GLOBE INTERNATIONAL LIMITED

ANNUAL GENERAL MEETING

TUESDAY 27 OCTOBER 2009

ADDRESS BY THE CHAIRMAN, PAUL ISHERWOOD AO

I will invite Matt Hill our CEO to address the meeting shortly, but before doing so I would like to make some brief comments as Chairman.

As you are aware today is our 9th Annual General Meeting the Globe IPO having taken place in May 2001.

The expectations of shareholders (and the media) at that time were high. Accordingly, with high expectations and a relatively small "free float", our shares were quickly bid to an unsustainable price which as I recall at one stage represented a PE ratio of some 55 times!!

Globe at that time was a complex business with many brands, both licensed and other proprietary brands, internally created and nurtured.

We effectively compounded that complexity with the 2002 acquisition of the Kubic group in the US.
With benefit of hindsight this was an untimely acquisition which proved to be a major drain on our resources, particularly management. We bought at what was probably the wrong point in the cycle and at a time when we were still feeling our way as a listed company with pretty meagre resources.

We faced a period of instability at the senior management level and it was not until September 2004, when we persuaded Matt Hill to "step up to the plate" as CEO, that we were able to plan ahead with an appropriate degree of certainty.

Over these 5 years, Matt has developed a clear strategy which the Board has adopted and which in essence has simplified our business and in many respects has taken us back to our core.

Major decisions have been taken during these recent years to sell much of our licensed apparel business and certain of our proprietary brands and we have also recently exited practically all of our retail operations.

These decisions were not taken lightly but management and the Board were as one having carefully considered all of the implications of these strategies.

Today, we have a far better focused business and have been better able to face these last 18 months of financial and economic turmoil than would otherwise have been the case.

On behalf of the board I extend our thanks to Matt and to all of his senior management team and all of our employees worldwide for their dedication and efforts throughout these tumultuous times.

ADDRESS BY THE CHIEF EXECUTIVE OFFICER, MATT HILL

Thank you Paul,

Good afternoon everyone.

When I spoke to you at last year's AGM, the state of the World's economy was in turmoil as a result of the global financial crisis. At that time, I advised that we at Globe were preparing and making changes in anticipation of a very difficult financial year.

Regrettably as we all now know, this in fact proved to be the case.

The 2008-2009 financial year presented some of the toughest trading conditions in which Globe has ever operated. In particular our international divisions in Europe and North America saw radical downturn in demand as the global economic crisis hit full stride, especially in the second and third quarters of the financial year.

Fortunately, before the peak of the crisis we had already formulated and commenced a major restructure and cost cutting program, for what we expected would be a far lower level of demand. As the World came to terms with the extremity of the global crisis, we were already well progressed with our plans to combat and survive the environment we were going to have to face.

Also in our favour was the strategic review we underwent in 2007 in which we divested certain divisions. While it was disappointing that in 2008 the recession dampened the positive sales and profit growth Globe had made subsequent to the divestments, the Globe International business and structure that existed post the strategic review, was much better armed to battle the tough conditions of the economic crisis than the more complicated, and less flexible business, that existed in earlier years. We had used our strategic divestments to raise cash and greatly reduce the debt levels in our business. We had also, in a timely fashion, exited many onerous fixed cost commitments and were left with an efficient, consistent global platform for a scaled down number of global brands.

Our first half of the financial year was impacted by certain costs that were subsequently removed as part of the restructure, as well as the costs of the restructuring activity, resulting in a significant loss for the period. However, by the end of the second half, once the restructuring was predominantly completed, we were trading profitably. While only a modest EBITDA profit was achieved in the second half, the half on half comparison reflects a $6.9 million turn-around to be back in the black.

By the end of the financial year we had cut in excess of $15M of costs from all areas of our business. This included a 23% reduction in headcount, over $1M in salary cuts and directors' fees, and the removal of over $1.5M in fixed lease costs. We ended the year with a scaled down employee base, rationalized operations and ensured that all three regions in Australia, the USA and Europe had delivered a positive contribution to the profit line for the second half, despite revenues continuing to trend down. Amidst this backdrop we generated cash and finished the year up on cash from the prior year end with $11M in the bank and most importantly, no debt.

While of course we cannot escape the fact, and, it was disappointing that the net result for the full year overall was to still post a loss, the half on half trend and quick return to profitability was most encouraging and showed we had re-established stable ground from which to operate.

I am happy to advise, that despite the fact that we have seen no noticeable improvement in trading conditions, we continue to trade profitably with a strong cash position in the first quarter of the 2009-2010 financial year. In addition, we have a business model able to withstand further reductions in revenues should that prove to be the case in the coming year.

Looking forward, we still expect conditions to be tough. Based on current outlooks, the level of revenue contraction will be less than the last financial year assuming trading conditions do not worsen significantly in any of our major markets. While the start of this financial year has given some promising signs, business continues to be erratic and difficult to forecast due to more conservative and at once retailer buying patterns.

With restructuring complete, we have shifted our major focus back onto the longer term growth initiatives of our brands. Cutting our way to profitability, while critical for the performance of our business during the last financial year, does not offer a long term solution for realizing the value of our brands. So our attention is firmly back on developing growth initiatives that focus on the product and category offerings and distribution expansion potential of our brands.

It is important to remember that our brands are really the heart and soul of this business and define what the business stands for. Therefore, it was imperative over this past year that while we responded appropriately to the economic demands of the business that we also implemented checks and balances to ensure that the hard financially-driven decisions that were made did not ultimately compromise the equity we hold in our brands.

While our brands may have reduced in revenues, that does not mean they were damaged.

The Globe brand remains a significant player in the action sports market, well entrenched in the footwear sector, with expansion ongoing into apparel and boardsports hardgoods. The brand has direct distribution infrastructure into North America, Australasia and Europe and has an additional third party distribution network in other areas of the World. The brand continues to excel in product design and maintains a team of premium surf and skate endorsing athletes as credible as any of its competitors.

The Dwindle skate hardgoods brands are a collection of skateboard brands strategically positioned to be the premier player in each sector of the market. Dwindle has a leading brand in each level of skateboard distribution from core stores to mass market. The portfolio was further enhanced in August of this year following the acquisition of the European-based brand Cliché, now giving Dwindle a European focused brand with global expansion potential.

In addition Dwindle operates arguably the world's leading manufacturing facility for skateboards, and as a consequence leads the market in quality, product development and technical innovations.

The purpose of highlighting our brand strengths is simply to remind shareholders that while our focus for the past twelve months may have been on how to weather the storm of contracting markets and revenues, the value of our brands has certainly not diminished. In addition, despite the recent challenges of our markets we did not succumb to a temptation to compromise distribution or positioning of our brands, in order to chase a short term revenue fix. Consequently the inherent value of our brands that has always been in Globe remains strong and provides a viable platform for growth into the future years. Furthermore, with a more stable operating base and stringent financial disciplines in place, we are now 100 percent focused on branded initiatives, seeking out new opportunities and ensuring we are designing, marketing and producing the best, most appealing and relevant footwear, apparel and hardgoods products for our core and broader mainstream customers.

In conclusion, more than ever I would like to express my thanks to directors, management and all Globe staff both for their hard work during an incredibly tough year and for their support. As a result of their efforts we are on our way to achieving our goal for the current financial year of delivering a significantly improved profit result over that of last year. If we achieve this goal we will continue to turn the value in Globe International's brands into improved shareholder value and be well poised for growth in the years ahead.