



STEALTH REPORTS RECORD FINANCIAL PERFORMANCE IN FY2025

Stealth Group Holdings Ltd ("Stealth" or "the Company") (ASX:SGI), is pleased to announce record results for the year ended 30 June 2025.

- **Record Sales, increasing 27.6% to \$145.1m** driven by the full year contribution from Force Technology and supported by expanded distribution reach and selective organic growth.
- **EBITDA margins increased from 5.3% in FY24 to 7.0% FY25** with EBITDA increasing 62% to \$9.9m reflecting operating leverage, disciplined cost control and strategic execution.
- **Invested \$4.8m in initiatives to drive continuing revenue growth and margins:** including exclusive and private label brands, new business platforms such as Tool Hire, a loyalty rewards program and retail store upgrades.

Financial Summary	2025	2024	Variance %	4 year CAGR
Sales	\$145.1m	\$113.7m	27.6%	21.4%
Revenue	\$141.7m	\$113.7m	24.7%	20.7%
Gross Profit	\$40.7m	\$33.7m	20.8%	20.5%
EBITDA ¹	\$9.9m	\$6.4m	62.3%	35.9%
EBIT ²	\$6.5m	\$3.2m	95.1%	49.5%
PBT	\$4.4m	\$2.0m	124.4%	48.7%
NPAT	\$3.1m	\$1.4m	130.3%	57.8%
Basic earnings per share (EPS)	2.63	1.34	96.2%	52.7%

Cash and Debt	2025	2024	Variance %
Operating cash flow	\$4.9m	\$6.3m	(21.3%)
Capital investment	\$4.8m	\$1.5m	(212.3%)
Free cash flow	\$0.1m	\$4.7m	(98.2%)
Cash realisation ratio (%)	68	128	(47.2%)
Cash and cash equivalents	\$14.4m	\$10.1m	42.3%
Net assets	\$30.2m	\$20.4m	48.5%
Net debt	\$6.8m	\$10.8m	(37.1%)
Net debt to EBITDA (x)	0.7x	1.8x	(61.2%)

¹ Earnings before interest, tax, depreciation, amortisation before underlying transaction costs.

² Earnings before interest, tax, after underlying transaction costs.

RECORD PERFORMANCE AND SHAREHOLDER VALUE

- **Company Record Sales and Gross Profit:** achieved record group sales of \$145.1m, up 27.6%, and gross profit of \$40.7m, an increase of 20.8%.
- **Disciplined Inventory Management:** Inventory as a percentage of revenue reduced positively to 14.8% (FY24: 19.1%), reflecting strong inventory management.
- **Reduced Net Debt:** by 37% to \$6.8m, down from \$10.8m, further strengthening our balance sheet and funding flexibility.
- **Strengthened Balance Sheet:** Record net assets increasing to \$30.2m, up \$9.8m on FY24 (\$20.4m) and ROCE% at 16.7%.
- **Highest Level of Capital Investment:** with \$4.8m deployed into growth-enabling initiatives to support future scale and capability.
- **Achieved Significant Cash Flow:** Stealth recorded a record result of \$14.4m in cash holdings, an increase of 42.3%.
- **Record Earnings Per Share:** EPS increased by 96.2% to 2.63 cents.
- **Volume Growth:** Sales up 23.2% and Gross Profit up 16.3% on a per employee basis.
- **Successful Capital Raise:** \$7.5m raise aligned to new strategic initiatives that deliver future benefit, conducted at \$0.60 per share, supporting growth without diluting value.

An Australian Multi-Sector Distribution Company



BOARD OF DIRECTORS

Chris Wharton AM
Chairman

Michael Arnold
Group Managing Director & CEO

John Groppoli
Non-Executive Director

Simon Poidevin
Non-Executive Director

Anthony Benino
Company Secretary

ISSUED CAPITAL

129.5 million Ordinary Shares

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GROUP OPERATING BRANDS

- > Heatleys Safety, Industrial & Automotive
- > Force Technology International
- > United Supply Company
- > Trade Member Direct
- > The Tool Hire Company

WEBSITES

- > heatleys.com.au
- > forcetechnology.com.au
- > citoolcentre.com.au
- > isgaus.com.au
- > unitedtools.com.au
- > toolspareparts.com.au

ASX: SGI

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Stealth Group Managing Director and CEO Mike Arnold commented. "I am pleased to announce that Stealth delivered record financial performance in FY25, achieving sales of \$145.1 million, up 27.6%, and a 130% increase in net profit after tax to \$3.1 million. This result reflects the benefits of our expanded distribution reach, the full-year contribution from Force Technology, and disciplined cost control across the business.

During the year, we strengthened our balance sheet, reducing net debt by 37% to \$6.8 million, and increased cash holdings to \$14.4 million. We also delivered our highest level of capital investment since inception, deploying \$4.8 million into initiatives that will support future scale and capability, including new brands, technology platforms, store refurbishments, and customer experience enhancements.

Looking ahead, our strategy to FY28 is clear — targeting \$300 million in sales, an 8% EBITDA margin, and further growth in exclusive and own-brand sales. Demand for our products remains strong, supported by our differentiated, multi-sector distribution model, and we are well-positioned to deliver sustainable growth and long-term shareholder value."

Financial Summary Continued...	2025	2024	Variance %
RATIOS			
Gross Margin	28.7%	29.6%	(3.1%)
Cost of Doing Business	21.7%	24.3%	10.4%
EBITDA ¹ Margin	7.0%	5.3%	30.2%
Inventory / Sales	14.4%	19.1%	22.8%
Return on Capital Employed (%)	16.7%	9.6%	72.8%
Net Debt Ratio / EBITDA ¹	0.7x	1.8x	61.2%

¹ Earnings before interest, tax, depreciation, amortisation after underlying transaction costs.

CAPITAL MANAGEMENT AND CASHFLOW GENERATION

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

Stealth is reporting significant cashflow generation for FY25 with operating cash flow of \$4.9m slightly down from, \$6.3m in FY24, and free cash flow \$0.1m, after \$4.8m of capital investment deployed into growth-enabling initiative to support future scale and capability.

Cash and cash equivalents increased to \$14.4m as of 30 June 2025, up 43% from \$10.1m on 30 June 2024. Key cash movements included:

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

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

CAPITAL INVESTMENT

In FY25, we delivered our highest level of investment since inception, with \$4.8m deployed into growth-enabling initiatives to support future scale and capability.

- **New exclusive and private-label brands:** CAT®, WESCO, CASETiFY, Belkin, D3O, Harden Tools, DullCo®, and RIVO.
- **New business infrastructure and platforms:** Tool Hire division systems, three new online stores (launching FY26), JB Hi-Fi Marketplace integration, and a unified Human Resources 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:** Four 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.

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

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.

DIVIDEND

The Board has declared a fully franked final dividend of **1 cent per share**, up from 0.84 cents last year, reflecting continued strong performance. The **record date is 7 October 2025** with **payment on 4 November 2025**.

The **Dividend Reinvestment Plan (DRP)** remains available, providing shareholders a cost-effective way to reinvest and support Stealth's growth. The last election date is 8 October 2025, with a pricing period from 9–22 October 2025. Shares will be issued on 4 November 2025.

SUPPORTING OUR COMMUNITY

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

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

FY28 STRATEGY REMAINS UNCHANGED

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.

The Company will hold an Investor Webinar Presentation on the FY25 results on Wednesday 03 September 2025 at 10:00am AWST / 12:00pm EST. To register for the event please follow the link below:

Registration link: https://zoom.us/webinar/register/WN_zEOOsKoxSWqznY9D0HLrPg

This announcement was authorised to be given to the ASX by the Board of Directors of Stealth Group Holdings Ltd.

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About Stealth Group Holdings Ltd (ASX: SGI)

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.

END OF RELEASE

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