

# ASX / MEDIA RELEASE



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## CHAIRMAN'S AGM ADDRESS

Stealth Global Holdings Ltd (ASX: SGI) is pleased to present a copy of the Chairman's Address to be made at the Annual General Meeting commencing at 1:00 pm (AWST) today.

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### About Stealth Global Holdings

Stealth is an Australian multinational distribution group providing workplace consumable products and supply chain solutions to business customers. As a supplier and distributor, we offer a comprehensive assortment of products to support customers with purchasing options and solutions that are essential in the operation of their business.

Stealth's diversified product portfolio of distributed brands, proprietary brands and bespoke brands are focused on Safety, Industrial and Workplace product categories, sold to the Industrial, Trade and Retail customer markets.

The group serves approximately 3,000 customers, large and small, across a variety of industry sectors including resources, transportation, industrial, manufacturing, engineering, construction, contracting, trade retail, and general workplace environments.

Headquartered in Perth, the group operates in Australia, UK, Africa, Asia, Europe under three competitive brands, Heatleys Safety and Industrial, Industrial Supply Group, and BSA Brands (UK) a joint venture with Bisley Workwear.

### For more information please contact

Mike Arnold  
Group Managing Director  
P: +61 (0) 8 6465 7800

Karen Logan  
Company Secretary  
P: +61 (0) 8 6465 7800

Steve Suleski  
FTI Consulting  
P: +61 (0) 8 9321 8533

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## An Australian Multinational Distribution

## 2019 Annual General Meeting

### Chairman's Address

Good morning ladies and gentlemen and can I offer warm welcome to the Annual General Meeting of Stealth Global Holdings Ltd, an Australian Securities Exchange listed company.

As is customary for a Chairman, I will review the Company's performance for the recently ended financial year and touch on the business strategy and outlook.

Your Group Managing Director and Chief Executive Officer, Mike Arnold, has prepared an extensive investor presentation, which he will shortly provide to shareholders.

The presentation provides an overview of the Company as it is today; the business we are in, our strategy to maximise shareholder value over the coming years and, finally, an outlook.

Stealth's strategy to create shareholder value is the key to why we have invested in the Company.

As a publicly listed company, your Board is acutely aware that investors have a myriad of choices, when it comes to companies and industries in which they can invest.

So, to continue to attract capital to Stealth, we must have a clearly defined, compelling pathway to create value for shareholders and then - most importantly - deliver on promises made.

Mike will go into this in more detail, but be assured, we have the vision and commitment to build a world-class business, which is stronger and better-valued and delivers strategic and financial benefit in spades.

Our ongoing investment towards profitable growth is focussed on five key pillars:

Firstly, building on our existing business units, leveraging the combined Heatleys, ISG and BSA Brands businesses.

To prevent repetition, I will let Mike Arnold go through the detail, but I acknowledge it as the first step in our plan.

Secondly, we will continue to expand the sales footprint and product offerings. Extending our activities into new and existing markets will increase revenue and profit.

We will increase brand partnerships and exclusive distribution rights for point of difference purposes and cross border distribution opportunities. We will also introduce more higher margin private label products to our range.

These activities are already happening.

Thirdly, we will expand our operating platform by investing in expanded sales capabilities, new and better infrastructure and the integration of the supply chain to add depth, scale and reach across our network.

Examples of this include appointing new distributors and resellers across ALL markets, as well as entering into strategic arrangements with world-wide independent groups in their markets and investing in growing online digital ordering and sales distribution channels.

Fourthly, we will assiduously explore merger and acquisition initiatives to develop new sales channels, but these will only be acted upon where it is value accretive and strategically “smart”.

Fifthly, we will continue to consider complementary acquisitions that deliver diversity in markets and customer types, but also increases capability with scaled benefits to provide a stronger customer offering. Clearly any acquisition must also provide financial upside and shareholder benefit.

Your management team and staff work hard to extract the maximum synergies that can be leveraged through the combined group and will continue to do so both now and into the future.

A few examples of this to date include consolidating volume buying arrangements to improve purchasing power, better sourcing and buying price arrangements, the securing of improved commercial terms and the introduction of a group-wide supplier rebate program.

These have already been nailed down and locked away.

I believe this is a well thought out and considered strategy. Your Board is entirely confident it can and will be implemented, to nourish and grow shareholder value.

Mike has an excellent team. The seamless integration of Heatleys into Stealth is, in my view, evidence that we have the right people in all areas of the business to turn the vision and strategy into reality and execute the business case and the value proposition for the benefit of shareholders.

A pleasing point to note is we did not lose a single customer, a supplier or an employee through this process. In fact, our customer base has expanded substantially.

Stealth’s Board is whole-heartedly committed to working with management and diligently overseeing the implementation of the growth strategy.

Listing a company is a complex process. Your Board and company secretary devoted considerable time, energy and expertise to get Stealth listed on the Australian Securities Exchange.

Our management and staff have shown excellent cooperation and tremendous positivity during the merger of Stealth, Heatleys, ISG and our joint venture with Bisley Workwear, Australia’s market-leading workwear brand.

To all, I offer my sincere thanks, but it would be remiss of me if I didn’t fulsomely acknowledge the effort and support, I have enjoyed as Chairman from board colleagues John Groppoli, Peter Unsworth and Mike Arnold and our excellent company secretary, Karen Logan.

Finally, I would like to thank the investors who attended our AGM today, or who are taking the time to watch on the webinar or read this address on the ASX platform.

As I’ve stated before on at least two occasions, I am acutely aware that you are the owners of this Company and that you aren’t investing your hard-earned dollars for practise, but to generate a return on that investment.

So am I.

I can assure you that we are completely focussed on delivering that outcome for you in the long term.

Decisions made in 2019 have been done with courage and conviction and to look beyond shorttermism and get the settings for the future right.

Thank you, ladies and gentlemen, for your support and your time today.

I will now hand over to our Group Managing Director, Mike Arnold, to provide greater detail and context on the plans and developments of the Stealth group.