

Appendix 4D

Half-Year Report



Report for the half-year ended 31 December 2024
Stealth Group Holdings Ltd and its controlled entities

ACN 615 518 020

Report for the half-year ended 31 December 2024

This report presents the results for Stealth Group Holdings Ltd and its controlled entities, for the half-year ended 31 December 2024 (current period) compared with the half-year ended 31 December 2023 (prior period).

Results for announcement to the market

				31 Dec 2023 \$		31 Dec 2024 \$
Revenues from continuing ordinary activities	Up	26.5%	from	56,495,636	to	71,474,680
Profit from ordinary activities after tax attributable to the owners	Up	249.2%	from	453,624	to	1,584,258
Profit for the year attributable to the owners	Up	249.2%	from	453,624	to	1,584,258

Operating and Financial Review

The detailed Operating and Financial Review (OFR) is contained in the Directors' Report within the Interim Financial Report.

Record high half-year financial results, net profit increases by 249%¹

1H-2025 results highlighting the Group's strong financial performance and strategic growth momentum.

- Record 1H-2025 sales² of \$73.54m, up 30.2% on 1H-2024 (\$56.50m).
- Record 1H-2025 revenue of \$71.47m, up 26.5% on 1H-2024 (\$56.50m).
- Record 1H-2025 gross profit of \$21.04m, up 26.7% on 1H-2024 (\$16.60m).
- Increase in gross profit margin to 29.44% in 1H-2025 compared to 29.39% in 1H-2024.
- Cost of doing business was lowered to 22.5% of revenue, from 24.4% in 1H-2024.
- EBITDA³ increased 78.1% to \$4.97m, with an EBITDA³ margin of 7.0%, achieving the 7.0% level for the first time. On \$14.97m incremental revenue a 14.6% EBITDA³ margin was achieved, reflecting scalability of the cost base.
- Increased EBIT⁴ to 4.6% of revenue (up 89.0%) and Profit Before Tax to 3.1% of revenue (up 150.7%) compared to 1H-2024.
- Net Profit After Tax (NPAT) surged to 2.2% as percentage of revenue, up 140 basis points from 1H-2024 (0.8%).
- Record Earnings per Share of 1.36 cents per share, up 202.2% from 1H-2024 (0.45 cents per share).

Stealth's balance sheet and cash flows continue to strengthen, providing stability and growth funding capacity.

- Net Assets of \$21.50m as of 31 December 2024, up \$1.13m from 30 June 24 (\$20.37m) and up \$4.99m from 31 December 2023 (\$16.51m).
- Cash of \$10.40m as of 31 December 2024, up from \$10.15m as of 30 June 2024 and \$8.83m as of 31 December 2023.
- Inventory of \$22.05m as of 31 December 2024, up from \$21.73m as of 30 June 2024 and \$14.95m as of 31 December 2023.
- Stealth increased its Return on Capital Employed (ROCE) % to 18.8%, compared to 9.6% for FY2024 and 12.2% for 1H-2024.
- The Group repaid \$1.02m to complete settlement of its acquisition debt liabilities during the half-year.
- Net Debt of \$11.02m as of 31 December 2024, up \$0.20m from 30 June 24 (\$10.82m) and up \$5.20m from 31 December 2023. \$5.17m of net debt at 31 December 2024 related to Force (\$5.96m at 30 June 2024).
- Operating cash inflow of \$2.83m (1H-2024: \$2.92m) and free cash flow of \$1.56m (1H-2024: \$2.40m).

Net Tangible Assets

Net Tangible Assets	30 Jun 2024	31 Dec 2024
Net tangible asset backing per ordinary security (cents per share)	2.09 cents	1.80 cents

The reduction in net tangible asset backing includes \$0.62m decrease for the cash dividend paid by Stealth during the half-year. Adjusting net tangible asset backing per ordinary security by adding back cash dividend paid would equal 2.34 cents per share at 31 December 2024, an increase of 12.0% from 30 June 2024.

Notes:

¹ Percentage changes in OFR are based on rounded numbers.

² Sales is a non-IFRS calculation not subject to audit or review, determined by increasing Revenue as prior to customer rebates.

³ Underlying EBITDA is a non-IFRS term representing Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), which has not been subject to audit or review but has been determined using information presented in the Group's interim financial report and is determined after adding back unusual costs to the Statutory EBITDA

⁴ EBIT (Earnings Before Interest and Tax) Underlying EBIT and Statutory EBIT are non-IFRS terms which have not been subject to audit or review; Underlying EBIT is determined by adding back Finance Costs and Income Tax Expense to the Statutory Net Profit before tax from the Group's financial report.

Details of entities over which control has been gained during the period

There were no entities over which control was gained during the period.

Details of entities over which control has been lost during the period

There were no entities over which control has been lost during the period.

Dividends

A final dividend of \$971,879 (1H-2024: \$Nil) was declared during the half-year, at 0.84 cents per fully paid ordinary share (fully franked based on tax paid of 30%). The amount of \$621,547 was paid in cash and 1,115,670 shares (\$350,320 at \$0.314 per share) were issued in lieu of cash through the Dividend Reinvestment Plan. Since the half-year, no dividend has been recommended for payment.

The condensed financial report has been reviewed by BDO Audit Pty Ltd and is not subject to dispute or qualification.

Authorisation of release

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

Date of Release

25 February 2025

Consolidated Interim Financial Report

For the half-year ended 31 December 2024



STEALTHGROUP
HOLDINGS LTD



An Australian Distribution Group

Stealth Group

An Australian Distribution Company

**Industrial
Services**

**Consumer
Technology**

Commercial Enterprise

Retail

Trade Professionals

Source Solutions

Connected Supply Solutions

Custom Smart Technology

Designers and manufacturers
of mobile, tablet, power, audio
and protection accessories.



STEALTHGROUP
HOLDINGS LTD



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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Stealth Group Holdings Ltd during the interim reporting period in accordance with the continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

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 (**Consolidated Entity** or **Group**) for the half-year ended 31 December 2024 and the auditor's report thereon.

Directors

The following persons were directors of the Company during the whole of the half-year ended 31 December 2024 and up to the date of this report unless otherwise stated:

Christopher Scott Wharton AM	Independent Non-Executive Chairman
Michael Alan Arnold	Managing Director
Giovanni (John) Groppoli	Non-Executive Director
Simon Poidevin	Independent Non-Executive Director

Principal Activities

Stealth Group Holdings is a leading Australian distribution company, providing a wide-range of industrial, safety, automotive, workplace and consumer products and solutions to businesses, trade-professionals and retail consumers through an omni-channel model incorporating a large sales force, contact centres, physical stores and online.

Stealth operates two divisions, Industrial and Consumer, that collectively has over 200,000 products in-stock on sale in stores and distribution centres from hundreds of suppliers. In addition, it sources on customer demand, more than 300,000 non-stocked products from its suppliers.

Operating and Financial Review

Strategic Performance

In 1H-2025, Stealth continued to invest strategically across key areas, including the integration of the recent acquisition of Force Technology International Pty Ltd (Force or Force Technology), technology enhancements, rightsizing initiatives, and centralisation of business operations to drive growth and efficiency. The acquisition of Force Technology in June 2024, significantly expanded our core activities by adding a market-leading consumer technology accessories distributor to our portfolio.

1H-2025 Business Performance

Industrial Division:

- Maintained solid performance demonstrating the resilience of its offer with sustained sales growth in the large customer segment.
- Average order value per active customer increased 8.8%, driven by technology and productivity improvements. Most notably, a new customer management system reduced complex quote response times by 87%, helped mitigate cost pressures, and enhanced customer value.
- Streamlined operations by closing the Port Hedland company store, six on-premises customer stores, and five independent member stores, resulting in a \$4.8 million reduction (\$10.8m annually) in like-for-like sales compared to 1H-2024, without impacting profit.

Consumer Division:

- Created in June 2024 following the acquisition of Force Technology, which was fully integrated during 1H-2025.
- Segment performed well contributing \$21.8 million in sales, with strong market-leading offers driving growth in sales and earnings and new customer transaction wins late in 1H-2025 to benefit 2H-2025 period.
- Growth was driven by repeat and new sales with major chains such as JB Hi-Fi, Officeworks, 7/11, Coles, Vodafone, and Telstra, along with the launch of the new own-label mobile accessories range "DullCo" in select IGA Western Australia stores from late 2024.
- Mobile technology accessories, an above-market key growth area for Force Technology, are expected to drive further expansion in existing channels and new markets from its market-leading offers.

Both divisions remain committed to long-term value creation by continuously investing in customer value, convenience, and better experiences. Product innovation remains a priority, with plans to expand exclusive brand arrangements and private-label and own-label ranges to strengthen pricing, variety, and market position.

Financial Performance

The Group delivered a record half-year financial performance across all key metrics of consolidated Revenue, Gross Profit, EBITDA², EBIT³, Profit before Tax, and Net Profit after Tax attributable to members, resulting in a record Earnings per Share to members.

Trading Result 1H-2025 (\$m)

	Consolidated Operations		
	1H-2025	1H-2024	VAR% ⁴
Sales ¹	\$73.54	\$56.50	30.2
Revenue	\$71.47	\$56.50	26.5
Gross Profit	\$21.04	\$16.60	26.7
Gross Profit margin (%)	29.44	29.39	0.2
Cost of Doing Business	\$16.07	\$13.81	16.4
Statutory EBITDA ²	\$4.97	\$2.79	78.1
Statutory EBIT ³	\$3.29	\$1.38	138.4
Statutory PBT	\$2.23	\$0.70	218.6
Statutory NPAT	\$1.58	\$0.45	249.2
Basic earnings per Share (cps)	1.36	0.45	202.2
Operating Cash Flows	\$2.83	\$2.92	(3.1)
Closing Cash Balance	\$10.40	\$8.83	17.8
Return on Capital Employed (%)	18.75	12.16	54.2

Notes:

1. Sales is a non-IFRS calculation not subject to audit or review, determined by increasing Revenue as prior to customer rebates.
2. EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), Underlying EBITDA and Statutory EBITDA are non-IFRS terms which have not been subject to audit or review; Underlying EBITDA is determined by adding back Growth-Related Investment costs to the Statutory EBITDA which in turn has been determined using information presented in the Group's financial report.
3. EBIT (Earnings Before Interest and Tax) Underlying EBIT and Statutory EBIT are non-IFRS terms which have not been subject to audit or review; Statutory EBIT is determined by adding back Finance Costs to the Statutory Net Profit before tax from the Group's financial report.
4. Based on rounded numbers, except for Statutory NPAT where whole numbers are used.

Highlights

Stealth delivered a record half with strong performance against all key metrics, highlighting the strength of the Group's operating model and diverse portfolio despite a backdrop of economic challenges and absorbing one-off costs in rightsizing initiatives.

Record Financial Performance for Sales, Revenue and Profitability

- Record 1H-2025 sales¹ of \$73.54m, up 30.2% on 1H-2024 (\$56.50m).
- Record 1H-2025 revenue of \$71.47m, up 26.5% on 1H-2024 (\$56.50m).
- Record 1H-2025 gross profit of \$21.04m, up 26.7% on 1H-2024 (\$16.60m).
- Increase in gross profit margin to 29.44% in 1H-2025 compared to 29.39% in 1H-2024.
- Cost of doing business was lowered to 22.5% of revenue, from 24.4% in 1H-2024.
- EBITDA² increased 78.1% to \$4.97m, with an EBITDA² margin of 7.0%, achieving the 7.0% level for the first time. On \$14.97m incremental revenue a 14.6% EBITDA² margin was achieved, reflecting scalability of the cost base.
- Increased EBIT³ to 4.6% of revenue (up 89.0%) and Profit Before Tax (PBT) to 3.1% of revenue (up 150.7%) compared to 1H-2024.
- Net Profit After Tax (NPAT) surged to 2.2% as percentage of revenue, up 140 basis points from 1H-2024 (0.8%).
- Record Earnings per Share of 1.36 cents per share, up 202.2% from 1H-2024 (0.45 cents per share).

Disciplined Capital and Debt Management

- The Group repaid \$1.02m to complete settlement of its acquisition debt liabilities during the half-year.
- \$0.97m maiden dividend declared of which \$0.62m paid in cash and 1,115,670 shares (\$0.35m at \$0.314 per share) issued in lieu of cash through the Dividend Reinvestment Plan.
- \$14.36m net working capital (receivables + inventory – payables), down from \$15.27m at 30 June 2024 and up from \$9.32m at 31 December 2023.
- Stealth increased its Return on Capital Employed (ROCE) % to 18.8%, compared to 9.6% for FY2024 and 12.2% for 1H-2024.

Positive Cash Flow Generation

- \$2.83m operating cash inflow (1H-2024: \$2.92m), with operating cash inflow prior to interest, tax and transaction costs of \$3.94m up 10.4% (1H-2024: \$3.57m).
- \$1.27m investing cash outflow (1H-2024: \$0.52m) on eCommerce, productivity and efficiency technology initiatives, and upgrades to Group branches.
- \$1.56m free cash inflow (1H-2024: \$2.40m) post increased investment of operating cash into growth initiatives.
- Net financing outflows of \$1.30m (1H-2024: \$1.30m) included:
 - \$0.62m outflow on dividend payment;
 - \$1.38m outflow on repayment of debt (including \$1.02m acquisition-related debt);
 - \$1.13m outflow on lease payments; and
 - \$1.84m inflow from debt proceeds, principally working capital funding (including \$0.86m by Force for 2H-2025 product launches).

Strengthened the Balance Sheet

- Strong balance sheet maintained, providing stability and growth funding capacity.
- Total Assets of \$85.48m (FY2024 \$85.19m, 1H-2024: \$62.63m).
- Net Assets of \$21.50m as of 31 December 2024, up \$1.13m from 30 June 24 (\$20.37m) and up \$4.99m from 31 December 2023 (\$16.51m).
- Cash of \$10.40m as of 31 December 2024, up from \$10.15m as of 30 June 2024 and \$8.83m as of 31 December 2023.
- Inventory of \$22.05m as of 31 December 2024, up from \$21.73m as of 30 June 2024 and \$14.95m as of 31 December 2023.
- Net Debt of \$11.02m as of 31 December 2024, up \$0.20m from 30 June 24 (\$10.82m) and up \$5.20m from 31 December 2023. \$5.17m of net debt at 31 December 2024 related to Force (\$5.96m at 30 June 2024).
- Receivables and Inventory assets are 27.8% of annualised revenue, down from 36.0% at 30 June 2024 and up from 26.0% at 31 December 2023.
- The Group has \$16.07m of cash and available facilities as at 31 December 2024 (30 June 2024: \$15.77m).

Reconciliation of Half-Year interim financial results

A reconciliation of Underlying EBITDA¹ to the reported profit before tax in the Consolidated Statement of Profit or Loss and Comprehensive Income is shown in the following table:

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Reconciliation – half-year interim financial results		
Underlying EBITDA¹	5,082	2,879
Unusual Items:		
Restructuring and transaction costs including closure of stores and acquisition related costs	(109)	(71)
Redundancies	-	(14)
Statutory EBITDA	4,973	2,794
Less: Depreciation	(1,376)	(1,257)
Less: Amortisation	(302)	(159)
Less: Net Finance Costs	(1,068)	(676)
Profit for the period before tax attributable to Members	2,227	702

Notes:

1. Underlying EBITDA is a non-IFRS term representing Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), which has not been subject to audit or review but has been determined using information presented in the Group's interim financial report and is determined after adding back unusual costs to the Statutory EBITDA.

Continued to Invest in our Business

The Group remains committed to investing in and strengthening our competitive advantages, including our trusted brands and store formats that consumers, businesses, and trade professionals rely on. Our focus is on expanding services and support for our independent member industrial operators and retailers, equipping them to compete effectively in a dynamic market. The recent addition of Force Technology to our portfolio enhances our growth potential, allowing us to capitalise on the increasing demand for smart device lifestyle products.

We remain focused on pursuing complementary, value-accretive acquisitions that enhance our market position and drive long-term growth. We will continue to actively explore and evaluate acquisition opportunities that strengthen our business and deliver value to our shareholders.

Trading Footprint

In June 2024, the acquisition of Force Technology significantly expanded the Group's trading footprint, adding over 3,310 new retail reseller locations to the consumer technology division. Concurrently during the 1H-2025, we optimised the industrials division footprint by closing one company store, six on-premise customer stores, and five independent member stores.

Changes in the State of Affairs

Changes to the state of affairs of the Company during the half-year ended 31 December 2024 were as follows:

- Increase in the Group's performance post the acquisition of Force Technology effective 1 June 2024.
- Foreign exchange hedges held at 31 December 2024 resulted in recognition of current asset and other income.
- Stealth declared and paid its maiden dividend.

Subsequent Events Since 31 December 2024

There has not been during the period between 31 December 2024 and the date of this report any 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 reporting periods.

Strategic Agenda: Focus for 2025

Our strategic framework sets out our value-creating strategies and how we manage the Group to generate superior returns over the long term driven by three primary factors: in volume, cost, price.

Value-creating Strategies

Our ongoing commitment of creating value for shareholders is driven through responsible long-term management and being a market leading alternative.

By building and strengthening existing businesses through operating excellence, innovation and satisfying customer needs by renewing our portfolio, we aim to provide the best possible range of products to meet their needs and support customers with sales support, store formats, online, onsite, loyalty programs and solutions tools.

Strategic agenda:

- Healthy people and healthy workplace.
- Connect with our communities.
- Enhance the customer experience.
- Ranging and pricing.
- Deliver operational excellence.
- Grow our business.
- Simplicity and efficiency through digital, data, and automation.
- Continue to renew the portfolio, building an even stronger offer.
- Build the best store and channel network and in-store experiences.
- House of Brands strategy, including private label.

The Company remains on track to deliver on its longer-term growth targets. Organic growth-related programs and further acquisitions will be integral to achieving this.

Risk

Foreign exchange

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. In 1H-2025 the Group recognised in other income a \$521,418 gain on foreign exchange hedges held at 31 December 2024, based on the difference between the USD:AUD foreign exchange rate hedged by the Group versus the actual spot rate at 31 December 2024. This position will vary each reporting period based on the foreign exchange rate hedged by the Group versus the actual spot rate at the reporting date.

Other risks

Otherwise, the primary risks that the business is exposed to have not changed from the risk analysis presented in the latest Annual Report (page 29-30, FY2024 Annual Report).

Dividends

A final dividend of \$971,879 (1H-2024: \$Nil) was declared during the half-year, at 0.84 cents per fully paid ordinary share (fully franked based on tax paid of 30%). The amount of \$621,547 was paid in cash and 1,115,670 shares were issued in lieu of cash through the Dividend Reinvestment Plan, with \$12 liability carried forward under the DRP. Since the half-year, no dividend has been recommended for payment.

Rounding of Amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, 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.

Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9 of the interim financial report and forms part of this Directors' Report.

This directors' report is signed in accordance with a resolution of directors made pursuant to section 306(3) of the *Corporations Act 2001*.

On behalf of the Directors



Michael Arnold
Group Managing Director

Perth, 25 February 2025

Auditor's Independence Declaration



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DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF STEALTH GROUP HOLDINGS LTD

As lead auditor for the review of Stealth Group Holdings Ltd for the half-year ended 31 December 2024, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Stealth Group Holdings Ltd and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a light blue horizontal line.

Ashleigh Woodley

Director

BDO Audit Pty Ltd

Perth

25 February 2025

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are 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

Consolidated Statement of Profit or Loss and Comprehensive Income

For the six months ended 31 December 2024

	Note	31 Dec 2024 \$	31 Dec 2023 \$
Revenue	B2	71,474,680	56,495,636
Cost of sales		(50,431,032)	(39,894,343)
Gross profit		21,043,648	16,601,293
Other income	F3	523,166	2,913
Personnel expenses		(11,806,350)	(10,293,359)
Administration expenses		(4,505,972)	(3,106,905)
Occupancy expenses		(172,202)	(324,693)
Transaction costs		(109,735)	(85,082)
Depreciation and amortisation expense		(1,678,236)	(1,416,448)
Finance costs		(1,067,766)	(675,592)
Profit before income tax		2,226,553	702,127
Income tax expense	D1	(642,295)	(248,503)
Profit after tax for the half-year		1,584,258	453,624
Profit for the half-year is attributable to:			
Owners of the company		1,584,258	453,624
Comprehensive Income			
Profit for the half-year		1,584,258	453,624
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(810)	(919)
Total comprehensive income for the half year		1,583,448	452,705
Total comprehensive income for the half-year is attributable to:			
Owners of the company		1,583,448	452,705
Earnings per share for profit attributable to the owners of the company		Cents	Cents
Basic earnings per share (cents)	E3	1.36	0.45
Diluted earnings per share (cents)	E3	1.36	0.45

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

Consolidated Statement of Financial Position

As at 31 December 2024

	Note	31 Dec 2024 \$	30 Jun 2024 \$
Current Assets			
Cash and cash equivalents		10,404,848	10,147,518
Trade and other receivables		17,648,785	19,162,069
Inventories		22,052,461	21,731,590
Other assets		2,015,678	807,463
Total Current Assets		52,121,772	51,848,640
Non-Current Assets			
Property, plant and equipment		2,431,095	2,417,985
Right-of-use assets	C4	10,237,392	11,579,593
Intangible assets	C3	19,385,768	17,958,718
Deferred tax assets	D2	1,294,157	1,380,730
Other assets		6,700	6,700
Total Non-Current Assets		33,355,112	33,343,726
TOTAL ASSETS		85,476,884	85,192,366
Current Liabilities			
Trade and other payables		25,336,738	25,622,429
Current tax liabilities	D1	785,930	-
Lease liabilities	C4	1,799,919	2,209,810
Financial liabilities	C2	21,382,767	20,885,188
Provisions		2,812,393	2,581,031
Total Current Liabilities		52,117,747	51,298,458
Non-Current Liabilities			
Lease liabilities	C4	8,674,111	9,738,433
Financial liabilities	C2	2,500,000	2,500,000
Deferred tax liabilities	D2	427,098	1,042,149
Provisions		259,967	245,764
Total Non-Current Liabilities		11,861,176	13,526,346
TOTAL LIABILITIES		63,978,923	64,824,804
NET ASSETS		21,497,961	20,367,562
Equity			
Issued capital	E1	17,381,076	16,862,246
Accumulated funds		3,941,723	3,329,344
Reserves		175,162	175,972
TOTAL EQUITY		21,497,961	20,367,562

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

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2024

	Attributable to owners of Stealth Group Holdings Ltd			
	Issued Capital \$	Reserves \$	Accumulated Funds \$	Total \$
Balance as at 1 July 2023	13,528,699	557,791	1,974,064	16,060,554
Profit for the period	-	-	453,624	453,624
Other comprehensive income for the period	-	(919)	-	(919)
Total comprehensive income for the period	-	(919)	453,624	452,705
Transactions with equity holders in their capacity as equity holders				
Issue of ordinary shares	177,591	(177,591)	-	-
Share issue costs	(12,809)	-	-	(12,809)
Share based payments – long term incentives	-	8,481	-	8,481
Balance as at 31 December 2023	13,693,481	387,762	2,427,688	16,508,931
Balance as at 1 July 2024	16,862,246	175,972	3,329,344	20,367,562
Profit for the period	-	-	1,584,258	1,584,258
Other comprehensive income for the period	-	(810)	-	(810)
Total comprehensive income for the period	-	(810)	1,584,258	1,583,448
Transactions with equity holders in their capacity as equity holders				
Issue of ordinary shares	534,016	-	-	534,016
Share issue costs	(15,186)	-	-	(15,186)
Dividend paid	-	-	(971,879)	(971,879)
Balance as at 31 December 2024	17,381,076	175,162	3,941,723	21,497,961

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

Consolidated Statement of Cash Flows

For the six months ended 31 December 2024

	31 Dec 2024 \$	31 Dec 2023 \$
Cash flows from operating activities		
Receipts from customers	72,326,883	60,514,362
Payments to suppliers and employees	(68,496,623)	(57,030,519)
Interest paid	(969,382)	(566,773)
Income tax (paid)/received	(30,377)	1,850
Net cash inflow from operating activities	2,830,501	2,918,920
Cash flows from investing activities		
Payments for plant & equipment	(359,752)	(102,631)
Proceeds from the sale of plant & equipment	7,522	-
Interest received	1,748	2,913
Payment for intangible assets	(920,718)	(417,636)
Net cash outflow from investing activities	(1,271,200)	(517,354)
Cash flows from financing activities		
Principal elements of lease payments	(1,126,956)	(982,188)
Payments for share issue costs	(15,186)	-
Payment of dividend	(621,547)	-
Repayment of financial liabilities	(1,375,457)	(683,150)
Proceeds from financial liabilities	1,837,175	362,631
Net cash outflow from financing activities	(1,301,971)	(1,302,707)
Net increase in cash and cash equivalents	257,330	1,098,859
Cash and cash equivalents at 1 July	10,147,518	7,727,333
Cash and cash equivalents at 31 December	10,404,848	8,826,192

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

Notes to the Consolidated Financial Statements

For the six months ended 31 December 2024

Section A: Key Matters in the Current Reporting Period

Three key matters are noted in respect of 1H-2025 compared to 1H-2024:

1. Increase in the Group's performance post the acquisition of Force Technology effective 1 June 2024.
2. Foreign exchange hedges held at 31 December 2024 resulted in recognition of current asset and other income.
3. Stealth declared and paid its maiden dividend.

Force Technology

Stealth has a diversified business portfolio and a growing customer base, both of which were expanded with the acquisition of Force Technology effective 1 June 2024. It aligns with Stealth's strategic focus on higher-margin, capital-light, cash-generative, diversified, scalable, own-label and private-label product ranges, exclusive brands, and a nationwide distribution network. This positions the company to capitalise on meaningful synergy opportunities and enhanced market presence. Refer section B1 for details.

Foreign Exchange Hedges held at 31 December 2024

The Group recognised a \$521,418 gain on foreign exchange hedges held at 31 December 2024. This is recognised as Other Income (gain on cash flow hedges) in the Profit and Loss and as a Balance Sheet asset (other current assets). This arose based on difference between the USD:AUD foreign exchange rate hedged by the Group versus the actual spot rate at 31 December 2024. The Group has comprehensive hedging strategies in place which are aligned with its purchasing requirements. Refer section F3 for details.

Dividend

The Group declared its maiden dividend during the current reporting period, being \$971,879 (1H-2024: \$Nil), at 0.84 cents per fully paid ordinary share (fully franked based on tax paid of 30%). \$621,547 was paid in cash and 1,115,670 shares (\$350,320 at \$0.314 per share) were issued in lieu of cash through the Dividend Reinvestment Plan. Refer section E2 for details.

Subsequent to the end of the reporting period there are no matters, items, transactions, or events 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 reporting periods.

For a detailed discussion about the Group's performance and financial position, please refer to the Operating and Financial Review on pages 5 to 7 of this interim financial report.

Section B: Business Performance

B1 Operating Segments

The Consolidated Entity results are reported as two business segments (FY2024: two) based on the nature of operations, which are reviewed regularly by the Board of Directors. The principal results reviewed for each area are revenue and adjusted operating profit.

The Board of Directors' view is that there were two reportable segments during the current reporting period, being the operations of Industrial Services (Industrial) and Consumer Technology (Consumer). These are different to the reportable segments as reported at FY2024, post the Group's acquisition of Force effective 1 June 2024. The 1H-2024 comparatives have been restated in accordance with the two reportable segments for 1H-2025.

The Group's Industrial operations are judged by management to form a single operating segment, due to a combination of factors, including overlapping nature of their customers and their suppliers, of the products they sell and how they are sold, and their competitors, being primarily Australia-wide operations.

The Group's Consumer operations are judged by management to form a single operating segment, due to the overlapping nature of services that they provide, the suppliers they interact with and their competitors, both operating on an Australia-wide basis.

Unless stated otherwise, all amounts reported to the Board of Directors with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Consolidated Entity.

All intersegment transactions are eliminated on consolidation of the Consolidated Entity's financial statements. Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. Usually, segment assets are clearly identifiable based on their nature and physical location. Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. The following items of revenue and expenses are not allocated to operating segments as they are not considered part of the core operations of any segment: Finance expense and Income tax expense.

Half-year ended 31 December 2024	Industrial \$	Consumer \$	Group Total \$
Total revenue	51,710,925	19,763,755	71,474,680
Adjusted operating profit¹	1,755,558	1,648,496	3,404,054
Transaction costs	(93,735)	(16,000)	(109,735)
Operating profit	1,661,823	1,632,496	3,294,319
Finance costs			(1,067,766)
Profit before income tax			2,226,553
Income tax expense			(642,295)
Profit for the half-year attributable to owners of the company			1,584,258
Reportable segment assets	67,597,307	17,879,577	85,476,884
Reportable segment liabilities	47,131,454	16,847,469	63,978,923
Capital employed	20,465,853	1,032,108	21,497,961
Capital expenditure	276,021	83,731	359,752
Depreciation and amortisation	1,505,535	172,701	1,678,236

Notes:

1. Adjusted operating profit for Consumer is inclusive of fair value gains or losses on hedging derivatives for foreign currency, which included a gain of \$521,418 for the half-year ended 31 December 2024 (31 December 2023: \$nil). Refer section F3 for further information.

Half-year ended 31 December 2023 as Restated	Industrial \$	Consumer \$	Group Total \$
Total revenue	56,495,636	-	56,495,636
Adjusted operating profit	1,462,801	-	1,462,801
Transaction costs	(85,082)	-	(85,082)
Operating profit	1,377,719	-	1,377,719
Finance costs			(675,592)
Profit before income tax			702,127
Income tax expense			(248,503)
Profit for the half-year attributable to owners of the company			453,624
30 June 2024 as Restated	Industrial \$	Consumer \$	Group Total \$
Reportable segment assets	72,992,249	12,200,117	85,192,366
Reportable segment liabilities	52,759,789	12,065,015	64,824,804
Capital employed	20,232,460	135,102	20,367,562
Half-year ended 31 December 2023 as Restated	Industrial \$	Consumer \$	Group Total \$
Capital expenditure	102,631	-	102,631
Depreciation and amortisation	1,416,448	-	1,416,448

B2 Revenues

	31 Dec 2024 \$	31 Dec 2023 \$
Sales revenue	67,251,476	51,732,142
Service revenue	4,223,204	4,763,494
Total revenue	71,474,680	56,495,636

Section C: Operating Assets and Liabilities

C1 Net Debt

	31 Dec 2024 \$	30 Jun 2024 \$	31 Dec 2023 \$
Total current borrowings	21,382,767	20,885,188	14,516,366
Equipment leases due within 1 year	25,940	48,030	87,269
Equipment leases due after 1 year	16,527	30,296	43,706
Total borrowings including equipment leases	21,425,234	20,963,514	14,647,341
Cash on hand	(10,404,848)	(10,147,518)	(8,826,192)
Net debt	11,020,386	10,815,996	5,821,149
Includes:			
Acquisition-specific debt	-	1,015,625	1,421,875
Acquisition-support debt via working capital facility	4,813,309	4,813,309	4,356,137
Working capital facility on acquisition	5,858,040	5,858,040	-
Total acquisition debt	10,671,349	11,686,974	5,778,012
Net debt excluding acquisition debt	349,037	(870,978)	43,137

Net debt focuses on balances and movements in cash and financial liabilities only, reflecting operational-focused cash and debt categories.

	31 Dec 2024 \$	30 Jun 2024 \$	31 Dec 2023 \$
Net cash/(debt) (excluding AASB 16 lease liabilities) reconciliation			
Cash and cash equivalents (all unrestricted cash balances)	10,404,848	10,147,518	8,826,192
Borrowings - repayable within one year	(21,382,767)	(20,885,188)	(14,516,366)
Net debt (excluding AASB 16 lease liabilities)	(10,977,919)	(10,737,670)	(5,690,174)
Cash	10,404,848	10,147,518	8,826,192
Gross debt – variable interest rates (excluding AASB 16 lease liabilities)	(21,300,046)	(20,826,797)	(14,416,875)
Gross debt – fixed interest rates (excluding AASB 16 lease liabilities)	(82,721)	(58,391)	(99,491)
Net debt (excluding AASB 16 lease liabilities)	(10,977,919)	(10,737,670)	(5,690,174)

	Cash	Borrowings due within 1 year	Total
Net cash/(debt) (excluding AASB 16 lease liabilities) as at 1 July 2024:	10,147,518	(20,885,188)	(10,737,670)
Working capital ¹	257,330	(240,256)	17,074
Capital expenditure ²	-	(1,272,948)	(1,272,948)
Debt repayments	-	1,015,625	1,015,625
Net cash/(debt) (excluding AASB 16 lease liabilities) as at 31 December 2024	10,404,848	(21,382,767)	(10,977,919)

Notes:

1. Net movement in working capital (receivables, inventory, payables), including Force post-acquisition.

2. Net investment in PPE and intangible assets.

	Cash	Borrowings due within 1 year	Total
Net cash/(debt) (excluding AASB 16 lease liabilities) as at 1 July 2023:	7,727,333	(14,773,527)	(7,046,194)
Working capital ¹	1,098,859	157,636	1,256,495
Capital expenditure ²	-	(520,267)	(520,267)
Debt repayments	-	619,792	619,792
Net cash/(debt) (excluding AASB 16 lease liabilities) as at 31 December 2023	8,826,192	(14,516,366)	(5,690,174)
Working capital ¹	888,875	620,483	1,509,358
Capital expenditure ²	-	(1,092,282)	(1,092,282)
Acquisition deferred payments ³	-	(445,233)	(445,233)
Debt repayments	-	406,250	406,250
Sub-total	9,715,067	(15,027,148)	(5,312,081)
Cash/(debt) acquired in acquisition of Force	432,451	(5,858,040)	(5,425,589)
Net cash/(debt) (excluding AASB 16 lease liabilities) as at 30 June 2024	10,147,518	(20,885,188)	(10,737,670)

Notes:

1. Net movement in working capital (receivables, inventory, payables).

2. Net investment in PPE and intangible assets

3. Net cash impact of payment of final deferred payments relating to United Tools Pty Ltd.

The Group had motor vehicle lease liabilities of \$42,467 as of 31 December 2024 (2023: \$130,975), comprising current liabilities of \$25,940 (2023: \$87,269) and non-current liabilities of \$16,527 (2023: \$43,706). These are included in total lease liabilities.

	31 Dec 2024 \$	30 Jun 2024 \$
Financing arrangements		
The Group had access to the following undrawn borrowing facilities at the end of the reporting year:		
CBA unused facilities (floating rates) expiring within one-year	5,667,634	5,618,086
Cash on hand	10,404,848	10,147,518
Total available	16,072,482	15,765,604

Capital Risk Management

The Consolidated Entity manages its capital to ensure its ability to continue as a going concern and to achieve returns to the shareholders and benefits for other stakeholders through the optimisation of debt and equity balance. The capital structure of the Consolidated Entity is adjusted to achieve its goals whilst ensuring the cost of capital is optimised.

Management monitors capital based on the gearing ratio (total debt / (total debt plus total equity)). The Consolidated Entity'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:

	31 Dec 2024 \$	30 Jun 2024 \$	31 Dec 2023 \$
Total debt	21,425,234	20,963,514	14,647,341
Total equity	21,497,961	20,367,562	16,508,931
Total debt and total equity	42,923,195	41,331,076	31,156,272
Gearing ratio (Total debt / Total debt and total equity)	49.9%	50.7%	47.0%
Net debt	11,020,386	10,815,996	5,821,149
Gearing ratio (Net debt / Net debt and total equity)	33.9%	34.7%	26.1%

The Gearing Ratio of the Company decreased during the half-year, from 50.7% as of 30 June 2024 to 49.9% as of 31 December 2024, following the increase from 47.0% during the period between 31 December 2023 and 30 June 2024 relating to the Group's acquisition of Force. The decrease reflects the following factors:

- Total debt predominantly relates to CBA working capital facilities, after the Group repaid its final \$1,015,625 of acquisition-specific debt in the half-year period. Acquisition debt (\$5,750,000 original value) is 100% repaid as of 31 December 2024.
- Working capital debt of \$21,300,046 was owing on 31 December 2024, up \$473,249 on 30 June 24 (\$20,826,797).
- Underlying EBITDA (as defined in the OFR) of the Group for 1H-2025 is \$5,082,290 (1H-2024: \$2,879,249). Total Debt to annualised Underlying EBITDA ratio is 2.1 times as of 31 December 2024 (1H-2024: 2.5 times). For Net Debt this decreases to 1.1 times (1H-2024: 1.0 times).

The Consolidated Entity is subject to certain financing covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default during the financial year and the Consolidated Entity is in compliance with its loan covenants as of 31 December 2024.

C2 Financial Liabilities

	31 Dec 2024 \$	30 Jun 2024 \$
Current:		
Borrowings		
Commonwealth Bank of Australia Facility	21,300,046	20,826,797
Insurance Premium Funding	82,721	58,391
Total current borrowings	21,382,767	20,885,188
Total current financial liabilities	21,382,767	20,885,188
Non-current:		
Other Financial Liabilities		
Deferred outperformance – Force Technology International Pty Ltd	2,500,000	2,500,000
Total non-current other financial liabilities	2,500,000	2,500,000
Total non-current financial liabilities	2,500,000	2,500,000
Total financial liabilities	23,882,767	23,385,188

The CBA facility is secured by first charge over the assets of the Group's Australian operations. The interest rate is variable and was 6.25% p.a. as of 31 December 2024 (30 June 2024: 6.16%). Insurance premium funding had a fixed interest rate of 2.26% (30 June 2024: 3.90%) over its term of seven months.

Refer note F3 for details in relation to deferred outperformance financial liability.

C3 Intangible Assets

	31 Dec 2024 \$	30 Jun 2024 \$
Goodwill		
Opening balance – Cost	15,382,788	10,585,357
Arising on acquisition - Force Technology International Pty Ltd	808,875	4,797,431
Closing balance – Cost	16,191,663	15,382,788
Internally Generated Software (eCommerce)		
Opening balance – Cost	3,107,274	1,887,530
Additions – internal development	922,888	1,219,744
Closing balance – Cost	4,030,162	3,107,274
Total Intangible Assets at Cost	20,221,825	18,490,062
Less: Accumulated Amortisation	(836,057)	(531,344)
Total Intangible Assets	19,385,768	17,958,718

Refer section F2 for further details on Goodwill from Business Combinations.

Impairment

The Group has assessed the relevant impairment indicators and does not expect impairment to the Company's intangibles in this reporting period. The Company has concluded that the carrying value of the intangibles are recoverable.

C4 Right-of-Use Assets and Lease Liabilities

	31 Dec 2024 \$	30 Jun 2024 \$
Carrying Value of Non-Current Right-of-use-assets	10,237,392	11,579,593
Lease Liabilities		
Current:		
Property leases	1,773,979	2,161,780
Equipment leases	25,940	48,030
Total current leases	1,799,919	2,209,810
Non-current:		
Property leases	8,657,584	9,708,137
Equipment leases	16,527	30,296
Total non-current leases	8,674,111	9,738,433

Section D: Taxation

D1 Income Tax Expense

Income tax expense is recognised based on management's estimate of the effective annual income tax rate expected for the full financial year.

	31 Dec 2024 \$	31 Dec 2023 \$
(a) Income tax (expense) / credit from continuing operations		
Current tax	(1,170,774)	(333,962)
Deferred tax	528,479	85,459
	(642,295)	(248,503)
(b) Income tax (expense)/credit is attributable to:		
Profit from continuing operations	(642,295)	(248,503)
	(642,295)	(248,503)
(c) Reconciliation between tax (expense) and pre-tax net profit		
Profit before income tax	2,226,553	702,127
Income tax expense @ 30% (2023: 30%)	(667,966)	(210,638)
Effect of different tax rates of subsidiaries operating in other jurisdictions	9,645	1,236
Non-assessable items	21,402	-
Non-deductible items	(5,376)	(6,837)
Under provision prior year	-	(27,130)
Other	-	(5,134)
Income tax expense	(642,295)	(248,503)

Current Income Tax payable at 31 December 2024 is \$785,930 (30 June 2024 \$nil).

D2 Deferred Tax Balances

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

	31 Dec 2024 \$	30 Jun 2024 \$
Deferred tax assets		
Receivables	126,902	111,902
Payables, accruals and provisions	1,107,623	1,206,593
Capital costs deductible over five years	25,582	28,185
Other items	34,050	34,050
	1,294,157	1,380,730
Deferred tax liabilities		
Accrued income	4,023	4,023
Property, plant and equipment	405,961	512,463
Inventory	-	505,731
Unrealised foreign exchange gains	9,409	9,409
Other items	7,705	10,523
	427,098	1,042,149

Section E: Capital Structure

E1 Issued Capital

	31 Dec 2024 Number of Shares	30 Jun 2024 Number of Shares	31 Dec 2024 \$	30 Jun 2024 \$
Balance at the beginning of the period	115,395,542	99,700,000	16,862,246	13,528,699
Ordinary shares issued 16 Oct 23 - Performance Rights	-	1,250,639	-	177,591
Ordinary shares issued 14 Jun 24 - Force acquisition	-	14,444,903	-	3,177,879
Ordinary shares issued 13 Sep and 15 Nov 24 - Executives ¹	521,741	-	183,696	-
Ordinary shares issued 24 Oct 24 - In lieu of cash dividends ²	1,115,670	-	350,320	-
Share issue costs	-	-	(15,186)	(21,923)
Balance at the end of the period	117,032,953	115,395,542	17,381,076	16,862,246

1. On 13 September 2024, 304,349 ordinary shares (at \$0.35 per share) were issued to the COO, CFO and a Senior Executive as and by way of (a) non-cash compensation for efforts rendered in the course of their employment over and above their normal duties and (b) ensuring that these critical executives continue to be remunerated (in non-cash terms) at competitive market rates. On 15 November 2024, post ratification by members at Stealth's AGM, a further 217,392 ordinary shares (at \$0.355 per share) were issued to the Managing Director on the same basis.

2. On 24 October 2024, 1,115,670 ordinary shares (at \$0.314 per share, net of 5% discount) were issued in lieu of cash dividends under the Group's Dividend Reinvestment Plan (DRP). During the half-year, the company established a dividend reinvestment plan under which holders of ordinary shares can elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. 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 30 September 2024 to 11 October 2024.

Share-based expense

A share-based expense of \$61,902 has been recognised in the half-year ended 31 December 2024 (31 December 2023: \$nil) in relation to the ordinary shares issued to executives during the current reporting period.

A share-based expense of \$Nil has been recognised in the half-year ended 31 December 2024 (31 December 2023: \$8,481) in relation to Performance Rights granted in FY22 to KMP and employees (refer section E6 of Stealth's FY2024 Annual Report). There were no deferred Performance Rights as of 31 December 2024.

E2 Dividends

A final dividend of \$971,879 (1H-2024: \$Nil) was declared during the half-year, at 0.84 cents per fully paid ordinary share (fully franked based on tax paid of 30%). The amount of \$621,547 was paid in cash and 1,115,670 shares (\$350,320 at \$0.314 per share) were issued in lieu of cash through the DRP, with \$12 liability carried forward under the DRP.

Since the half-year, no dividend has been recommended for payment.

E3 Earnings Per Share

	Half-year to 31 Dec 2024 \$	Half-year to 31 Dec 2023 \$
Statutory Earnings per Share		
Profit used in the earnings per share calculation	1,584,258	453,624
Weighted average number of ordinary shares (Basic)	116,419,895	100,219,387
Weighted average number of ordinary shares (Diluted)	116,419,895	100,219,387
Basic Earnings Per Share (cents)	1.36	0.45
Diluted Earnings Per Share (cents)	1.36	0.45

As at 31 December 2024 there are no options on issue.

Section F: Group Structure

F1 Controlled Entities

The subsidiaries of the parent entity are disclosed in the consolidated financial statements of the Group as of 30 June 2024. There were no changes of control during the half-year.

F2 Business Combination

There were no business combinations during the current period.

Note F3 of the Group's annual report for the year-ended 30 June 2024 disclosed the Group's acquisition of Force Technology International Pty Ltd effective 1 June 2024, including provisional goodwill of \$4,797,431 as of 30 June 2024. As of 31 December 2024, provisional goodwill is \$5,606,306, an increase of \$808,875. The movement included a reduction in the fair value of inventory (\$565,535), recognition of expected credit losses (\$50,000), recognition of warranty provision (\$540,000) and increase in deferred tax assets (\$346,660). The provisional accounting period continues until 31 May 2025, being 12 months post-acquisition.

F3 Financial Instruments

As of 30 June 2024, the fair value of the Group's financial assets and liabilities was not materially different to their carrying value. As of 31 December 2024, the fair value of the Group's financial instruments continues not to be materially different to their carrying value.

The Company holds no Level 1 financial instruments as of 31 December 2024, nor as of 30 June 2024.

The Consolidated Entity has one Level 2 financial instrument, being a financial asset relating to foreign currency hedges as at 31 December 2024.

	31 Dec 2024 \$	30 Jun 2024 \$
Financial Asset		
Hedging derivatives – foreign currency	521,418	-

The above financial asset is included within other current assets in the Consolidated Statement of Financial Position, with the gains on cash flow hedges at 31 December 2024 included in other income within the Consolidated Statement of Profit or Loss and Comprehensive Income.

Total other income of \$523,166 (1H-2024: \$2,948) comprises \$521,418 hedging derivative gain (1H-2024: \$nil) and \$1,748 interest income (1H-2024: \$2,913).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of the foreign currency hedging derivatives is determined by the difference between the contracted forward rate and the current forward rate for the remaining maturity of the contract as at the reporting date.

The Consolidated Entity has one Level 3 financial instrument, being the outperformance incentive relating to the acquisition of Force of \$2,500,000 (2024: \$2,500,000). Unobservable inputs are expected EBITDA, with an input of \$5,000,000 EBITDA for FY2026 giving rise to a \$2,500,000 outperformance incentive. Were EBITDA to be 10% (\$500,000) higher or lower, the fair value would increase or decrease by this same amount. No risk-adjusted discount rate has been applied to the fair value.

Section G: Other Information

G1 Subsequent Events

There has not been during the period between 31 December 2024 and the date of this report any 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 reporting periods.

G2 Related Parties

521,741 shares were issued to executives on 13 September 2024 and 15 November 2024, of which 434,784 were issued to key management personnel. The 434,784 shares issued comprised 217,392 to Michael Arnold (Managing Director), 130,435 to Luke Cruskall (Chief Operating Officer) and 86,957 to John Boland (Chief Financial Officer – Corporate and Company Secretary).

The Company engaged GlenForest Corporate of which Giovanni Groppoli is the Principal for the provision of both legal and corporate advisory services. Costs incurred were \$nil for the current reporting period (1H-2024: \$6,761), and the balance owing at the end of the current reporting period was \$nil (1H-2024: \$4,400).

Section H: About This Report

H1 Reporting Entity

Stealth Group Holdings Ltd (“**Stealth**” or “**the Company**”) is a limited company incorporated in Australia. The consolidated interim financial report for the half-year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as “**the Group**” and individually as the “**Consolidated Entity**”).

H2 Basis of Preparation

(a) Statement of compliance

This consolidated interim financial report for the half-year ended 31 December 2024 is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Stealth during the interim reporting period in accordance with the continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. There were no changes arising from the adoption of new and amended standards as set out below.

The consolidated interim 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 interim 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 25 February 2025.

(b) Functional and presentation currency

These consolidated interim financial statements are presented in Australian dollars, which is the Company’s functional currency.

(c) Use of estimates and judgements

The preparation of these consolidated interim financial statements 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. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024. 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.

H3 Material Accounting Policies

The Consolidated Entity 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 accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, other than for the following material accounting policy which commenced in the current reporting period:

(a) 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.

The hedging instruments are recognised at fair value on the balance sheet, with changes in fair value recognised in other income in the profit or loss. Without applying hedge accounting, the volatility in profit or loss can be higher because gains and losses on the hedging instrument are recognised at the end of each reporting period rather than being deferred and matched with the hedged item.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument.

New, revised or amending Accounting Standards and Interpretations adopted

For new or amended standards that became applicable for the current reporting period, the Consolidated Entity did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Directors' Declaration

For the Half-Year Ended 31 December 2024

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 including *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements after 2001; and
 - (b) Give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-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.

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
Managing Director

Perth, 25 February 2025

Independent Auditors Review Report



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Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Stealth Group Holdings Ltd

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Stealth Group Holdings Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual financial report 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a faint, stylized 'BDO' logo.

Ashleigh Woodley

Director

Perth, 25 February 2025

Corporate Directory

Directors

Mr. Christopher Wharton AM
Non-Executive Chairman

Mr. Michael Arnold
Group Managing Director

Mr. Giovanni (John) Groppoli
Non-Executive Director

Mr. Simon Poidevin
Non-Executive Director

Company Secretary

Mr. John Boland

Key Management Personnel

Mr. Luke Cruskall
Group Chief Operating Officer

Mr. John Boland
Chief Financial Officer - Corporate

Solicitors

Keypoint Law
Level 23, 108 St Georges Terrace
Perth WA 6000

Principal and Registered Office

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43 Cedric Street
Stirling Western Australia 6021

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Email: investors@stealthgi.com
Website: www.stealthgi.com
ASX code: SGI

Share Registry

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Perth WA 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 WA 6000

Bankers

Commonwealth Bank of Australia
300 Murray Street
Perth WA 6000

Accountants and Taxation Advisors

Gooding Partners
The Quadrant
Level 9, 1 William Street
Perth WA 6000



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