

Company Presentation

September 15, 2023



STEALTHGLOBAL
HOLDINGS LTD

An Australian Industrial Distribution Company

Our Goal

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

Our Model

We provide industrial products and solutions for every workplace.

Our Commitment

Sustainable long-term growth and delivering shareholder value



STEALTHGLOBAL
HOLDINGS LTD

Our Strategy

Industry leading position

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

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

An Australian Industrial Distribution Company

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

2014

Company founded

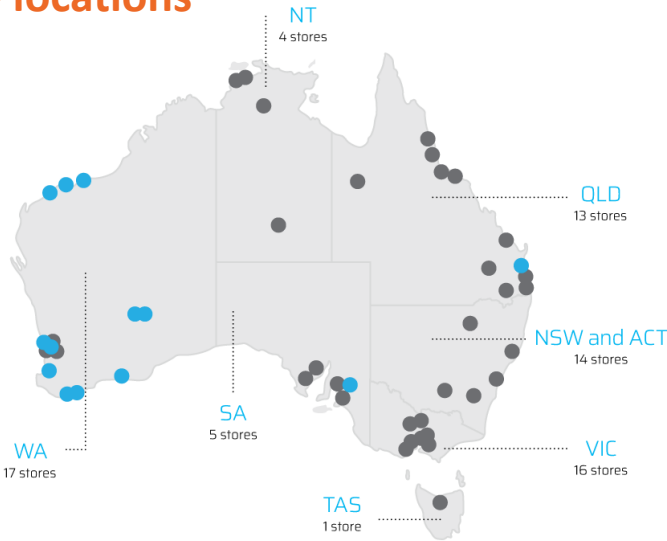
Large player

One of Australia’s largest distributors

Target FY25

\$200m @ 8% EBITDA

Branch and Store Network
70 Store locations



~200

Team members

39%

Gender balance % of Women

>200k

Products instock and available

~8k

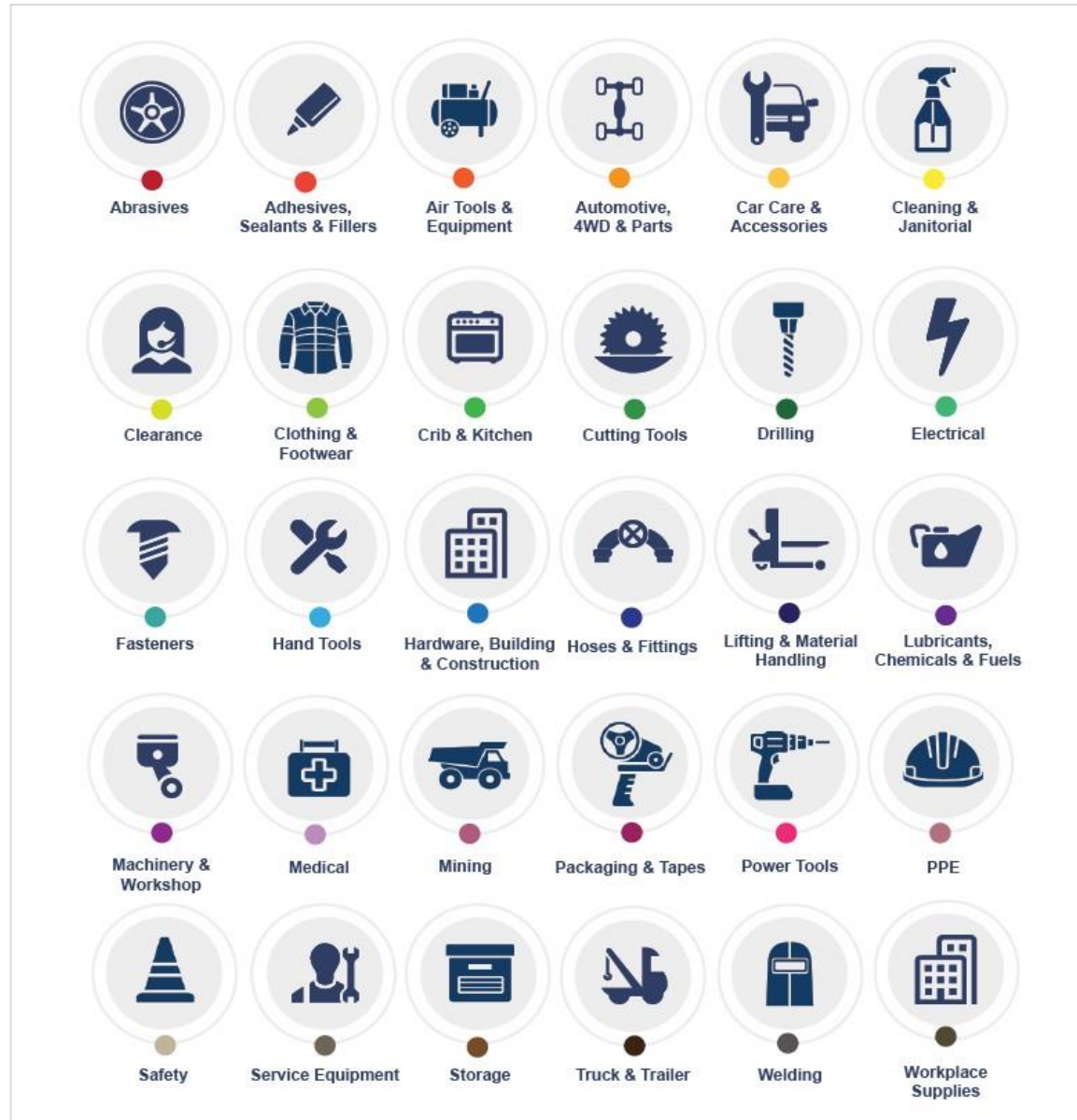
Business Customers

~34k

Individual Retail Consumers

Note: All metrics as of June 30, 2023 unless otherwise noted

Broad line selection of products and brands



Enhanced go-to-market models

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



BUSINESS SOLUTIONS SEGMENT

OUR BANNERS



CUSTOMER TYPE

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

SEGMENT VALUE PROPOSITION

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

GEOGRAPHY

Australia



84% of FY23 Sales



RETAIL SOLUTIONS SEGMENT

OUR BANNERS



CUSTOMER TYPE

Small individual retail consumers with less complex requirements.

SEGMENT VALUE PROPOSITION

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

GEOGRAPHY

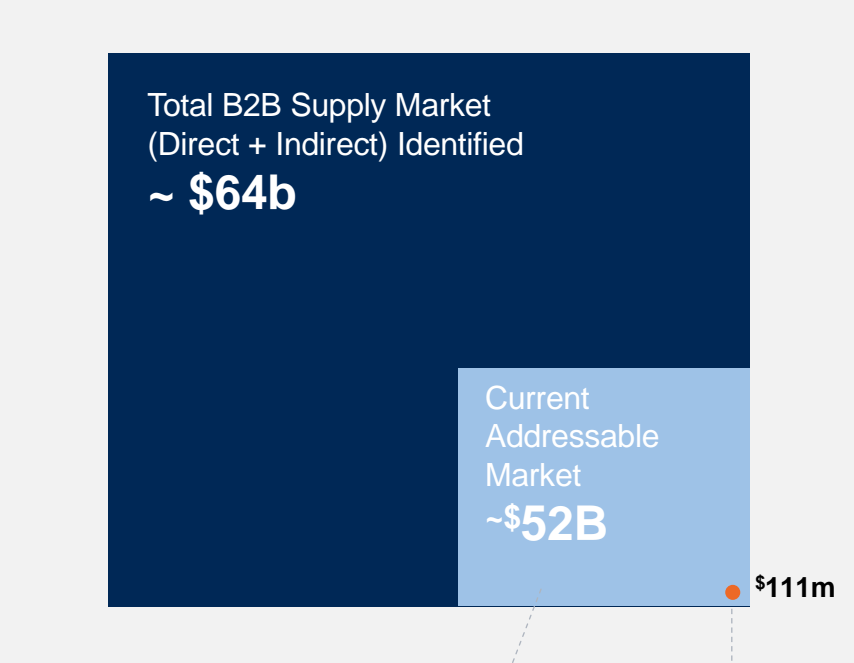
Australia



16% of FY23 Sales

We play in a large and highly fragmented market

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



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

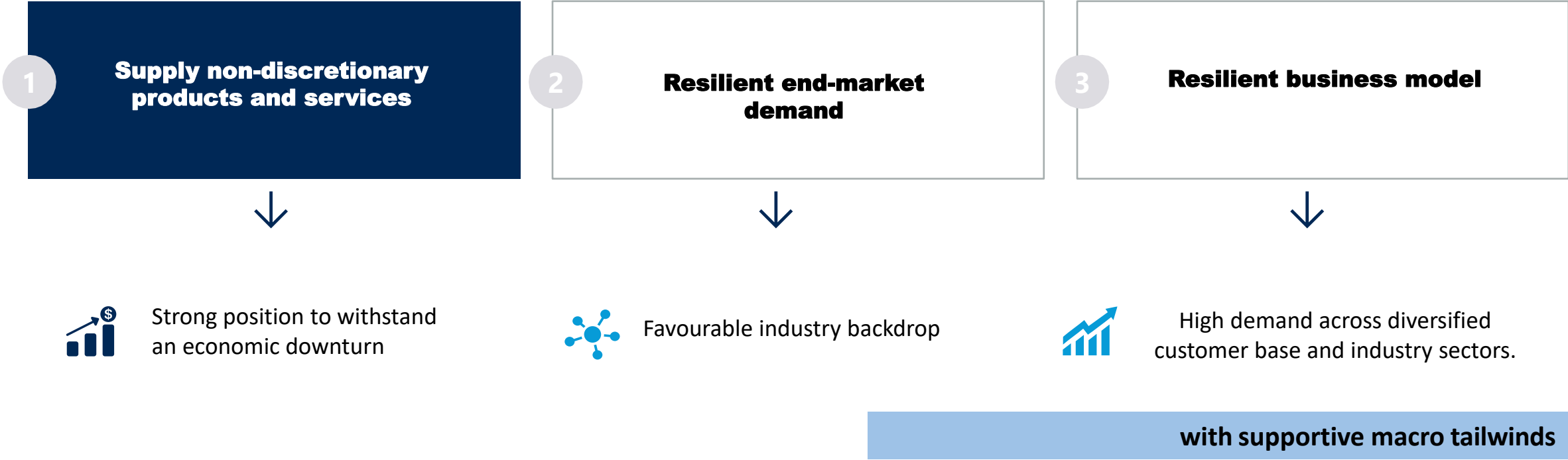
Source: IBISWorld

1. Hardware and Building Supplies Retailing in Australia – Market Research Report 2023
2. Online Hardware and Tool Sales in Australia - Market Research Report 2023
3. Hardware Wholesaling in Australia - Market Research Report 2023
4. Cleaning and Maintenance Supplies Distributors in Australia - Market Research Report 2023
5. Safety Equipment and Supplies Distributors in Australia – Market Research Report 2023
6. Material Handling Equipment Distributors in Australia – Market Research Report 2023
7. Heavy Duty Truck Parts Wholesalers in Australia – Market Research 2023

Construction, Machinery and Scaffold Hire in Australia– Market Research Report 2023

and attractive industry dynamics

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



FY2023 we delivered strong results... a record performance

Key metrics for the period ending 30 June 2023	Growth (%)	Result	Commentary
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KEY FINANCIALS

Revenue ¹	11.4	\$111.0m	Strong sales and profit growth
EBITDA	32.5	\$5.3m	
EBIT	71.4	\$2.4m	Improved cost structure
EPS	51.7	0.91	
Return on capital employed	390 bps	9.9%	Successful on inflation recovery.

CASH METRICS

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

BALANCE SHEET AND CREDIT METRICS

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

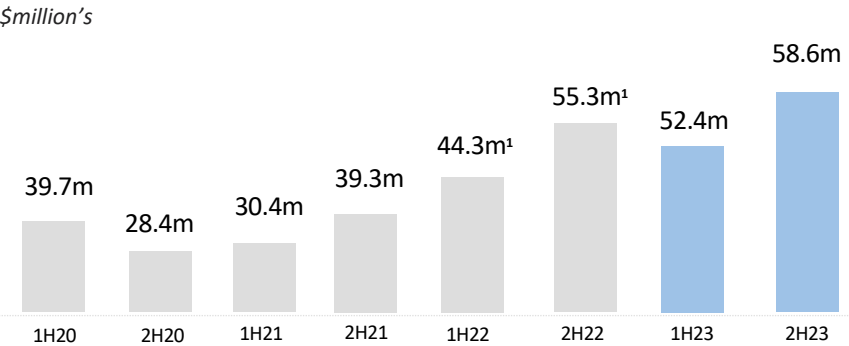


¹ Growth based on continuing operations. Excludes UK divestment in FY22.

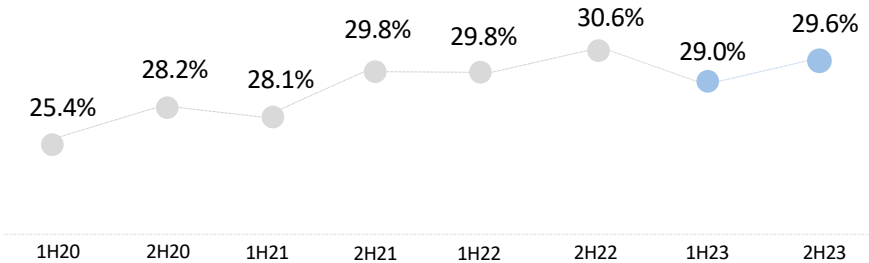
Growth trend comparison - Sales & Gross Profit performance

Continued traction with growth engines driving high growth

4-year trend (Revenue) Half by Half



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



In 2023 we continued building a sustainable business

Consistent investment strategy has strengthened market position



Enhanced core business

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



Rightsizing continues to deliver

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

Outlook

- ☑ **Financial outlook is positive**, expect strong results to continue.
- ☑ Despite fluctuations in economic conditions, the ongoing demand for our products and services
- ☑ Further consolidation of operating banners in FY24 provides opportunities, anticipated to result in **outperformance** in the wider industrial sector.
- ☑ FY24, double digit growth plan for revenue, margin and earnings



Key takeaways

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

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Q&A

