



1H FY22 RESULTS

22 FEBRUARY 2022

AGENDA

GALE AT A GLANCE

- A global company
- GALE's brands

RESULTS OVERVIEW

- Key financial metrics
- Cash flow & balance sheet
- Half year financial performance

REGIONAL OVERVIEW

- The Americas
- Australia & New Zealand
- MENA & Eurasia

COMPANY STRATEGY

OUTLOOK

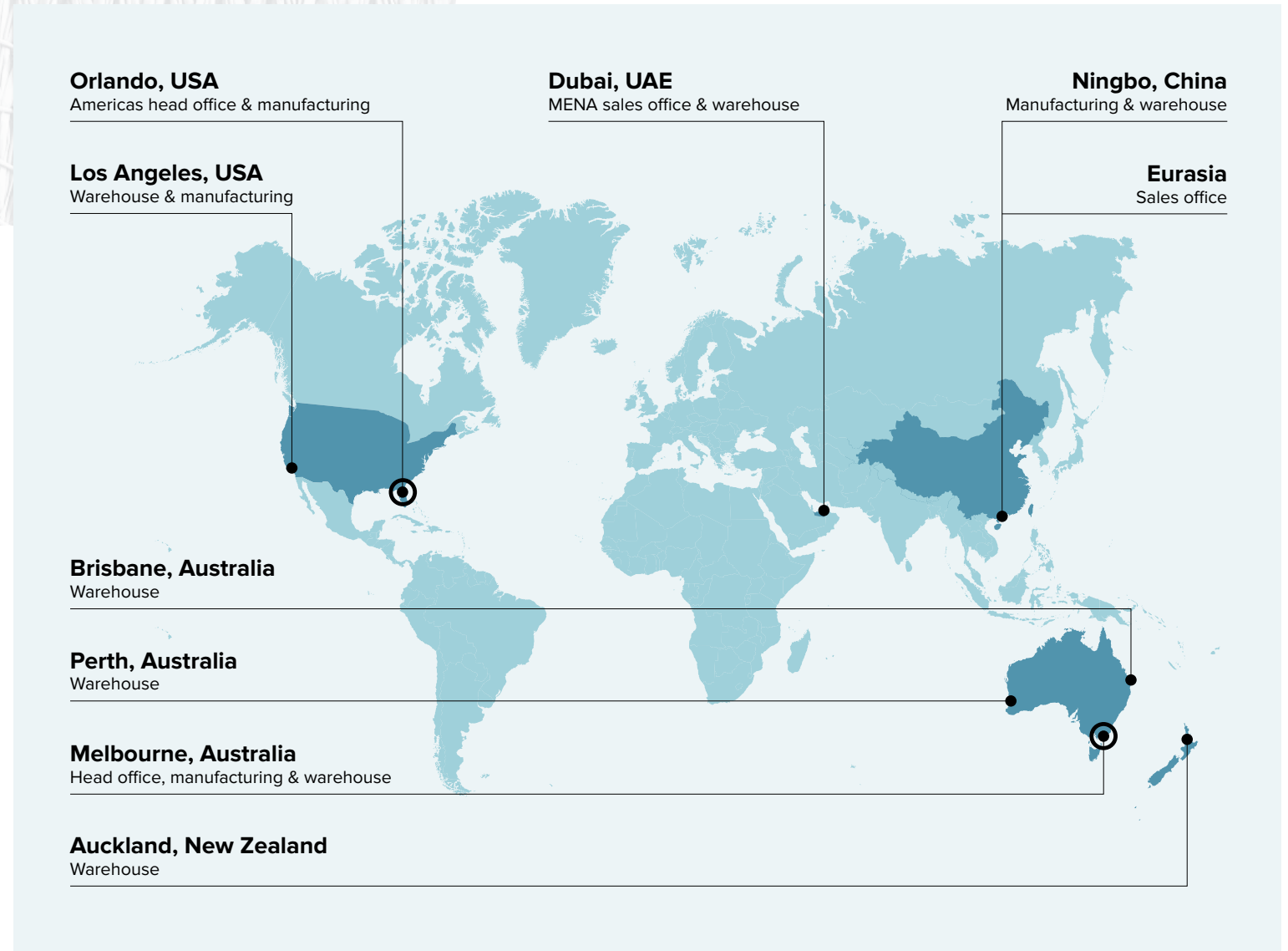


A GLOBAL COMPANY

A FAST-GROWING, WORLD-CLASS GLOBAL FABRICS TECHNOLOGY BUSINESS.

A MARKET LEADING MANUFACTURER AND INNOVATOR OF TECHNICAL FABRICS USED FOR CONSUMER AND COMMERCIAL APPLICATIONS AROUND THE WORLD.

Our products are used in various industries, such as architectural, agricultural, mining, construction and home improvement.



GALE PACIFIC GLOBAL BRANDS



COOLAROO

Coolaroo is our market leading, globally recognised brand for consumer shade and pet products.

Coolaroo branded outdoor roller shades, shade sails, shade and garden fabrics, shade structures and pet beds can be found in major brick & mortar and online retailers around the world.



GALE COMMERCIAL

The GALE Pacific Commercial brand is recognised around the world for market leading commercial knitted and coated fabrics. It stands for innovation, quality, durability, and reliability in the industries and markets it serves. GALE Pacific Commercial knitted and coated fabrics can be found in a rapidly growing number of applications around the world.

RESULTS OVERVIEW



KEY FINANCIAL METRICS

\$95.9m

REVENUE

PCP: \$106.1m;
UP 54% ON 1H FY20

\$6.3m

EBITDA

PCP: \$14.7m;
UP 84% ON 1H FY20

\$0.7m

PBT

PCP: \$8.8m;
UP 118% ON 1H FY20

\$(0.2)m

NET PROFIT AFTER TAX

PCP: \$6.0m;
UP FROM \$(2.6)m IN 1H FY20

(0.08)c

EARNINGS PER SHARE

PCP: 2.18c;
UP FROM (0.95)c IN 1H FY20

1.0c

INTERIM DIVIDEND 50% FRANKED

PCP: 2.0c* UNFRANKED;
UP FROM NIL IN 1H FY20

* includes 1.0 cent per share special dividend, unfranked

CASH FLOW & BALANCE SHEET

**REDUCTION IN
NET CASH DRIVEN
PRIMARILY BY
INVESTMENT
IN INVENTORY
TO OFFSET
SUPPLY CHAIN
CHALLENGES.**



**NET CASH FROM
OPERATING ACTIVITIES**

\$(6.3)m

**PCP: \$20.5m;
DOWN FROM \$(3.6)m IN 1H FY20**



NET DEBT

\$12.8m

**PCP: \$3.9m;
DOWN FROM \$23.6m IN 1H FY20**

HALF YEAR FINANCIAL PERFORMANCE

**THOUGH REVENUE DECLINED
MARGINALLY COMPARED TO
GALE'S RECORD 1H FY21,
REVENUE GROWTH OF 54% ON
1H FY20 DEMONSTRATES THAT
GALE'S GROWTH STRATEGY
IS WORKING DESPITE THE
CHALLENGING GLOBAL
OPERATING ENVIRONMENT.**

| | 1H FY22 A\$ million | 1H FY21 A\$ million | Change % | 1H FY20 A\$ million | Change % |
|------------------------------------|------------------------|------------------------|----------|------------------------|----------|
| Revenue | 95.9 | 106.1 | (10) | 62.3 | 54 |
| EBITDA | 6.3 | 14.7 | (57) | 3.4 | 84 |
| EBIT | 1.5 | 9.7 | (84) | (2.5) | 162 |
| Profit/(loss) before tax | 0.7 | 8.8 | (93) | (3.6) | 118 |
| Net profit/(loss) after tax | (0.2) | 6.0 | (104) | (2.6) | 92 |
| Basic earnings per share (cents) | (0.08) | 2.18 | (104) | (0.95) | 92 |
| Interim dividend (cents per share) | 1.0* | 2.0** | (50) | nil | n/a |
| Net cash from operating activities | (6.3) | 20.5 | (131) | (3.6) | (72) |
| Net debt | 12.8 | 3.9 | (230) | 23.6 | 46 |

* 50% franked

**unfranked, includes 1.0 cps special dividend

REGIONAL OVERVIEW



THE AMERICAS

GALE'S CORE PRODUCT RANGES CONTINUED TO RESONATE STRONGLY WITH CONSUMERS AND CUSTOMERS, WITH CONSUMER DEMAND NORMALISING FOLLOWING THE PANDEMIC HOME IMPROVEMENT SURGE IN 1H FY21.

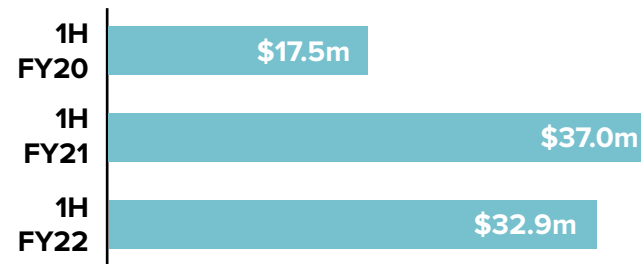
First half revenue was up 88% compared to 1H FY20, a direct result of the Company's growth strategy in the region.

New national core shade fabric and shade sails category expansion program in a major home improvement retailer secured.

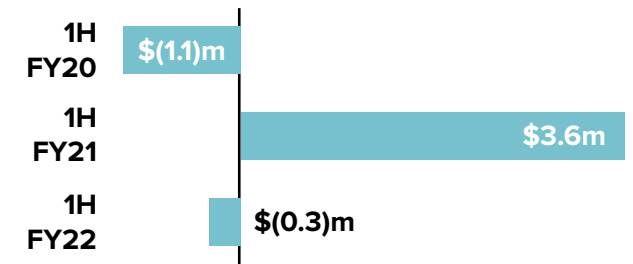
Further marketing and selling capabilities and resources will drive product innovation, category expansion, distribution expansion, brand activation, and accelerate eCommerce growth in 2H and beyond.



REVENUE



EBITDA



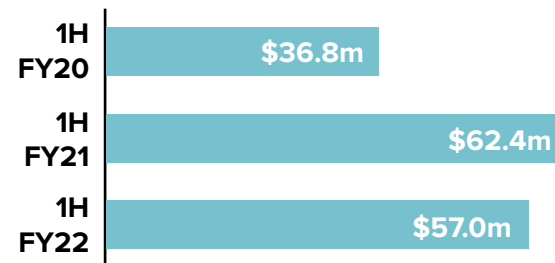
AUSTRALIA & NEW ZEALAND

1H FY22 REVENUE WAS DOWN 9% ON 1H FY21 BUT UP 55% ON 1H FY20, DRIVEN BY MORE MODERATE CONSUMER BUYING BEHAVIOUR AFTER PANDEMIC-RELATED HIGH IN 1H FY21 AND THE IMPACT OF COOLER, WETTER WEATHER.

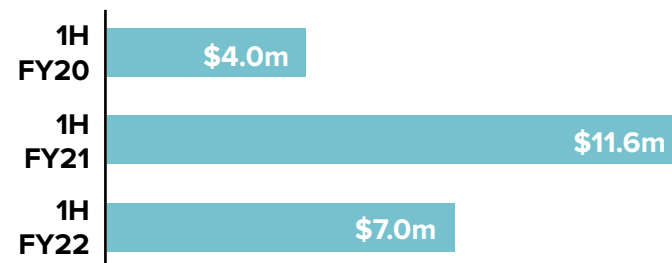
GALE secured incremental new ranging and promotional placements across home improvement retail partners and commenced trading with several pure play eCommerce customers, while another record Australian grain harvest drove solid demand for coated fabrics used in grain handling applications.

GALE has delivered a 75% increase in EBITDA since 1H FY20, driven by focus on strategic cost efficiency and profitable growth initiatives.

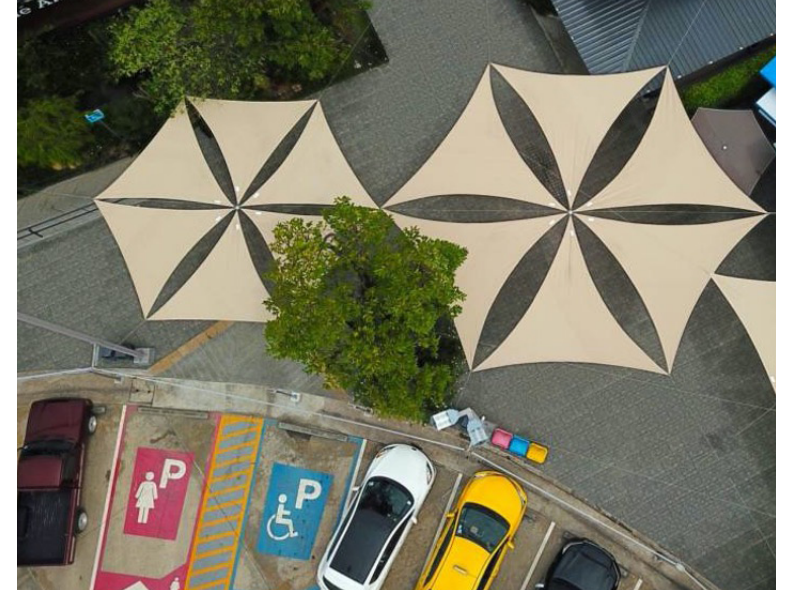
REVENUE



EBITDA



MENA & EURASIA

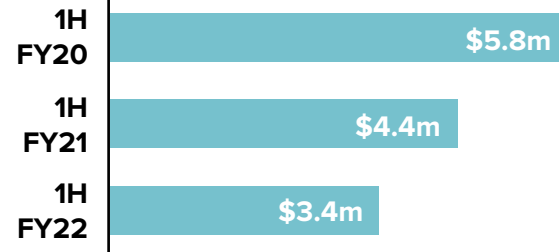


MENA

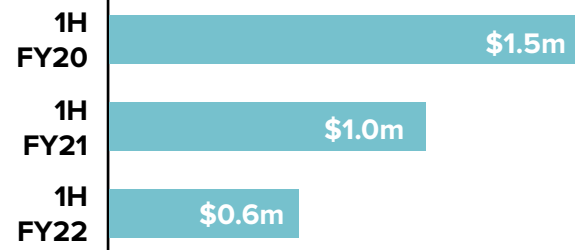
Broad market trading challenges and pandemic-related restrictions in market openness persisted, affecting demand for commercial fabrics.

GALE's tightened credit policy improved overall and long-dated debtors, although constraining trading across select customers and markets.

REVENUE



EBITDA



EURASIA

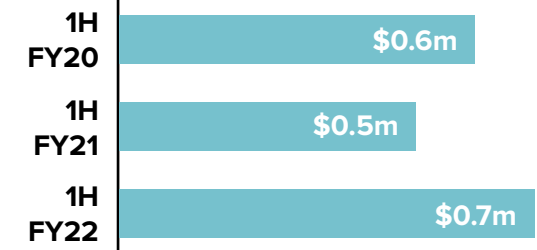
Revenue growth and profit expansion was attributed to increased demand for GALE's differentiated commercial architectural shade fabrics across Europe and Asia and higher demand for branded consumer products in Japan.

Growth was achieved despite pandemic-related market restrictions, international shipping constraints, and cost inflation.

REVENUE



EBITDA



COMPANY STRATEGY



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



GALE PACIFIC STRENGTHS



**CATEGORY &
MARKET LEADING
BRANDS**



**HIGH QUALITY,
INNOVATIVE
PRODUCTS**



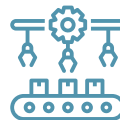
**CUSTOMER
PARTNERSHIPS**



**CONSUMER &
COMMERCIAL
DIVERSIFICATION**



**TECHNICAL
FABRICS
EXPERTISE**



**VERTICALLY
INTEGRATED
MANUFACTURING**



**GLOBAL
DISTRIBUTION &
SUPPLY CHAIN**



**ON-TREND,
OUTDOOR
ENVIRONMENTS**

OUTLOOK

2H FY22 PBT IS ANTICIPATED TO BE COMPARABLE TO 2H FY21 AT \$8.5 MILLION.

- GALE expects accelerated business performance and additional pricing programs in the Americas region throughout the summer selling season.
- Volatility and cost inflation across international and domestic supply chains and inflation in raw materials and labour expected to persist throughout 2H FY22.
- GALE will continue to invest in its growth strategy of building a faster-growing business, particularly in the Americas, with ongoing product innovation, market expansion, and operations improvement initiatives.
- The Board remains focused on building long-term shareholder value and believes that the current share price does not reflect the Company's full underlying value.
- The Company has retained Luminis Partners to evaluate options to unlock shareholder value further.





THANK YOU

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