

07 FEBRUARY 2019

Stealth Global 1H 2019 revenue up 13%

Half Year 2019 Trading Highlights

- Proforma Total Group Revenue of \$36.0m, up 13% on same period previous year and consistent with prospectus forecast.
- Proforma sales in the Australia operations up 18% on same period previous year.
- Proforma sales in the United Kingdom (UK) operations servicing customers in Africa, more than doubled on same period previous year.
- Proforma sales of SGI's largest contract with operations in Africa down by 4%.
- Quoting and sales pipeline remains strong.

Stealth Global Holdings Ltd (ASX: SGI) (the Company or Stealth), an international supplier and distributor of workplace consumable products, is pleased to provide a trading update for the first half of 2019 ahead of the finalisation of Company's 1H 2019 accounts expected to be lodged with the ASX on/around 28 February 2019.

Stealth listed on the ASX on 2 October 2018 and completed the transformative acquisition of Heatleys Safety & Industrial in Australia during the half. The business integration was successfully completed before 31 December 2018.

Proforma Total Group Revenue was up 13% to \$36.0m for the period which was slightly ahead of management's internal budgets for the half. Australian operations delivered the bulk of this growth with proforma sales up 18% on the same period last year. This was primarily driven by Western Australia which benefited from improved market conditions in the resources sector and the acquisition of new customers. Proforma sales in the United Kingdom (UK) operations servicing customers in Africa more than doubled the same period in the previous year, a very encouraging start as the business grows from a low base.

Operations in Africa have previously primarily serviced Stealth's largest client and shareholder, Capital Drilling. Proforma sales from these operations were down 4% during the period. Stealth has a strong and long-standing relationship with Capital Drilling, and while the contract continues to

underpin our operations in the region, Stealth has an increasingly large and diversified customer base of circa 3,000 globally that underpins group revenue and earnings going forward.

Managing Director Mike Arnold said: "I am delighted that the combined Group achieved such solid growth for 1H 2019 against the same period in the previous year. This is despite the distraction associated with the ASX listing and Heatley's acquisition, and shows the underlying strength of our business model".

"Longer term, sentiment across key markets and sectors Stealth operates in remains encouraging and management has increased confidence for growth in 2020 and 2021. In addition to organic growth Stealth is actively seeking further acquisition and strategic partnership opportunities aligned with our strategic criteria."

Outlook

As outlined at the Company's recent Annual General Meeting in November, Stealth has a clear plan to build shareholder value and leverage competitive advantage as an international supplier and distributor of workplace consumable products. The Company remains committed and focussed on its strategy across all four competitive business models (Sales & Distribution, Wholesale Distribution, Industrial Buying Group and Online Distribution), and developing and expanding its value proposition across its key markets of Australia, the United Kingdom, Africa, Europe and SE Asia.

All business units have incremental sales projects for delivery in the second half of FY2019 and a strong pipeline of prospects, with a focus is on winning new large and medium customer types. A stronger performance is expected for the second half of FY19 supported by new customer gains. This is consistent with Stealth's IPO prospectus expectations and subject only to unforeseen circumstances arising.

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About Stealth Global Holdings

Founded in 2014, Stealth Global (ASX:SGL) is a successful international supply and distribution group providing a wide-range of **safety, industrial, workplace and healthcare consumable products** and **supply chain solutions** to business customers. Headquartered in Perth, Western Australia, the group operates in Australia, Africa, UK, Europe and Asia.

Stealth customers operate in and across diversified industries, though principally in the resources, construction, engineering, manufacturing, oil & gas, infrastructure, transportation, industrial services, general trade & industry sectors. Stealth is organised by geographical markets servicing customers through multiple sales and distribution channels. These include; sales representatives, branch offices, internal sales account managers, customer service centres, service partners, distributors, catalogues and online.

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