



FY20 ANNUAL GENERAL MEETING

23 DECEMBER 2020

CEO & MANAGING DIRECTOR'S ADDRESS

**John Paul
Marcantonio**

CEO &
Managing
Director



Our Core Strategy

Build **GALE Pacific** into a faster growing, world-class, global fabrics technology business



**Product
Innovation**



**Grow Our
Categories**



**Improved
Operations**



**New
Markets**

FY20 – A year of two very different halves

Strong second half revenue growth and profit delivery despite first-half & pandemic challenges

- 1H FY20, \$(3.6)m PBT on \$62.3m revenue; (8.1)%
- 2H FY20, \$8.4m PBT on \$94.0m revenue; +15.6%
- Retail sales growth in the U.S. and Australia
- Incremental new ranging in-store and online
- Increased sell-through across core product ranges



Regional Overview



Americas



Australia & New Zealand



Europe & Asia



Middle East & North Africa

Americas

Strong momentum drives record second half revenue

	FY20 A\$ million	FY19 A\$ million	Change %
Revenue	73.3	71.0	3.2
EBITDA	11.8	13.8	(14.5)
PBT	4.2	8.5	(50.6)

- New products, expanded distribution and increased demand
- Core range and new products resonated well with consumers
- Increased costs due to import tariffs, input cost inflation and greater health and safety requirements
- Continued investments in selling, marketing & service to fuel the Americas growth plan



Australia & New Zealand

Strong second half momentum with growth across retail and commercial

	FY20 A\$ million	FY19 A\$ million	Change %
Revenue	64.6	58.0	11.4
EBITDA	5.4	2.8	92.9
PBT	0.2	1.1	(81.8)

- In retail, new products and increased sell-through due to increased consumer demand across home improvement
- In commercial, new products, customers and increased demand
- Record grain fabric volumes driven by bumper harvest
- Restructuring plan to deliver profit and revenue expansion



Eurasia

Top and bottom-line growth despite challenging trading conditions

	FY20 A\$ million	FY19 A\$ million	Change %
Revenue	8.0	7.4	8.1
EBITDA	2.7	2.3	17.4
PBT	2.2	1.8	22.2

- Revenue driven by large scale commercial projects using architectural fabrics and expansion into new markets
- Challenges remain across Europe and Asia associated with the pandemic
- Continued to expand the use of GALE's core commercial fabrics and increase distribution across targeted markets



Middle East & North Africa

Persistence of challenging regional trading conditions in second half

	FY20 A\$ million	FY19 A\$ million	Change %
Revenue	10.5	12.9	(18.6)
EBITDA	2.2	4.0	(45.0)
PBT	1.6	3.5	(54.3)

- Revenue decline due to challenging macroeconomic conditions, overall instability, and tighter credit policy
- Pandemic impacted business with varying degrees of restrictions and market openness across the region
- Provisions for doubtful debts had a material impact on profit
- GALE remains committed to the region and is optimistic about future growth



COVID-19 Pandemic Response

The health, safety and wellbeing of our team is, and always will be, our top priority.

- Flexible 'work from home' policies still largely in place
- Implemented and continue to evolve facility-specific safety and hygiene protocols across all locations
- No further interruption to China operations after March
- Prioritizing safely servicing customers around the world



Outlook

GALE Pacific confirms guidance; expects profit before tax at the upper end of the range for the six months to 31 December 2020

- Building GALE into fast-growing global fabrics business
- Positive momentum in U.S. & AUS in retail and comm.
- Entered 1H21 in a strong position due to progress in 2H20 and positive macro and consumer shifts

1H21

\$7.0m to \$9.0m profit before tax



THANK YOU

**John Paul
Marcantonio**

CEO &
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