



## **GALE PACIFIC LIMITED**

(ASX: GAP)

### **ASX and Media Release**

29 November 2019

#### **2019 Annual General Meeting – Incoming CEO's Address**

Firstly, on behalf of the company and our employees, I would like to say thank you Nick, for your dedication and commitment to transforming Gale Pacific over the last 5 years.

We are a much healthier business because of the work that you've led to transform the company. Your personal and professional investment was significant, highly valued and very much appreciated.

Finally, I would like to personally thank you for partnering with me during this transition. Thank you, Nick.

Good morning everyone and thank you for joining us today to talk about the next phase of our company

I am thrilled to be leading Gale Pacific and I am energised by the opportunity in front of us.

The foundational work that we've done has positioned us well for the future. Our focus will be on making the most of this opportunity.

This is the beginning of the growth phase for Gale Pacific.

Our focus will be on growing our business, our customers' businesses, our brands, our categories and our people. It will be where we start the conversation with our team, our customers, our suppliers and with our investors.

We'll achieve this by growing the size, scale and profitability of our core product categories in both consumer and commercial applications.

We'll focus on Growing Our Core Categories.

Category growth is underpinned by bringing new users to our categories, driving greater usage of our core products and by launching new to world functional benefits in our core product categories.

We'll work to expand distribution of our products and will invest to communicate directly to our end users & consumers to drive awareness of our brands and of our products. This will help us accelerate growth.

By doing this effectively we expand the size & profitability of our core categories for both Gale Pacific & our customers around the world.

Some of this work has already begun. The expansion of our distribution footprint in the United States and the development of new to world technologies and benefits in our commercial coated and knitted fabrics ranges serve as evidence.

Following on from the momentum we have created with the launch of new products, like our Commercial DualShade® architectural shade fabric range, today we are launching the world's most comprehensive range of Flame Retardant knitted architectural fabrics.

These ranges will be rolled out globally over the next 6 months and represent a step change in product performance in the architectural fabric category.

Further, we have several new coated fabrics ranges that are coming to market in Australia. These fabrics provide new to world function benefits in core applications that are different from our competitors. We will look to extend distribution of these, and our other differentiated coated fabrics ranges, outside of Australia.

We'll expand on our strategic partnerships with the world's leading home improvement retailers in both Australia and the United States. We'll continue to launch a steady stream of new products, promotions and communication campaigns to drive category growth with our partners. We'll continue to improve our planning & service capabilities to allow us both to fully capture this growth potential.

Encouragingly, we are experiencing strong growth online as consumer buying patterns continue to evolve. We'll expand the breadth & depth of our business online in two ways.

We'll partner with the eCommerce teams at our brick & mortar partners to fully leverage the growth potential afforded by an omni-channel approach to retailing. We'll connect our in-store & online presence to enable higher rates of overall growth in our categories.

We'll also expand availability for our product offerings on the world's largest pure play eCommerce retailers and we'll invest to drive consumer awareness through campaigns that inspire consumers to purchase our products & brands.

Research & Development is a key enabler of our Growth Strategy.

There are several new product & technology projects active in our R&D pipeline today in addition to those that are now coming to market. These are based on a deep understanding of the needs of our core end users and consumers.

Some of these exciting new products are close to commercialisation, with plans to come to market over the coming year.

We'll continue to focus our internal technical teams and our external technical partners to help accelerate the development of these new technologies and products.

This important work will allow us to deliver new functional benefits to the market, differentiate us from our competitors and fuel our growth plan.

We'll Expand into New Geographies.

Further to our growth plans in our anchor markets of Australia & the United States, we'll develop distribution and usage for our core commercial knitted and coated ranges across the Middle East, Southeast Asia and South America.

These are large markets with growing populations and economies that have large industries in the end markets that we serve today with our commercial fabric ranges.

By expanding the availability of core Gale Pacific commercial fabrics and partnering with distributors and fabricators to drive usage of these products, we'll drive growth in these markets over the coming years.

We'll continue to improve Manufacturing & Operations.

It's important that we are sensitive to the demands of the market, as driven by consumers, end users and customers. Matching our manufacturing capacity & supply chain capability to the conditions of the market will help drive improved operational outcomes.

We'll continue to work with our operations teams at our facilities and those of our supply and material partners to unlock additional productivity benefits, improve operational efficiency and ensure products leaving our facilities are of the highest possible quality for any given specification.

We'll Grow our People.

This is an exciting time for the people in our organisation and I believe that by growing our company, we can grow ourselves.

The growth phase of the company presents a unique professional and personal growth opportunity for those of us here at Gale Pacific.

It's my personal belief that these growth opportunities don't present themselves often over the course of a career.

I am very much looking forward to leading this team on the journey to realize our vision for Gale Pacific.

Thank you all for coming today. I look forward to spending more time to discuss our business with you over the coming years.

**-Ends**

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