# 2026 Annual Report

STEALTH GROUP HOLDINGS LTD

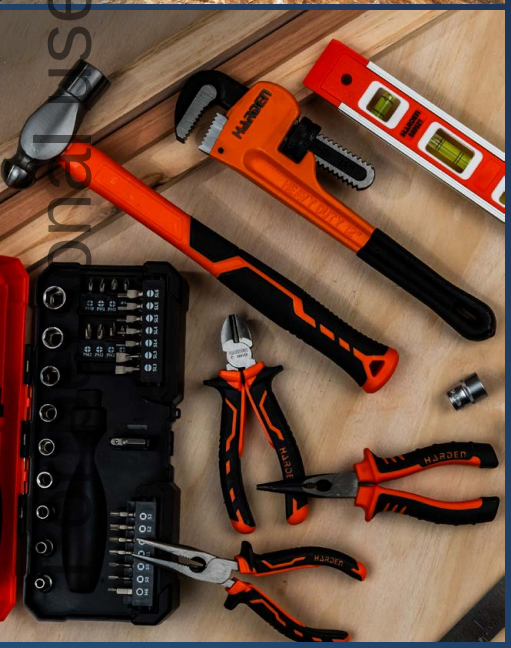
Australia's leading independent distributor and retailer serving the workplace and home

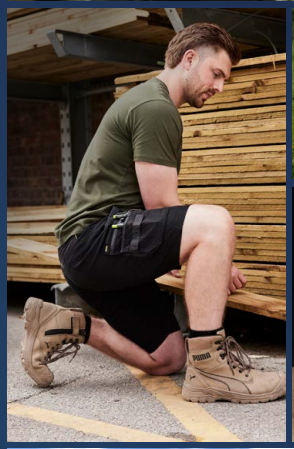
personal use only



























For personal use only

# About Stealth

## Building Australia's leading independent distributor and retailer serving the workplace and home.

The Company supplies hardware, home improvement, industrial, safety and consumer products, together with supply chain solutions, to independent retailers, businesses & organisations, trade professionals, retail resellers and DIY consumers.

Stealth operates an integrated distribution and retail model supported by procurement, supplier partnerships, distribution centres, company-owned operations, digital channels and a national sales capability.

The Company's size and scale combine company-owned operations, independent retailers and retail reseller channels to create one of Australia's largest independent distribution networks serving the workplace and home market.

Operating across an Australian market valued at approximately $120 billion, Stealth is focused on expanding customers, products, supplier partnerships, market reach and strategic acquisitions to deliver sustainable long-term growth.

# Contents

For personal use only


| | |
|---|---|
| **Group Performance** | **2** |
| **Transformational Achievements** | **3** |
| **The Stealth Approach** | **4** |
| **Our Business Model** | **6** |
| **Our Customers** | **7** |
| **Our Network** | **8** |
| **Our Products** | **9** |
| **Quality and Sustainability** | **10** |
| **Supporting Our Community** | **11** |
| **Chairman's Message** | **14** |
| **Board of Directors** | **16** |
| **Management Team** | **17** |
| **Operating and Financial Review** | **18** |
| **Directors' Report** | **23** |
| **Annual Financial Report** | **35** |
| Consolidated Statement of Profit or Loss and Comprehensive Income | 36 |
| Consolidated Statement of Financial Position | 37 |
| Consolidated Statement of Changes in Equity | 38 |
| Consolidated Statement of Cash Flows | 39 |
| Notes to the Consolidated Financial Statements | 40 |
| Consolidated Entity Disclosure Statement | 62 |
| Directors' Declaration | 63 |
| Auditor's Independence Declaration | 64 |
| Independent Auditor's Report | 65 |
| ASX Additional Information - Shareholdings | 69 |
| **Corporate Directory** | **71** |

# Group Performance

For personal use only

## FY26 saw record results and inflections in all key metrics.

**Total sales**
up 13.8% to
$165.1m

**Revenue**
up 3.0% to
$146.0m

**EBITDA**
up 46.2% to
$14.4m

EBITDA margin 8.7% of Sales

**NPAT**
up 86.3% to
$5.8m

**EPS**
up 56.7% to
4.12¢

**Net Debt to EBITDA**
down 21.9% to
0.5x

**Cash balance**
up 122.5% to
$32.1m

**ROCE**
down 15% to
14.2%

**Dividend Declared**
up from 1.0¢
1.5¢ per share

For more financial information go to page 20.

For personal use only

# Transformational Achievements

In FY26, Stealth created Australia's largest independent distribution platform, establishing the Group as a third force across the hardware, home improvement, building supplies, industrial MRO and safety markets.

## Industry-defining expansion

increased market size by $27bn to

**$120bn**

High-barrier distribution platform in a large fragmented market.

## Group purchasing volume

increased ~$700m to

**$770m+**

Total annual purchases transacted across the Group purchasing ecosystem with suppliers.

## Network locations

increased 1,165 to

**1,200+**

National network comprising Company-owned stores (10) and independent HBT member stores across Hardware, Industrial & Safety markets.

## Expanded supplier network

increased ~490 to

**1,300+**

A large supplier network with the scale and reach to attract and grow strategic supplier partnerships.

## Expanded product range

increased 16 categories to

**29**

Our wide product range spans hardware, timber, home improvement, building supplies, industrial MRO, safety and Consumer retail categories.

## Team members

increased 22 to

**236**

National team across sales, operations, supply chain, sourcing & procurement, technology, marketing, customer service, account management, finance and support services.

# The Stealth Approach

Focused on sustainable long-term growth by expanding customers, products, supplier partnerships and market reach — both organically and through strategic acquisitions, creating value for all stakeholders.



For personal use only

Delivering 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, 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.

For personal use only

# 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

- Responsible long-term management
- Being a market leading alternative
- Strengthening the business through operating excellence and innovation
- Satisfying customer needs
- Providing the best customer experience and the best range of products

# Our FY28 Targets

**Sales**
$500 million

**EBITDA Margin**
8%–12%

**Net Profit After Tax Margin**
5%–8%

# Our six growth priorities

- **Customer growth**: increase market share through customer acquisition, retention and greater share of spend
- **Product & category growth**: expand categories, exclusive brands and cross-selling opportunities
- **Supplier growth**: strengthen partnerships, procurement capability and exclusive distribution
- **Channel growth**: increase sales through distribution, retail, independent, reseller and digital channels
- **Distribution network growth**: expand company-owned operations, independent retailer participation and national capability
- **Strategic acquisitions**: expand customer reach, operating capability, procurement scale and product categories

# Our Business Model

Stealth is Australia's leading independent distributor and retailer serving the workplace and home.










For personal use only

## B2B Distribution

National supply through sales force, branch/store network, customer contact centres, online and onsite.

## Retail

Omnichannel sales through company-owned stores and digital channels.

## Supply Chain Solutions

Sourcing & procurement, member services, commercial services, product development, and exclusive / own brand distribution

## How value flows through the business

Suppliers → Procurement → Distribution → Retail → Supply Chain Solutions → Customers

## Characterised by:

- Broad product categories across hardware, home improvement, industrial, safety and consumer
- Multiple customer segments and multiple routes to market
- Shared operating infrastructure and national distribution capability
- Diversified revenue streams across distribution, retail and value-added services
- Long-term supplier relationships and customer-focused value-added services

## Operating businesses

- **Hardware and Building Traders (HBT)**: the Group's newly acquired independent hardware and building trade member network.
- **Heatleys Safety, Industrial & Hardware**: industrial, safety, workplace and hardware products, with a strong national footprint.
- **C&L Tool Centre**: tools, equipment and industrial products for trade professionals and businesses, operating hybrid B2B/B2C trade-counter and retail formats.
- **H Hardware**: hardware retail and licensee stores serving trade professionals and DIY consumers.
- **Force Technology**: Consumer retail, sales, distribution, design and manufacturing mobile technology accessories through major retail chains.

# Our Customers

Stealth serves all types of customers across multiple workplaces, industries, trades and homes, through five core segments that cater for different customer buying requirements.



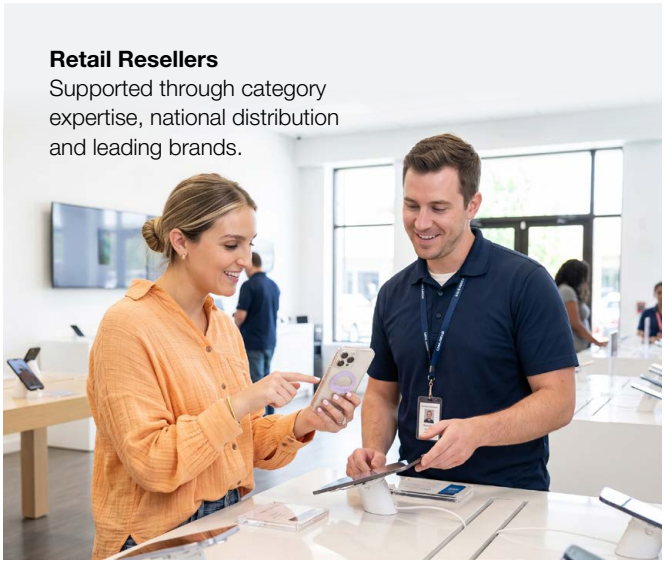

**Independent Retailers**
Supported through procurement capability, reliable supply and commercial partnerships.



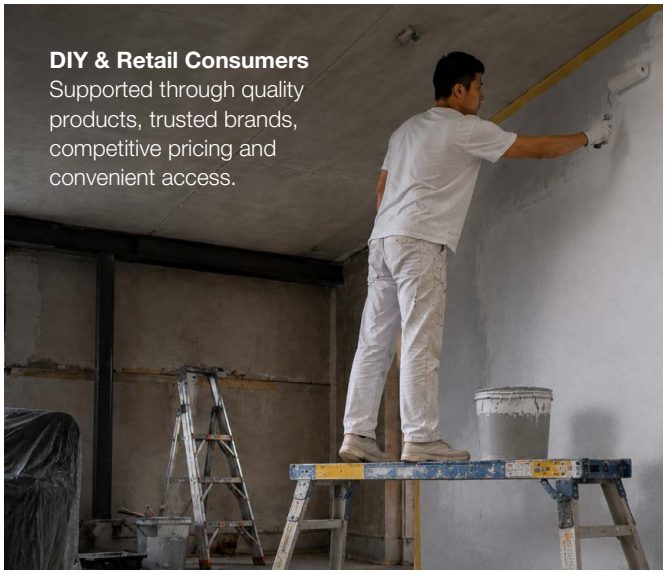

**Businesses & Organisations**
Supported through account management, national distribution, technical expertise and commercial support.



**Trade Professionals**
Supported through product availability, technical advice, trusted brands and responsive service.



**Retail Resellers**
Supported through category expertise, national distribution and leading brands.



**DIY & Retail Consumers**
Supported through quality products, trusted brands, competitive pricing and convenient access.

## Customer value

- Passionate, customer-centric company
- Broad product range and reliable supply
- Convenience, accessibility, fast and simple shopping experience
- Everyday best prices and unmatched customer experience
- Efficient delivery and distribution options, and technical expertise

These principles underpin every customer relationship across the Group and are delivered through common infrastructure, people and supplier relationships across our operating businesses.

For personal use only

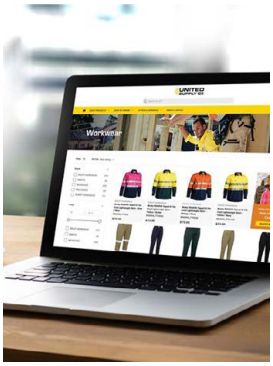
# Our Network

We are Australia's largest independent distribution network in the Hardware, Home Improvement, Building, Industrial, Safety, and Consumer Markets.














For personal use only

## A unique and scaled distribution Network

**Company-Owned Operations**
Distribution centres, company-owned branches and stores (Heatleys, C&L Tool Centre), digital commerce, national sales capability, customer service.

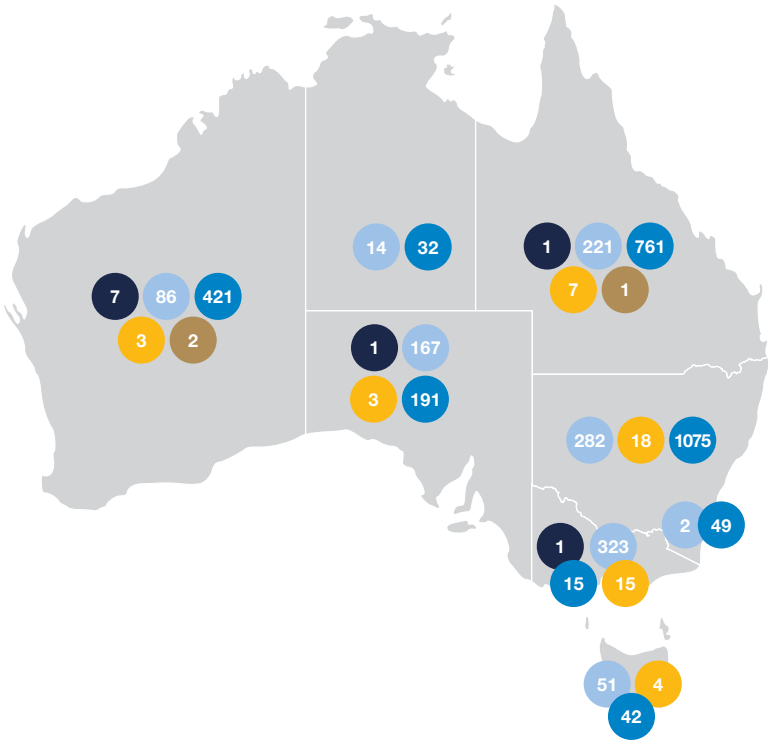
**HBT Independent Member Network**
HBT's 1,200+ member stores, unifying buying deals across Industrial Supply Group, United Tools and The Tool Hire Company, and expanding procurement scale and supplier reach.

**Digital & Marketplace Channels**
Launched on Woolworths, Amazon and JB Hi-Fi online marketplaces during FY26, alongside company-owned online stores.

**National Sales Capability**
Field sales, internal sales, technical specialists and customer service, providing product knowledge and responsive service across every customer segment.

**Retail Reseller Network**
Force Technology supplies national and regional retail chains and online retail partners, now including Officeworks and Harvey Norman alongside JB Hi-Fi, 7-Eleven, Coles, The Good Guys and Retravision.

- 10 Company-owned Branch/Stores
- 1144 Independent Retail and Trade Stores (Individual Banners)
- 3500 Retail Resellers (major retail chains)
- 50 H Hardware Store Locations
- 3 Company Distribution Centres



# Our Products

Stealth supplies diverse, essential products across multiple categories, giving customers a broad offering and creating resilience to market dynamics. The range spans hardware, home improvement, timber, doors, building supplies, tools, paint, rural, bathroom, kitchen, plumbing, electrical, fasteners, garden & landscape, and pet categories.























For personal use only

# Quality and Sustainability

For personal use only

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.



# Supporting Our Community


R U OK Day


EFM Cares Program



The Biggest Morning Tea




Pink Ribbon Morning Tea

For personal use only

## R U OK? Day

It's a good reminder that asking "Are you OK?" is about:

- Really listening
- Being there to encourage action
- Checking in with the people around us - at work, at home, and in our community.

At Stealth, the wellbeing of our people remains a top priority, and we are proud to build a culture where these conversations aren't a once-a-year ritual, but part of everyday life.

## NBCF - Pink Ribbon Breakfast

Stealth turned pink as we came together for a morning tea filled with meaningful conversations and support for Breast Cancer Awareness Month.

Together, we raised funds for the National Breast Cancer Foundation (NBCF), supporting groundbreaking research, early detection, prevention strategies, and treatments that bring us closer to a world free from this disease.

## MACA Cancer 200 Ride for the Perkins

Stealth and Heatleys were proud to support MLG's participation in the 2025 MACA Cancer 200 Ride for the Perkins, a two-day, 200km cycling event raising vital funds for the Harry Perkins Institute of Medical Research to support life-changing cancer research in Western Australia.

Congratulations to the MLG team. As a long-standing Heatleys customer, we are proud to support the team's fundraising journey.

## The Biggest Morning Tea

Stealth Group came together to host a Biggest Morning Tea in support of Cancer Council, raising almost $2,000 to help fund vital cancer research, prevention programs, and support services.

We are proud to support an organisation that provides care, guidance, and hope to Australians impacted by cancer. Our Biggest Morning Tea reflects our commitment to giving back to the community and helping create a future with fewer lives affected by cancer.

## 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.

## 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.

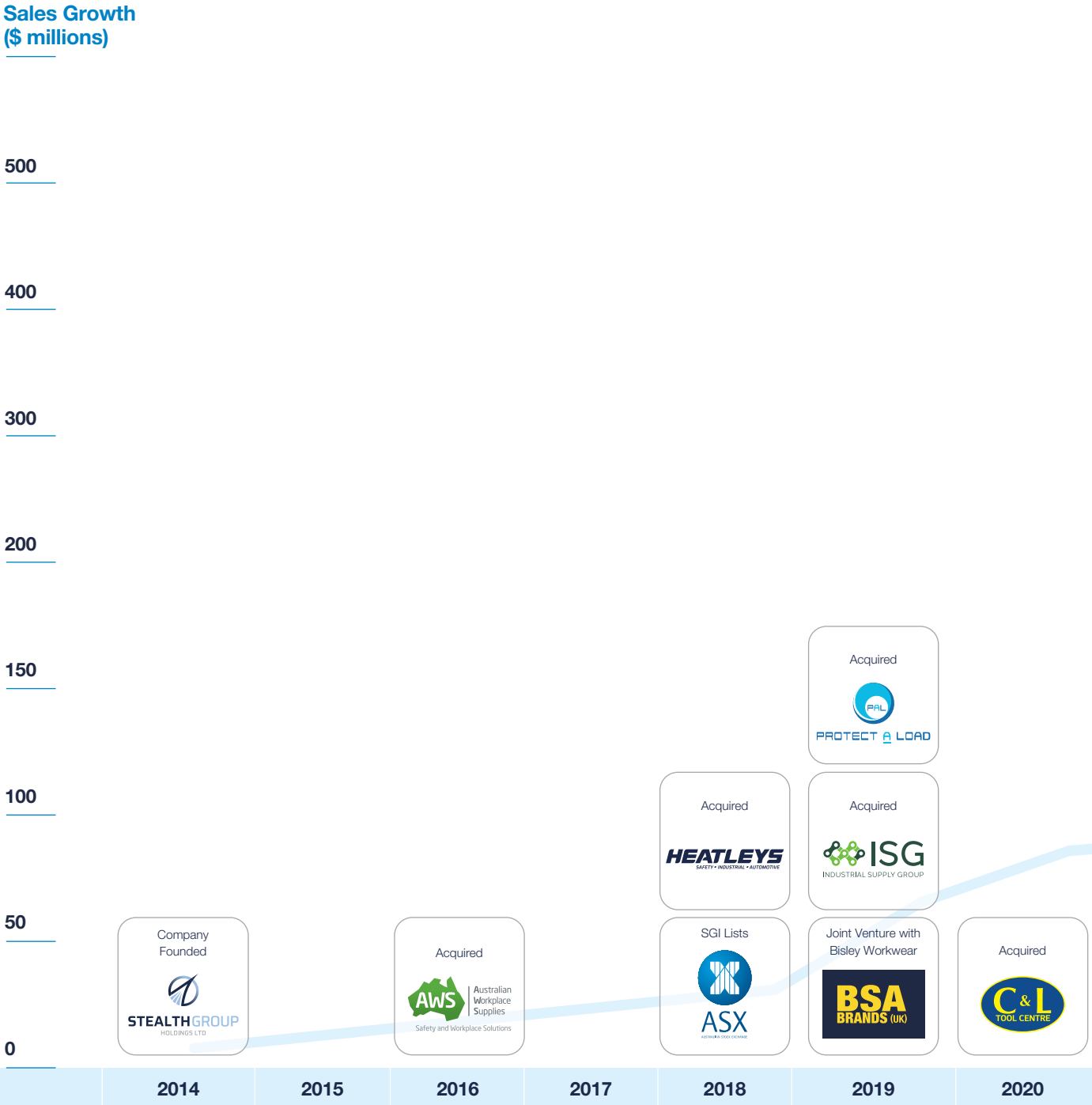
**Mission Australia** – By purchasing EFM Cases and Screen Guards you are supporting Mission Australia fight homelessness.

**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.

# Our History

Through successful acquisitions, alliances and launches, Stealth has built one of Australia's leading independent distributor and retailer serving the workplace and home.

For personal use only




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

For personal use only



# Chairman's Message

For personal use only

## Transforming scale, accelerating growth

Dear Shareholders,

FY26 was another record year for Stealth, and a defining step in the FY26–28 "Time to Shine" strategy we set out last year. The transformational acquisition of Hardware and Building Traders (HBT) broadened the Company's reach, strengthened our operating platform and opened substantial new avenues for growth, positioning Stealth as Australia's leading independent distributor and retailer serving the workplace and home. Our focus now is clear: turning that expanded capability into practical benefits for our customers, members, suppliers and shareholders.

We have moved decisively from acquisition to execution, and remain firmly on track toward our FY28 ambitions. Our upgraded FY28 sales target of $500 million, together with an EBITDA margin of 8–12%, reflects both the opportunities identified through HBT and our confidence in the potential of the combined Group.

### Record performance and shareholder value

This was another record year for the Group. Sales grew 13.8% to $165.1 million, reflecting both organic growth across our existing operations and the contribution from HBT since acquisition. EBITDA rose 46.2% to $14.4 million, while Net Profit After Tax increased 86.3% to $5.8 million.

At year end, net debt was $7.7 million, equivalent to 0.5 times EBITDA, leaving the Group with sufficient liquidity to support the growth initiatives underpinning our FY28 targets. The share price rose from $0.73 to $1.29 over the year, lifting market capitalisation from $94.5 million to $192.9 million — a strong endorsement of the Company's progress and our long-term ambition to deliver sustained shareholder value.

### Strategic execution and milestone achievements

FY26 transformed the Group's scale, market reach and growth profile. Principal milestones included:

- Completion of the HBT acquisition in November 2025, supported by a $19.5 million capital raise at $1.00 per share.
- Creation of Australia's largest integrated distribution network spanning the hardware, industrial, safety, automotive and workplace sectors — combining Stealth's wholly-owned operations with a national network of independently owned retail and trade operators that form HBT's membership base.
- Addition of 1,165 HBT member stores, materially extending the Group's network and creating a broader base from which to deliver procurement, supplier and operating benefits.
- Expansion of the Group's supplier network from around 800 to approximately 1,300, and broader category exposure across hardware, timber, building supplies, paint, garden and landscape, plumbing, rural and pet products.
- Progress on integration efficiencies through HBT, including systems integration and the renegotiation of supplier terms to optimise procurement.
- Activation of the HBT Trade Account, our central services platform, with billing set-up completed for the first tranche of suppliers from 1 July 2026 — a first step toward our target of transitioning $200 million of HBT member order value onto Stealth's platform by FY28.

### Operational excellence and disciplined growth

Across the Group, our teams continued to strengthen product availability, customer access and the systems supporting our larger network.

Key developments included:

- Broadening our product, category and service offering to drive incremental sales, revenue and earnings.
- New Australian territory-exclusive distribution agreements with PanzerGlass, Tech21, CASETiFY, Belkin and Ember.
- Expansion of CAT, Harden Tools and RIVO Safety into 42 hardware retail stores, with sales and profit uplift expected in FY27 and beyond.
- Launch on major online marketplaces including Woolworths, JB Hi-Fi and Amazon

Together, these initiatives expand our customer access, product portfolio and channels, positioning Stealth to capture market share across Australia's highly fragmented, $120 billion hardware, industrial, safety and home improvement sectors.



For personal use only

## Capital management and cash flow generation

Disciplined capital management remained central to the year as we completed the HBT transaction and began integration. As at 30 June 2026, cash at bank was $32.1 million, with cash flow from operations of $7.9 million. This leaves the Group with a solid cash position and the flexibility to fund integration and growth while maintaining financial discipline.

Reflecting the strength of this performance, the Board has declared a fully franked final dividend of 1.5 cents per share for FY26, up from 1.0 cent last year.

## Capital expenditure

FY26 capital expenditure totalled $4.1 million, focused on the capabilities needed to integrate and scale the Group:

- $1.0 million in private label and exclusive distribution
- $0.4 million in new digital commerce channels
- $1.0 million in technology systems
- $1.4 million in IT hub and central billing enhancement
- $0.3 million in store and branch refurbishments

This investment supports the next stage of growth by strengthening the platform behind our member, reseller, business and consumer channels.

## Supporting our community

In FY26, we supported selected charities through sponsorship and fundraising, and encouraged our teams to contribute to causes that matter in the communities where we operate. Teams across our facilities hosted events supporting the Cancer Council, the National Breast Cancer Foundation and The Salvation Army, and Stealth and Heatleys again sponsored the MLG team's participation in the MACA Cancer 200 Ride for Perkins. We also advanced responsible packaging and upheld international standards for ethics, quality and environmental management, alongside continued investment in safety, capability and culture.

## FY28 outlook - demand grows

The opportunities ahead of us are substantial. Stealth remains firmly on track toward its FY28 targets, supported by growth across our three revenue streams: distribution, retail and supply chain solutions. FY27 is expected to represent a significant step change, led by HBT's first full-year contribution, continued organic growth across the core business, and further integration synergies.

## Closing acknowledgements

On behalf of the Board, I thank our shareholders for their continued support, including the confidence shown through the capital raise that enabled the HBT acquisition, and I warmly welcome HBT's members, suppliers and partners to Stealth.

I also thank our Executive and Management teams, and every employee across our expanded Group, for their commitment through a year of considerable change — your efforts have turned strategic opportunity into performance.

FY26 has transformed our scale, market reach and growth profile. We enter FY27 with substantial opportunities and a clear pathway to our FY28 targets.

This is our time to shine, and we remain focused on delivery.

Sincerely,



**Chris Wharton AM**
*Chairman*
Stealth Group Holdings Ltd
19 August 2026

# Board of Directors

For personal use only













### 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 Mike Arnold

GROUP MANAGING
DIRECTOR & CEO

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.

### 3 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.

### 4 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.

# Management Team


































### 5 Mike Arnold

GROUP MANAGING DIRECTOR & CEO

### 6 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.

### 7 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.

### 8 Greg Benstead

CEO HARDWARE & BUILDING TRADERS

Greg is a senior retail executive with over 30 years of leadership experience across major retail, wholesale and buying group organisations in Australia and internationally.

### 9 Jude Celedin

GENERAL MANAGER CONSUMER RETAIL

Jude is a commercially focused executive leader with extensive international experience driving growth, transformation, and cultural renewal across consumer, retail, agribusiness, and emerging technology sectors.

### 10 Carl Bonham

GENERAL MANAGER SALES (HEATLEYS AND C&L TOOLS)

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

### 11 Brett Russell

GENERAL MANAGER OPERATIONS (HEATLEYS AND C&L TOOLS)

Brett is an experienced supply chain and procurement leader with more than 30 years of experience across industrial distribution, mining services, heavy equipment, and national multi-branch networks.

### 12 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.

### 13 Jessica Christo

GROUP MARKETING (END MARKETS)

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.

### 14 Philip Podgorski

GENERAL MANAGER TECHNOLOGY

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

### 15 Alan Viljoen

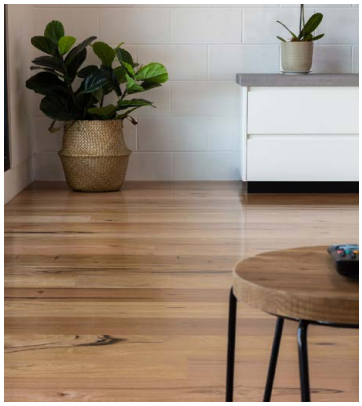
MANAGER - STATUTORY REPORTING & TREASURY

Alan is a qualified Chartered Accountant with over 15 years of finance experience spanning both public and private sector organisations.

For personal use only

# Operating and Financial Review
















For personal use only

For personal use only

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 and its controlled entities (**Stealth, Stealth Group, Company or Group**) for the financial year ended 30 June 2026, 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 is Australia's leading independent distributor and retailer serving the workplace and home, supplying hardware, home improvement, industrial, safety and consumer products through an integrated distribution and retail model that combines national scale, multiple customer segments, diversified routes to market and supply chain solutions to support sustainable long-term growth.

## 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

## 2026 Year in Review

### Key Performance Highlights

Stealth continued to invest strategically across key areas, including integration, technology enhancements, rightsizing initiatives, and centralisation of business operations to drive growth and efficiency.

The acquisition of Hardware & Building Traders Pty Ltd (HBT) in November is transformational for the group creating Australia's market-leading alternative in hardware and industrial distribution.

The key growth catalyst of the combined Group includes providing procurement scale and supplier leverage, operational efficiencies across supply chain, member growth and network expansion.

This lead to a solid performance across the financial year with record sales[1] and revenue, 13.8%, and 3.0% respectively, higher than in the prior comparable period, demonstrating continued organic and acquisition growth for the business.

Growth was underpinned by significant exposure to WA and Queensland resource and infrastructure activity compounded by the integration of HBT contributing eight months of profit to the financial year. Cashflow from operations were steady with solid cash of $32.1m as at 30 June 2026.

The Group delivered a record year financial performance across all key metrics of consolidated Sales, Revenue, EBITDA, and Profit after Tax, attributable to members, and closed solid cash on hand of $32.1m. Key metrics are shown on the following page.

*Notes:*
*1 Sales is a Non-IFRS term where Sales relating to trade rebates are added back to revenue.*

## Trading Update for the Financial Year

### Reconciliation of Profits

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Sales[1] | **165,073** | 145,067 |
| Revenue | **146,019** | 141,726 |
| Statutory EBITDA | **14,423** | 9,865 |
| Less: Depreciation & Amortisation | **(4,116)** | (3,348) |
| Less: Net Finance Costs | **(1,925)** | (2,076) |
| Statutory NPBT | **8,382** | 4,441 |
| Tax Expense | **(2,569)** | (1,320) |
| Statutory NPAT | **5,813** | 3,121 |

### Other Key Metrics

| | 2026 $'000 | 2025 $'000 | Movement % |
|---|---|---|---|
| Sales[1] | **165,073** | 145,067 | 13.8% |
| Revenue | **146,019** | 141,726 | 3.0% |
| Statutory EBITDA | **14,423** | 9,865 | 46.2% |
| Statutory EBITDA as % of revenue | **9.9%** | 7.0% | 41.4% |
| Statutory NPAT | **5,813** | 3,121 | 86.3% |
| Statutory NPAT as % of revenue | **4.0%** | 2.2% | 81.8% |
| Cost of doing business as a % of revenue | **22.2%** | 21.7% | 2.3% |
| Earnings per share (cents) | **4.12** | 2.63 | 56.7% |
| | | | |
| Cash | **32,126** | 14,441 | 122.5% |
| Cash from Operations | **7,946** | 6,563 | 21.1% |
| Inventory as % of revenue | **16.3%** | 14.8% | 10.1% |
| Net Debt | **7,737** | 6,775 | 14.2% |
| Gearing (Net debt to net debt + equity) | **12.6%** | 18.3% | -31.1% |
| ROCE | **14.2%** | 16.7% | -15.0% |

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

| | 2026 $'000 | 2025 $'000 | 2024 $'000 | 2023 $'000 | 2022 $'000 |
|---|---|---|---|---|---|
| Sales[1] | **165,073** | 145,067 | 113,680 | 110,993 | 99,601 |
| Revenue | **146,019** | 141,726 | 113,680 | 110,993 | 99,601 |
| Statutory EBITDA | **14,423** | 9,865 | 6,079 | 5,265 | 3,988 |
| Statutory NPAT | **5,813** | 3,121 | 1,355 | 902 | 596 |
| Basic earnings per share (cents) | **4.12** | 2.63 | 1.34 | 0.91 | 0.6 |
| Share price @ 30 June (cents) | **129** | 73 | 21 | 12.5 | 10 |
| Increase/(decrease) in share price (%) | **76.7%** | 247.6% | 68.0% | 25.0% | -4.8% |

[1] *Sales is a Non-IFRS term where Sales relating to trade rebates are added back to revenue.*

For personal use only

For personal use only

# 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.

## 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.

## Material economic, environmental and social sustainability risks

The activities of the Group 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 Group 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, tornadoes 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.

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 debt funding facilities with CBA, which have provided the Group with expanded facilities both for acquisition-specific funding as well as broader working capital funding. There is the standard 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 fines, 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 others 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 Australia's leading independent distributor and retailer serving the workplace and home markets, providing retail, distribution and supply chain solutions, our 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.

For personal use only

# Directors' Report

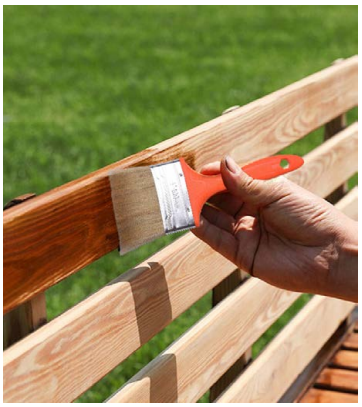
For the year ended 30 June 2026
















For personal use only

# 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 (**Group**) for the financial year ended 30 June 2026 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) – Group Managing Director & CEO

| | |
|---|---|
| **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.<br><br>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.<br><br>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<br>Member of the Audit and Risk Committee<br>Member of the Remuneration and Nomination Committee |

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

| | |
|---|---|
| **Experience and expertise** | Mr. Wharton is Chairman of Thriver Finance, a WA-based investment company.<br><br>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.<br><br>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.<br><br>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.<br><br>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<br>Member of the Audit and Risk Committee<br>Member of the Remuneration and Nomination Committee |

For personal use only

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

| | |
|---|---|
| **Experience and expertise** | 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.<br><br>Mr Groppoli is the Chairman of Perth Markets Group Ltd, Hunt Architects and MAD3 Consulting Engineers.<br><br>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.<br><br>Mr. Groppoli left private practice in 2005 and until 2018 was the managing director of Milner's Brand Marketing, and Aviva Mann Optical Group.<br><br>Mr. Groppoli acts as External General Counsel to Stealth and the Board considers that Mr. Groppoli is not an independent Director. |
| **Other current listed entity Directorships** | None |
| **Former listed entity Directorships in last 3 years** | None |
| **Special responsibilities at Stealth** | Chair of the Remuneration and Nomination Committee<br>Member of the Audit and Risk Committee |

**Simon Poidevin – Independent Non-Executive Director**

| | |
|---|---|
| **Experience and expertise** | 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.<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>Simon is also an advisor to ACES Group, Australia's largest independently owned Security company. |
| **Other current listed entity Directorships** | Appointed as a Director of WAM Active Limited (ASX:WAA) on 7 December 2021 |
| **Former listed entity Directorships in last 3 years** | Nil |
| **Special responsibilities at Stealth** | Chair of the Audit and Risk Committee<br>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:

**Anthony Benino**

| | |
|---|---|
| **Experience and expertise** | Anthony has over 35 years senior executive experience in public ASX and private companies.<br><br>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 Vice President of the Royal Perth Golf Club.<br><br>Anthony is a Chartered Accountant and Associate Member of the Governance Institute of Australia. |

For personal use only

## 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 2026 are:

| | Board meetings | | Remuneration and Nomination Committee meetings | | Audit and Risk Committee meetings | |
|---|---|---|---|---|---|---|
| **Director** | **Held** | **Attended** | **Held** | **Attended** | **Held** | **Attended** |
| Mr. M Arnold | 11 | 11 | 1 | 1 | 3 | 3 |
| Mr. C Wharton | 11 | 11 | 1 | 1 | 3 | 3 |
| Mr. G Groppoli | 11 | 11 | 1 | 1 | 3 | 3 |
| Mr. S Poidevin | 11 | 11 | 1 | 1 | 3 | 3 |

## Directors' Interests

| Director | Balance at the Start of the Year | Acquired / (Sold) on Market | Issued Dividend Reinvestment Plan | Balance at the date of this Directors Report |
|---|---|---|---|---|
| Mr. M Arnold | **11,182,382** | 36,361 | 158,569 | **11,377,312** |
| Mr. C Wharton | **2,746,683** | - | 38,948 | **2,785,631** |
| Mr. G Groppoli | **1,467,119** | - | 20,804 | **1,487,923** |
| Mr. S Poidevin | **102,675** | - | 1,456 | **104,131** |

## Principal Activity

Stealth supply hardware, home improvement, industrial, safety and consumer products, together with value-added services, to independent retailers, businesses & organisations, trade professionals, retail resellers and DIY consumers.

Stealth operates an integrated distribution and retail model supported by procurement, supplier partnerships, distribution centres, company-owned stores, digital channels, field sales, internal sales, technical specialists and customer service.

Its size and scale combine company-owned operations, independent retailers and retail reseller channels to create one of Australia's largest independent distribution networks across the workplace and home market.

## 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 dividend during the financial year of $1,295,330 (2025: $971,879)

Subsequent to year end, the Directors have declared (or resolved to pay) a fully franked final dividend of $2,243,356 at a rate of $0.015 per share (2025 – $0.01 per share)

## Options

During the financial year and at the date of this report, there are no unissued ordinary shares under option or performance rights arrangements (2025: 521,741 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 Group 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 Group 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 Group's operations are not subject to significant environmental regulations in the jurisdictions in which it operates.

For personal use only

## 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.

| | 2026 $ | 2025 $ |
|---|---|---|
| **Audit Services** | | |
| Audit Services - BDO | **198,300** | 158,289 |
| **Total remuneration for audit services** | **198,300** | 158,289 |

## Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 64.

## Round of Amounts

The company is of a kind referred to in ASIC Legislative Instrument 2026/183, 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.

.

For personal use only

For personal use only

## 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 Group 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 2026
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

## 1. Key Management Personnel

Key management personnel of the Group 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 Group 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 Group.

The following people were KMP of the Group 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 & CEO

### 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

## 2. Remuneration Overview for Financial Year 2026

The following provides an overview of the Group remuneration framework for Executives and a summary of outcomes for the financial year ended 30 June 2026.

| Remuneration component | Overview |
|---|---|
| Fixed remuneration | Fixed remuneration was paid in line with contractual agreements. |
| Short-term incentives (**STI**) | 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. |
| | The 2026 outcomes in relation to the financial targets did not produce any payments for the threshold opportunity (2025: nil). |
| | The 2026 outcomes in relation to the non-financial targets, including the provision of discretionary payments to key management personnel, was a cash payment of $228,781 (2025: the issue of 434,784 ordinary shares with a value of $124,926 |
| Long-term incentives (**LTI**) | The Company did not grant any Options or Performance Rights to any KMP under the LTI scheme during 2026 (2025: nil). |
| | There were no movements in Options or Performance Rights in 2026 and there are no outstanding Options or Performance Rights granted to any KMP at the end of financial year 2026. |
| Total remuneration | In 2026, the total remuneration was $1,880,726 (2025: $1,731,555) (see Remuneration of Key Management Personnel table below). |

For personal use only

## 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 Group.

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

### 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 2025 Annual General Meeting

At the 2025 Annual General Meeting, 98.47% of votes cast were in favour of the adoption of the Company's remuneration report for the 2025 financial year. The Company did not receive any comments at the Annual General Meeting on its remuneration report.

## 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.

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.

### 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.

### Level of Non-Executive Directors' Fees

The level of Non-Executive Directors' fees for the financial year ending 30 June 2026 were as follows:

| Name | Non-Executive Directors' fees | Chair of Committee fees |
|---|---|---|
| Mr. Christopher Wharton | $95,000 per annum + Super | Not applicable |
| Mr. Giovanni (John) Groppoli | $65,000 per annum + Super | $10,000 per annum + Super |
| Mr. Simon Poidevin | $65,000 per annum + Super | $10,000 per annum + Super |

## 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 Group's performance including:
  - the Group'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 Group 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 Group 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 Group 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 Group performance. | Vesting conditions and performance measures will be set by the Board each year. No LTI was offered in 2026 (2025: Nil) |

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

| | 2026 | 2025 | 2024 | 2023 | 2022 |
|---|---|---|---|---|---|
| Statutory NPAT ($'000) | 5,813 | 3,121 | 1,355 | 902 | 596 |
| Basic earnings per share (cents) | 4.12 | 2.63 | 1.34 | 0.91 | 0.6 |
| Share price @ 30 June (cents) | 129 | 73 | 21 | 12.5 | 10 |
| Increase/(decrease) in share price (%) | 76.7% | 247.6% | 68.0% | 25.0% | -5.0% |
| Total KMP incentives as percentage of profit/(loss) for the year (%)[1] | 3.9% | 4.0% | 9.8% | 15.4% | 9.4% |

*1 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 Executives with 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 Group 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 Group 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 Group.

For personal use only

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.

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.

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 | – KPIs aligned to delivery of strategic plan and initiatives<br>– Effective integration of acquisitions and alignment to target objectives<br>– Growth in customers, suppliers, product range, network partnerships |
| Stakeholder relationships | – Management of external relationships (manufacturers, partners, distributors, suppliers)<br>– KPIs aligned to customer relationships and successful business outcomes |
| People management | – KPIs aligned to compliance with and promotion of the Consolidated Entities values, policies and behaviours |
| Expense management | – Expense management targets are set<br>– KPIs aligned to the achievement of budget and identifying and implementing strategies to reduce costs |
| Compliance and reporting | – Specific measures surrounding compliance with policies and adherence with regulatory requirements |

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 Group, 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 Group 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 Group, the relevant segment and individual against the KPIs set down.

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 2026 (2025: 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.

### Group Performance and its link to Short-Term Incentives and Long-Term Incentives

#### STI Financial performance measures for 2026

The 2026 financial performance measures were Group Net Profit Before Tax in respect of the Executives and Group Net Profit After Tax in respect of the Group Managing Director. Given the results of 2026, an STI Financials were not considered payable.

#### STI Non-financial performance measures for 2026

The 2026 outcomes in relation to the non-financial targets, included the provision of discretionary payments to Key management personnel, was a cash payment of $228,781 (2025: the issue of 434,784 ordinary shares with a value of $124,926).

#### LTI measures for 2026

The Company did not grant any Performance Rights to KMP under the LTIP for 2026 (2025: nil).

For personal use only

### (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 & CEO | 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.<br>With cause: STI is not awarded, and unvested LTI will lapse.<br>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<br>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.<br>With cause: STI is not awarded, and unvested LTI will lapse.<br>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. |

For personal use only

## 6. Remuneration of Key Management Personnel

The tables below provides the remuneration details for the Non-Executive Directors, Executive Director and KMP of the Group for the financial years ended 30 June 2026 and 30 June 2025:

| | Fixed remuneration | | | Variable remuneration | | | | |
|---|---|---|---|---|---|---|---|---|
| 2026 | Base salary, fees & allowances $ | Non-monetary benefits $ | Post-Employment benefits $ | Annual and long service leave $ | Cash Bonus $ | Share-based payments $ | Total $ | Performance related % |
| **Non-Executive Directors** | | | | | | | | |
| Mr. C Wharton | 95,000 | - | 11,400 | - | - | - | **106,400** | - |
| Mr. G Groppoli | 75,000 | - | 9,000 | - | - | - | **84,000** | - |
| Mr. S Poidevin | 75,000 | - | 9,000 | - | - | - | **84,000** | - |
| **Total Non-Executive Directors** | **245,000** | **-** | **29,400** | **-** | **-** | **-** | **274,400** | **-** |
| **Executive Director** | | | | | | | | |
| Mr. M Arnold | 529,405 | - | 30,000 | 28,828 | 177,635 | - | **765,868** | 23% |
| **Total Executive Director** | **529,405** | **-** | **30,000** | **28,828** | **177,635** | **-** | **765,868** | **-** |
| **Other KMP** | | | | | | | | |
| Mr. L Cruskall – COO | 407,705 | - | 30,000 | 4,730 | 51,146 | - | **493,581** | 10% |
| Mr. M Green – CFO | 310,750 | - | 30,000 | 6,127 | - | - | **346,877** | - |
| **Total Other KMP** | **718,455** | **-** | **60,000** | **10,857** | **51,146** | **-** | **840,458** | **6%** |
| **Total KMP** | **1,492,860** | **-** | **119,400** | **39,685** | **228,781** | **-** | **1,880,726** | **12%** |

| | Fixed remuneration | | | Variable remuneration | | | | |
|---|---|---|---|---|---|---|---|---|
| 2025 | Base salary, fees & allowances $ | Non-monetary benefits $ | Post-Employment benefits $ | Annual and long service leave $ | Cash Bonus $ | Share-based payments $ | Total $ | Performance related % |
| **Non-Executive Directors** | | | | | | | | |
| 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** | - |
| **Total Non-Executive Directors** | **239,999** | **-** | **27,599** | **-** | **-** | **-** | **267,598** | **-** |
| **Executive Director** | | | | | | | | |
| Mr. M Arnold | 486,800 | 24,782 | 29,932 | 7,630 | - | 77,174 | **626,318** | 12% |
| **Total Executive Director** | **486,800** | **24,782** | **29,932** | **7,630** | **-** | **77,174** | **626,318** | **12%** |
| **Other KMP** | | | | | | | | |
| Mr. L Cruskall – COO | 403,033 | - | 29,932 | 23,871 | - | 28,651 | **485,487** | 6% |
| Mr. M Green – CFO[1] | 16,923 | - | 1,946 | 261 | - | - | **19,130** | - |
| Mr. J Boland - CFO[2] | 286,486 | - | 26,564 | 871 | - | 19,101 | **333,022** | 6% |
| **Total Other KMP** | **706,442** | **-** | **58,442** | **25,003** | **-** | **47,752** | **837,639** | 6% |
| **Total KMP** | **1,433,241** | **24,782** | **115,973** | **32,633** | **-** | **124,926** | **1,731,555** | 7% |

*Notes*
*1 From date of appointment on 9th June 2025*
*2 Up to date of termination on 16th May 2025*

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

There were no Performance Rights granted to executives as LTI-based remuneration during 2026 (2025: Nil). There are no deferred Performance Rights as of 30 June 2026 (30 June 2025: Nil).

For personal use only

## 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 | Balance at the Start of the Year<br>Number | Acquired / (Sold) on Market<br>Number | Issued under Dividend Reinvestment Plan<br>Number | Balance at the End of the Year<br>Number |
|---|---|---|---|---|
| **Directors** | | | | |
| Mr. M Arnold | 11,182,382 | 36,361 | 158,569 | 11,377,312 |
| Mr. C Wharton | 2,746,683 | - | 38,948 | 2,785,631 |
| Mr. G Groppoli | 1,467,119 | - | 20,804 | 1,487,923 |
| Mr. S Poidevin | 102,675 | - | 1,456 | 104,131 |
| **Other KMPs** | | | | |
| Mr. L Cruskall | 716,883 | - | - | 716,883 |
| Mr. M Green | - | 613,879 | - | 613,879 |

*Shares held indirectly at 30 June 2026:*

1. *9,935,336 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. 1,003,416 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. 438,580 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.*
2. *1,207,918 Shares held by Nicarldon 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. 1,577,713 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.*
3. *1,175,530 Shares held by Giovanni (John) Groppoli as trustee for The Milo Trust. Mr. Groppoli is a beneficiary of the trust. 312,393 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.*
4. *104,131 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.*
5. *498,700 Shares held by the Trustee for JOL Cruskall Superannuation Fund, of which Mr. Cruskall is trustee and a beneficiary of the superannuation fund.*
6. *305,000 Shares held by Matthew Green and Natalie Green as trustee for Green Future Fund. 108,879 shares held by Redwood Franklin Pty Ltd. 200,000 shares held by Wescare Pty Ltd*

No options or performance rights 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 Company engaged Glen Forest Corporate Services of which Giovanni Groppoli is the Principal, for the provision of both legal and corporate advisory services.

| | 2026<br>$ | 2025<br>$ |
|---|---|---|
| Services provided during the year | **48,290** | 11,453 |
| Balance owing at the end of the year | **14,300** | 3,025 |

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 related party transactions during the 2026 or 2025 financial years.

### Options & Performance Rights

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

### Loans to Key Management Personnel

There were no loans owing or owed to KMP at the end of 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



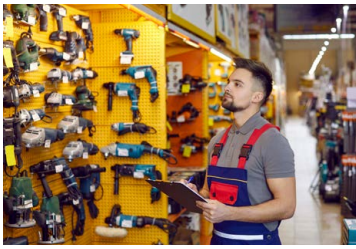
Michael Arnold
*Group Managing Director & CEO*
Perth, 19 August 2026

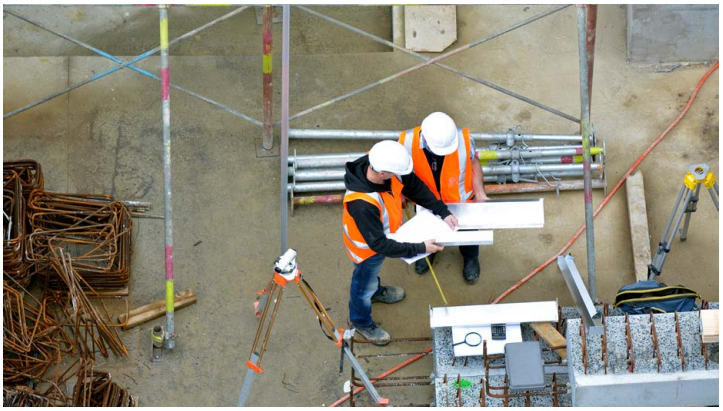
For personal use only

# Annual Financial Report

For the year ended 30 June 2026






For personal use

# Consolidated Statement of Profit or Loss and Comprehensive Income

For the year ended 30 June 2026

| | Note | 2026 $ | 2025 $ |
|---|---|---|---|
| **Revenue from operations** | | | |
| Revenue | B2 | 146,018,984 | 141,726,469 |
| Cost of sales | | (99,126,799) | (101,059,544) |
| **Gross profit** | | **46,892,185** | **40,666,925** |
| | | | |
| **Other income** | B2 | 2,566,616 | 28,636 |
| | | | |
| **Other Expenses** | | | |
| Personnel expenses | | (24,939,373) | (20,945,364) |
| Administration expenses | | (7,985,912) | (9,181,169) |
| Occupancy expenses | | (518,275) | (565,427) |
| Transaction costs | | (903,468) | (109,735) |
| Depreciation and amortisation expense | B3 | (4,115,952) | (3,347,788) |
| Finance costs | B3 | (2,613,606) | (2,104,737) |
| **Total Other Expenses** | | **(41,076,586)** | **(36,254,220)** |
| | | | |
| **Profit before income tax** | | **8,382,215** | **4,441,341** |
| Income tax expense | D1 | (2,568,749) | (1,320,277) |
| **Profit after tax attributable to owners of the Company** | | **5,813,466** | **3,121,064** |
| | | | |
| **Other comprehensive income** | | | |
| *Items that may be reclassified subsequently to profit or loss:* | | | |
| Exchange differences on translation of foreign operations | | - | 6,831 |
| Loss on cash flow hedges | | (202,703) | (153,530) |
| **Total comprehensive income for the year attributable to the owners of the Company** | | **5,610,763** | **2,974,365** |
| | | | |
| **Earnings per share for profit attributable to the ordinary equity holders of the company:** | | **Cents** | **Cents** |
| Basic earnings per share | E4 | 4.12 | 2.63 |
| Diluted earnings per share | E4 | 4.12 | 2.63 |

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

For personal use only

# Consolidated Statement of Financial Position

As at 30 June 2026

| | Note | 2026 $ | 2025 $ |
|---|---|---|---|
| **Current Assets** | | | |
| Cash and cash equivalents | C1 | 32,126,260 | 14,440,724 |
| Trade and other receivables | C5 | 22,852,565 | 20,959,276 |
| Inventories | C6 | 23,757,442 | 20,918,251 |
| **Total Current Assets** | | **78,736,267** | **56,318,251** |
| **Non-Current Assets** | | | |
| Property, plant and equipment | C7 | 2,571,346 | 2,801,666 |
| Intangible assets | C8 | 51,375,511 | 22,651,257 |
| Right-of-use assets | C12 | 13,755,891 | 9,233,643 |
| Deferred tax assets | D3 | 1,146,895 | 1,066,541 |
| **Total Non-Current Assets** | | **68,849,643** | **35,753,107** |
| **Total Assets** | | **147,585,910** | **92,071,358** |
| **Current Liabilities** | | | |
| Trade and other payables | C9 | 24,923,533 | 25,558,402 |
| Provisions | C10 | 2,395,043 | 2,387,130 |
| Financial liabilities | C11 | 35,151,223 | 21,215,489 |
| Lease liabilities | C12 | 2,455,300 | 1,849,228 |
| Current tax liabilities | D2 | 1,966,356 | 893,586 |
| **Total Current Liabilities** | | **66,891,455** | **51,903,835** |
| **Non-Current Liabilities** | | | |
| Provisions | C10 | 552,425 | 250,487 |
| Financial liabilities | C11 | 14,915,000 | 2,000,000 |
| Lease liabilities | C12 | 11,603,831 | 7,668,122 |
| **Total Non-Current liabilities** | | **27,071,256** | **9,918,609** |
| **Total Liabilities** | | **93,962,711** | **61,822,444** |
| **Net Assets** | | **53,623,199** | **30,248,914** |
| **Equity** | | | |
| Issued capital | E1 | 43,627,053 | 24,587,582 |
| Reserves | | 25,780 | 336,333 |
| Retained Earnings | E3 | 9,970,366 | 5,324,999 |
| **Total Equity** | | **53,623,199** | **30,248,914** |

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

For personal use only

# Consolidated Statement of Changes in Equity

## For the year ended 30 June 2026

| | Issued Capital $ | Reserves $ | Retained Earnings $ | Total $ |
|---|---|---|---|---|
| **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** |
| **Total comprehensive income for the year** | **-** | **160,361** | **2,967,534** | **3,127,895** |
| **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)** |
| **Balance as at 30 June 2025** | **24,587,582** | **336,333** | **5,324,999** | **30,248,914** |

| | Issued Capital $ | Reserves $ | Retained Earnings $ | Total $ |
|---|---|---|---|---|
| **Balance as at 1 July 2025** | **24,587,582** | **336,333** | **5,324,999** | **30,248,914** |
| Profit for the year | - | - | 5,813,466 | **5,813,466** |
| Other comprehensive income for the year | - | (329,933) | 127,231 | **(202,702)** |
| **Total comprehensive income for the year** | - | **(329,933)** | **5,940,697** | **5,610,764** |
| **Transactions with Equity Holders in their capacity as Equity Holders:** | | | | |
| Issue of ordinary shares | 19,869,621 | - | - | **19,869,621** |
| Share issue costs | (830,150) | - | - | **(830,150)** |
| Share based payments vesting | | 19,380 | | **19,380** |
| Dividend paid | - | - | (1,295,330) | **(1,295,330)** |
| **Balance as at 30 June 2026** | **43,627,053** | **25,780** | **9,970,366** | **53,623,199** |

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

For personal use only

# Consolidated Statement of Cash Flows

For the year ended 30 June 2026

| | Note | 2026 $ | 2025 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers | | 179,577,339 | 139,840,629 |
| Payment to suppliers | | (171,631,598) | (133,277,733) |
| **Cash from operations** | | **7,945,741** | **6,562,896** |
| Interest received | | 778,791 | 28,636 |
| Interest paid | | (2,555,894) | (1,484,936) |
| Income tax refund received / (paid) | | (1,162,659) | (156,792) |
| **Net cash flows from operating activities** | C2 | **5,005,979** | **4,949,804** |
| **Cash flows from investing activities** | | | |
| Payments for plant and equipment | | (552,632) | (1,072,157) |
| Proceeds from the sale of plant and equipment | | 25,122 | 26,371 |
| Payment for intangible assets | | (3,542,847) | (3,820,362) |
| Payment for subsidiary | F3 | (17,044,967) | - |
| **Net cash flows from investing activities** | | **(21,115,324)** | **(4,866,148)** |
| **Cash flows from financing activities** | | | |
| Proceeds from shares issued | | 19,500,000 | 7,500,000 |
| Principal elements of lease payments | | (2,433,378) | - |
| Payments for share issue costs | | (830,150) | (440,972) |
| Payment of dividend | | (1,295,330) | (621,547) |
| Repayment of financial liabilities | | (1,417,000) | (3,885,660) |
| Proceeds from financial liabilities | | 20,270,739 | 1,657,729 |
| **Net cash flows from financing activities** | | **33,794,881** | **4,209,550** |
| **Net increase in cash and cash equivalents** | | **17,685,536** | **4,293,206** |
| Cash and cash equivalents at the start of the year | | 14,440,724 | 10,147,518 |
| **Cash and cash equivalents at the end of the year** | C1 | **32,126,260** | **14,440,724** |

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

For personal use only

# Notes to the Consolidated Financial Statements

**For the year ended 30 June 2026**

## Section A: About this Report

### A1 Reporting Entity

Stealth Group Holdings Ltd is a company domiciled in Australia. The consolidated financial statements for the year ended 30 June 2026 comprise the Company and its subsidiaries.

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 Group 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 (Group).

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 19 August 2026.

#### (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) | Note D - Taxation – estimation of current tax payable and current tax expense, and recognition of deferred tax assets |
| (ii) | Note F3 - Business combinations – fair value of purchase consideration |
| (iii) | Note C8 - Intangible assets – valuation of intangible and estimation of impairment |
| (iv) | Note C6 - Inventories – valuation of inventory |
| (v) | Note B1 - Operating Segments |
| (vi) | Note B2 - Sales Revenue |

### 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.

For personal use only

# Section B: Business Performance

## B1 Operating Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The reportable segment is represented by the primary statements forming this financial report, being one segment (2025: two segments) in Australia.

The Group now presents one segment given its integrated procurement, supplier, rebate, distribution and member network being centred around the recent acquisition of Hardware & Building Traders Pty Ltd in November 2025. The chief operating decision makers now monitor performance on an integrated basis and the economic benefits derived by each business are increasingly dependent upon participation in the broader Group platform.

## B2 Revenues & Other income

| Disaggregation of Revenue (Geographic Region: Australia) | 2026 $ | 2025 $ |
|---|---|---|
| **Product Type** | | |
| Product Revenue | 134,642,741 | 133,170,056 |
| Service Revenue | 11,376,243 | 8,556,413 |
| | **146,018,984** | **141,726,469** |

| Timing of Transfer of Goods and Services | 2026 $ | 2025 $ |
|---|---|---|
| Point in time | 134,642,741 | 133,170,056 |
| Over time | 11,376,243 | 8,556,413 |
| | **146,018,984** | **141,726,469** |

| Other Income | 2026 $ | 2025 $ |
|---|---|---|
| Fair value gain on contingent consideration | 1,875,000 | - |
| Interest Income | 688,430 | 28,636 |
| Other Income | 3,186 | - |
| | **2,566,616** | **28,636** |

## B3 Expenses

| Expenses | 2026 $ | 2025 $ |
|---|---|---|
| **Depreciation and Amortisation** | | |
| Deprecation of Property, Plant and Equipment | 702,104 | 673,268 |
| Depreciation of Right of Use Assets | 2,267,878 | 2,048,570 |
| Amortisation of intangibles | 1,145,970 | 625,950 |
| | **4,115,952** | **3,347,788** |
| | | |
| **Finance Costs** | | |
| Interest expense on lease liabilities | 396,303 | 424,718 |
| Interest expense on financial liabilities | 2,217,303 | 1,680,019 |
| | **2,613,606** | **2,104,737** |

For personal use only

# Section C: Operating Assets and Liabilities

## C1 Cash and Cash Equivalents

| | 2026 $ | 2025 $ |
|---|---|---|
| Cash and bank balances | **32,126,260** | **14,440,724** |

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

| | 2026 $ | 2025 $ |
|---|---|---|
| **(a) Profit after income tax** | **5,813,466** | **3,121,064** |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 702,103 | 673,268 |
| Depreciation of right-of-use assets | 2,267,878 | 2,048,570 |
| Amortisation of intangible assets | 1,145,971 | 625,950 |
| Profit on sale of non-current assets | (3,186) | (11,163) |
| Share based payment expense | - | 183,696 |
| Interest expense right-of-use liabilities | 396,303 | 424,718 |
| Other non-cash income/(expense) | (1,251,474) | 139,124 |
| **Change in operating assets and liabilities, net of effects from purchase of controlled entities:** | | |
| (Increase)/decrease in trade and other receivables | (1,893,289) | (1,029,728) |
| (Increase)/decrease in inventories | (2,839,191) | (1,995,866) |
| (Increase)/decrease in net deferred tax assets | (80,354) | 129,801 |
| Increase/(decrease) in trade and other payables | (634,869) | (64,038) |
| Increase/(decrease) in provisions | 309,851 | (189,178) |
| Increase/(decrease) in current tax liabilities | 1,072,770 | 893,586 |
| **Net cash inflow from operating activities** | **5,005,979** | **4,949,804** |

## C3 Non-cash investing and financing activities

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

– Acquisition of HBT– refer section F3 (2025: acquisition of Force, and includes right-of-use assets and lease liabilities acquired, issue of shares as consideration and deferred out performance incentive, and shares issued to employees on vesting of Performance Rights – refer sections E1)

## C4 Net Debt

| | 2026 $ | 2025 $ |
|---|---|---|
| **Cash on hand** | **32,126,260** | **14,440,724** |

| | 2026 $ | 2025 $ |
|---|---|---|
| Current borrowings - variable interest rate | (29,948,000) | (21,178,818) |
| Current borrowings - fixed interest rate | - | (36,671) |
| Current borrowings (excluding AASB16 lease liabilities) | **(29,948,000)** | **(21,215,489)** |
| Non-current borrowings | (9,915,000) | - |
| **Total borrowings (excluding AASB16)** | **(39,863,000)** | **(21,215,489)** |
| **Net debt** | **(7,736,740)** | **(6,774,765)** |

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

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

For personal use only

## C5 Trade and Other Receivables

| | 2026 $ | 2025 $ |
|---|---|---|
| Trade receivables | 16,915,751 | 17,532,431 |
| Expected credit losses | (76,214) | (348,506) |
| | **16,839,537** | **17,183,925** |
| Contract asset | 4,776,398 | 1,586,324 |
| Other receivables | 1,236,630 | 2,189,027 |
| **Total Trade and other receivables** | **22,852,565** | **20,959,276** |

### 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 where debtors are not fully insured. Expected loss rate is 0.0% for balances 31-60 days (2025: 0%), 3.0% (2025: 3.0%) for balances 61-90 days and 45.5% (2025:45.5%) 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 considering any credit enhancements held by the Group.

At 30 June 2026, the ageing analysis of trade and other receivables is as follows:

| | 2026 $ | 2025 $ |
|---|---|---|
| 0 – 30 Days | 10,928,465 | 10,403,804 |
| 31 – 60 Days | 4,375,063 | 5,120,442 |
| 61 – 90 Days | 1,231,463 | 1,501,697 |
| +90 Days | 380,760 | 506,488 |
| | **16,915,751** | **17,532,431** |

## C6 Inventories

| | 2026 $ | 2025 $ |
|---|---|---|
| Finished goods – at cost | 24,768,136 | 22,864,566 |
| Provision for obsolescence | (1,010,694) | (1,946,315) |
| | **23,757,442** | **20,918,251** |

Write-down of inventory values recognised in the profit or loss for 2026 was Nil (2025: $Nil).

For personal use only

## C7 Property, Plant and Equipment

| | Computer Equipment $ | Motor Vehicles $ | Plant & Equipment $ | Leasehold Improvements $ | Total $ |
|---|---|---|---|---|---|
| **Year ended 30 June 2025** | | | | | |
| **Net carrying amount - At 1 July 2024** | **684,934** | **316,268** | **753,815** | **662,968** | **2,417,985** |
| Additions | 105,087 | 14,216 | 143,973 | 841,399 | 1,104,675 |
| Disposals | (475) | (34,699) | (547) | (12,005) | (47,726) |
| Depreciation for the year | (332,710) | (67,530) | (153,507) | (119,521) | (673,268) |
| **Net carrying amount - At 30 June 2025** | **456,836** | **228,255** | **743,734** | **1,372,841** | **2,801,666** |
| | | | | | |
| **At 30 June 2025** | | | | | |
| 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) |
| **Net carrying amount** | **456,836** | **228,255** | **743,734** | **1,372,841** | **2,801,666** |
| | | | | | |
| **Year ended 30 June 2026** | | | | | |
| **Net carrying amount - At 1 July 2025** | **456,836** | **228,255** | **743,734** | **1,372,841** | **2,801,666** |
| Additions | 196,687 | 43,842 | 185,882 | 126,221 | 552,632 |
| Disposals | (3,791) | (55,741) | (16,772) | (4,542) | (80,846) |
| Depreciation for the year | (255,902) | (41,173) | (154,695) | (250,335) | (702,105) |
| **Net carrying amount - At 30 June 2026** | **393,830** | **175,183** | **758,149** | **1,244,185** | **2,571,347** |
| | | | | | |
| **At 30 June 2026** | | | | | |
| Cost | 2,022,145 | 699,962 | 6,071,823 | 1,923,285 | 10,717,215 |
| Accumulated depreciation | (1,628,315) | (524,779) | (5,313,674) | (679,100) | (8,145,868) |
| **Net carrying amount** | **393,830** | **175,183** | **758,149** | **1,244,185** | **2,571,347** |

## C8 Intangible Assets

| | 2026 $ | 2025 $ |
|---|---|---|
| **Goodwill** | | |
| **Opening balance** | **16,884,232** | **16,884,232** |
| Arising on acquisition through business combination (Note F3) | 26,078,136 | - |
| **Closing balance** | **42,962,368** | **16,884,232** |
| | | |
| **Internally generated assets** | | |
| Opening balance | 6,924,319 | 3,107,274 |
| Additions – Internal development | 2,522,707 | 3,817,045 |
| Additions – Separately identifiable intangible asset from acquisition (Note F3) | 1,100,000 | - |
| **Closing balance** | **10,547,026** | **6,924,319** |
| | | |
| Total intangible assets at cost | 53,509,394 | 23,808,551 |
| Less: accumulated amortisation - Internally generated assets | (2,133,883) | (1,157,294) |
| **Total Intangible Assets** | **51,375,511** | **22,651,257** |

Refer to Note F3 for detailed breakdown of business combinations.

For personal use only

### Impairment - Goodwill

The calculated recoverable amount for the 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 the CGU's financial performance.

Management has determined the values assigned to the key assumptions are 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 2026 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 % | Growth Rate | Discount Rate |
|---|---|---|---|---|
| Goodwill | 42,962,368 | 32.0% | 2.5% | 12.0% |

### 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, complimenting the SGI Product Information Management (PIM) solution from 2025. As of 30 June 2026, the carrying amount of these internally generated assets was $10,547,026 (2025: $6,924,319).

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

| | 2026 $ | 2025 $ |
|---|---|---|
| **Current – unsecured** | | |
| Trade creditors | 20,847,674 | 20,085,445 |
| Other creditors | 4,075,859 | 5,472,957 |
| | **24,923,533** | **25,558,402** |

## C10 Provisions

| | 2026 $ | 2025 $ |
|---|---|---|
| **Current** | | |
| Provision for employee entitlements | 2,307,850 | 2,015,683 |
| Provision for warranties | 87,193 | 371,447 |
| **Total current provisions** | **2,395,043** | **2,387,130** |
| **Non-current** | | |
| Occupancy provision | 381,180 | 167,301 |
| Provision for employee entitlements | 171,245 | 83,186 |
| **Non-current total** | **552,425** | **250,487** |

For personal use only

## C11 Financial Liabilities

| | 2026 $ | 2025 $ |
|---|---|---|
| **Current Financial Liabilities:** | | |
| Borrowings – CBA[1] | 29,952,785 | 21,178,818 |
| Deferred Settlement[2] | 5,000,000 | - |
| Cashflow hedge liability | 198,438 | - |
| Insurance premium funding | - | 36,671 |
| **Total Current Financial liabilities** | **35,151,223** | **21,215,489** |
| | | |
| **Non-Current Financial Liabilities:** | | |
| Borrowings – CBA[1] | 9,915,000 | **-** |
| Deferred Settlement[2] | 5,000,000 | 2,000,000 |
| **Total non-current financial liabilities** | **14,915,000** | **2,000,000** |
| | | |
| **Total Financial Liabilities** | **50,066,223** | **23,215,489** |

The Group had access to the following undrawn borrowing facilities and cash at the end of the reporting year:

| | 2026 $ | 2025 $ |
|---|---|---|
| **Financing arrangements** | | |
| **Floating Rate** | | |
| - CBA Bill Facility and CBA Guarantee Facility | 1,620,000 | 5,887,905 |
| Cash on Hand | 32,126,260 | 14,440,724 |
| **Total Available** | **33,746,260** | **20,328,629** |

*1 $24,280,000 of the current borrowings relates to the Group CBA working capital facility. 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 between 5.91% and 6.54% p.a. at 30 June 2026 (2025: 5.57%). Remaining borrowings relate to the CBA loan facility for $15,583,000 (2025: $10,000,000). CBA facility is secured by a floating charge over the assets of Stealth Group Holdings Ltd. The interest rate is variable and was 6.15% p.a. at 30 June 2026 (2025: 5.39%). The CBA borrowings facilities require quarterly covenant reporting which were compliant during the financial year.*

*2 The Deferred Settlement for 2026 relates to the acquisition of HBT (Note F3). The current deferred settlement is a committed payment of $5,000,000 paid on the first anniversary of Completion (1st November 2026). The non-current deferred settlement for 2026 is contingent consideration made up of two tranches of $2,500,000 each. The first tranche, if achieved, will be paid on the second anniversary of completion provided the company achieves a NPBT of not less than $10,000,000 for the financial year ending 30 June 2027. The second tranche, if achieved, will be paid on the third anniversary of completion provided the company achieves a NPBT of not less than $10,000,000 for the financial year ending 30 June 2028. At the date of this report both targets are expected to be achieved. (2025: 2,000,000 of non-current deferred consideration relates to contingent consideration for the acquisition of Force Technology Pty Ltd. Of the 2,000,000, $125,000 has been accrued for payment based on the over performance measures. The remaining balance of $1,875,000 has been recognised as Other Income (Note B2).*

For personal use only

## 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 Group expects to obtain ownership of the leased asset at the end of the lease term the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

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.

| | 2026 $ | 2025 $ |
|---|---|---|
| Opening Carrying Value Non-Current Right-of-use asset | 9,233,643 | 11,579,593 |
| Depreciation & Interest | (2,664,181) | (2,048,570) |
| Lease extension and rate increase / (lease cancellation) | 7,186,429 | (297,380) |
| **Closing Carrying Value of Non-Current Right-of-use asset** | **13,755,891** | **9,233,643** |

### 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.

| | 2026 $ | 2025 $ |
|---|---|---|
| Current lease liabilities | 2,455,300 | 1,849,228 |
| Non-current lease liabilities | 11,603,831 | 7,668,122 |
| **Total lease liabilities** | **14,059,131** | **9,517,350** |

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 6.1% (2025: 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.

For personal use only

# Section D: Taxation

## D1 Income Tax Expense

| | 2026 $ | 2025 $ |
|---|---|---|
| **(a) Income tax credit / (expense) from continuing operations** | | |
| Current tax | (2,384,752) | (1,062,740) |
| Deferred tax | (183,997) | (257,537) |
| | **(2,568,749)** | **(1,320,277)** |
| **(b) Income tax (expense) is attributable to:** | | |
| Profit from continuing operations | (2,568,749) | (1,320,277) |
| **(c) Numerical reconciliation between tax expense and pre-tax net profit** | | |
| Profit from continuing operations before income tax expense | 8,382,215 | 4,441,341 |
| Income tax expense calculated at 30% (2025: 30%) | **(2,514,665)** | **(1,332,402)** |
| Effect on amounts which are not subject to tax: | | |
| Non-deductible items | (163,562) | (31,180) |
| Overprovision / (under provision) from prior year | (31,656) | 28,704 |
| Other | 141,134 | 14,601 |
| **Income tax (expense)** | **(2,568,749)** | **(1,320,277)** |

## D2 Current Tax Liabilities

| | 2026 $ | 2025 $ |
|---|---|---|
| Income tax payable | **1,966,356** | **893,586** |

## D3 Deferred Tax Balances

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

| | 2026 $ | 2025 $ |
|---|---|---|
| **Deferred tax assets** | | |
| Receivables | 22,864 | 104,084 |
| Payables, accruals and provisions | 747,636 | 943,268 |
| Capital costs deductible over five years | 279,377 | 114,903 |
| Inventory | 260,977 | 208,073 |
| Other items | 1,357 | 11,959 |
| | **1,312,211** | **1,382,287** |
| **Deferred tax liabilities** | | |
| Property, plant and equipment | 165,316 | 286,782 |
| Unrealised foreign exchange gains | - | (9,476) |
| Other items | - | 38,440 |
| | **165,316** | **315,746** |
| Net Deferred Tax Asset | **1,146,895** | **1,066,541** |

## D4 Tax Rates and Tax Consolidation

| | 2026 $ | 2025 $ |
|---|---|---|
| Australia | 30% | 30% |

### Tax consolidation legislation

Stealth Group Holdings Ltd and its wholly owned Australian controlled entities for a tax consolidated group. The accounting policy in relation to this legislation is set out in Section F1.

For personal use only

# Section E: Capital Structure

## E1 Issued Capital and Reserves

| Issued Capital | Shares Issued 2026 Number | Shares Issued 2025 Number | Issued Capital 2026 $ | Issued Capital 2025 $ |
|---|---|---|---|---|
| **Balance at the beginning of the period** | **129,532,953** | **115,395,542** | **24,587,582** | **16,862,246** |
| Ordinary shares issued 4 Nov 25 - In lieu of cash dividends[1] | 524,136 | - | 369,621 | - |
| Ordinary shares issued 2 Dec 25 – Capital Raise[2] | 19,500,000 | - | 19,500,000 | - |
| Ordinary shares issued 13 Sep 24 - Performance Rights | - | 304,349 | - | 106,522 |
| Ordinary shares issued 24 Oct 24 - In lieu of cash dividends | - | 1,115,670 | - | 350,320 |
| Ordinary shares issued 15 Nov 24 – Executives | - | 217,392 | - | 77,174 |
| Ordinary shares issued 30 Apr 25 – Capital Raise | - | 12,500,000 | - | 7,500,000 |
| Share issue costs | - | - | (830,150) | (308,680) |
| **Balance at the end of the period** | **149,557,089** | **129,532,953** | **43,627,053** | **24,587,582** |

*1 On 4 November 2025, 524,136 ordinary shares (at $0.705 per share, net of 5% discount) were issued in lieu of cash dividends under the Group's Dividend Reinvestment Plan (DRP). Shares issued under the DRP during the half-year were issued at a 5% discount to the volume-weighted average market price between the period from 9 October 2025 to 22 October 2025.*

*2 On 2 December 2025, 19,500,000 ordinary shares (at $1.00 per share) were issued to institutional and sophisticated investors as part of $19,500,000 capital raising.*

### Share-based payments reserve

The share-based payments reserve represents the value of options issued and performance rights granted that the Group 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 Group'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.

### 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 recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Refer section I Note (l) for further details.

## E2 Dividends

In 2026 the Company paid a fully franked dividend of $1,295,330 (2025: $971,879).

### Dividend Franking Credit

| | 2026 $ | 2025 $ |
|---|---|---|
| Franking credits available for subsequent reporting periods based on a tax rate of 30% (2025 – 30%) | 9,041,039 | 5,127,147 |

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 Retained Earnings

| | 2026 $ | 2025 $ |
|---|---|---|
| **Retained Earnings at the beginning of the year** | **5,324,999** | **3,329,344** |
| Profit for the year | 5,813,467 | 3,121,064 |
| Dividend paid | (1,295,330) | (971,879) |
| Other comprehensive income / (expense) | 127,230 | (153,530) |
| **Retained Earnings at the end of the year** | **9,970,366** | **5,324,999** |

For personal use only

## E4 Earnings per Share

| | 2026 | 2025 |
|---|---|---|
| Profit used in the earnings per share calculation | 5,813,466 | 3,121,064 |
| Weighted average number of ordinary shares (Basic) | 141,093,896 | 118,631,561 |
| Earnings per share (cents) (Basic) | **4.12** | **2.63** |
| Weighted average number of ordinary shares (Dilutive) | 141,093,896 | 118,631,561 |
| Earnings per share (cents) (Dilutive) | **4.12** | **2.63** |

There were no outstanding options or performance rights at 30 June 2026, accordingly basic and dilutive calculations are identical (2025: Nil).

## E5 Contingent Liabilities

There are no contingent liabilities as at 30 June 2026 (2025: 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.

For personal use only

# Section F: Group Structure

## F1 Parent Entity Information

As at and throughout the financial year ended 30 June 2026, 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 | 2026 $ | 2025 $ |
|---|---|---|
| **Assets** | | |
| Current assets | 28,671,172 | 9,340,148 |
| Non-current assets | 59,709,258 | 27,822,048 |
| **Total assets** | **88,380,430** | **37,162,196** |
| **Liabilities** | | |
| Current liabilities | 40,845,092 | 18,372,590 |
| Non-current liabilities | 26,847,527 | 8,001,695 |
| **Total liabilities** | **67,692,619** | **26,374,285** |
| **Net assets** | **20,687,811** | **10,787,911** |
| **Equity** | | |
| Issued capital | 43,627,053 | 24,269,809 |
| Options reserve | 25,781 | 172,023 |
| Retained Earnings | (22,965,023) | (13,653,921) |
| **Total equity** | **20,687,811** | **10,787,911** |

| Financial performance | 2026 $ | 2025 $ |
|---|---|---|
| Loss for the year | (8,143,002) | (230,177) |
| **Total comprehensive income** | **(8,143,002)** | **(230,177)** |

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

Stealth Group Holdings Ltd maintained a Deed of Cross Guarantee with its subsidiaries as described in section F4. 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 2026.

### 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.

For personal use only

## F2 Subsidiaries

The Group's subsidiaries as at 30 June 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business of each entity and are included in the results of the consolidated financial statements of the Group.

| | Country of Incorporation, and residency and jurisdiction for tax purposes | Entity interest 2026 | Entity interest 2025 |
|---|---|---|---|
| **Parent entity** | | | |
| Stealth Group Holdings Ltd | Australia | n/a | n/a |
| | | | |
| **Subsidiaries:** | | | |
| Hardware & Building Traders Pty Ltd | Australia | 100% | 0% |
| Heatley Sales Pty Ltd | Australia | 100% | 100% |
| Force Technology International Pty Ltd | Australia | 100% | 100% |
| C&L Tool Centre Pty Ltd | Australia | 100% | 100% |
| Trade Member Direct Pty Ltd | Australia | 100% | 100% |
| Stealth Workplace Services Pty Ltd | Australia | 100% | 100% |
| Industrial Supply Group Pty Ltd | Australia | 100% | 100% |
| United Tools Pty Ltd | Australia | 100% | 100% |
| Heatleys Group Holdings Pty Ltd | Australia | 100% | 100% |
| Trade Counter Direct Pty Ltd | Australia | 100% | 100% |
| Tool Shop Direct (Australia) Pty Ltd | Australia | 100% | 100% |
| IT Hub Solutions Pty Ltd | Australia | 100% | 0% |
| Stealth Industries Sdn Bhd | Malaysia | 100% | 100% |

| **Details of entities over which control has been gained during the year:** | **Date control was gained** |
|---|---|
| Hardware & Building Traders Pty Ltd | 1/11/2025 |

| **Details of entities over which control has been lost during the year** |
|---|
| Nil |

For personal use only

## F3 Business Combinations

### Business Combination – Acquisition of Hardware & Building Traders Pty Ltd

The Company acquired 100% of the issued capital Hardware & Building Traders Pty Ltd and IT Hub Solutions Pty Ltd ('HBT') on the 1 November 2025. The acquisition was complementary to the Group's existing business and has benefited the Group alignment with Stealth's strategic focus on higher-margin, capital-light, cash-generative, diversified, scalable, and a nationwide distribution network.

Details of the purchase consideration, goodwill and net assets of HBT are as follows. The accounting for acquisition remains provisional as at 30 June 2026. The Group may revise the amounts recognised within the measurement period if new information is obtained about facts and circumstances that existed at the acquisition date:

| **Purchase consideration** | **1-Nov-25 $** |
|---|---|
| Cash paid | 17,000,000 |
| Deferred and Contingent consideration | 10,000,000 |
| **Total Purchase consideration** | **27,000,000** |
| **Fair value of assets and liabilities recognized as a result of the acquisition:** | |
| Cash | 2,298,851 |
| Receivables – net of provisions | 3,007,444 |
| Other assets | 16,415 |
| Right-of-use asset (AASB16) | 368,254 |
| Property, plant and equipment | 10,297 |
| Intangible assets – net of amortisation | 1,206,999 |
| Income tax receivable | 54,100 |
| Deferred tax assets | 151,167 |
| **Total identifiable assets acquired** | **7,113,527** |
| Trade and other payables | 5,339,781 |
| Provisions | 439,639 |
| Lease liabilities (AASB16) | 412,245 |
| **Total net identifiable assets acquired** | **921,862** |
| **Goodwill – HBT acquisition** | **26,078,138** |
| | |
| Reconciliation of cash paid above to cashflow statement: | |
| Cash paid above | 17,000,000 |
| Member rebate payments made post-acquisition | 2,343,818 |
| Less: cash acquired | (2,298,851) |
| **Cash paid for subsidiary** | **17,044,967** |

The acquired business contributed revenues of $8,928,938 and net profit of $2,882,919 to the group for the period from 1 November 2025 to 30 June 2026. If the acquisition had occurred on 1 July 2025, revenue and profit after tax for the year ended 30 June 2026 would have been $11,972,970 and $2,453,665 respectively.

## F4 Deed of Cross Guarantee

Pursuant to ASIC Corporations (wholly owned companies) Instrument 2016/785, the wholly owned subsidiaries listed in note F2 relieve the Group 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.

All entities as per Note F2 form members of the Group and 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.

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

The Group financial statements represent all companies within the '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'.

For personal use only

# 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) Note D - Taxation – estimation of current tax payable and current tax expense, and recognition of deferred tax assets
(ii) Note F3 - Business combinations – fair value of purchase consideration
(iii) Note C8 - Intangible assets – valuation of intangible and estimation of impairment
(iv) Note C6 - Inventories – valuation of inventory
(v) Note B1 - Operating Segments
(vi) Note B2 - Sales Revenue

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 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 Group 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.

Judgement may be applied when determining the acquisition date, consideration transferred, fair value of assets and liabilities, acquisition costs, post-acquisition contribution and ultimately goodwill calculated. The significant estimate in these is the contingent consideration (Deferred Settlement).

The Deferred Settlement relating to the acquisition of HBT (Note F3) is made of a current and non-current portion. The current deferred settlement is a committed payment of $5,000,000 paid on the first anniversary of Completion (1 November 2026). The non-current deferred settlement for 2026 is contingent consideration made up of two tranches of $2,500,000 each. The first tranche, if achieved, will be paid on the second anniversary of completion provided the company achieves a NPBT of not less than $10,000,000 for the financial year ending 30 June 2027. The second tranche, if achieved, will be paid on the third anniversary of completion provided the company achieves a NPBT of not less than $10,000,000 for the financial year ending 30 June 2028. At the date of the report, we estimate these targets will be achieved and hence have taken up these deferred settlements in full as consideration transferred on the acquisition date being 1 November 2025.

### 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.

### 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.

### Operating Segments

Refer to Note B1.

### Sales Revenue

Members of the Stealth Buying Group order and are delivered goods directly with suppliers. The Group earns a margin on these sales for supplier contract facilitation and other services. The Group determined that it is an agent in these agreements as it does not bear any credit risk or control the goods before they are transferred to the customer.

For personal use only

## G2 Capital Risk Management

The Group 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 Group 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 Group'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:

| | 2026 $ | 2025 $ |
|---|---|---|
| Total net debt | 7,736,740 | 6,774,765 |
| Total equity | 53,623,199 | 30,248,914 |
| **Total net debt and total equity** | **61,359,939** | **37,023,679** |
| Net gearing ratio (Total net debt / Total net debt and total equity) | 12.6% | 18.3% |

The Group 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 Group is in compliance with its loan covenants as of 30 June 2026.

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

The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group'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 |
|---|---|---|---|---|
| Business & Operational Risks | 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 |
| | Environmental & Social | Potential future environmental and social sustainability risks | Monitoring of regulatory developments | Monitoring maintained, escalation if material |
| Financial Instrument Risks | 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 |

For personal use only

## 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 Group.

## Credit risk

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

The Group continuously monitors credit risks arising from its trade receivables which are principally with significant and reputable companies. It is the Group'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 Group'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 Group 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 C5.

## Interest rate risk

The Group's exposure to market risk for changes in interest rates relates to the Group'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 3% p.a. and 5% p.a., depending on account balances (2025: 0% and 3.85%). At reporting date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated in cash flow hedges:

| Variable Rate Financial Instruments | 2026 $ | 2025 $ |
|---|---|---|
| Cash and cash equivalents | 32,126,260 | 14,440,724 |
| Commonwealth Bank of Australia facility | (39,863,000) | (21,178,818) |
| **Total** | **(7,736,740)** | **(6,738,094)** |

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:

| Judgements of reasonable possible movements: | 2026 $ | 2025 $ |
|---|---|---|
| **+1% (100 basis points)** | | |
| Pre-tax profit increase/(decrease) | (77,367) | (67,381) |
| Equity increase/(decrease) | (77,367) | (67,381) |
| **-1% (100 basis points)** | | |
| Pre-tax profit increase/(decrease) | 77,367 | 67,381 |
| Equity increase/(decrease) | 77,367 | 67,381 |

## Liquidity risk

Liquidity risk arises from the possibility that the Group 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 Group manages this risk through the following mechanisms:

- preparing forward-looking rolling cash flow analysis in relation to its operational, investing and financing activities;
- ensuring cash flow analysis covers the impact of borrowing requirements and deferred settlements
- obtaining funding from a variety of sources and monitoring undrawn credit facilities;
- maintaining a reputable credit profile; and
- managing credit risk related to financial assets.

For personal use only

## Foreign exchange risk

The Group has a 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 at 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:

| | 2026 $ | 2025 $ |
|---|---|---|
| Commonwealth Bank of Australia | **1,620,000** | **5,887,905** |

## Maturities of financial liabilities

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

| | Within 1 Year | | Greater than 1 Year | | Total | |
|---|---|---|---|---|---|---|
| | 2026 $ | 2025 $ | 2026 $ | 2025 $ | 2026 $ | 2025 $ |
| **Consolidated** | | | | | | |
| **Financial liabilities due for payment** | | | | | | |
| Trade and other payables | 24,923,533 | 25,558,402 | - | - | **24,923,533** | **25,558,402** |
| Current tax liabilities | 1,966,356 | 893,586 | - | - | **1,966,356** | **893,586** |
| Financial and other liabilities | 34,948,000 | 22,377,518 | 14,915,000 | 2,000,000 | **49,863,000** | **24,377,518** |
| Lease liabilities | 2,523,253 | 1,916,148 | 16,762,012 | 7,944,240 | **19,285,265** | **9,860,388** |
| **Total contractual outflows** | **64,361,142** | **50,745,654** | **31,677,012** | **9,944,240** | 96,038,154 | 60,689,894 |

## Fair values

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

For personal use only

# 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 & CEO

Mr. Christopher Wharton – 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

### Key Management Personnel compensation:

| | 2026 $ | 2025 $ |
|---|---|---|
| Short-term employment benefits | 1,761,326 | 1,490,656 |
| Post-employment benefits | 119,400 | 115,973 |
| Share-based payments | - | 124,926 |
| **Total KMP compensation** | **1,880,726** | **1,731,555** |

### Related Party Transactions with Key Management Personnel

The Company engaged Glen Forest Corporate Services of which Giovanni Groppoli is the Principal, for the provision of both legal and corporate advisory services.

| | 2026 $ | 2025 $ |
|---|---|---|
| Services provided during the year | 48,290 | 11,453 |
| Balance owing at the end of the year | 14,300 | 3,025 |

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.

## H2 Auditor's Remuneration

| | 2026 $ | 2025 $ |
|---|---|---|
| **Audit Services:** | | |
| BDO Audit Pty Ltd | 198,300 | 158,289 |
| **Total remuneration for audit services** | **198,300** | **158,289** |

## H3 Events occurring after the reporting period

Subsequent to year end, the Directors have declared (or resolved to pay) a fully franked final dividend of $2,243,356 at a rate of $0.015 per share (2025 – $0.01 per share)

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.

For personal use only

For personal use only

# Section I: Accounting Policies

## I1 New Accounting Standards

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

The Group 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 Group 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 Group for the annual reporting period ended 30 June 2026.

The Group 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 2026 comprises the Company and its subsidiaries (together referred to as the "Group").

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.

#### Buying Group Revenue

Revenue from the provision of services is recognised over 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 Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group 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 Group 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 Group 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 Group 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 Group'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 Group 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 Group 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.

For personal use only

## (g) Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at the nominal amount when the Group 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 Group as lessee

In contracts where the Group 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 Group 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 Group 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 Group 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.

For personal use only

# Consolidated Entity Disclosure Statement

## For the year ended 30 June 2026

### 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 2023. The CEDS includes certain information for each entity that was part of the consolidated entity 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.

| | Country of Incorporation, and residency and jurisdiction for tax purposes | Entity interest 2026 | Entity interest 2025 |
|---|---|---|---|
| **Parent entity** | | | |
| Stealth Group Holdings Ltd | Australia | n/a | n/a |
| | | | |
| **Subsidiaries:** | | | |
| Hardware & Building Traders Pty Ltd | Australia | 100% | 0% |
| Heatley Sales Pty Ltd | Australia | 100% | 100% |
| Force Technology International Pty Ltd | Australia | 100% | 100% |
| C&L Tool Centre Pty Ltd | Australia | 100% | 100% |
| Trade Member Direct Pty Ltd | Australia | 100% | 100% |
| Stealth Workplace Services Pty Ltd | Australia | 100% | 100% |
| Industrial Supply Group Pty Ltd | Australia | 100% | 100% |
| United Tools Pty Ltd | Australia | 100% | 100% |
| Heatleys Group Holdings Pty Ltd | Australia | 100% | 100% |
| Trade Counter Direct Pty Ltd | Australia | 100% | 100% |
| Tool Shop Direct (Australia) Pty Ltd | Australia | 100% | 100% |
| IT Hub Solutions Pty Ltd | Australia | 100% | 0% |
| Stealth Industries Sdn Bhd | Malaysia | 100% | 100% |

For personal use only

# Directors' Declaration

## For the year ended 30 June 2026

### 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 Group's financial position as at 30 June 2026 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.
4. In the directors' opinion the consolidated entity disclosure statement on the preceding page 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 & CEO*

Perth, 19 August 2026

For personal use only

# Auditor's Independence Declaration

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

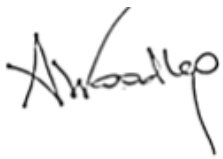
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

**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 2026, 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.



**Ashleigh Woodley**

**Director**

**BDO Audit Pty Ltd**

Perth

19 August 2026

For personal use only

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all 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 2026, 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 2026 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report of public interest entities 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 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.

For personal use only

For personal use only

**Carrying value of intangible assets – impairment assessment**

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| 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.<br><br>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.<br><br>These include judgements and estimates over the expectation of future revenue, gross profit margin, growth rates and the discount rate applied. | Our work included, but was not limited, to the following procedures:<br><br>• Evaluating the Group's identification of the Cash Generating Unit ("CGU") and assessing whether this was consistent with the requirements of the accounting standards and the manner in which the business is managed;<br><br>• Challenging key inputs used in the value in use calculations including the following:<br><br>  • Assessing the discount rate used by involving internal valuation experts and comparing to market data and industry;<br><br>  • Comparing forecast growth rates with historical results and economic and industry forecasts;<br><br>  • 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;<br><br>• Performing sensitivity analysis on the key inputs; and<br><br>• Assessing the adequacy of the related disclosures in the financial report. |

**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 2026, 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.

For personal use only

**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

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 28 to 34 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Stealth Group Holdings Ltd, for the year ended 30 June 2026, 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**



**Ashleigh Woodley**

**Director**

Perth, 19 August 2026

For personal use only

# ASX Additional Information - Shareholdings

## Details of securities as at 14 August 2026

### Top holders

The 20 largest registered holders of fully paid ordinary shares as at 14 August 2026 were:

**Fully paid ordinary shares**

| Rank | Name | No. of Shares | % |
|---|---|---|---|
| 1 | CITICORP NOMINEES PTY LIMITED | 23,584,395 | 15.77% |
| 2 | MICHAEL ARNOLD | 11,377,312 | 7.61% |
| 3 | MICHAEL DOUST | 5,965,946 | 3.99% |
| 4 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 5,436,868 | 3.64% |
| 5 | MANDEL PTY LTD <MANDEL SUPER FUND A/C> | 5,235,906 | 3.50% |
| 6 | BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD> | 3,245,262 | 2.17% |
| 7 | CHRIS WHARTON | 2,785,631 | 1.86% |
| 8 | OBSIDIAN SUPERANNUATION PTY LTD <OBSIDIAN SF A/C> | 2,761,065 | 1.85% |
| 9 | MARTIN & GABRIELLE SPICER | 2,518,000 | 1.68% |
| 10 | PEBADORE PTY LTD <WELLER FAMILY S/FUND A/C> | 2,400,000 | 1.60% |
| 11 | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT> | 2,373,381 | 1.59% |
| 12 | MR PETER JAKE MINEAR <JES INVESTMENT A/C> | 1,716,649 | 1.15% |
| 13 | MR WILLIAM ROBERT SIMSON | 1,701,596 | 1.14% |
| 14 | MR JOHNATHON MATTHEWS | 1,615,549 | 1.08% |
| 15 | WOODWARD CORPORATION PTY LTD <WOODWARD CORPORATION A/C> | 1,600,000 | 1.07% |
| 15 | MR VINCENZO ZENONI + MS GERALDINE ZENONI <ZENONI FAMILY A/C> | 1,600,000 | 1.07% |
| 17 | PHILIP TAYLOR | 1,595,000 | 1.07% |
| 18 | DELBO PROPERTY PTY LTD <T&G DEL BORRELLO FAMILY A/C> | 1,500,000 | 1.00% |
| 19 | MS NARELLE EDMUNDS | 1,490,385 | 1.00% |
| 20 | JOHN GROPPOLI | 1,487,923 | 0.99% |
| | | **81,990,868** | **54.83%** |

### Distribution schedule

A distribution schedule of each class of equity security as at 14 August 2026.

**Fully paid ordinary shares**

| Range | | | Holders | Units | % |
|---|---|---|---|---|---|
| 1 | - | 1,000 | 103 | 60,678 | 0.04% |
| 1,001 | - | 5,000 | 210 | 615,682 | 0.41% |
| 5,001 | - | 10,000 | 147 | 1,215,271 | 0.81% |
| 10,001 | - | 100,000 | 487 | 18,929,658 | 12.66% |
| 100,001 | - | Over | 179 | 128,735,800 | 86.08% |
| **Total** | | | **1,126** | **149,557,089** | **100%** |

For personal use only

## 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 |
|---|---|
| CITICORP NOMINEES PTY LIMITED | 23,584,395 |
| MICHAEL ARNOLD | 11,377,312 |

## Unquoted securities

### Options

There are no options on issue.

## Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 387 as at 14 August 2026):

| Holders | Units |
|---|---|
| 23 | 1,551 |

## 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.

For personal use only

# Corporate Directory

## Directors

Mr. Christopher Wharton
*Non-Executive Chairman*

Mr. Michael Arnold
*Group Managing Director & CEO*

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
Website: 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

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

**www.stealthgi.com**