on issue</b>				
<b>Balance at the beginning of the year</b>	<b>115,395,542</b>	99,700,000	<b>16,862,246</b>	13,528,699
Ordinary shares issued 13 Sep 24 - Performance rights	304,349	-	106,522	-
Ordinary shares issued 24 Oct 24 – Dividend Reinvestment Plan	1,115,670	-	350,320	-
Ordinary shares issued 15 Nov 24 - Performance rights	217,392	-	77,174	-
Ordinary shares issued 30 Apr 25 – Capital Raise	12,500,000	-	7,500,000	-
Ordinary shares issued 16 Oct 23 - Performance rights	-	1,250,639	-	177,591
Ordinary shares issued 14 Jun 24 - Force acquisition	-	14,444,903	-	3,177,879
Share issue costs (net of tax)	-	-	(308,680)	(21,923)
<b>Balance at the end of the year</b>	<b>129,532,953</b>	115,395,542	<b>24,587,582</b>	16,862,246

304,349 shares were issued to employees on 13 September 2024 from the allocation of special discretionary performance rights.

1,115,670 shares were issued on 24 October 2024 to participants in the Company's Dividend Reinvestment plan in relation to the FY24 final dividend.

217,392 shares were issued to the Managing Director on 15 November 2024 from the allocation of special discretionary performance rights, approved at the Company's AGM 15 November 2024.

12,500,000 shares were issued on 30 April 2025 to institutional and sophisticated investors as part of \$7,500,000 capital raising.

1,250,639 shares were issued to employees on 16 October 2023 from the vesting of performance rights granted in FY2021 on achievement of the EPS component.

14,444,903 shares were issued on 14 June 2024 in relation to the acquisition of Force Technology International Pty Ltd, refer section F3 for further details.

	2025 \$	2024 \$
<b>Reserves</b>		
<b>Foreign currency translation reserve</b>		
At the beginning of the year	3,949	219,653
Movements during the year	6,831	(215,704)
At the end of the year	10,780	3,949
<b>Hedging reserve</b>		
At the beginning of the year	-	-
Movements during the year	153,530	-
At the end of the year	153,530	-
<b>Share-based payments reserve</b>		
At the beginning of the year	172,023	338,138
Movements during the year	-	(166,115)
At the end of the year	172,023	172,023
<b>Total reserves</b>	<b>336,333</b>	175,972

#### Share-based payments reserve

The share-based payments reserve represents the value of options issued and performance rights granted that the consolidated entity is required to include in the consolidated financial statements. No gain or loss is recognised in the profit or loss on the purchase, sale, issue or cancellation of the consolidated entity's own equity instruments.

The share-based payments reserve is used to recognise:

- the grant date fair value of options issued but not exercised.
- the grant date fair value of performance rights granted to employees but not yet vested.

#### Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

#### Hedging reserve

The hedge reserve includes the cash flow hedge reserve and the costs of hedging reserve. The cash flow hedge reserve is used to recognize the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Refer note (2) in section I for further details.

## E2 Dividends

On 24 October 2024 the Company paid a fully franked dividend of \$971,879.

Since year end the directors have determined to pay a fully franked final dividend of \$1,295,330 at a rate of \$0.01 per share (2024: \$0.0084 per share).

### Dividend Franking Credit

	Consolidated	Consolidated	Parent	Parent
	2025	2024	2025	2024
	\$	\$	\$	\$
Franking credits available for subsequent reporting periods based on a tax rate of 30% (2024 – 30%)	5,127,147	5,379,068	5,127,147	5,379,068

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

## E3 Accumulated Funds

	2025	2024
	\$	\$
Accumulated profits at the beginning of the year	3,329,344	1,974,064
Profit for the year	3,121,064	1,355,280
Dividend paid	(971,879)	-
Other comprehensive income / (expense)	(153,530)	-
Accumulated profits at the end of the year	5,324,999	3,329,344

## E4 Earnings per Share

	2025	2024
	\$	\$
Profit used in the earnings per share calculation	3,121,064	1,355,280
Weighted average number of ordinary shares (Basic)	118,631,561	101,479,821
Earnings per share (cents) (Basic)	2.63	1.34
Weighted average number of ordinary shares (Dilutive)	118,631,561	101,583,840
Earnings per share (cents) (Dilutive)	2.63	1.33

There were no outstanding options or performance rights at 30 June 2025, accordingly basic and dilutive calculations are identical. In FY24 1,250,639 performance rights existed on 1 July 2023 and converted to ordinary shares on 16 October 2023. These are considered dilutive.

## E5 Contingent Liabilities

There are no contingent liabilities as at 30 June 2025 (2024: \$Nil).

## E6 Share Based Payments

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

### Key judgements and estimates - Share-based payment transactions

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted using an appropriate valuation technique that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

## Section F: Group Structure

### F1 Parent Entity Information

As at and throughout the financial year ended 30 June 2025, the parent and ultimate parent entity of the Group was Stealth Group Holdings Ltd.

#### Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

Financial position	2025 \$	2024 \$
<b>Assets</b>		
Current assets	9,340,148	1,035,177
Non-current assets	27,822,048	25,986,930
<b>Total assets</b>	<b>37,162,196</b>	<b>27,022,107</b>
<b>Liabilities</b>		
Current liabilities	18,372,590	15,434,367
Non-current liabilities	8,001,695	7,323,110
<b>Total liabilities</b>	<b>26,374,285</b>	<b>22,757,477</b>
<b>Net assets</b>	<b>10,787,911</b>	<b>4,264,630</b>
<b>Equity</b>		
Issued capital	24,269,809	16,544,472
Accumulated funds	(13,653,921)	(12,451,865)
Options reserve	172,023	172,023
<b>Total equity</b>	<b>10,787,911</b>	<b>4,264,630</b>
<b>Financial performance</b>	<b>2025 \$</b>	<b>2024 \$</b>
Loss for the year	(230,177)	(1,657,221)
<b>Total comprehensive income</b>	<b>(230,177)</b>	<b>(1,657,221)</b>

#### Guarantees entered by the parent entity in relation to the debts of its subsidiaries

Stealth Group Holdings Ltd and the members of the Closed Group have entered a Deed of Cross Guarantee as described in section F4.

In addition, the Company has provided a letter of financial support to Stealth Industries Sdn Bhd (Malaysian subsidiary) for an indefinite period; the letter was dated the 13 December 2023.

No liability has been recognised by the parent entity or the Group in relation to these guarantees.

#### Contingent liabilities of the parent entity

The parent entity is party to a cross guarantee and indemnity in relation to the Group's borrowing arrangements, refer section F4. The parent had no other contingent liabilities at 30 June 2025.

#### Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

#### (i) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of Stealth Group Holdings Ltd.

## (ii) Tax consolidation legislation

Stealth Group Holdings Ltd and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. The head entity Stealth Group Holdings Ltd, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer.

In addition to its own current and deferred tax amounts, Stealth Group Holdings Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax sharing and funding agreement under which the wholly-owned entities fully compensate Stealth Group Holdings Ltd for any current tax payable assumed and are compensated by Stealth Group Holdings Ltd for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Stealth Group Holdings Ltd under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

The amounts receivable/payable under the tax sharing and funding agreement are due upon receipt of the funding advice from the head entity. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities may be booked to an intercompany loan account or paid in cash at the discretion of the Head Company.

## F2 Controlled Entities

The following entities are subsidiaries of the parent entity, the results of which are included in the consolidated financial statements of the Group.

	Country of Incorporation	Entity interest 30 June 2025	Entity interest 30 June 2024
<b>Parent entity</b>			
Stealth Group Holdings Ltd	Australia	n/a	n/a
<b>Controlled entities</b>			
Stealth Global Industries (Australia) Pty Ltd	Australia	100%	100%
Stealth Industries Sdn Bhd	Malaysia	100%	100%
Australian Workplace Services Pty Ltd	Australia	100%	100%
Heatleys Group Holdings Pty Limited	Australia	100%	100%
Heatley Sales Pty Ltd	Australia	100%	100%
Industrial Supply Group Pty Ltd	Australia	100%	100%
Trade Counter Direct Pty Ltd	Australia	100%	100%
BSA Brands (Australia) Pty Ltd <sup>1</sup>	Australia	0%	100%
Tool Shop Direct (Australia) Pty Ltd	Australia	100%	100%
C&L Tool Centre Pty Ltd	Australia	100%	100%
United Tools Pty Ltd	Australia	100%	100%
Force Technology International Pty Ltd	Australia	100%	100%

Note 1 - BSA Brands (Australia) Pty Ltd, a dormant entity, was officially deregistered 7 May 2025.

## Details of entities over which control has been gained during the year

Control gained over entities during the year	Date control was gained	Contribution of revenue to the Group \$	Contribution to profit after tax from ordinary activities during the period \$
Nil	-	-	-

## Details of entities over which control has been lost during the year

Control lost over entities during the year	Date control was lost	Contribution of revenue to the Group \$	Contribution to profit after tax from ordinary activities during the period \$
BSA Brands (Australia) Pty Ltd	7 May 2025	-	-

### F3 Business Combinations

#### Business Combination – Acquisition of Force Technology International Pty Ltd

The Company acquired 100% of the issued capital of Force Technology International Pty Ltd (Force) in the prior year. The acquisition was complementary to the Group's existing business and has benefited the Group through Force bringing its expertise and knowledge in areas such as label development, market expansion, product expansion, cost and revenue synergy opportunities and enhanced customer experience.

Details of the purchase consideration, and final and provisional purchase price accounting values for the assets and liabilities recognised as a result of the acquisition are as follows:

	Final Fair Value \$	Provisional Fair Value \$
<b>Purchase consideration:</b>		
Cash paid	Nil	Nil
Issue of 14,444,903 ordinary shares at \$0.22 per share (14 June 2024)	3,177,879	3,177,879
Contingent consideration	2,000,000	2,500,000
<b>Total purchase consideration</b>	<b>5,177,879</b>	<b>5,677,879</b>
<b>Fair value of assets and liabilities recognised as a result of the acquisition:</b>		
Cash	432,447	432,447
Receivables – net of provisions	3,229,295	3,279,295
Inventories – net of provisions	4,623,715	7,432,916
Right-of-use asset (AASB 16)	2,979,321	2,979,321
Property, plant and equipment	564,958	564,958
Deferred tax assets	2,064,848	1,207,091
Other debtors	404,510	404,510
<b>Total identifiable assets acquired</b>	<b>14,299,094</b>	<b>16,300,538</b>
Trade and other payables	(4,404,065)	(4,404,065)
Current tax liabilities	(7,494)	(7,494)
Provisions	(801,673)	(801,673)
Financial liabilities	(6,396,040)	(6,396,040)
Deferred tax liability	(831,497)	(831,497)
Lease liabilities (AASB 16)	(2,979,321)	(2,979,321)
<b>Total net identifiable liabilities acquired</b>	<b>(1,120,996)</b>	<b>880,448</b>
<b>Goodwill – Force acquisition</b>	<b>6,298,875</b>	<b>4,797,431</b>

During the period there were no new business combinations.

#### Purchase consideration – cashflows

	2025 \$	2024 \$
<b>Purchase consideration – cashflows</b>		
<b>Cash flows on acquisition of Force</b>		
Net cash inflow on cash acquired on acquisition of Force	-	432,447
<b>Cash flows on other acquisitions</b>		
Net cash (outflow) on deferred consideration payments for United Tools	-	(445,233)
Payment for acquisition of business / subsidiary – net of cash acquired per consolidated statement of cash flows	-	(12,786)

Acquisition-related costs of \$nil (2024: \$25,671) are included in operating cash flows in the statement of cash flows.

## F4 Deed of Cross Guarantee

Pursuant to ASIC Corporations (wholly owned companies) Instrument 2016/785, the wholly owned subsidiaries listed below are relieved from the *Corporations Act* requirement to prepare and lodge financial reports and directors' reports.

It is a condition of the Instrument that the Company and each of the subsidiaries enter a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor, payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the *Corporations Act*. If a winding up occurs under other provisions of the *Corporations Act*, the Company will only be liable if after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees if the Company is wound up.

The following members of the Group are parties to the deed of cross guarantee under which each company guarantees the debts of the others, and these members are referred to as the Closed Group:

Members	Date of becoming a party to the Deed
Stealth Group Holdings Ltd	06 June 2019
<b>Wholly owned Subsidiaries</b>	
Stealth Global Industries (Australia) Pty Ltd	06 June 2019
Heatleys Group Holdings Pty Ltd	06 June 2019
Heatley Sales Pty Ltd	06 June 2019
Industrial Supply Group Pty Ltd	06 June 2019
Australian Workplace Services Pty Ltd	06 June 2019
C&L Tool Centre Pty Ltd	24 June 2021
United Tools Pty Ltd	31 May 2022
Force Technology International Pty Ltd	27 September 2024

### (a) Consolidated statement of profit or loss, statement of comprehensive income and summary of movements in consolidated retained earnings

The above companies represent a 'closed group' for the purposes of the instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Stealth Group Holdings Ltd, they also represent the 'extended closed group'. Set out below is a consolidated statement of profit or loss, a consolidated statement of comprehensive income and a summary of movements in consolidated retained earnings for the year ended 30 June 2025 of the Closed Group.

	2025 \$	2024 \$
<i>Consolidated statement of profit or loss and comprehensive income</i>		
<b>Continuing operations</b>		
Revenue	141,715,321	111,765,090
Cost of sales	(101,055,647)	(79,002,477)
<b>Gross profit</b>	<b>40,659,674</b>	<b>32,762,613</b>
Other income	28,636	6,363
Personnel expenses	(20,926,699)	(19,891,233)
Administration expenses	(9,181,933)	(6,198,038)
Occupancy expenses	(562,055)	(666,454)
Transaction costs	(109,735)	(352,116)
Depreciation and amortisation expense	(3,347,788)	(2,820,333)
Finance costs	(2,104,737)	(1,337,488)
<b>Profit from continuing operations before income tax</b>	<b>4,455,363</b>	<b>1,503,314</b>
Income tax expense	(1,320,277)	(549,241)
<b>Profit for the year</b>	<b>3,135,086</b>	<b>954,073</b>
<b>Other comprehensive income</b>		
<b>Profit for the year</b>	<b>3,135,086</b>	<b>954,073</b>
<b>Other comprehensive income</b>	<b>(153,530)</b>	<b>212,419</b>
<b>Total comprehensive income for the year</b>	<b>2,981,556</b>	<b>1,166,492</b>
<i>Summary of movements in consolidated retained earnings</i>		
<b>Retained earnings at the beginning of the financial year</b>	<b>3,766,791</b>	<b>2,600,299</b>
Adjust opening balance for subsidiary joining Closed Group 27 Sep 24	135,100	-
Dividend paid	(971,879)	-
Profit for the year	2,981,556	1,166,492
<b>Retained earnings at the end of the financial year</b>	<b>5,911,568</b>	<b>3,766,791</b>

## (b) Consolidated balance sheet

Set out below is a consolidated balance sheet as at 30 June 2025 of the Closed Group.

	2025 \$	2024 \$
<b>Current Assets</b>		
Cash and cash equivalents	14,438,626	9,287,959
Trade and other receivables	19,782,578	15,564,556
Inventories	20,918,251	14,528,452
Other assets	1,166,682	638,005
<b>Total Current Assets</b>	<b>56,306,137</b>	<b>40,018,972</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	2,801,666	1,870,731
Intangible assets	22,503,145	13,013,175
Deferred tax assets	1,382,287	932,875
Investments	224,000	5,901,879
Right-of-use assets	9,233,643	8,615,349
Other assets	10,016	6,700
<b>Total Non-Current Assets</b>	<b>36,154,757</b>	<b>30,340,709</b>
<b>Total Assets</b>	<b>92,460,894</b>	<b>70,359,681</b>
<b>Current Liabilities</b>		
Trade and other payables	25,056,400	21,340,293
Current tax liabilities	893,586	-
Lease liabilities	1,849,228	2,022,683
Financial liabilities	21,215,489	14,069,016
Provisions	2,387,130	1,916,611
<b>Total Current Liabilities</b>	<b>51,401,833</b>	<b>39,348,603</b>
<b>Non-Current Liabilities</b>		
Provisions	250,487	95,764
Deferred tax liabilities	315,746	652,938
Lease liabilities	7,668,122	6,961,316
Other liabilities	2,000,000	2,500,000
<b>Total Non-Current Liabilities</b>	<b>10,234,355</b>	<b>10,210,018</b>
<b>Total Liabilities</b>	<b>61,636,188</b>	<b>49,558,621</b>
<b>Net Assets</b>	<b>30,824,706</b>	<b>20,801,060</b>
<b>Equity</b>		
Issued capital	24,587,582	16,862,245
Reserves	325,556	172,024
Accumulated funds	5,911,568	3,766,791
<b>Total Equity</b>	<b>30,824,706</b>	<b>20,801,060</b>

## Section G: Risk Management

### G1 Estimates, Judgements and Errors

The preparation of financial statements in conformity with AASBs requires management to use judgement, estimates and assumptions that affect the application of accounting policies and hence the reported amounts of assets, liabilities, income and expenses. The following table lists the areas where a higher degree of judgement or complexity was involved and includes areas that have the potential to be materially adjusted in their presentation in the financial statements should those estimates or assumptions be incorrect.

Estimates and underlying assumptions are reviewed on an ongoing basis and any required revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(i)	Taxation – estimation of current tax payable and current tax expense, and recognition of deferred tax assets	Section D
(ii)	Business combinations – fair value of purchase consideration	Section F3
(iii)	Intangible assets – valuation of intangible and estimation of impairment	Section C8
(iv)	Inventories – valuation of inventory	Section C5

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of Directors. These estimates consider both the financial performance and position of the Company as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the Directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. Refer section D Income Tax.

Deferred tax assets are recognised only if it is probable that future taxable profits will be available for the carrying amount to be recovered. Judgement is required by management to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future profits. The Group has recognised a deferred tax asset of \$1,382,287 (2024: \$1,380,730). The utilisation of this deferred tax asset amount depends upon future taxable amounts in excess of profits arising from the reversal of temporary differences. The Group believes this amount to be recoverable based on taxable income projections.

## Business combinations

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

## Intangible asset

The Group capitalises costs associated with internally generated intangible assets, including eCommerce products and exclusive distribution rights, where these meet the recognition criteria under AASB 138 *Intangible Assets*.

Management has applied significant judgement in assessing whether the costs incurred on these projects satisfy the requirements for capitalisation. A key area of judgement relates to the extent and nature of staff time allocated to qualifying development activities.

This includes time spent by senior personnel, whose involvement was considered directly attributable to the development of the assets.

The Group has maintained appropriate documentation to support the allocation of time and costs, ensuring that only those expenditures meeting the criteria under AASB 138 have been capitalised.

The Group estimates the useful lives of these platforms based on the expected technical obsolescence for similar platforms. However, the actual useful life might be shorter or longer, depending on technical innovations and competitor actions. Judgments exist in determining the final amount for capitalisation.

Determining whether goodwill is impaired required an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The carrying amount of goodwill as of 30 June 2025 was \$16,884,232 (2024: \$16,884,232).

## Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made.

## G2 Capital Risk Management

The Consolidated Entity manages its capital to ensure their ability to continue as a going concern and to achieve returns to the shareholders and benefits for other stakeholders through the optimisation of net debt and equity balance. The capital structure of the Consolidated Entity is adjusted to achieve its goals whilst ensuring the cost of capital is optimised.

Management monitors capital based on the net gearing ratio (net debt/(total net debt plus total equity)). The Consolidated Entity's strategy is to optimise its cost of capital, using capital markets and debt facilities, continuously monitoring interest rates with the provider of its operating facility. The gearing ratios are as follows:

	2025 \$	2024 \$
Total net debt	6,774,765	10,815,996
Total equity	30,248,914	20,367,562
Total net debt and total equity	37,023,679	31,183,558
Net gearing ratio (Total net debt / Total net debt and total equity)	18.3%	34.7%

The net gearing ratio of the Company has decreased from 34.7% to 18.3%, reflecting the following factors:

- Capital raising of \$7,500,000 in April 2025 increasing the equity of the Company

The Consolidated Entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year and the Consolidated Entity is in compliance with its loan covenants as of 30 June 2025.

### G3 Financial Instruments and Risk Management

This note explains the Group's financial instruments and its exposure to financial risks, how those risks are monitored and how they could affect the Group's future financial performance. Current year profit or loss information has been included where relevant to add context to the note.

The Consolidated Entity's principal financial instruments comprise bank and other loans, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Consolidated Entity's operations.

The Consolidated Entity has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the period under review, the Consolidated Entity's policy that no trading in derivative instruments shall be undertaken.

The Consolidated Entity has one Level 3 financial instrument, being the outperformance incentive relating to the acquisition of Force of \$2,000,000 (2024: \$2,500,000). Unobservable inputs are pro-forma EBITDA, with an input of \$4,500,000 (2024: \$5,000,000) EBITDA for FY26 giving rise to \$2,000,000 (2024: \$2,500,000) outperformance incentive. Were EBITDA to be 10% (\$450,000) higher or lower, the fair value would increase by this same amount. No risk-adjusted discount rate has been applied to the fair value.

The main risks arising from the Consolidated Entity's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Risk Category	Risk	Exposure Arises From	Measurement	Management
<b>Business &amp; Operational Risks</b>	Industry & Market	Inflation, product/labour/fuel/energy costs, geopolitical pressures	Monitoring of macroeconomic indicators	Pricing strategy, cost management, supply chain adjustments
	Supply Chain	Natural disasters, pandemics, geopolitical events, transport stoppages, trade barriers	Scenario planning, supply chain monitoring	Alternative sourcing, contingency planning
	Strategy & Disruption	Customer behaviour changes, digital disruption, sustainability preferences	Strategic reviews, Board oversight	Ongoing strategic plan execution, digital investment
	Competition	Increased activity from competitors	Market analysis	Execution of customer-first strategy, e-commerce focus
	Business Acquisition & Integration	Risks across acquisition lifecycle (due diligence, cultural, IT, integration)	Due diligence, post-acquisition reviews	Structured integration processes, retention of key staff
	Access to Funding	Reliance on CBA facilities, compliance requirements	Daily cash/treasury monitoring, facility compliance	Regular financier engagement, equity market access
	Regulation & Compliance	Workplace, safety, environmental, financial reporting obligations	Compliance reviews and audit	Testing and monitoring of compliance processes
	IT & Cyber	Cybersecurity, digital disruption, data breaches, infrastructure failures	IT system monitoring, review and testing	Ongoing upgrades, enhanced protections
<b>Financial Instrument Risks</b>	Environmental & Social	Potential future environmental and social sustainability risks	Monitoring of regulatory developments	Monitoring maintained, escalation if material
	Credit Risk	Cash, equivalents, receivables	Credit reviews, ageing analysis	Monitoring of customer performance
	Interest Rate Risk	Borrowings at variable rates	Sensitivity analysis	Securing market rates on contracts
	Liquidity Risk	Borrowings and liabilities	Cash flow forecasting	Monitoring facility limits and headroom
	Foreign Exchange Risk	FX exposures from imports and non-AUD assets/liabilities	Cash flow forecasting, sensitivity analysis	Effective Hedging via forwards and options

#### Sensitivity analysis

In managing interest rate risk, the Company endeavours to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer term, permanent changes in interest rates would have an impact on consolidated earnings, although the extent of that impact will depend on the level of cash versus debt held by the Consolidated Entity.

#### Credit risk

The credit risk arising on financial assets of the Consolidated Entity which have been recognised on the statement of financial position is generally the carrying amount, net of any provision for impairment losses.

The Consolidated Entity continuously monitors credit risks arising from its trade receivables which are principally with significant and reputable companies. It is the Consolidated Entity's policy that credit verification procedures, that can include assessment of credit ratings, financial position, experience and industry reputation, are performed on new customers that request credit terms. Risk limits are set for each customer and regularly monitored. Receivable balances are monitored on an ongoing basis with the result that the Consolidated Entity's exposure to bad debts is not significant. The Group further mitigates its credit risk (and expected credit losses exposure) through debtor insurance policies.

The total credit risk exposure of the Consolidated Entity could be considered to include the difference between the carrying amount of the receivable and the realisable amount. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Details with respect to credit risk of trade and other receivables are provided in section C4.

### Interest rate risk

The Consolidated Entity's exposure to market risk for changes in interest rates relates to the Consolidated Entity's cash holdings and its debt facilities.

Cash includes funds held in term deposits and cheque accounts during the year, which earned interest at rates ranging between 0% p.a. and 3.85% p.a., depending on account balances (2024: 0% and 2.00%).

At reporting date, the Consolidated Entity had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated in cash flow hedges:

	2025 \$	2024
<b>Variable Rate Financial Instruments</b>		
Cash and cash equivalents	14,440,724	10,147,518
Commonwealth Bank of Australia facility	(21,178,818)	(20,826,797)
<b>Total</b>	<b>(6,738,094)</b>	<b>(10,679,279)</b>

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At 30 June, if interest rates had moved, as illustrated in the table below, with all other variables held constant, pre-tax profit and equity would have been affected as follows:

<b>Judgements of reasonable possible movements:</b>	2025 \$	2024 \$
<b>+1% (100 basis points)</b>		
Pre-tax profit increase/(decrease)	(67,381)	(106,793)
Equity increase/(decrease)	(67,381)	(106,793)
<b>-1% (100 basis points)</b>		
Pre-tax profit increase/(decrease)	67,381	106,793
Equity increase/(decrease)	67,381	106,793

### Liquidity risk

Liquidity risk arises from the possibility that the Consolidated Entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities due primarily to timing differences and demands on working capital. The Consolidated Entity manages this risk through the following mechanisms:

1. preparing forward-looking rolling cash flow analysis in relation to its operational, investing and financing activities;
2. monitoring undrawn credit facilities;
3. obtaining funding from a variety of sources;
4. maintaining a reputable credit profile; and
5. managing credit risk related to financial assets.

### Foreign exchange risk

The Group has a comprehensive hedging strategy in place to mitigate the impact of potential material currency movements relating to the import of products denominated in USD. The Group continuously monitors macroeconomic indicators to identify risks and opportunities. The impact of the hedging strategy will vary each reporting period based on the foreign exchange rate hedged by the Group versus the actual spot rate at the reporting date.

### Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

	2025 \$	2024 \$
Commonwealth Bank of Australia facility	5,887,905	5,618,086

### Maturities of financial liabilities

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

	Within 1 Year		1 to 5 Years		Total	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
<b>Consolidated</b>						
<b>Financial liabilities due for payment</b>						
Trade and other payables	25,558,402	25,622,429	-	-	25,558,402	25,622,429
Current tax liabilities	893,586	-	-	-	893,586	-
Financial and other liabilities	22,377,518	22,288,299	2,000,000	2,500,000	24,377,518	24,788,299
Lease liabilities	1,916,148	2,524,991	7,944,240	10,581,716	9,860,388	13,106,707
<b>Total contractual outflows</b>	<b>50,745,654</b>	<b>50,435,719</b>	<b>9,944,240</b>	<b>13,081,716</b>	<b>60,689,894</b>	<b>63,517,435</b>

### Fair values

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

## Section H: Other Information

### H1 Key Management Personnel Disclosures

#### Details of Key Management Personnel

The following have been identified as key management personnel (KMP) during the financial year:

#### (i) Directors

Mr. Michael Arnold – Group Managing Director  
 Mr. Christopher Wharton AM – Non-Executive Chairman  
 Mr. Giovanni (John) Groppoli – Non-Executive Director  
 Mr. Simon Poidevin – Non-Executive Director

#### (ii) Executives

Mr. Luke Cruskall – Group Chief Operating Officer  
 Mr. Matt Green – Group Chief Financial Officer appointed 9 June 2025  
 Mr. John Boland – Group Chief Financial Officer & Company Secretary resigned 16 May 2025

#### Key Management Personnel compensation:

	2025 \$	2024 \$
Short-term employment benefits	1,469,972	1,550,509
Post-employment benefits	115,973	106,150
Share-based payments	124,926	8,960
Long-term employment benefits	20,684	28,966
<b>Total KMP compensation</b>	<b>1,735,555</b>	<b>1,694,585</b>

#### Related Party Transactions with Key Management Personnel

	2025 \$	2024 \$
The Company engaged GlenForest Corporate of which Giovanni Groppoli is the Principal for the provision of both legal and corporate advisory services. Giovanni Groppoli was appointed a Director on 30 June 2018	11,453	29,137
Trade and other payables owing to GlenForest Corporate of which Giovanni Groppoli is the Principal, from the Company as at end of the year	3,025	19,800

### H2 Auditor's Remuneration

	2025 \$	2024 \$
<b>Audit Services</b>		
Audit Services - BDO	158,289	142,755
<b>Total remuneration for audit services</b>	<b>158,289</b>	<b>142,755</b>

### H3 Events occurring after the reporting period

Other than the Directors determining to pay a final dividend, there has not arisen in the interval between the year end and the date of this report any other matter, item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Section I: Accounting Policies

### I1 New Accounting Standards

#### **New, revised or amending Accounting Standards and Interpretations adopted**

The Consolidated Entity has adopted all the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity during the financial year.

#### **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2025.

The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

### I2 Material Accounting Policies

Stealth Group Holdings Ltd is a limited company incorporated in Australia. The consolidated financial report of the Company as at and for the year ended 30 June 2025 comprises the Company and its subsidiaries (together referred to as the "Consolidated Entity").

This note provides a list of material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

##### **(a) Foreign currency translation**

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional currency.

##### **(b) Revenue recognition**

###### **Sale of Goods**

The Group generates revenue from the sale of goods, which is recognised at a point in time when the goods are delivered, the legal title has passed and the customer has accepted the goods. The amount of revenue recognised for goods delivered is adjusted by expected returns and net of trade rebates. Credit terms for product sales range from COD to 60 days EOM.

###### **Service Revenue**

Revenue from the provision of services is recognised at the point in time when all conditions for recognising revenue have been met.

##### **(c) Trade and other receivables**

Trade and other receivables are generally due for settlement within 30 days EOM.

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. For trade and other receivables, the Group applies the simplified approach permitted by AASB 9 to determine any allowances for expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. Based on the credit history of these trade and other receivables, it is expected that the amounts will be received when due.

The Group's financial risk management objectives and policies are set out in section G.

Due to the short-term nature of these receivables their carrying value is assumed to approximate their fair value using the effective interest method, less any expected credit losses.

#### **(d) Business Combination**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Consolidated Entity, liabilities incurred by the Consolidated Entity to the former owners of the acquiree and the equity instruments issued by the Consolidated Entity in exchange for control of the acquiree.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 *Income Taxes* and AASB 119 *Employee Benefits* respectively; and
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Consolidated Entity entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 *Share-based Payment* at the acquisition date.

Where the consideration transferred by the Consolidated Entity in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139, or AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Consolidated Entity reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

#### **(e) Intangible Assets**

##### **Goodwill**

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- the consideration transferred;
  - any non-controlling interest; and
  - the acquisition date fair value of any previously held equity interest;
- over the acquisition date fair value of net identifiable assets acquired.

Goodwill is tested for impairment annually and is allocated to the Consolidated Entity's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

##### **Software**

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. The Group amortises intangible assets with a limited useful life using the straight-line method between one and seven years.

## **(f) Property, Plant and Equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of assets may include the cost of materials and direct labour, and any other costs directly attributable to bringing the assets to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

### **Subsequent costs**

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Consolidated Entity and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

### **Depreciation**

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Consolidated Entity will obtain ownership by the end of the lease term. Land is not depreciated. Assets will be depreciated once the asset is in the condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives for the current and comparative periods are as follows:

Building	10 years
Computer Equipment	2 - 5 years
Furniture & Fittings	5 years
Motor Vehicle	5 years
Office equipment	5 years
Plant & Equipment	5 years
Right-of-use Assets	1 - 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

### **Impairment**

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

## **(g) Payables**

Payables, including goods received and services incurred but not yet invoiced, are recognised at the nominal amount when the Consolidated Entity becomes obliged to make future payments as a result of a purchase of assets or receipt of services.

## **(h) Inventories**

Inventories are measured at the lower of cost and net realisable value. The basis of measurement is weighted average cost. The cost of inventories includes a full cost allocation of expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

## **(i) Leases**

### **The Consolidated Entity as lessee**

In contracts where the Consolidated Entity is a lessee, it recognises a right-of-use asset and a lease liability at the commencement date of the lease for all leases other than short-term or low-value asset leases.

### **Lease liabilities**

A lease liability is recognised in relation to each lease and is initially measured at the present value of future lease payments at the commencement date. To calculate the present value, the future lease payments are discounted using the interest rate implicit in the lease (IRIL), if the rate is readily determinable. If the IRIL cannot be readily determined, the incremental borrowing rate at the commencement date is used.

### **Right of use assets associated with lease liabilities**

Right-of-use assets are measured at cost.

### **Short-term and low value leases**

The Consolidated Entity has elected to apply the practical expedients available for short-term leases (i.e. where the lease term is less than 12 months) and low-value asset leases. As a result of application of these practical expedients, the measurement requirements above do not apply and the expense for these leases is recognised on a straight-line basis.

## **(j) Interest-bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by considering any issue costs, and any discount or premium on settlement.

## **(k) Fair value of assets and liabilities**

### **Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

#### **Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

#### **Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

#### **Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Consolidated Entity would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Consolidated Entity recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

## **(l) Hedging**

Derivatives are measured at their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group derivatives are hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Those hedging instruments that are considered effective are recognised at fair value in a reserve in equity, with changes in fair value recognised in other comprehensive income.

# Consolidated Entity Disclosure Statement

For the year ended 30 June 2025

As of 30 June 2025

Name of entity	Type of Entity	% of share capital	Country of incorporation	Australian resident	Foreign jurisdiction in which the entity is a resident for tax purposes*
Stealth Group Holdings Ltd	Body Corporate	100	Australia	Yes	n/a
Stealth Global Industries (Australia) Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Heatleys Group Holdings Pty Limited	Body Corporate	100	Australia	Yes	n/a
Heatley Sales Pty Ltd	Body Corporate	100	Australia	Yes	n/a
C&L Tool Centre Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Force Technology International Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Industrial Supply Group Pty Ltd	Body Corporate	100	Australia	Yes	n/a
United Tools Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Australian Workplace Services Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Trade Counter Direct Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Tool Shop Direct (Australia) Pty Ltd	Body Corporate	100	Australia	Yes	n/a
Stealth Industries Sdn Bhd	Body Corporate	100	Malaysia	No	Malaysia

\*According to the law of the foreign jurisdiction.

## Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

## Determination of tax residency

Section 295 (3B)(a) of the Corporation Act 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295(3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

### – Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

### – Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

# Directors' Declaration

For the year ended 30 June 2025

## Stealth Group Holdings Ltd and its controlled entities

ACN 615 518 020

The directors of the company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes are in accordance with the *Corporations Act 2001* and:
  - (a) Comply with Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements after 2001; and
  - (b) Give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. In the directors' opinion there are reasonable grounds to believe that the members of the extended closed group identified in Note F4 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 F4.
4. In the directors' opinion the consolidated entity disclosure statement on page 71 is true and correct.
5. The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer as required by section 295A.
6. The company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Accounting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by.



**Michael Arnold**  
Group Managing Director

Perth, 26 August 2025

# Auditor's Independence Declaration



Tel: +61 8 6382 4600  
Fax: +61 8 6382 4601  
[www.bdo.com.au](http://www.bdo.com.au)

Level 9, Mia Yellagonga Tower 2  
5 Spring Street  
Perth, WA 6000  
PO Box 700 West Perth WA 6872  
Australia

## DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF STEALTH GROUP HOLDINGS LTD

As lead auditor of Stealth Group Holdings Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Stealth Group Holdings Ltd and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a light grey circular stamp.

**Ashleigh Woodley**  
**Director**

**BDO Audit Pty Ltd**

Perth

26 August 2025

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation

# Independent Auditor's Report



Tel: +61 8 6382 4600  
Fax: +61 8 6382 4601  
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2  
5 Spring Street  
Perth, WA 6000  
PO Box 700 West Perth WA 6872  
Australia

## INDEPENDENT AUDITOR'S REPORT

To the members of Stealth Group Holdings Ltd

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Stealth Group Holdings Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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:

- i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- ii) 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 *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.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation

## Carrying value of intangible assets - impairment assessment

Key audit matter	How the matter was addressed in our audit
<p>Note C8 in the financial report discloses the key individual intangible assets and the key assumptions used by the Group in testing these assets for impairment.</p> <p>This was determined to be a key audit matter as management's assessment of the recoverable value of the intangible assets is supported by a value in use model which requires the use of estimates and judgements about future operating performance.</p> <p>These include judgements and estimates over the expectation of future revenue, gross profit margin, growth rates and the discount rate applied.</p>	<p>Our work included, but was not limited, to the following procedures:</p> <ul style="list-style-type: none"> <li>• Evaluating the Group's identification of Cash Generating Units ("CGUs") and the allocation of goodwill to the carrying value of CGUs based on our understanding of the Group's business;</li> <li>• Challenging key inputs used in the value in use calculations including the following:</li> <li>• Assessing the discount rate used by involving internal valuation experts and comparing to market data and industry;</li> <li>• Comparing forecast growth rates with historical results and economic and industry forecasts;</li> <li>• Evaluating the Group's forecast cash flows is consistent with our knowledge of the business, board approved budget, and corroborating our work with external information where possible;</li> <li>• Performing sensitivity analysis on the key inputs; and</li> <li>• Assessing the adequacy of the related disclosures in the financial report.</li> </ul>

## Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of the directors for the Financial Report**

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

- a) the financial report 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

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

- i) the financial report 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 has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/media/bwvjcgre/ar1\\_2024.pdf](https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf)

This description forms part of our auditor's report.

## **Report on the Remuneration Report**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 34 to 40 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Stealth Group Holdings Ltd, for the year ended 30 June 2025, 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.

### BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a faint, stylized 'BDO' logo.

**Ashleigh Woodley**  
Director

Perth, 26 August 2025

# ASX Additional Information - Shareholdings

Details of securities as at 5 August 2025

## Top holders

The 20 largest registered holders of fully paid ordinary shares as at 5 August 2025 were:

### Fully paid ordinary shares

Rank	Name	No. of Shares	%
1	SORRENTO200 HOLDINGS PTY LTD <SORRENTO200 HOLDINGS A/C>	9,796,420	7.56
2	DOUMIN HOLDINGS PTY LTD <DOUST FAMILY A/C>	5,932,530	4.58
2	JAKE MINEAR <JES INVESTMENT A/C>	5,932,530	4.58
4	MANDEL PTY LTD <MANDEL SUPER FUND A/C>	5,776,000	4.46
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,211,341	3.25
6	MS NARELLE EDMUNDS	3,422,597	2.64
7	CITICORP NOMINEES PTY LIMITED	3,218,300	2.48
8	MICHAEL REGINALD DOUST	2,966,265	2.29
9	OBSIDIAN SUPERANNUATION PTY LTD <OBSIDIAN SF A/C>	2,761,065	2.13
10	UBS NOMINEES PTY LTD	2,230,907	1.72
11	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	2,138,259	1.65
12	PEBADORE PTY LTD <WELLER FAMILY S/FUND A/C>	2,100,000	1.62
13	MR JOHNATHON MATTHEWS	1,903,809	1.47
14	MR WILLIAM ROBERT SIMSON	1,625,000	1.25
15	WOODWARD CORPORATION PTY LTD <WOODWARD CORPORATION A/C>	1,600,000	1.24
15	MR VINCENZO ZENONI + MS GERALDINE ZENONI <ZENONI FAMILY A/C>	1,600,000	1.24
17	DELBO PROPERTY PTY LTD <T&G DEL BORRELLO FAMILY A/C>	1,500,000	1.16
18	CLAPSY PTY LTD <BARON SUPER FUND A/C>	1,449,426	1.12
19	PHILIP TAYLOR PTY LTD <PHILIP TAYLOR SUPERFUND A/C>	1,370,000	1.06
20	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,251,559	0.97
		<b>62,786,008</b>	<b>48.47</b>

## Distribution schedule

A distribution schedule of each class of equity security as at 5 August 2025.

### Fully paid ordinary shares

Range	Holders	Units	%
1 - 1,000	55	33,321	0.02
1,001 - 5,000	178	525,055	0.41
5,001 - 10,000	123	970,508	0.75
10,001 - 100,000	435	17,927,361	13.84
100,001 - Over	173	110,076,708	84.98
<b>Total</b>			<b>100.00</b>

### Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
Mr. Michael Alan Arnold	11,182,382
Mr. Michael Doust	8,898,795

### Unquoted securities

#### Options

There are no options on issue.

### Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 747 as at 5 August 2025):

Holders	Units
30	9,954

### Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Options do not carry any voting rights.

### On-Market Buy Back

There is no current on-market buy-back.

# Corporate Directory

## Directors

Mr. Christopher Wharton AM  
*Non-Executive Chairman*

Mr. Michael Arnold  
*Group Managing Director*

Mr. Giovanni (John) Groppoli  
*Non-Executive Director*

Mr. Simon Poidevin  
*Non-Executive Director*

## Company Secretary

Mr. Anthony Benino

## Key Management Personnel

Mr. Luke Cruskall  
*Group Chief Operating Officer*

Mr. Matthew Green  
*Chief Financial Officer*

## Solicitors

Keypoint Law  
Level 23, 108 St Georges Terrace  
Perth, Western Australia 6000

## Principal and Registered Office

Level 2, 43 Cedric Street  
Stirling, Western Australia 6021

Telephone: +61 8 6465 7800  
Email: [investors@stealthgi.com](mailto:investors@stealthgi.com)  
Website: [www.stealthgi.com](http://www.stealthgi.com)  
ASX code: SGI

## Share Registry

Computershare Investor Services  
Level 17, 221 St Georges Terrace  
Perth, Western Australia 6000

Telephone: 1300 850 505 (within Australia)  
Telephone: +61 3 9415 4000 (overseas)

## Company Auditor

BDO Audit Pty Ltd  
Level 9, Mia Yellagonga  
Tower 2  
5 Spring Street  
Perth, Western Australia 6000

## Bankers

Commonwealth Bank of Australia  
300 Murray Street  
Perth, Western Australia 6000

## Accountants and Taxation Advisors

Gooding Partners  
The Quadrant,  
Level 9, 1 William Street  
Perth, Western Australia 6000



For personal use only



**STEALTHGROUP**  
HOLDINGS LTD

**Stealth Group Holdings Ltd**  
ACN 615 518 020  
ABN 25 615 518 020

Level 2, 43 Cedric Street  
Stirling WA 6021

Telephone: +61 8 6465 7800  
Email: [investors@stealthgi.com](mailto:investors@stealthgi.com)

[www.stealthgi.com](http://www.stealthgi.com)