

ASX MEDIA RELEASE

Friday, 25 February 2022

ASX: SGI



STEALTHGLOBAL
HOLDINGS LTD

STEALTH GLOBAL SELLS BSA BRANDS (UK) SHAREHOLDING FOR A\$2.0 MILLION

Stealth Global Holdings Ltd (ASX: SGI) (the Company or Stealth) has entered into a binding agreement to sell its 50% equity holding in BSA Brands (UK) ("BSA") to Bisley Workwear for a total cash consideration of approximately A\$2.0 million.

BSA was established in March 2019 as a 50/50 Joint Venture between Stealth and Bisley Workwear in the United Kingdom.

The agreement follows the sale of Bisley Workwear in December 2021 to New York-based Protective Industrial Product (PIP), a global PPE supplier backed by the private equity group Odyssey Investment Partners. PIP's focus is on expanding the Bisley brand globally.

Stealth will realise significant value from the transaction, strengthening the Company's capital position while retaining its valuable partnership with Bisley and the wider PIP group as a major supplier partner to Stealth in Australia. Both businesses are committed to continue to work closely together in support of Stealth's growth plans in the Australian market.

Highlights

- Stealth will receive from the transaction approximately A\$2.0 million of cash. \$1.7 million payable on completion and the balance payable during 2022.
- Cash proceeds from the sale will strengthen the capital position of the Stealth Group.
- Completion planned for early March 2022. Operational demerger by late March 2022.
- Divestment will deliver no material adverse effect on Stealth group revenue and profit.
 - BSA contribution to FY21 revenue of A\$2.0 million; and
 - BSA contribution to FY21 Net Profit After Tax delivered a breakeven result.
- Future focus on growth and investment building market share in Australia.

The sale will be completed in March 2022, operationally separating Stealth from BSA. On completion, the entire BSA Brands business and its UK-based team will transfer to Bisley. The sale of BSA Brands by Stealth will be recognised in the 31 December 2021 half-year results.

Mike Arnold, Stealth Group Managing Director & CEO commented: "This transaction provides strong outcomes to our shareholders through debt reduction, bolstering our capital position and a focus on our core business growth plans in the Australian market, building on our new advantaged market position from the Skipper Transport Parts acquisition completed in September 21 and the recently announced acquisition of United Tools due to settle in March 22."

"We are well positioned to leverage new scale and integration synergies from these investments with a significantly expanded branch and store network from 33 to 66 combining company owned operations and independent retailers in Australia. Our products and services are used in every workplace and at home."

"We also recently announced at our AGM in November 21, several new customer contract awards, a first for the Australian business, to deliver approximately \$18 million in new annual sales at its peak in 12-18 months."

BOARD OF DIRECTORS

Chris Wharton^{AM}
Chairman

Michael Arnold
Group Managing Director & CEO

John Groppoli
Non-Executive Director

Simon Poidevin^{AM OAM}
Non-Executive Director

Jessamyn Lyons
Company Secretary

ISSUED CAPITAL

99.7 million Ordinary Shares

PRINCIPAL OFFICE

Level 2/43 Cedric Street
Stirling, Western Australia 6021

CONTACT

Michael Arnold
Group Managing Director & CEO

John Boland
Group Chief Financial Officer

P: +61 86465 7800
E: investors@stealthgi.com
W: www.stealthgi.com

ABN: 25 615 518 020

GROUP OPERATING BRANDS

- > Heatleys Safety & Industrial
- > C&L Tool Centre
- > Skipper Transport Parts
- > Industrial Supply Group

WEBSITES

- > www.heatleys.com.au
- > www.ctoolcentre.com.au
- > www.skippertp.com.au
- > www.isgaus.com.au

An Australian Multinational Distribution Group



For further enquiries:

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

Chris Wharton^{AM}
Chairman
P: +61 (0) 8 6465 7800

John Boland
Group CFO
P: +61 (0) 8 6465 7800

-ENDS-

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

[About Stealth Global Holdings](#)

Stealth Global Holdings Limited (ASX code: SGI) is a broad-line business-to-business (B2B) and business-to-consumer (B2C) distributor of industrial, maintenance, repair, operating 'MRO', safety & workplace supplies and other related products and services. Headquartered in Perth, Western Australia, it provides supplies and solutions for every industry through its portfolio of distribution businesses that extends across the end-to-end supply chain covering Business, Trade, Retail, Service & Specialist Wholesale. The five subsidiary brands are: Heatley's Safety & Industrial, C&L Tool Centre, Skipper Transport Parts, Industrial Supply Group, and United Tools.