

Company Presentation

September 15, 2023

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STEALTHGLOBAL
HOLDINGS LTD

An Australian Industrial Distribution Company

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Our Goal

Industry leadership position by being Australia's company of choice for Industrial Supplies and Solutions.

Our Model

We provide industrial products and solutions for every workplace.

Our Commitment

Sustainable long-term growth and delivering shareholder value



STEALTHGLOBAL
HOLDINGS LTD

Our Strategy

Industry leading position

1. **\$200m revenue @ 8% EBITDA** by 2025
2. **Largest distribution network** combining the assets of company owned and independent operators.
3. **Endless assortment of quality brands/products**
4. **Innovative** services and supply solutions
5. **Integrating sustainable practices** to ensure long-term profitability.

The company is continuing to invest in building scale, digital capabilities, improve efficiency and add more value to the Customer experience.

An Australian Industrial Distribution Company

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With \$111.0m in sales, we are a leading broad range distributor and supplier of industrial products and services for every workplace, with operations Australia-wide.

2014

Company founded

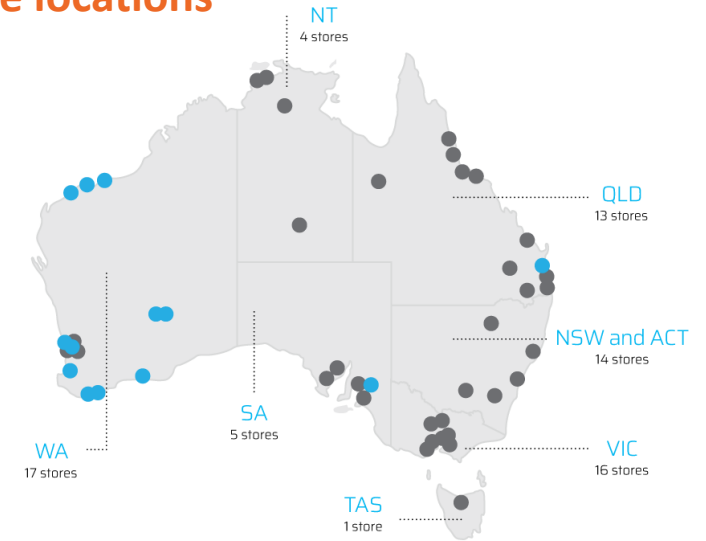
Large player

One of Australia's largest distributors

Target FY25

\$200m @ 8% EBITDA

Branch and Store Network 70 Store locations



~200

Team members

39%

Gender balance % of Women

>200k

Products instock and available

~8k

Business Customers

~34k

Individual Retail Consumers

Broad line selection of products and brands

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Abrasives	Adhesives, Sealants & Fillers	Air Tools & Equipment	Automotive, 4WD & Parts	Car Care & Accessories	Cleaning & Janitorial
Clearance	Clothing & Footwear	Crib & Kitchen	Cutting Tools	Drilling	Electrical
Fasteners	Hand Tools	Hardware, Building & Construction	Hoses & Fittings	Lifting & Material Handling	Lubricants, Chemicals & Fuels
Machinery & Workshop	Medical	Mining	Packaging & Tapes	Power Tools	PPE
Safety	Service Equipment	Storage	Truck & Trailer	Welding	Workplace Supplies

3M	ACE AUSTRALIAN CUSTOM SERVICES	Alemlube	ALFAGOMMA	ALPHAWELD	Ansell	Austech INDUSTRIES
AUSSLIFT	AUSTRALIAN TRUCK PARTS	BEARING WHOLESALE	BISHOP'S TRANSPORT	Bisley WORKWEAR	Blundstone TASMANIA AUSTRALIA - ETC	bolle
BRADY	BREMICK PARTS ENDS	BUNZL	Castrol	CIGWELD	Coastal Transport	CRC
Cummins South Pacific	CW CW BRANDS	DAIMLER	DAYCO	DIXON	Dy-Mark	DYNAWELD
Energizer	FMP	FUCHS	Fuwa KHITCH	KELLA	Henkel	HILTI
HOLDEN	Honeywell	ITM INDUSTRIAL TOOL & MACHINERY SALES	JAS OCEANIA	Jaybro	JS HAYES	KENWORTH
KINCROME PROFESSIONAL QUALITY TOOLS	LARZEP HYDRAULIC	Makita	MEGA FIRE	metabo PROFESSIONAL POWER TOOL SOLUTIONS	MERITOR	Milwaukee
MOLDEX	MSA	MUMME TOOLS	Ontime DELIVERY SOLUTIONS	OLIVER SINCE 1857	PARAMOUNT SAFETY PRODUCTS	PFERD
PROTEC	RICHMOND WHEEL & CASTOR CO	Rugged Xtremes	RYCO	SAF Holland	SAINT-GOBAIN	SCOPE INDUSTRIAL TOOLS
Sheffield GROUP	SIGNODE	Jika	SmartChem	SPEAR & JACKSON	SPILL CREW THE SPILL MANAGEMENT COMPANY	StanleyBlack&Decker
STEEL BLUE	STEMCO	Techware	TRANSPIC INDUSTRY TOOLS	TRIDON	TRU Brands	TYPHON TOOLS FULL STRENGTH. GUARANTEED.

Enhanced go-to-market models

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Stealth's go-to-market models serve multiple channels and varied customer needs.



BUSINESS SOLUTIONS SEGMENT

OUR BANNERS



CUSTOMER TYPE

Large to mid-size to small businesses, professionals and government customers with typically complex requirements.

SEGMENT VALUE PROPOSITION

Compelling value-added products, services and bespoke solutions delivered through our team of specialists, sales force, in-branch, by phone, by email and digital channels.

GEOGRAPHY

Australia



84% of FY23 Sales



RETAIL SOLUTIONS SEGMENT

OUR BANNERS



CUSTOMER TYPE

Small individual retail consumers with less complex requirements.

SEGMENT VALUE PROPOSITION

Individual consumers buying made easy, instore and online, with access to a wide selection to suit customer needs.

GEOGRAPHY

Australia

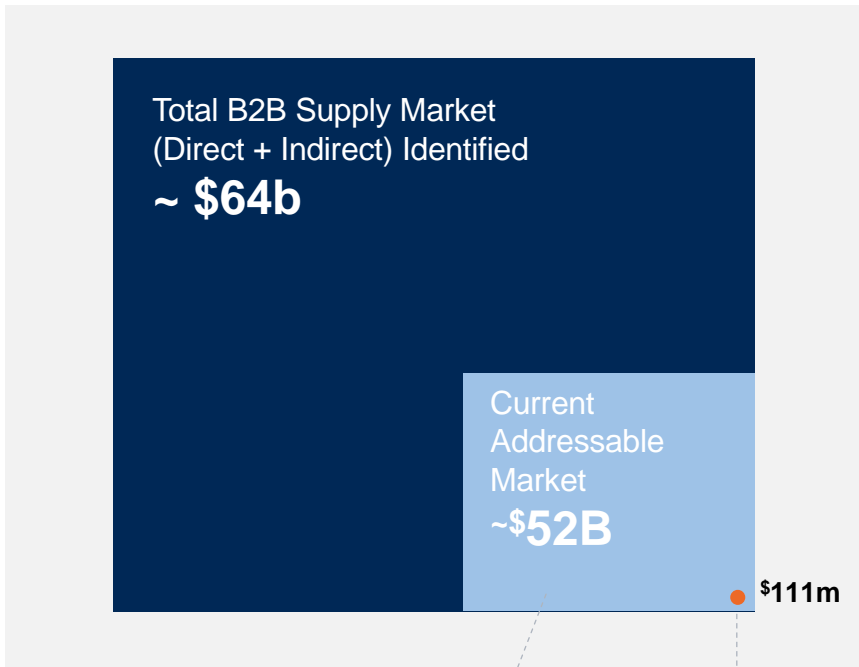


16% of FY23 Sales

We play in a large and highly fragmented market

Well positioned to pursue opportunities and go after the \$52b of market share we don't have today

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~4.5%
Largest player share



\$28Bn	Hardware & Building Supplies Retailing (1)	\$1.8Bn	Safety Equipment & Supplies Distributors (5)
\$555M	Online Hardware & Tool Sales (2)	\$9Bn	Materials Handling Equipment Distributors (6)
\$17.8Bn	Hardware Wholesaling (3)	\$8.1Bn	Automotive & Heavy-Duty Truck Parts Wholesalers (7)
\$2Bn	Cleaning & Maintenance Supplies Distributors (4)	\$13Bn	Construction, Machinery & Scaffold Hire (8)

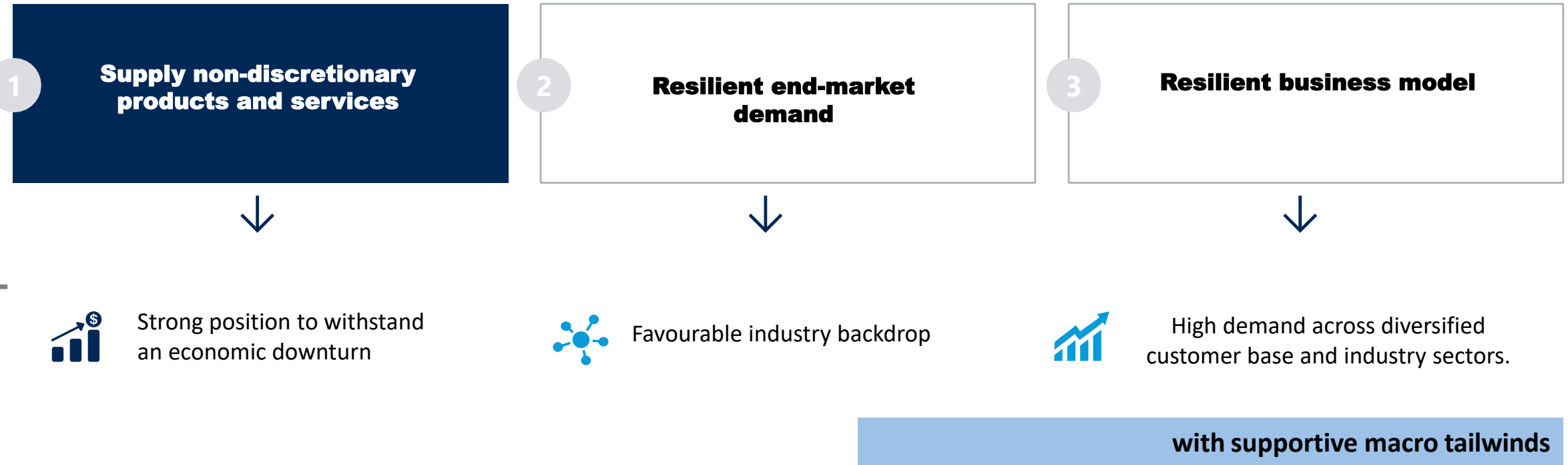
Source: IBISWorld

- Hardware and Building Supplies Retailing in Australia – Market Research Report 2023
- Online Hardware and Tool Sales in Australia - Market Research Report 2023
- Hardware Wholesaling in Australia - Market Research Report 2023
- Cleaning and Maintenance Supplies Distributors in Australia - Market Research Report 2023
- Safety Equipment and Supplies Distributors in Australia – Market Research Report 2023
- Material Handling Equipment Distributors in Australia – Market Research Report 2023
- Heavy Duty Truck Parts Wholesalers in Australia – Market Research 2023
- Construction, Machinery and Scaffold Hire in Australia– Market Research Report 2023

and attractive industry dynamics

Favourable Industrial maintenance, repairs and operations (MRO) market characteristics.....

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FY2023 we delivered strong results... a record performance

Key metrics for the period ending 30 June 2023

KEY FINANCIALS

Key metrics for the period ending 30 June 2023	Growth (%)	Result	Commentary
Revenue ¹	11.4	\$111.0m	Strong sales and profit growth
EBITDA	32.5	\$5.3m	
EBIT	71.4	\$2.4m	Improved cost structure
EPS	51.7	0.91	Successful on inflation recovery.
Return on capital employed	390 bps	9.9%	

CASH METRICS

Operating cash inflows	655.6	\$6.8m	Capital deployment strongly managed
Net capital expenditure	(7.7)	\$1.2m	
Free cash flows	1300.0	\$5.6m	
Cash realisation ratio (%)	73.3	130%	

BALANCE SHEET AND CREDIT METRICS

Net financial debt	(29.4)	(\$7.2m)	Substantial working capital headroom
Net Debt to EBITDA	(46.2)	1.4x	
Inventory as a % of annual sales	(90 bps)	13.3%	



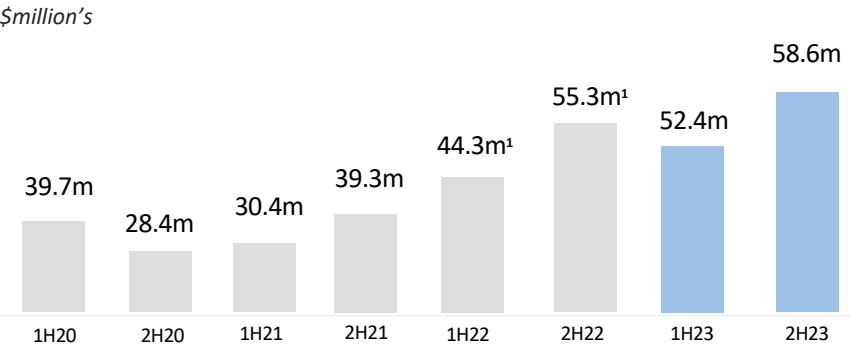
¹ Growth based on continuing operations. Excludes UK divestment in FY22.

Growth trend comparison - Sales & Gross Profit performance

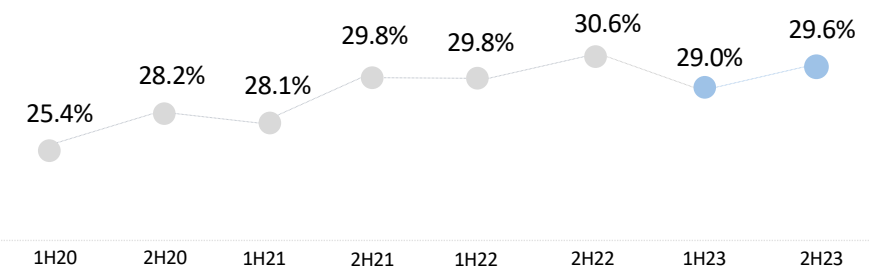
Continued traction with growth engines driving high growth

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4-year trend (Revenue) Half by Half



4-year trend (Gross Profit %) Half by Half



In 2023 we continued building a sustainable business

Consistent investment strategy has strengthened market position



Enhanced core business

- Executed pricing reset in 2H23 lifting margins by 70bps
- Improved cost structure by 200bps
- Established centralised purchasing office for tier1 suppliers
- Verticalised sales force to customer types
- Enhanced ecommerce integrating with multiple new customers
- Significant steps forward with automation



Rightsizing continues to deliver

- Restructured buying group business from two into one
- Continued investment in customer experience and digital capabilities
- Improved delivery capabilities
- Shed unprofitable contract customers and closed 8 onsite store operations and 2 retail stores.

Outlook

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Financial outlook is **positive**, expect strong results to continue.



Despite fluctuations in economic conditions, the ongoing demand for our products and services



Further consolidation of operating banners in FY24 provides opportunities, anticipated to result in **outperformance** in the wider industrial sector.



FY24, double digit growth plan for revenue, margin and earnings



Key takeaways

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Recent progress positions Stealth with attractive go-forward investment thesis

Industry-challenger	<ul style="list-style-type: none"> • for an industry-leading position in large and highly attractive market with opportunity to capture share.
Customer value	<ul style="list-style-type: none"> • powerful customer value proposition, purpose-built to meet the needs of our B2B customers and B2C consumers.
Advantaged go-to-market models	<ul style="list-style-type: none"> • further our competitive position driven by innovation.
Strong financial position	<ul style="list-style-type: none"> • supporting growth and disciplined return of capital.
Purpose-driven culture	<ul style="list-style-type: none"> • supporting performance and commitment to excellence
Advantaged supply chain	<ul style="list-style-type: none"> • a purpose-built to meet the needs of our B2B customers and B2C consumers

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Q&A



IN FOCUS:
A SHIFT IN GENDER STEREOTYPES
Women in the industry share stories with Heatleys on how they've seen a shift in gender roles and gender specific workwear.
PAGES 4-5

PROUDLY SUPPORTING
National safe work month
Shop safety specials page 22-23

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