

# **GLOBE INTERNATIONAL**

INVESTOR PRESENTATION



[GLOBECORPORATE.COM](http://GLOBECORPORATE.COM)



# BACKGROUND

## EST. AUSTRALIA 1984

Listed on the Australian Securities Exchange since 2001 (GLB).

41.4 million ordinary shares on issue.

Head-office in Melbourne, Australia and major offices in Los Angeles, USA and Hossegor, France.

Specialising in the production and distribution of purpose-built apparel, footwear and hardgoods for the board sports, street fashion and work-wear markets globally.

Proven track record of continuously adapting and evolving over 30 years.

Multi-branded business, predominantly proprietary brands with some distributed and licensed brands.

Products sold into around 100 countries worldwide.





# 2015 FULL YEAR

## SIGNIFICANT GROWTH CONTINUES

AUD MILLIONS	12 MONTHS TO 30 JUNE 2015	12 MONTHS TO 30 JUNE 2014	YEAR ON YEAR VARIANCE (\$)	YEAR ON YEAR VARIANCE (%)
NET SALES	\$137.2	\$103.6	\$33.6	32%
EBITDA	\$6.2	\$2.4	\$3.8	155%
NPAT	\$3.7	\$(12.3)	\$16.0	130%
NPAT adjusted*	\$3.7	\$0.5	\$3.2	618%
NET CASH	\$10.3	\$8.1	\$2.2	27%
NET TANGIBLE ASSETS	\$31.3	\$26.4	\$4.9	19%
EARNINGS PER SHARE	9.0 cents	(29.7) cents	38.7 cents	-
NET TANGIBLE ASSETS PER SHARE	75.4 cents	63.7 cents	11.7 cents	18%
INTERIM DIVIDEND	3.0 cents	-	3.0 cents	-
FINAL DIVIDEND	4.0 cents	-	4.0 cents	-

\* NPAT adjusted excludes the impact of impairment charge in the 12 months to 30 June 2014.



# FULL YEAR HIGHLIGHTS

## GROWTH IN REVENUE AND PROFIT CONTINUES

Significant growth in revenues and profits continues

All regions reported double digit sales growth

All major branded divisions reported sales growth –

**GLOBE +24%**

**DWINDLE +34%**

**4FRONT +36%**

**HARDCORE +39%**

**FXD > +100%**

Past diversification strategies and brand investments driving growth –

**GLOBE APPAREL**

**LAUNCH OF WORKWEAR BRAND FXD**

**LIFESTYLE SKATEBOARDS**

**DWINDLE RESTRUCTURE**

**INTRODUCTION OF NEW BRANDS**

Return to paying dividends

Financially strong

Ageing of trade receivables and inventory better than same time last year.



# GLOBE

## EST. AUSTRALIA 1994

GLOBE is a truly international brand that started out in the 1990s with shoes for skaters and surfers. From there, it has evolved into a multi-category brand that designs footwear, apparel and skate hardgoods for the broader boardsports market, worldwide.



**GLOBE**

@globebrand | [GLOBEBRAND.COM](https://www.globebrand.com) | est. Australia 1994

# DWINDLE

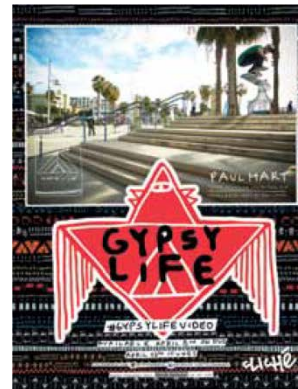
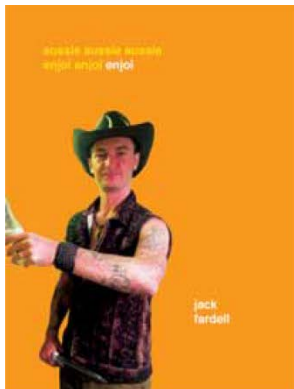
## EST. USA 1989

Dwindle Distribution is the world's leading premium skateboard manufacturer and distributor. The stable of Dwindle brands are entirely unique and distinct each with their own creative direction and distribution channel.

### PROPRIETARY BRANDS



### LICENSED BRANDS



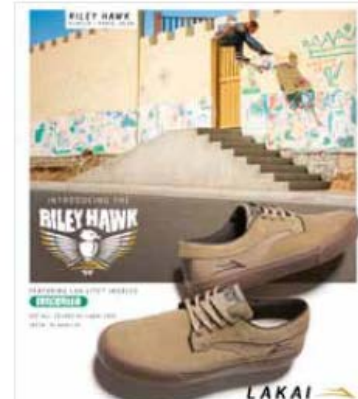


# HARDCORE

EST. AUSTRALIA 1984

Launched in 1984, HARDCORE DISTRIBUTION is the foundation company of Globe International Limited. Hardcore is the largest distributor of leading brand skateboard products, both owned and third party international brands, in Australia and New Zealand.

Hardcore's founders, senior management, sales staff, warehouse staff are all skateboarders and all skate daily. Hardcore distributes over 30 brands including Girl, Flip, Primitive, Skate Mental and Thrasher.



# 4FRONT

## PREMIUM STREET FASHION

4Front specialises in the licensing, distribution and marketing of global street fashion and art culture apparel and footwear brands, in Australia and in most cases New Zealand.



KOMONO®





DURA500™  
ADVANCE TECHNOLOGY POLYESTER CANVAS  
WS·2™  
SHORT SHORT

50+

# FXD

## FUNCTION BY DESIGN

F.X.D is "Function By Design". F.X.D. offers a better look and function through carefully designed and styled work wear. Currently in Australia and New Zealand only, this brand has global potential.



[FXDWORKWEAR.COM](http://FXDWORKWEAR.COM)

# NORTH AMERICA

## GLOBE AND DWINDLE

### PROPRIETARY BRANDS



### LICENSED BRANDS



North America reports global Dwindle Distribution sales, excluding Australia and New Zealand.

### MAJOR CUSTOMERS

ZUMIEZ, PACSUN, URBAN OUTFITTERS, JOURNEYS, AMAZON  
ZAPPOS, ACTIVE RIDE, TILLYS, NORDSTROMS

### DISTRIBUTION SALES

SOUTH AMERICA

EUROPE DWINDLE ONLY, ASIA DWINDLE ONLY



# NORTH AMERICA

## OVERVIEW

Net Sales grew by 14%

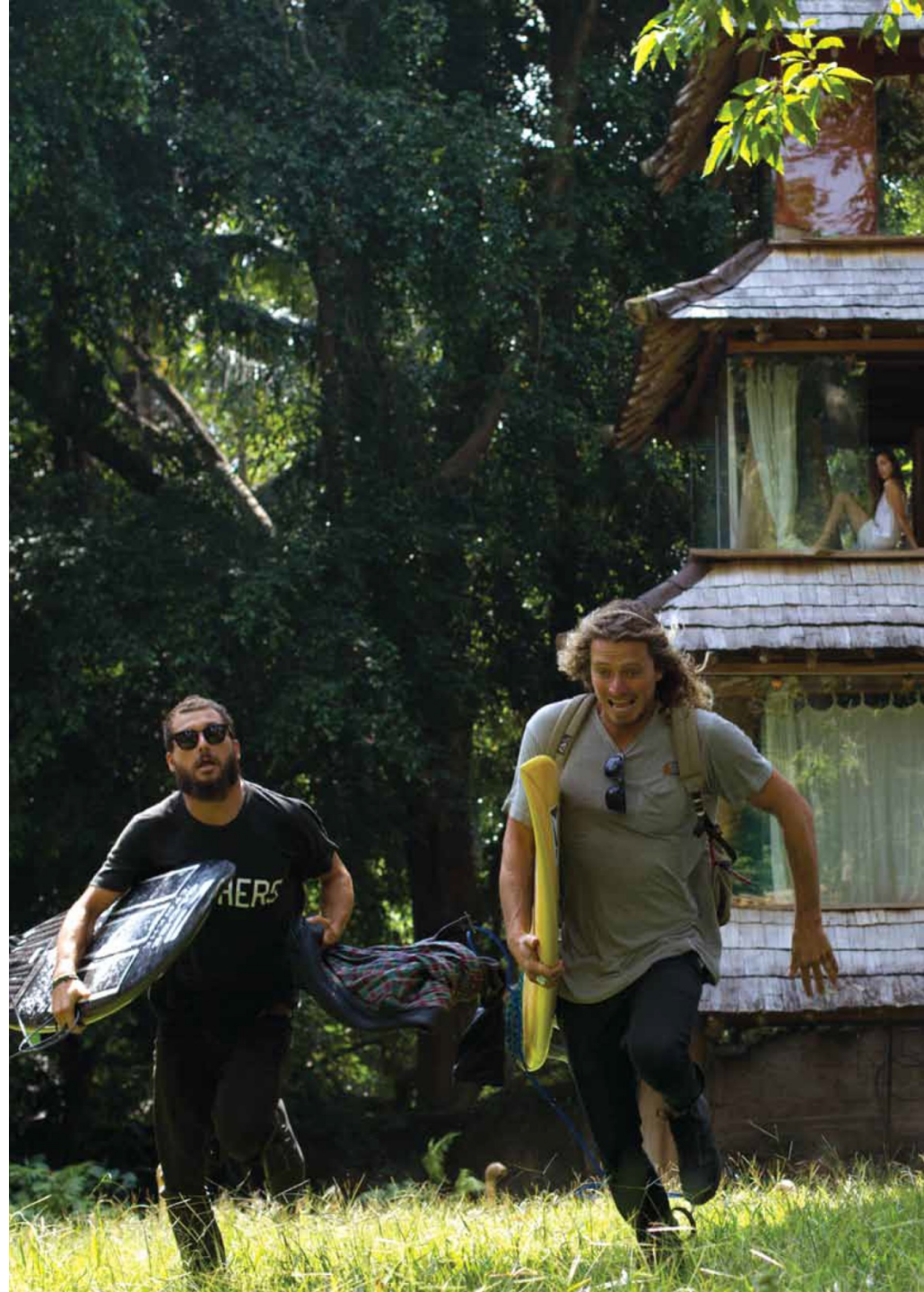
Growth from Dwindle hardgoods, Globe Apparel and growth through new brands.

Segment result impacted by lower scale, margin pressures and introduction of new brands.

Significant opportunity for improved profitability through untapped market potential, including substantial new growth potential in existing channels.

Dwindle stabilised following restructure, with growth in continuing brands.

Significant growth and premium placement for Globe Apparel. introduction of new brands.



# EUROPE

## PROPRIETARY BRANDS

**GLOBE**

## LICENSED BRANDS

**VISION  
STREET  
WEAR**

## DIRECT MARKETS

UK, FRANCE, GERMANY, SPAIN, PORTUGAL, AUSTRIA, BELGIUM, DENMARK  
NETHERLANDS

## DISTRIBUTION SALES

ITALY, SWITZERLAND, GREECE, SWEDEN, NORWAY, RUSSIA, EASTERN EUROPE

## MAJOR CUSTOMERS

TITUS-GERMANY, SKATEDELUXE-GERMANY, ZALANDO-GERMANY  
SPARTOO-FRANCE, CITADIUM-FRANCE, SURFDOME-UK, URBAN OUTFITTERS-UK  
TOPMAN-UK, AMAZON-EU



# EUROPE

## OVERVIEW

Net Sales grew by 46%

All categories reported growth but Globe Hardgoods and Globe Apparel were the stand-out.

Strongest Globe brand growth territory.

After significant losses in the early years of investment, Globe Europe is now a significant bottom-line contributor for the Group.

New brand additions to leverage existing infrastructure.





# AUSTRALASIA

## PROPRIETARY BRANDS



## HARDCORE BRANDS



## 4 FRONT BRANDS



## MAJOR CUSTOMERS

GENERAL PANTS, SURF DIVE N SKI, GLUE, OZMOSIS, CITY BEACH, UNIVERSAL  
FAST TIMES, RSEA, TOTALLY WORKWEAR, WORKSCENE, HIP POCKET



# AUSTRALASIA

## OVERVIEW

Net Sales grew by 33%

All Divisions reported growth with FXD, Globe Apparel and Stussy the stand-outs.

Improvement in performance due to strategic diversification of brands, categories and new distribution channels.

Globe branded flagship retail stores in key locations including Torquay, Burleigh Heads, Bondi and St Kilda.



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# LOOKING FORWARD

## FINANCIAL STABILITY

The net cash position is expected to remain strong, due to the stable and sustainable cost base and minimal capital expenditure requirements. Financing facilities are in place to fund any working capital investment required to deliver further revenue growth. The Group is in a strong position to react to macro-economic conditions, as the cost base is largely variable and long-term fixed expenditure commitments are minimal.

## BRANDS

We continue to reinvest in our portfolio of internationally recognised brands – particularly where we see opportunities to capitalise on our strengths or existing infrastructure in certain markets; or to expand our sales in new territories, distribution channels or markets.

## SALES GROWTH INITIATIVES

We continue to develop and implement initiatives aimed at growing each brand through both new revenue channels and improving market share, including category expansion and alternative distribution strategies.

## OUTLOOK

It is expected that revenues will continue to grow and the company will remain profitable. However, we do expect the strengthening of the US dollar to have an impact on margins in Australia and Europe. Overall, the future looks positive for our brands.



# CONTACT INFORMATION

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