



ASX: SGI

STRATEGY AND TRADING UPDATE

Stealth Group Holdings ("Stealth" or "the Company"), Australia's leading independent distributor and retailer of hardware, Industrial, safety, and consumer products and related services for the workplace and home, is pleased to provide a strategic and financial trading update.

Key Highlights

- FY26 preliminary unaudited result is expected to deliver another record year with, at least, sales of \$165 million (+13.7%), revenue of \$146 million (+5.8% like-for-like), EBITDA of \$14.3 million (+44.4%) and NPAT of \$5.8 million (+87.1%).
- Completed the acquisition of Hardware & Building Traders ("HBT") in November 2025, Australia's largest privately owned membership-based buying-group, for a purchase price of \$22 million, adding approximately 1,165 independent member stores, 490 preferred suppliers, with FY25 revenue of \$6.9 million and normalised EBITDA of \$3.7 million.
- FY28 target of \$500 million in annual sales and an EBITDA margin of 8–12% remains firmly on track. FY27 is expected to represent a significant step change in sales, revenue and EBITDA driven by the first full year contribution from HBT, continued organic growth across the core business and the further realisation of synergies.

FY26 Trading Update

Stealth is tracking strongly, with preliminary unaudited results delivering another record year of sales and earnings growth.

Preliminary FY26 unaudited	FY26E	Growth
Sales	\$165.0m	+13.7%
Revenue ¹	\$146.0m	+5.8%
EBITDA	\$14.3m	+44.4%
NPAT	\$5.8m	+87.1%
EBITDA Margin % of Sales	8.7%	+170bps

N.B. Preliminary FY26 unaudited results after 48 weeks

¹ Like-for-like basis

Growth in earnings has been supported by organic initiatives and HBT integration synergies across four key drivers:

- Transferred Stealth subsidiaries with similar activity to HBT, into HBT for efficiency.
- Consolidated procurement leverage and optimised supplier terms.
- Gains from volume-led rebates and service-related fees.
- Enhanced productivity, efficiency and streamlined back-office systems.

Progress on strategy since 1H26 period

- Expansion of the Group's product, category and service offering to unlock incremental sales, revenue and earnings opportunities. This is expected to deliver a significant step-change in FY27 and FY28.
- Expanded exclusive product range into 42 hardware retail stores. CAT, Harden Tools, RIVO safety in Q4 26 with minimal sales in FY26. Sales and profit uplift expected in FY27 and beyond.

BOARD OF DIRECTORS

Chris Wharton AM
Chairman

Michael Arnold
Group Managing Director & CEO

John Groppoli
Non-Executive Director

Simon Poidevin
Non-Executive Director

Anthony Benino
Company Secretary

ISSUED CAPITAL

149.6 million Ordinary Shares

PRINCIPAL OFFICE

Level 2/43 Cedric Street
Stirling, Western Australia 6021

CONTACT

Michael Arnold
Group Managing Director & CEO

Jessica Rich
Investor Relations

P: +61 8 6465 7800
E: investors@stealthgi.com
W: www.stealthgi.com

ABN: 25 615 518 020

GROUP OPERATING BRANDS

- > Heatleys Safety, Industrial & Hardware
- > Hardware & Building Traders
- > Force Technology International

WEBSITES

- > heatleys.com.au
- > forcetechnology.com.au
- > hbt.com.au
- > cltoolcentre.com.au

ASX: SGI

A Diversified Australian Distribution Company



- Secured two new Australian territory exclusive distribution agreements with global consumer retail brands: Panzer Glass (June26) and Tech21 (May26)
- Launched products on 2 new online consumer retail marketplaces: Woolworths (Feb26) and Amazon (Jun26) after having completed JB Hi-Fi in 1H26. Expect >\$10mil of incremental sales by the end of FY28.

Progress on HBT acquisition

HBT Transforms Scale and Market Reach

HBT has significantly transformed Stealth's scale, supplier network, products & categories, national stores and distribution network, and market reach, transforming the Company into Australia's leading independent distributor and retailer.

Transaction highlights

- National network expanded from 32 stores to approximately 1,200 stores.
- Suppliers increased from 800 to 1,300.
- Expanded into hardware, timber, building supplies, paint, garden & landscape, plumbing, rural and pet categories.
- Significantly increased procurement scale and market reach.

Platform Scale	FY25 / Pre – HBT	FY26 / Includes HBT
Sales	\$145m	\$168m
Branches & Stores	10	8
Member Stores	22	1,200+
Retail Resellers	3,500+	3,500+
Suppliers	800	1,300
Team members	~250	~250

Integration and identified synergies are on Track

Integration is progressing at pace, expanding Stealth's national scale, procurement capability, product offering and market reach. Multiple integration initiatives have been completed, with further synergies and growth opportunities being pursued.

Integration performance / scorecard

HBT Progress - Integration and Synergies	Status
Systems integration	Completed
Supplier integration	Completed
Member engagement	Completed
Procurement initiatives	Active
Cross-selling programs	Active
National account opportunities	Active
HBT trade account (central services)	Active
HBT member purchasing growth	Active
Exclusive products & own private-label brands	Active

Strategy

Four Strategic Growth Pillars

The Company's growth strategy is underpinned by four strategic growth pillars.

1. Products & Categories
2. Stores & Distribution Networks
3. Value-Added Solutions
4. Procurement Scale

Key growth drivers supporting the FY28 target

Sales Opportunity	Drivers
HBT Trade Account (Central Services)	Centralised Invoicing, Member services, Supplier services
HBT Member Purchasing Growth	Volume-led expansion, deeper customer offering
Channel & Customer expansion	Organic growth and market share gains
Exclusive & Own brands, including Tool Hire	Product and category expansion across the Group's store network
Logistics & Distribution	Centralised Warehousing and Hub fulfillment centres
Network Expansion	Growth in stores, retail resellers, and HBT members.

Collectively, these initiatives represent a sales opportunity exceeding \$400 million and support the Company's pathway towards its FY28 target of \$500 million in annual sales.

FY28 Outlook

Pathway to FY28 Target of \$500 million Sales

FY27 is expected to represent a significant step change in sales, revenue and EBITDA when compared to FY26 Preliminary Results.

The Company expects continued benefits from procurement scale, supplier partnerships, operating leverage and an increasing contribution from exclusive products, own brands and value-added solutions.

Stealth remains firmly on track to achieve its FY28 target of \$500 million in annual sales and an EBITDA margin of 8–12%.

Year	Sales	EBITDA
FY25	\$145m	6.9%
FY26 estimate	\$165m	8.7%
FY28 Target	\$500m	8%-12%

Numbers in table 1 as at 14 June 2026

Following the successful completion of a \$19.5 million capital raising in December 2025, Stealth has a strong balance sheet and working capital position to support its FY28 organic growth plan across its four strategic pillars.

Statement from Stealth Group Managing Director & CEO, Mike Arnold

“The preliminary FY26 unaudited result reflects another year of strong earnings contributions, reflected by strong operational performance, productivity improvements, operating efficiencies and the successful integration of HBT. The integration is progressing at pace, with multiple initiatives completed and further synergy and growth opportunities underway.

The acquisition of HBT has transformed Stealth's scale, market reach and growth profile, establishing the Company as Australia's leading independent distributor and retailer and the leading independent alternative to the major players in the Australian hardware, industrial, safety and consumer products markets.

The opportunities ahead of us are substantial. We remain focused on executing our four strategic growth pillars; products & categories, stores & distribution networks, value-added customer solutions and procurement scale to capture market share across Australia's highly fragmented \$120 billion hardware, industrial, safety and home improvement sectors. This positions Stealth strongly to accelerate its pathway towards its FY28 target of \$500 million in annual sales and EBITDA margin of 8–12%.”

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

Further enquiries:

Jessica Rich
Investor Relations
+61 (0) 8 6465 7800
investors@stealthgi.com

Mike Arnold
Managing Director & CEO
investors@stealthgi.com

Matthew Green
Chief Financial Officer
investors@stealthgi.com

About Stealth Group Holdings

Principal Activity

The principal activity of the Company is a distributor and retailer of hardware and home improvement products, Industrial and safety products, consumer supplies, and related services in Australia.

The Group serves businesses & organisations, trade professionals, retailers, retail customers and DIY customers.

At Stealth, customers can find everything they need for the workplace and home, all in one place. We help customers maintain, repair, operate, build and improve the workplace and home, through an integrated platform combining a broad product range, procurement scale, a national store and distribution network, digital channels, and deep customer expertise with field sales teams, account managers, internal sales, and technical service specialists.

Stealth operates in an attractive and highly fragmented Australian market valued at approximately \$120 billion across hardware, home improvement & living, building supplies, industrial maintenance, repair and operations (MRO), and safety categories.

Key facts

We created a position of strength

1. 12 consecutive years of growth
2. More than 1,200 store locations Australia-wide in our Hardware, Industrial & Safety network
3. More than 3,500 Consumer Retail reseller store locations Australia-wide
4. Nearly 250 team members
5. More than 1 million products offered nationally
6. More than 1,300 primary suppliers

END OF RELEASE

4