



GALE Pacific

Group Managing Director's Presentation

October 30th 2015



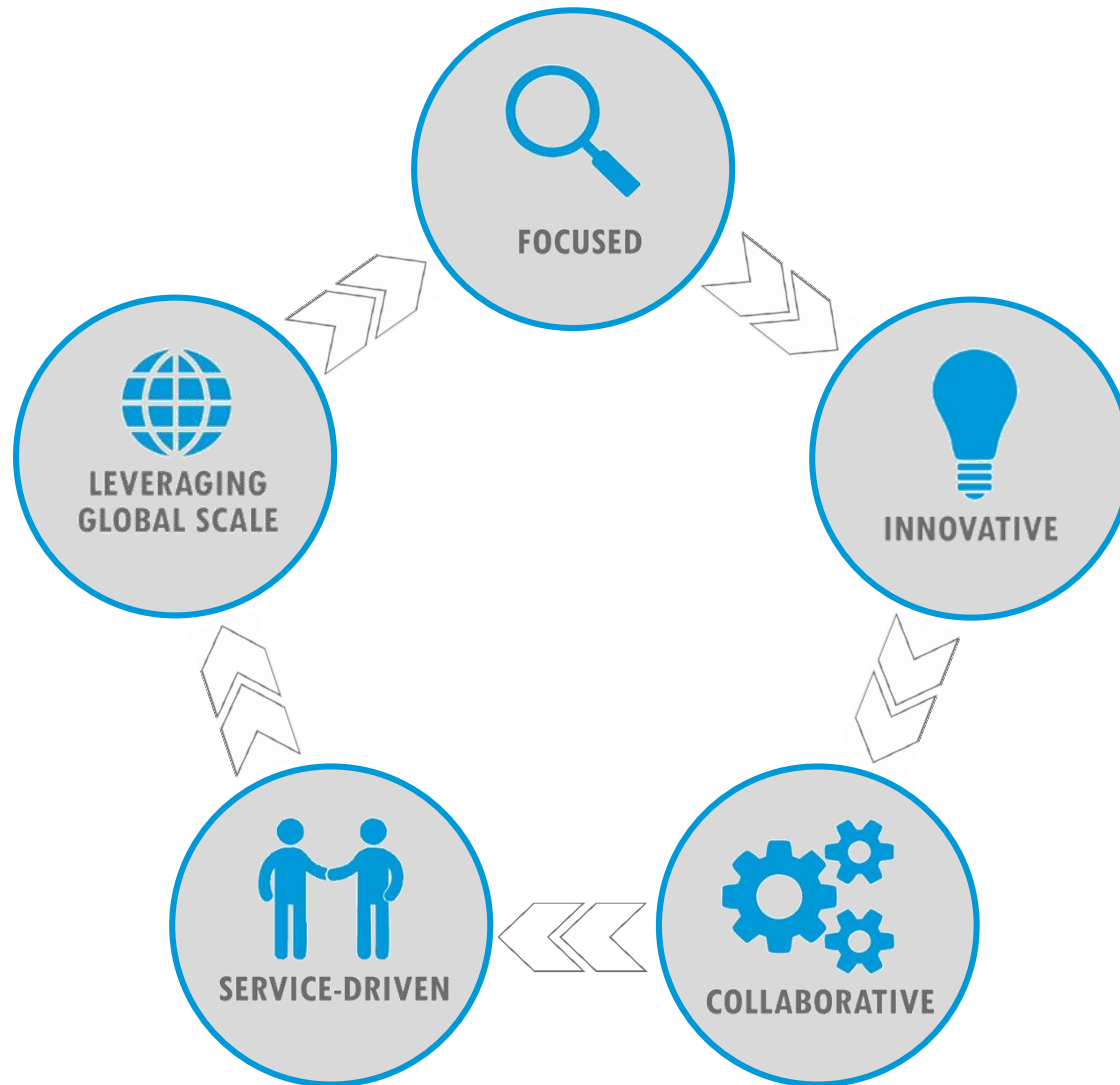


STRATEGY UPDATE





» Operating Philosophy



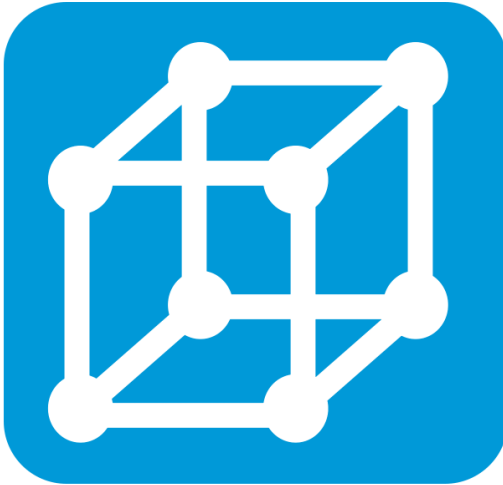


» Key Strategies

- » Make our brands really matter
- » Build our execution capability
- » Simplify & align the business
- » Focused business expansion
- » Develop the team for growth



»» Key Achievements - Structure



»» Global Structure

**A new, more global
organisation structure
aligned with & supporting the
strategy**



»» Global Supply Chain Model

**First steps towards a more global
supply chain model have already
resulted in sizeable inventory
reductions, fewer suppliers & more
favourable supplier trading terms**

Key Achievements – Brands



» 14 brands reduced to 5

» Investment in less brands to make them more meaningful



» 4 Key Brands



- » DIY Shadecloth
- » Portable Shade
- » Shade Sails
- » Synthetic Grass



- » Pool Fencing
- » Balustrade
- » Mirrors
- » Splashbacks



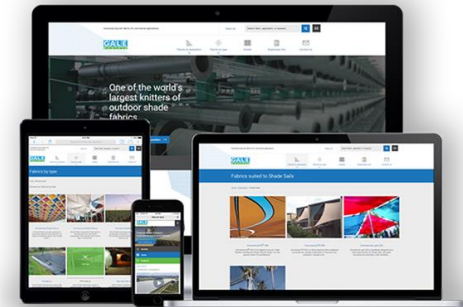
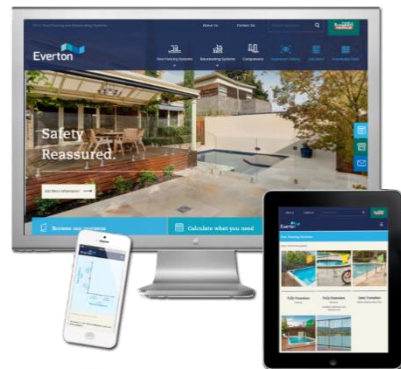
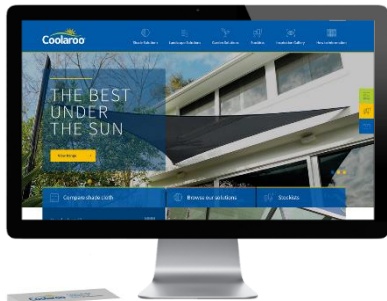
- » Window Furnishings
- » Homewares



- » Architectural Shade
- » Horticultural Shade
- » Agricultural Fabrics
- » Construction Fabrics
- » Mining Fabrics



Key Achievements – Brands (continued)





»» Key Achievements – Product Categories



Ergonomic Seating



Pet Kennels



Bath Mats



Hammocks



Folding Doors



Cable Ties

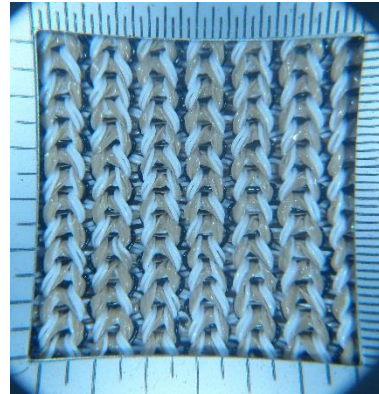
»» Product category strategy defined

»» Plans to exit non-strategic categories & focus on core business



»» Key Achievements – Innovation

- »» Strong new product pipeline established in core categories
- »» Establishing technical alliances to assist in creating more innovative products
- »» Building consumer insights to drive new product development
- »» Significant sales wins for new products



Technical Fabrics



Cord-Safe Blinds



Butterfly Gazebo



Synthetic Grass

Key Achievements – Collaboration

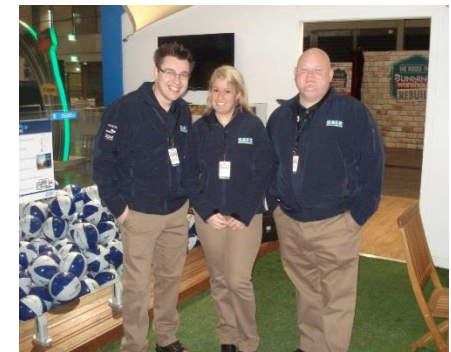
- » Collaboration across regions and also with suppliers & customers
- » Global leadership team established
- » Reducing duplication & taking advantage of scale
- » Sharing ideas & marketing programs between regions is creating sales opportunity



- » Collaborative supplier partnerships driving cost & service improvements



- » Sales & marketing teams sharing ideas & programs is creating growth opportunities



- » A culture of collaboration is reducing duplication & leveraging GALE's global scale

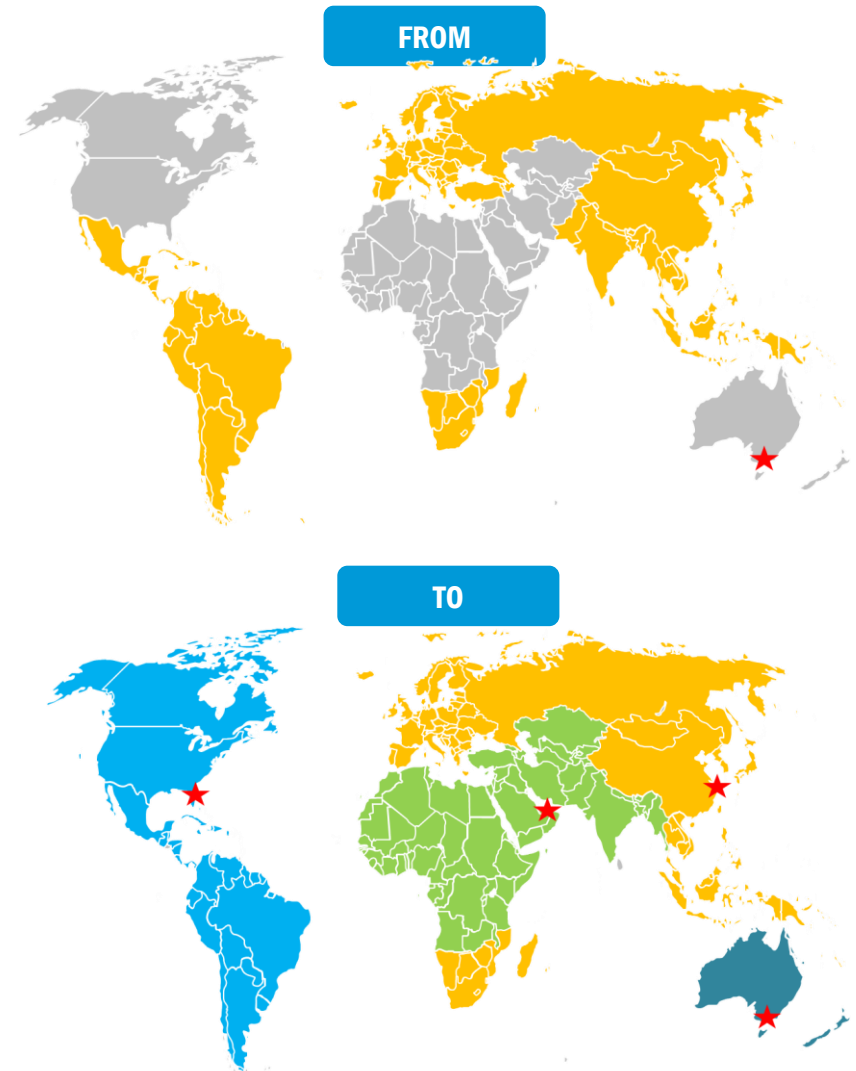
» Key Achievements – Service

- » Increases in key service level metrics, particularly in Australia
- » Building stronger customer service culture company-wide



Key Achievements – Selling Regions

- »» Goal of accelerating growth outside of Australia
- »» More localised selling model implemented to improve service & reduce cost
- »» Dissolved “Other International” division
- »» Created Eurasia region, based in Shanghai
- »» Changes aimed at servicing overseas customers locally & building stronger market entry plans

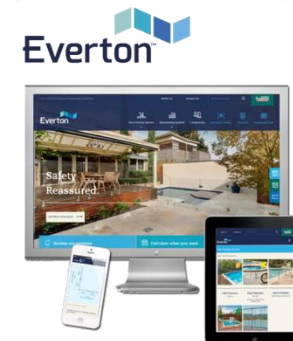


4 selling regions established – Americas, Middle East North Africa, EurAsia & ANZ



»» Key Achievements – Digital Strategy

- »» Digital strategies developed for all brands
- »» New brand websites built
- »» New GALE Pacific corporate website launched
- »» Ongoing investments to engage with consumers



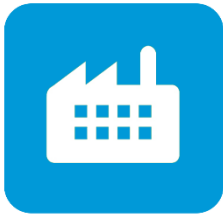


EFFICIENCY & EFFECTIVENESS





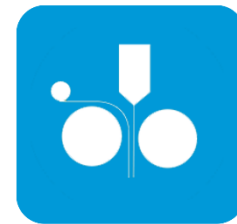
Efficiency and effectiveness



»» **China Manufacturing
Pricing Model**



»» **New Product
Development**



»» **Extrusion Coating
Technology Upgrade**



»» **Global Supply Chain
Model**



»» **International Market
& Product Review**



»» **I.T. Optimisation**

China Manufacturing Pricing Model



- China manufacturing operation changed to a cost centre effective 1 July 2015
- Improved visibility of regional profitability
- Focus transitioned to quality, efficiency & service

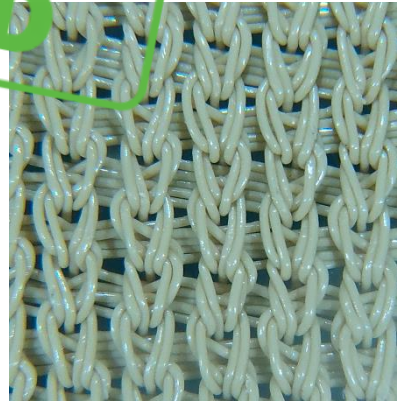




» New Product Development



- » Research & development processes strengthened
- » Focus on fewer, but larger, more global projects
- » Strong new product pipeline & impressive range wins



New Research & Development centres under construction in Australia & China

Extrusion Coating Technology Upgrade



- »» New operating system & scanning technology for Australian-based extrusion coating plant
- »» Quality improvements & production efficiencies already being achieved





Efficiency and effectiveness (cont.)

IN PROGRESS



Global Supply Chain Model

IN PROGRESS



International Market & Product Review

IN PROGRESS



I.T. Optimisation



REGIONS





» Australasia



» **Major Projects** - conversion from Highgrove to Everton pool fencing completed & sales now strong. ZONE Hardware brand interior blinds successfully converted to ZONE Interiors.

» **Warehouse** - consolidation continued with further reductions planned. Supply chain improvements continued with reductions in inventory & cost.

» **Ranging Wins** - new business secured in both retail & commercial sectors.



» Other Regions



**Coolaroo Window Shades
– Sam's Club, USA**



Ladies Club – Dubai, UAE



Big 5 Show – Dubai, UAE



**Coolaroo Window Awnings
– Japan**



**Gale Pacific Special
Textiles – Beilun, China**

» **Americas** – strong financial performance. Now responsible for the South American market.

» **Middle East**
North Africa - strong sales & profit performance continued.

» **Eurasia** – new leadership, based in Shanghai. The region will adopt a focused approach to expansion with plans to extend into the commercial sector in Japan & build a strategy for Europe.

» **China**
Manufacturing – Continued improvements in quality and waste reduction.



LOOKING
FORWARD



GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4
global brands



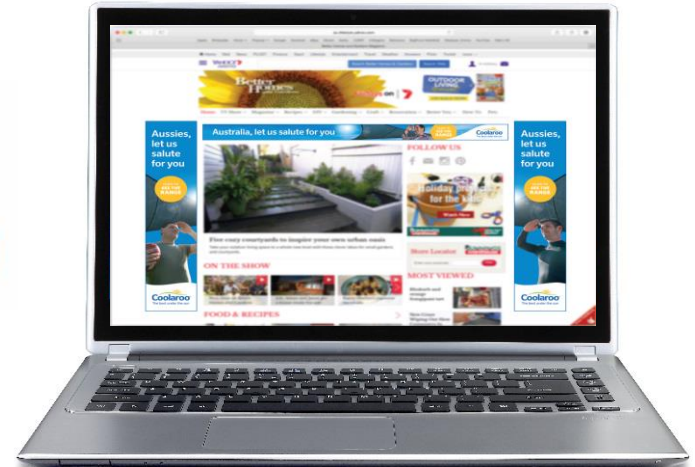
Products – Focus on
our core and exit
non-core categories

Digital – Build an
integrated platform
to engage consumers
in each category

Innovation – Deliver
real innovation in our
core, underpinned by
consumer insights



Coolaroo Brand Investment



GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4
global brands



Products – Focus on
our core and exit
non-core categories

Digital – Build an
integrated platform
to engage consumers
in each category

Innovation – Deliver
real innovation in our
core, underpinned by
consumer insights

KEY STRATEGIES

GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4 global brands



Products – Focus on our core and exit non-core categories

Digital – Build an integrated platform to engage consumers in each category

Innovation – Deliver real innovation in our core, underpinned by consumer insights

BUILD OUR EXECUTION CAPABILITY

Information Technology – Build a stronger, globally aligned technology platform

Manufacturing – Create a focused, efficient and agile manufacturing base

Procurement – Engage with a smaller number of strategic suppliers, leveraging our global scale

Planning – Build a robust global, production and capacity planning process

GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4 global brands



Products – Focus on our core and exit non-core categories

Digital – Build an integrated platform to engage consumers in each category

Innovation – Deliver real innovation in our core, underpinned by consumer insights

BUILD OUR EXECUTION CAPABILITY

Information Technology – Build a stronger, globally aligned technology platform

Manufacturing – Create a focused, efficient and agile manufacturing base

Procurement – Engage with a smaller number of strategic suppliers, leveraging our global scale

Planning – Build a robust global, production and capacity planning process

SIMPLIFY & ALIGN THE BUSINESS

Warehouse Facilities – Continue to reduce the number of Australian warehouses

Reporting – Standardise and strengthen global reporting

Structure – Implement a business model supporting a global outlook and leveraging scale

Supply Chain – Build a more global, service-focused model that better supports growth

» Supply Chain Improvement



» A new Retail warehouse in Victoria is now operational and supports the consolidation of a warehouse and external storage, enabling cost reduction.



» The new facility, coupled with the company's I.T. strategy, will enable all retail product brands to be shipped on a single pallet for the first time, generating freight savings.

GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4 global brands



Products – Focus on our core and exit non-core categories

Digital – Build an integrated platform to engage consumers in each category

Innovation – Deliver real innovation in our core, underpinned by consumer insights

BUILD OUR EXECUTION CAPABILITY

Information Technology – Build a stronger, globally aligned technology platform

Manufacturing – Create a focused, efficient and agile manufacturing base

Procurement – Engage with a smaller number of strategic suppliers, leveraging our global scale

Planning – Build a robust global, production and capacity planning process

SIMPLIFY & ALIGN THE BUSINESS

Warehouse Facilities – Continue to reduce the number of Australian warehouses

Reporting – Standardise and strengthen global reporting

Structure – Implement a business model supporting a global outlook and leveraging scale

Supply Chain – Build a more global, service-focused model that better supports growth

FOCUSED BUSINESS EXPANSION

Core Markets – Invest for growth in Australia, Middle East, USA, Canada and New Zealand

New Markets – Build market insights for priority markets. Highly targeted expansion

Europe – Develop a plan identifying focus countries, channels and products

Japan – Reduce dependence on promotional retail business and enter commercial sector

GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4 global brands



Products – Focus on our core and exit non-core categories

Digital – Build an integrated platform to engage consumers in each category

Innovation – Deliver real innovation in our core, underpinned by consumer insights

BUILD OUR EXECUTION CAPABILITY

Information Technology – Build a stronger, globally aligned technology platform

Manufacturing – Create a focused, efficient and agile manufacturing base

Procurement – Engage with a smaller number of strategic suppliers, leveraging our global scale

Planning – Build a robust global, production and capacity planning process

SIMPLIFY & ALIGN THE BUSINESS

Warehouse Facilities – Continue to reduce the number of Australian warehouses

Reporting – Standardise and strengthen global reporting

Structure – Implement a business model supporting a global outlook and leveraging scale

Supply Chain – Build a more global, service-focused model that better supports growth

FOCUSED BUSINESS EXPANSION

Core Markets – Invest for growth in Australia, Middle East, USA, Canada and New Zealand

New Markets – Build market insights for priority markets. Highly targeted expansion

Europe – Develop a plan identifying focus countries, channels and products

Japan – Reduce dependence on promotional retail business and enter commercial sector

DEVELOP THE TEAM FOR GROWTH

Performance Culture – Build a performance culture aligned to business strategy

Technical Capability – Invest in strengthening technical competence worldwide

Talent Development – Invest in training aligned with business goals

Technical Centres – Build technical centres in Australia and China

GROWTH STRATEGY



PHILOSOPHY



FOCUSED



INNOVATIVE



COLLABORATIVE



SERVICE-DRIVEN



LEVERAGING
GLOBAL SCALE

KEY STRATEGIES

MAKE OUR BRANDS REALLY MATTER

Brands – Invest in 4 global brands



Products – Focus on our core and exit non-core categories

Digital – Build an integrated platform to engage consumers in each category

Innovation – Deliver real innovation in our core, underpinned by consumer insights

BUILD OUR EXECUTION CAPABILITY

Information Technology – Build a stronger, globally aligned technology platform

Manufacturing – Create a focused, efficient and agile manufacturing base

Procurement – Engage with a smaller number of strategic suppliers, leveraging our global scale

Planning – Build a robust global, production and capacity planning process

SIMPLIFY & ALIGN THE BUSINESS

Warehouse Facilities – Continue to reduce the number of Australian warehouses

Reporting – Standardise and strengthen global reporting

Structure – Implement a business model supporting a global outlook and leveraging scale

Supply Chain – Build a more global, service-focused model that better supports growth

FOCUSED BUSINESS EXPANSION

Core Markets – Invest for growth in Australia, Middle East, USA, Canada and New Zealand

New Markets – Build market insights for priority markets. Highly targeted expansion

Europe – Develop a plan identifying focus countries, channels and products

Japan – Reduce dependence on promotional retail business and enter commercial sector

DEVELOP THE TEAM FOR GROWTH

Performance Culture – Build a performance culture aligned to business strategy

Technical Capability – Invest in strengthening technical competence worldwide

Talent Development – Invest in training aligned with business goals

Technical Centres – Build technical centres in Australia and China

OUR VALUES



Integrity



Respect



Collaboration



People



Community



Innovation

SAFETY, HEALTH & ENVIRONMENT

Relentless pursuit of zero workplace incidents

A focus on products that provide a positive environmental impact





OUTLOOK






BUSINESS OF THE MEETING





ITEM 1 - Financial and Related Reports

 **To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2015.**



ITEM 2 - Adoption of Remuneration Report (Non-binding Vote)

»» That the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2015 be adopted.

The vote on this item is advisory only and does not bind the Directors or the Company.



Proxies for resolution for the Adoption of the Remuneration Report



For:	97,051,128
Against:	1,581,947
Open-Useable:	11,241,104
Open-Conditional:	0
Open-Unusable:	0
Abstain:	178,423
Excluded:	3,321,302
Total:	113,373,904



»» **ITEM 3 - Re-election of Director**

»» **That Mr David Allman, having retired from his office as a Director in accordance with rule 7.1(f) of the Company's constitution and, being eligible under rule 7.1(h) of the Company's constitution, having offered himself for re-election, be re-elected as a Director of the Company.**



Proxies for resolution for the Re-election of Director



For:	101,656,332
Against:	276,468
Open-Useable:	11,241,104
Open-Conditional:	0
Open-Unusable:	0
Abstain:	200,000
Excluded:	0
Total:	113,373,904

GALE Pacific

2015 Annual General Meeting Closure

October 30th 2015

