



**STEALTH GLOBAL  
HOLDINGS LIMITED**  
ABN 25 615 518 020

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**INTERIM REPORT**  
for the period ended 31 March 2018

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**C O R P O R A T E   D I R E C T O R Y**

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**Directors**

Mr Michael Arnold - Group Managing Director  
Mr Jamie Boyton - Director  
Mr Christopher Wharton - Director

**Company Secretary**

Mr Brendan Rossiter

**Principal Place of Business**

2nd Floor, 43 Cedric Street  
Stirling, Western Australia 6021  
Australia

Telephone: +61 6465 7800

**Registered Office**

Level 9, 1 William Street  
Perth, Western Australia 6000  
Australia

Telephone: +61 8 9327 1777

**Website**

[www.stealthgi.com](http://www.stealthgi.com)

[www.australianworkplacesupplies.com.au](http://www.australianworkplacesupplies.com.au)

**Auditor**

Bentleys Audit & Corporate (WA) Pty Ltd  
Level 3, 216 St Georges Terrace  
Perth, Western Australia 6000  
Australia

**Banker**

Australia and New Zealand Banking Group Limited  
Level 7, 77 St Georges Terrace WA

**Solicitors**

MDS Legal  
Irwin Chambers, Level 2, 16 Irwin Street Perth,  
Western Australia 6000

**Accountants and Taxation Advisors**

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

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**C O N T E N T S**

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## DIRECTORS' REPORT

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The Directors present their report together with the consolidated financial statements of Stealth Global Holdings Limited ("Stealth" or the "Company") and its controlled entities (the "Consolidated Entity") for the interim period 1 July 2017 to 31 March 2018.

### Information about the directors

The names of the directors of the Company during or since the end of the interim period are:

Michael Alan Arnold  
Jamie Boyton  
Christopher Scott Wharton

All were directors from the start of the period to the date of this report unless otherwise stated.

### Review of Operations

The loss after tax for the period ended 31 March 2018 is \$58,358 (31 March 2017: profit after tax \$7,238).

Included in the net loss for the period ended 31 March 2018 are costs of \$131,074 (31 March 2017: \$nil) associated with the proposed acquisition of Heatleys Group Holdings Pty Ltd and Capital Raising, resulting in a normalised operational profit before tax for the period of \$74,328 (31 March 2017: \$18,452).

Total revenues of \$18,006,735 for the period ended 31 March 2018 (31 March 2017: \$12,097,717) represent an increase of 49% compared to the prior period.

In August 2017 an Information Memorandum was prepared for a proposed capital raising of \$11,000,000. This has since progressed to a proposed capital raising of \$12,500,000, which the Company is in the process of undertaking as an Initial Public Offering in conjunction with applying to be listed on the Australian Stock Exchange.

The Share Purchase Agreement for the acquisition of Heatleys Group Holdings Pty Ltd was finalised in December 2017 and extended in May 2018.

The former holding company, SAAC International Pte Ltd, was deregistered on the 6<sup>th</sup> of November 2017 following the corporate reorganisation in October 2016, whereby Stealth Global Holdings Ltd became the new holding company.

### Changes in state of affairs

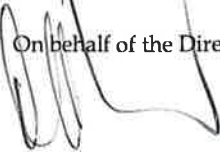
There were no significant changes to the state of affairs of the Consolidated Entity other than those described in the review of operations.

### Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 15 of the financial report.

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

On behalf of the Directors



Michael Arnold  
Group Managing Director  
Perth, 28 June 2018

**CONDENSED CONSOLIDATED STATEMENT OF  
 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE PERIOD ENDED 31 MARCH 2018**

	Notes	9 months to 31 March 2018 \$	9 months to 31 March 2017 \$
<b>Continuing Operations</b>			
Sales revenue		17,723,391	11,625,695
Service revenue		283,344	472,022
Cost of sales		<u>(15,014,970)</u>	<u>(9,287,013)</u>
<b>Gross Profit</b>		<b><u>2,991,765</u></b>	<b><u>2,810,704</u></b>
Other income	2	66,868	18,246
Share of profits of joint venture		15,687	929
Personnel expenses		(2,091,602)	(1,885,903)
Occupancy expenses		(164,607)	(161,710)
Motor vehicle expenses		(13,094)	(19,103)
Depreciation and amortisation expense	2	(69,397)	(94,528)
Net gain on disposal of property, plant and equipment		1,058	6,349
Finance costs		(8,243)	(1,002)
Transaction costs	2	(131,074)	-
Administration expenses		<u>(654,107)</u>	<u>(655,530)</u>
<b>Profit/(Loss) from continuing operations before tax</b>		<b>(56,746)</b>	<b>18,452</b>
Income tax expense		<u>(1,612)</u>	<u>(11,214)</u>
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b><u>(58,358)</u></b>	<b><u>7,238</u></b>
<b>Other comprehensive income</b>			
Foreign currency translation differences		<u>31,428</u>	<u>2,247</u>
Other comprehensive income for the year, net of income tax		<u>31,428</u>	<u>2,247</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>(26,930)</u></b>	<b><u>9,485</u></b>

CONDENSED CONSOLIDATED STATEMENT  
OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(CONT'D)  
FOR THE PERIOD ENDED 31 MARCH 2018

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	9 months to 31 March 2018 \$	9 months to 31 March 2017 \$
<b>Profit/(Loss) for the year attributable to:</b>		
Owners of the Company	<u>(58,358)</u>	<u>7,238</u>
	<u>(58,358)</u>	<u>7,238</u>
<b>Total comprehensive income for the year attributable to:</b>		
Owners of the Company	<u>(26,930)</u>	<u>9,485</u>
	<u>(26,930)</u>	<u>9,485</u>

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

CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION  
AS AT 31 MARCH 2018

	Note	31 March 2018 \$	30 June 2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		788,908	84,934
Trade and other receivables	3	4,311,352	4,714,496
Inventories		368,316	309,117
Other assets		143,706	144,558
<b>Total Current Assets</b>		<b>5,612,282</b>	<b>5,253,105</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	171,893	176,457
Goodwill	5	463,652	463,762
Deferred tax assets		255,154	142,451
Investments in joint ventures		65,866	45,563
Other assets		-	9,912
<b>Total Non-Current Assets</b>		<b>956,565</b>	<b>838,145</b>
<b>TOTAL ASSETS</b>		<b>6,568,847</b>	<b>6,091,250</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	5,300,829	4,761,718
Current tax liabilities		164,008	136,892
Financial liabilities	7	907,785	676,208
Provisions		43,435	49,877
Other liabilities		-	25,000
<b>Total Current Liabilities</b>		<b>6,416,057</b>	<b>5,649,695</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities	7	96,502	291,332
Deferred tax liabilities		21,049	33,651
<b>Total Non-Current Liabilities</b>		<b>117,551</b>	<b>324,983</b>
<b>TOTAL LIABILITIES</b>		<b>6,533,608</b>	<b>5,974,678</b>
<b>NET ASSETS</b>		<b>35,239</b>	<b>116,572</b>
<b>EQUITY</b>			
Issued capital	8	295,021	349,424
Accumulated funds		(306,462)	(248,104)
Foreign exchange translation reserve	8	46,680	15,252
<b>TOTAL EQUITY</b>		<b>35,239</b>	<b>116,572</b>

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

**CONDENSED CONSOLIDATED  
STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2018**

	<b>9 months to 31 March 2018</b>	<b>9 months to 31 March 2017</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	18,366,856	10,921,382
Payment to suppliers and employees	(17,458,043)	(10,859,981)
Income tax paid	(92,710)	(35,261)
<b>Net cash provided by operating activities</b>	<b>816,103</b>	<b>26,140</b>
<b>Cash flows from investing activities</b>		
Payments for plant & equipment	(64,833)	(97,547)
Proceeds from the sale of plant & equipment	1,058	-
Investment in joint venture	-	(41,041)
Interest received	893	1,397
Interest paid	(8,243)	(1,002)
Net cash outflow on acquisition of subsidiary	(25,000)	(144,104)
<b>Net cash (used in) / provided by investing activities</b>	<b>(96,125)</b>	<b>(282,297)</b>
<b>Cash flows from financing activities</b>		
Payments for capital raising	(56,164)	-
Payments for share buybacks	-	(367,383)
Proceeds from borrowings	288,192	248,962
Repayment of financial liabilities	(248,032)	(355,272)
<b>Net cash used in financing activities</b>	<b>(16,004)</b>	<b>(473,693)</b>
Net (decrease)/increase in cash and cash equivalents	703,974	(729,850)
Cash and cash equivalents at the beginning of the year	84,934	904,679
Effect of fluctuation on cash held	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>788,908</b>	<b>174,829</b>

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





CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2018

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Non-controlling Interests	Total \$
<b>Balance as at 1 July 2016</b>	969,856	21,253	(277,591)	3,892	717,410
Loss for the year	-	-	7,238	-	7,238
Other comprehensive income for the year	-	2,247	-	-	2,247
Total comprehensive income for the year	-	2,247	7,238	-	9,485
Issue of ordinary shares	100	-	-	-	100
Share buy back	(652,084)	-	-	-	(652,084)
Recognition of non-controlling interest	-	-	-	5,839	5,839
De-recognition of non-controlling interest	-	-	9,731	(9,731)	-
<b>Balance as at 31 March 2017</b>	<b>317,872</b>	<b>23,500</b>	<b>(260,622)</b>	<b>-</b>	<b>80,750</b>
<b>Balance as at 1 July 2017</b>	349,424	15,252	(248,104)	-	116,572
Loss for the year	-	-	(58,358)	-	(58,358)
Other comprehensive income for the year	-	31,428	-	-	31,428
Total comprehensive income for the year	-	31,428	(58,358)	-	(26,930)
Capital raising costs	(54,403)	-	-	-	(54,403)
<b>Balance as at 31 March 2018</b>	<b>295,021</b>	<b>46,680</b>	<b>(306,462)</b>	<b>-</b>	<b>35,239</b>

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

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## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Stealth Global Holdings Limited (“Stealth” or “the Company”) is a limited company incorporated in Australia. The consolidated financial report of the Company as at and for the period ended 31 March 2018 comprises the Company and its subsidiaries (together referred to as the “Consolidated Entity”).

#### (a) Basis of preparation

These general purpose interim financial statements for the period ended 31 March 2018 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Stealth Global Holdings Limited and its controlled entities (referred to as the “Consolidated Entity”). As such, it does not contain information that represents relatively insignificant changes occurring during the interim period within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

##### (i) Basis of measurement

The condensed consolidated financial statements of the Consolidated Entity are prepared on an accruals basis and are based on historical costs except where otherwise stated.

##### (ii) Functional and presentation currency

The condensed consolidated financial statements of the Consolidated Entity are presented in Australian dollars, which is the functional currency of the Company.

##### (iii) Standards and interpretations affecting amounts reported in current period (and/or prior periods)

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

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period. In addition, following new Accounting Standard has been early adopted:

##### *AASB 9 Financial Instruments*

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity during the interim period and did not require retrospective adjustments.

Any new, revised or amending Accounting Standards or Interpretations apart from those listed above that are not yet mandatory have not been early adopted.

#### **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 Consolidated Entity for the interim reporting period ended 31 March 2018, except as noted above. The Consolidated Entity’s assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Consolidated Entity, are set out below:

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NOTES TO THE CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (cont'd)

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(a) Basis of preparation (cont'd)**

*(iii) Standards and interpretations affecting amounts reported in current period (and/or prior periods) (cont'd)*

*AASB 15 Revenue from Contracts with Customers*

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Consolidated Entity is currently continuing to assess the impact of these changes.

*AASB 16 Leases*

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Consolidated Entity is currently continuing to assess the impact of these changes.

*(iv) Changes in accounting policies*

*AASB 9 Financial Instruments*

The Consolidated Entity has early adopted AASB 9 Financial Instruments from 1 July 2017 which resulted in changes in accounting policies. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (a) Basis of preparation (cont'd)

##### (iv) Changes in accounting policies (cont'd)

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted.

The adoption of these new accounting policies did not have any significant impact on the financial performance or position of the Consolidated Entity during the interim period and did not require retrospective adjustments.

### 2. REVENUES AND EXPENSES

	9 months ended 31 March 2018 \$	9 months ended 31 March 2017 \$
<b>(a) Other income</b>		
Interest income	893	1,397
Cost Recovery Recharges	1,402	13,282
Freight Income	27,252	3,567
Other income	37,321	-
	66,868	18,246
<b>(b) Employee benefits expense</b>		
Wages and salaries costs	1,842,888	1,558,043
	1,842,888	1,558,043
<b>(c) Depreciation and amortisation</b>		
Depreciation of property, plant and equipment	69,397	94,528
	69,397	94,528
<b>(d) Transaction Costs</b>		
Pre-acquisition costs (Healteys Group Holdings Pty Ltd)	68,422	-
Capital raising costs	62,652	-
	131,074	-

### 3. TRADE AND OTHER RECEIVABLES

	31 March 2018 \$	30 June 2017 \$
<i>Current</i>		
Trade receivables	4,033,666	4,605,909
Less: Unidentified Customer Receipts	(576)	(17,590)
Less: Provision for Doubtful Debts	(7,545)	(37,418)
	4,025,545	4,550,901
GST receivables	261,622	159,629
Other receivables	24,185	3,966
	4,311,352	4,714,496



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

4. PROPERTY, PLANT & EQUIPMENT

	Branding	Computer Equipment	Motor Vehicles	Plant & Equipment	Building	Total
<b>At 30 June 2017</b>						
Cost	6,470	289,124	88,641	120,375	5,618	510,228
Accumulated depreciation	(5,006)	(188,010)	(76,374)	(61,607)	(2,774)	(333,771)
Net carrying amount	1,464	101,114	12,267	58,768	2,844	176,457
<b>Period ended 31 March 2018</b>						
At 1 July 2017, net of accumulated depreciation	1,464	101,114	12,267	58,768	2,844	176,457
Additions	-	5,991	44,487	13,402	-	63,880
Depreciation for the period	(1,446)	(42,135)	(6,097)	(19,184)	(534)	(69,396)
Exchange differences	-	(4,222)	-	4,859	314	951
At 31 March 2018, net of accumulated depreciation	18	60,748	50,657	57,845	2,624	171,892
<b>At 31 March 2018</b>						
Cost	6,470	285,261	60,487	122,907	6,064	481,189
Accumulated depreciation	(6,452)	(224,513)	(9,830)	(65,062)	(3,439)	(309,296)
Net carrying amount	18	60,748	50,657	57,845	2,625	171,893

**NOTES TO THE CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (cont'd)**

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**5. GOODWILL**

	<b>31 March 2018</b>	<b>30 June 2017</b>
	\$	\$
Opening Balance	463,762	464,190
Exchange Differences	(110)	(428)
Closing Balance	<u>463,652</u>	<u>463,762</u>

**6. TRADE AND OTHER PAYABLES**

	<b>31 March 2018</b>	<b>30 June 2017</b>
	\$	\$
<i>Current – unsecured</i>		
Trade creditors	5,048,879	4,544,567
Other creditors	189,217	119,428
Accrued Expense	49,876	82,259
GST Payable	12,857	15,464
	<u>5,300,829</u>	<u>4,761,718</u>

**7. FINANCIAL LIABILITIES**

	<b>31 March 2018</b>	<b>30 June 2017</b>
	\$	\$
Prepayment from Capital Drilling		
- Current	390,600	391,507
- Non-Current	63,993	291,332
ANZ Trade Facility	245,790	-
Finance Lease		
- Current	9,893	-
- Non-Current	32,509	-
Share buy-back Deferred Settlement from Jamie Armitage	261,502	284,701
	<u>1,004,287</u>	<u>967,540</u>

**8. ISSUED CAPITAL AND RESERVES**

	<b>31 March 2018</b>	<b>30 June 2017</b>
	\$	\$
<b>Issued capital</b>		
10,526 (30 June 2017: 10,606) fully paid ordinary shares	(229,078)	(229,078)
600,000 (30 June 2017: 600,000) preference shares	578,502	578,502
Capital raising costs	(54,403)	-
	<u>295,021</u>	<u>349,424</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

### 8. ISSUED CAPITAL AND RESERVES (cont'd)

The following movements in issued capital occurred during the period:

#### Ordinary shares on issue

	Number of Shares 31 March 2018	Number of Shares 30 Jun 2017	Period ended 31 Mar 2018 \$	Year ended 30 Jun 2017 \$
Balance at beginning of period	10,606	100	(229,078)	130
New shares issued	-	626	-	31,652
Share buy back	-	(20)	-	(260,860)
Share split	-	9,900	-	-
Shares cancelled	(80)	-	-	-
Pre-capital raising costs	-	-	(54,403)	-
Balance at end of period	<u>10,526</u>	<u>10,606</u>	<u>(283,481)</u>	<u>(229,078)</u>

#### Preference shares on issue

	Number of Shares 31 March 2018	Number of Shares 30 Jun 2017	Period ended 31 Mar 2018 \$	Year ended 30 Jun 2017 \$
Balance at beginning of period	600,000	900,000	578,502	969,726
Share buy back	-	(300,000)	-	(391,224)
Shares cancelled	(600,000)	-	-	-
Shares issued	600,000	-	-	-
Balance at end of period	<u>600,000</u>	<u>600,000</u>	<u>578,502</u>	<u>578,502</u>

31 March 2018  
\$

30 June 2017  
\$

#### Reserves

Comprises of:

Foreign currency translation reserve

Reserves at the beginning of the period

15,252

21,253

Movements during the year

31,428

(6,001)

Reserves at the end of the period

46,680

15,252

The foreign currency translation reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations

### 9. FINANCIAL INSTRUMENTS

#### Fair values

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

**NOTES TO THE CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (cont'd)**

**9. FINANCIAL INSTRUMENTS (cont'd)**

The following table details the fair value of financial assets and liabilities of the Consolidated Entity:

	31 March 2018		30 June 2017	
	Carrying amount \$	Fair Value \$	Carrying amount \$	Fair Value \$
<b>Financial assets</b>				
Cash and cash equivalents	788,908	788,908	84,934	84,934
Trade and other receivables	4,311,352	4,311,352	4,714,496	4,714,496
Other financial assets	143,706	143,706	144,558	144,558
<b>Total financial assets</b>	<b>5,243,966</b>	<b>5,243,966</b>	<b>4,943,988</b>	<b>4,943,988</b>
<b>Financial liabilities</b>				
Trade and other payables	5,300,829	5,300,829	4,761,718	4,761,718
Prepayment and deferred settlement liabilities	1,004,287	1,004,287	967,540	967,540
Current tax liabilities	164,008	164,008	136,892	136,892
<b>Total financial liabilities</b>	<b>6,469,124</b>	<b>6,469,124</b>	<b>5,866,150</b>	<b>5,866,150</b>
<b>Net financial assets / (liabilities)</b>	<b>(1,225,158)</b>	<b>(1,225,158)</b>	<b>(922,162)</b>	<b>(922,162)</b>

**10. SUBSEQUENT EVENTS**

The following events have occurred since the end of the reporting period to the date of this report:

- In May 2018 the Company has commenced a proposed capital raising of \$12,500,000, which the Company will undertake as an Initial Public Offering in conjunction with applying to be listed on the Australian Stock Exchange.
- The Share Purchase Agreement for the acquisition of Heatleys Group Holdings Pty Ltd was extended in May 2018.
- Jamie Boyton has resigned as Director effective from 30 June 2018, to be replaced by Giovanni Groppoli.



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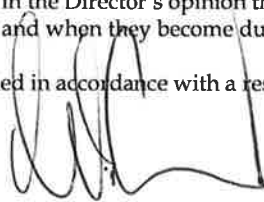
## DIRECTORS' DECLARATION

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In accordance with a resolution of the Directors of Stealth Global Holdings Limited, the Directors of the Company declare that:

- (a) the condensed consolidated financial statements and notes, set out on pages 2 to 13, are in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the financial position of the Consolidated Entity as at 31 March 2018 and of its performance for the period ended on that date; and
  - (ii) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*.
- (b) in the Director's 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.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.



Michael Arnold  
Group Managing Director

Dated at Western Australia, 28 June 2018



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To the Board of Directors

### **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001**

As lead audit director for the review of the financial statements of Stealth Global Holdings Ltd for the period ended 31 March 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- ▶ the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- ▶ any applicable code of professional conduct in relation to the review.

Yours faithfully

**BENTLEYS**  
**Chartered Accountants**

**CHRIS NICOLOFF CA**  
**Director**

Dated at Perth this 28<sup>th</sup> day of June 2018



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- ▶ Accountants
- ▶ Auditors
- ▶ Advisors



## Independent Auditor's Review Report

### To the Members of Stealth Global Holdings Ltd

We have reviewed the accompanying financial report of Stealth Global Holdings Ltd ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 March 2018, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine month period on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the period.

#### Directors Responsibility for the Financial Report

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

#### Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 March 2018 and its performance for the nine months ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a 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.

**Independent Auditor's Review Report**  
To the Members of Stealth Global Holdings Ltd (Continued)



**Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Stealth Global Holdings Ltd and Controlled Entities is not in accordance with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 March 2018 and of its performance for the period ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

**BENTLEYS**  
**Chartered Accountants**

**CHRIS NICOLOFF CA**  
**Director**

Dated at Perth this 28<sup>th</sup> day of June 2018