



FY21 ANNUAL GENERAL MEETING

19 NOVEMBER 2021

CEO & MANAGING DIRECTOR'S ADDRESS



**JOHN PAUL
MARCANTONIO**

**CEO AND MANAGING
DIRECTOR**

FY21 – THE YEAR IN REVIEW



**GLOBAL
PANDEMIC**



**LOCKDOWNS &
RESTRICTIONS**



**CHANGING
CONSUMER
BEHAVIOR**



DEMAND SURGES



**GLOBAL
SUPPLY CHAIN
DISRUPTIONS**



**INTERNATIONAL
SHIPPING &
TRANSPORTATION**



**INPUT COST
INFLATION**



**CHANGING WAYS
OF WORKING**



GAP RESULTS



ANZ & AMERICAS



**CONTINUED
PROGRESS**



**INVESTING FOR
THE FUTURE**

HIGHLIGHTS



PROFIT BEFORE TAX

\$17.2m

UP FROM \$4.8m

\$205.2m

REVENUE

UP FROM \$156.3m

\$28.2m

EBITDA

UP FROM \$18.7m

\$19.0m

EBIT

UP FROM \$7.0m

4.48c

EARNINGS PER SHARE

UP FROM 1.34c

\$12.3m

NET PROFIT
AFTER TAX

UP FROM \$3.7m

1.0c

FINAL DIVIDEND

UNCHANGED FROM 1c

1.0c

SPECIAL FINAL
DIVIDEND

UP FROM NIL

4.0c

TOTAL DIVIDENDS

UP FROM 1.0c

* All figures compare FY21 to FY20 unless otherwise indicated

THE AMERICAS

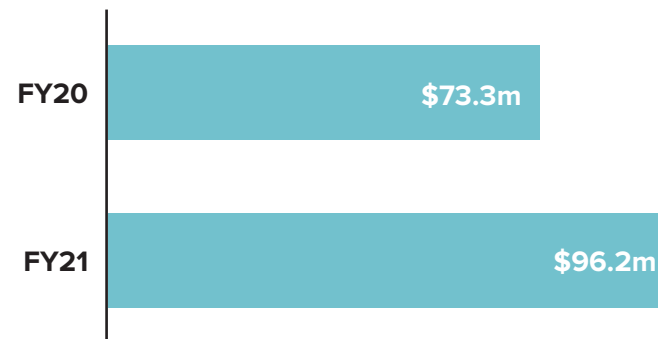
REVENUE IN THE AMERICAS WAS A RECORD AS GALE'S CORE CONSUMER RANGES, NEW PRODUCTS, AND INCREMENTAL PROMOTIONAL LINES DELIVERED SIGNIFICANT IN-STORE AND ONLINE SELL-IN AND SELL-THROUGH INCREASES ACROSS THE REGION.

Comparative growth rates for sell-through increased significantly throughout the first three quarters, moderating in Q4 as the company cycled the initial positive demand impact of COVID-19 restrictions.

GALE expanded operational capacity across customer service, custom roller shade manufacturing, and distribution, including direct-to-consumer shipments, to service the increased demand.



REVENUE



EBITDA



AUSTRALIA & NEW ZEALAND

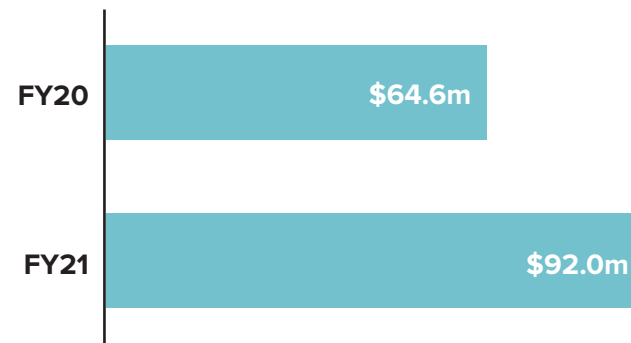
FIRST-HALF REVENUE OF \$62.4 MILLION WAS UP 70%, DRIVEN BY INCREASED DEMAND FOR GALE'S COMMERCIAL COATED FABRICS USED IN GRAIN HANDLING AND STRONG GROWTH ACROSS CONSUMER CATEGORIES.

Growth was more moderate in the second half with sales up 6.5% to \$29.6 million.

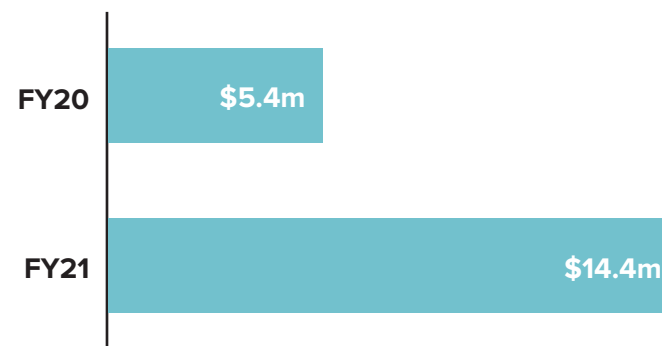
Consumer spending on home improvement projects and products on the back of COVID-19 restrictions and government stimulus drove significant and sustained increases in sell-through rates throughout the first three quarters, with quarter four sell-through returning to more moderate, historical levels.

A significant number of new products and promotional items were launched in the year, a key driver of the result.

REVENUE



EBITDA



MENA AND EURASIA



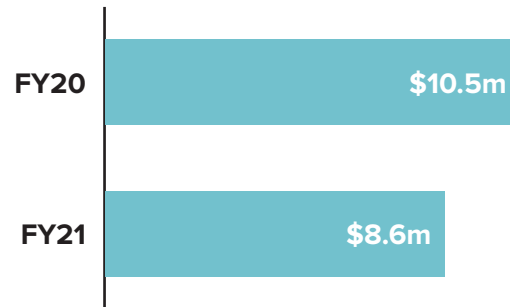
MENA

Challenging trading conditions persisted throughout the first three quarters, with growth versus prior year in the fourth quarter.

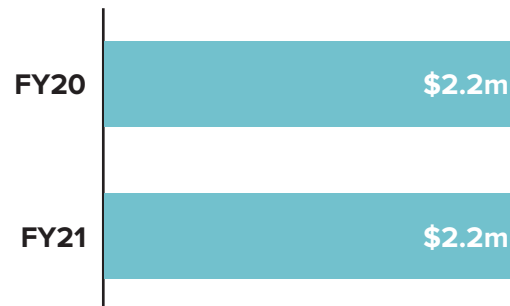
Though overall debtors decreased and long-dated debtors showed signs of improvement exiting the year, challenges persisted.

Tightened credit policy continues to impact trading and GALE remains committed to its trading partners.

REVENUE



EBITDA



EURASIA

Growth accelerated in the second half due to increased demand for commercial fabrics and consumer product ranges.

Gale delivered growth across most trading countries due to increased demand for commercial shade structures and consumer demand increases on the back of COVID-19 restrictions.

REVENUE



EBITDA



FOUR CORE STRATEGY

TO BUILD GALE PACIFIC INTO
A FASTER GROWING, WORLD-
CLASS, GLOBAL FABRICS
TECHNOLOGY BUSINESS.

PRODUCT
INNOVATION

CATEGORY
GROWTH

IMPROVED
OPERATIONS

NEW
MARKETS



PRODUCT INNOVATION

CORE COATED TECHNICAL FABRICS – APEX®

APEX® is a breakthrough, new to world, patent-pending, waterproof, architectural membrane only from GALE Pacific that will launch in the second half of FY22.



STRENGTH
of PVC with up to
35% less weight



PREVENTS
the build up of dirt
and debris



100%
RECYCLABLE



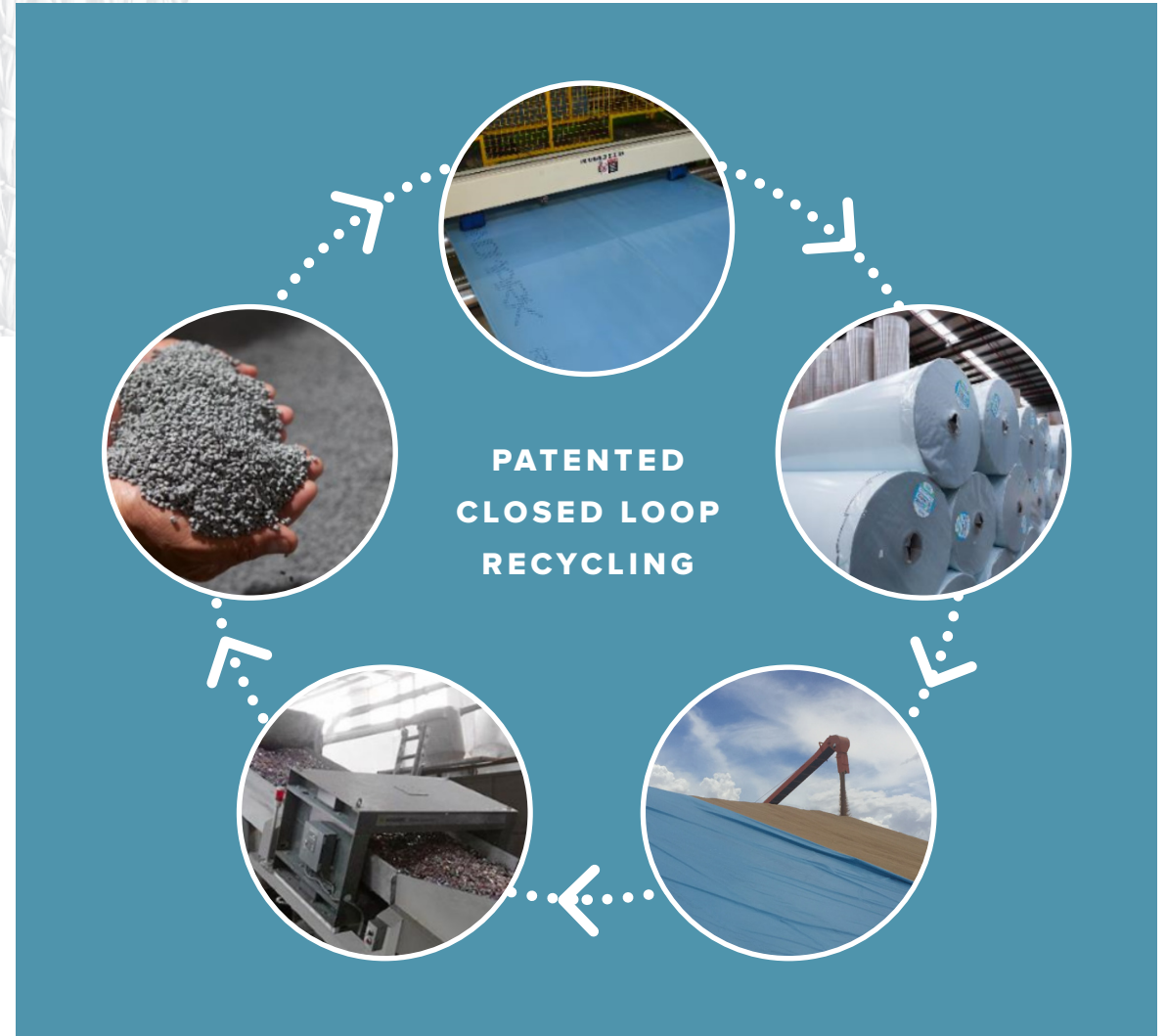
Apex is a NON-PVC architectural membrane that delivers the strength and durability of PVC at up to 35% less weight.



PRODUCT INNOVATION

CORE COATED TECHNICAL FABRICS – LANDMARK® CLOSED LOOP RECYCLING

In partnership with Deakin University, our company has recently been awarded a grant from Sustainability Victoria to fund research into maximizing the amount of recycled content that can be added to our market leading range of Landmark® coated fabrics without compromising its critical performance characteristics.



GROW OUR CATEGORIES

CORE CONSUMER CATEGORY DEVELOPMENT & EXPANSION IN THE AMERICAS



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CORE CONSUMER CATEGORY
DEVELOPMENT & EXPANSION
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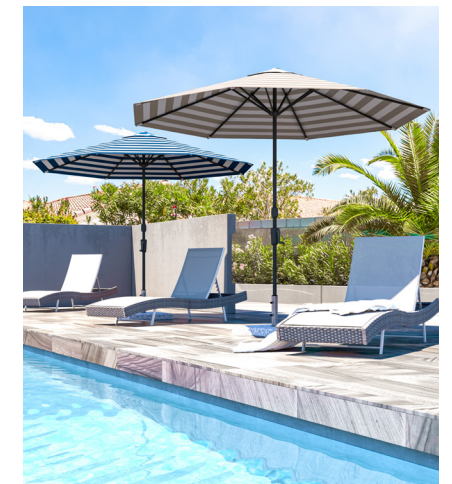
GROW OUR CATEGORIES

**CORE CONSUMER CATEGORY
DEVELOPMENT & EXPANSION
IN AUSTRALIA AND
NEW ZEALAND**



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GROW OUR CATEGORIES



COOLAROO® BRAND AWARENESS & ACTIVATION SUMMER CAMPAIGN



The only shade fabric endorsed by Cancer Council.

An exclusive Cancer Council endorsement applies to all Coolaroo products that are designed to offer you high levels of UV protection.

Rest assured, Coolaroo helps you to...
Do the things you love, while protecting the people you love.



Coolaroo®

To help keep you safe from the Aussie sun, only Coolaroo shade solutions are Cancer Council endorsed.

CANCER COUNCIL ENDORSED

SUMMER APPROVED

SHADE SAILS **SHADE CLOTH** **UMBRELLAS** **OUTDOOR BLINDS**

coolaroo.com

Coolaroo® Endorsed by **Cancer Council**



VIDEO ON DEMAND, SOCIAL AND PRINT



IMPROVED OPERATIONS

OPERATIONS IMPROVEMENT INITIATIVES DELIVERED THROUGHOUT THE YEAR

- Australia/New Zealand – Queensland distribution facility and domestic pallet freight initiatives executed with efficiency, capacity and quality improvement benefits
- Australia/New Zealand – delivered record levels of manufactured coated product while developing and delivering productivity, capacity utilisation, quality and operator development initiatives
- Americas Operations – improvements including DTC (direct to consumer) shipping capacity enhancement, customer service & custom roller shade manufacturing capacity & efficiency enhancements
- China Manufacturing – delivered production capacity expansion, improved lead times & quality while lowering waste rates



OUTLOOK

- Anticipating 1H FY22 profit before tax to be in the range of \$(1.5) million to \$0.5 million as compared to \$8.8 million in 1H FY21.
- Higher than forecast overall input cost inflation, particularly in logistics and distribution, with some expected to be transitory and partially offset by price increases.
- Cost inflation, capacity constraints and volatility in international shipping and transportation; challenging conditions expected to continue into calendar 2022
- 1H FY22 revenue anticipated more moderate than 1H FY21 but anticipated to be materially higher than 1H FY20
- The Company is forecasting for revenue growth in the second half with an improvement on the first half result anticipated
- In Australia/New Zealand, new products across retail/consumer being launched with continued high demand for coated fabrics for grain handling applications
- In the Americas, preparations for the coming summer selling season with new products, promotions and expanded core assortments underway; continued investment in marketing and selling capacity and capabilities
- The Company remains committed to its stated strategy of investing in future growth strategies, in particular, in the Americas given scale & long-term potential

