



CEO & MANAGING DIRECTOR'S ADDRESS

JOHN PAUL MARCANTONIO
CEO & MANAGING DIRECTOR



ABOUT GALE PACIFIC

Founded in Melbourne, Australia, in 1951, GALE Pacific is the market-leading manufacturer of technical fabrics used for consumer and commercial applications around worldwide. Today, GALE employs more than **550+ people** based in Australia, China, the United States, Europe, and Asia, with products recognised around the world for their quality, durability, sustainability, and reliability.

GALE Pacific is on a mission to inspire life to thrive with textile innovations guided by four principles:
Design, Comfort, Protection, and Sustainability.



The Company's commercial products, marketed under the GALE Pacific Commercial® brand, include knitted, coated, and advanced polymer fabrics used in a growing number of applications across the agricultural, horticultural, aquacultural, architectural, construction, mining, and packaging industries.

PRODUCT CATEGORIES

- Architectural Shade Fabric
- Horticultural Knitted Fabric
- Commercial Netting
- Agricultural Shade and Protection
- All-Weather Advertising Banners
- Coated Polyfabrics
- Food-Grade Coated Non-Wovens



The Company's consumer products, marketed under the Coolaroo® brand, include outdoor roller shades, shade sails, shade and garden fabrics, shade structures, and pet products. They can be found at market-leading major retailers, both in-store and online, around the world.

PRODUCT CATEGORIES

- Roller Shades
- Shade Sails
- Shade Fabric
- Pergolas and Gazebos
- Umbrellas
- Grow and Utility Bags
- Pet Beds



GALE PACIFIC DIFFERENTIATORS



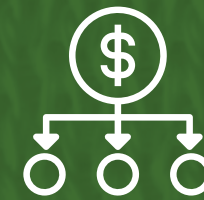
**Category & market
leading brands**



**High quality,
innovative products**



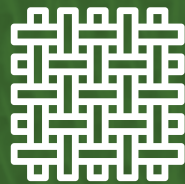
**Customer
partnerships**



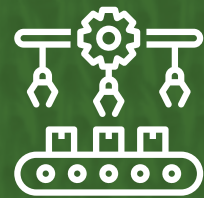
**Consumer & commercial
diversification**



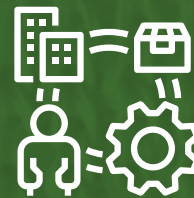
**Sustainable
product portfolio**



**Technical fabrics
expertise**



**Vertically integrated
manufacturing**



**Global distribution
& supply chain**



**On-trend, outdoor
environments**



**Sun safety
awareness**

MACRO BACKDROP | RESULT DRIVERS

Challenging trading conditions leading to demand headwinds in FY23 due to:



Historically aggressive interest rate hikes



Broad market inflation for consumers, end users



Consumers shifting spend from goods to travel & services



Housing market challenged by affordability & availability



Poor weather across AUS & US in prime selling seasons

2023 RESULTS AT A GLANCE

\$187.6M
REVENUE
PCP: \$205.5m

\$20.7M
EBITDA
PCP: \$22.9m

\$8.4M
NET CASH FROM OPERATIONS
PCP: \$7.2m

\$8.9M
EBIT
PCP: \$13.0m

\$15.8M
NET DEBT
PCP: \$5.5m

1.34c
EARNINGS
PER SHARE
PCP: 2.76c

1.0c
TOTAL
DIVIDEND
PCP: 2.0c

Global inventory reduced by
\$27.1 million
(\$80.4 million to \$53.3 million)
November - June

Opened new US HQ in
Charlotte, NC

Product lead-times
reduced by
by 50%
globally

Design phase completed
Dynamics 365 cloud ERP

Restructuring programs to deliver
\$5 million
in three year savings

Launched

HEAT SHIELD™
technology

Over \$4.7 million saved
via operational excellence initiatives

ecobanner™

AMERICAS

- Revenue FY23: \$91.9 million, a 4% decline vs FY22
- 6% EBITDA decline due to lower volumes, manufacturing inefficiencies & warehousing costs
- Revenue up 25% & EBITDA up 3% vs pre-pandemic
- Inventory reduced by USD \$10.3 million or 45% from Nov to Jun
- New placements of key products and distribution of Coolaroo® products with HeatShield®
- Q4 best quarter for Commercial fabric sales – up 11%
- Relocated HQ to Charlotte, NC; team now in place to deliver growth plan



	FY23	FY22	FY21	FY20	% vs FY22	% vs FY21	% vs FY20
Revenue	91.9	95.6	96.2	73.3	(4)	(4)	25
EBITDA	12.2	13.0	13.5	11.8	(6)	(10)	3

AUSTRALIA/NEW ZEALAND

- Revenue FY23: \$82.2 million, 12% decline vs FY22
- 10% EBITDA decline due to lower volumes & manufacturing inefficiencies
- Revenue up 27% and EBITDA nearly double pre-pandemic levels
- Inventory reduced \$14.3 million or 40% from November peak
- Secured placements at Bunning's; expanded e-commerce
- Horticultural growth – orchard netting products
- Commercial trials for recyclable grain storage fabrics
- Ecobanner™ launched on Glebe Island billboard; market expansion underway
- Developing partnerships for sustainable food packaging innovation for the AUS market



	FY23	FY22	FY21	FY20	% vs FY22	% vs FY21	% vs FY20
Revenue	82.2	93.7	92.0	64.6	(12)	(11)	27
EBITDA	10.4	11.5	14.4	5.4	(10)	(28)	92

DEVELOPING MARKETS

- Revenue FY23: \$13.4 million, a 17% decline vs FY22
- 5% EBITDA decline; price maintenance & cost control measures
- 20% revenue growth in Europe and Southeast Asia
- Reduced outstanding debtor balances by 34%
- Strict credit policies and operating measures in place
- Improved margins across commercial architectural shade to limit annual EBITDA decline
- Further development activities to expand usage across Europe and Asia in FY24



	FY23	FY22	FY21	FY20	% vs FY22	% vs FY21	% vs FY20
Revenue	13.4	16.2	17.0	18.4	(17)	(21)	(27)
EBITDA	3.9	4.1	4.9	4.8	(5)	(21)	(19)

COMPANY STRATEGY

COMPANY STRATEGY

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



**Product
Innovation**



**Category
Growth**



**Improved
Operations**



**New
Markets**

GROWTH ACCELERATION PLAN

The Growth Acceleration Plan defines how we will grow our company over the coming years by focusing our efforts, investments and teams on growing our categories, markets, supply chain, capabilities and people.

CATEGORIES

Consumer and commercial technical fabrics and associated finished goods



VALUES

Integrity | Respect
Collaboration
People
Community
Innovation



VISION

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



TEAM

A high-performance culture of great leaders and functional experts known for best-in-class results



MARKETS

Americas
Australia & New Zealand
Developing Markets

GROWTH ACCELERATION PLAN

HOW WE GROW

Delivered with **EDGE:**
Every Day Great Execution



CATEGORIES

Develop and launch breakthrough innovation in our core categories

Accelerate new & near-neighbour category entry

Accelerate penetration via leadership brand activation and communication



MARKETS

Drive category growth in retail & commercial in Australia & the U.S.

Rapidly expand distribution & availability in the U.S.

Extend our borders into Latin America & Southeast Asia; expand Canada, Middle East & Europe

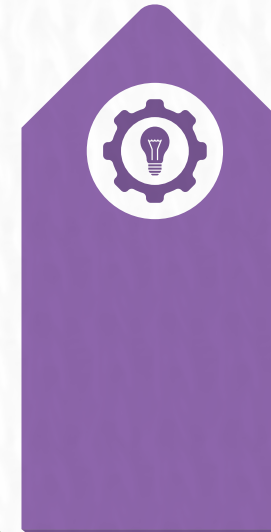


PEOPLE

Develop our functional leadership capabilities throughout organisation

Embed our Attract, Engage, Develop organisational development model

Build & empower the team to **double** by becoming an employer of choice for **top talent** to **grow** their **careers**



CAPABILITIES

Simplify our business and ways of working for improved clarity, efficiency & execution

Build & implement the right global IT strategy, tools & team to enable our growth plans

Deepen our insights & innovation capabilities to accelerate our growth strategy



SUPPLY CHAIN

Leverage one Global GALE Supply Chain - Plan, Procure, Manufacture, Deliver, Distribute & Serve

Enhance utilisation, efficiency & flexibility across our global supply chain and operations

Expand productivity delivery & **attack** trapped cost of failure



GROWTH ACCELERATION PLAN

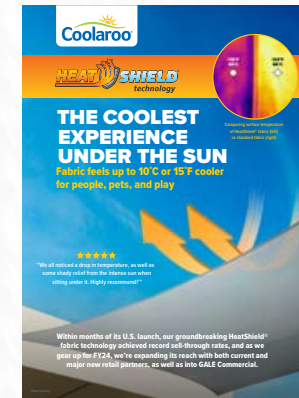
CATEGORIES



Double protection technology makes fabrics up to 10°C cooler and leading to category GROWTH



PVC-free printable banner fabric capable of 100% closed loop recycle & reuse solution



Digital and in-store awareness and trial campaigns led to record sell through and impressions

Develop & Launch breakthrough innovation in our core categories

Accelerate new and near neighbour category entry

Accelerate penetration via leadership brand activation and communication



GROWTH ACCELERATION PLAN

MARKETS



Breakthrough new umbrella program launching at Bunnings to drive overall category growth in FY24



Nationwide elevated pet beds with HeatShield™ launching in 2H FY24



Core shade & pet expansion in LATAM; Market development in Europe

Drive Category Growth
in retail & commercial in Australia & the U.S.

Rapidly Expand
distribution & availability in the United State

Extend Our Borders into
Latin America & Southeast Asia; expand Canada, Middle East & Europe



GROWTH ACCELERATION PLAN

PEOPLE

GALE Leadership Behaviours "Leadership is action, not position." <small>— Simon Sinek</small>	Drives for Results • Understands their role • Understands how their role contributes to the organization's success • Sets clear goals and priorities • Takes ownership and accountability • Holds others accountable	Develops and Empowers Others • Understands and respects others' feedback • Provides constructive feedback • Makes and gives feedback to others • Sets SMART goals • Develops others through coaching
Acts with Courage • Challenges the status quo • Makes tough decisions • Is not afraid to take difficult conversations • Actively seeks the team through challenges	Exemplifies Authenticity • Welcomes feedback • Understands and respects others' feedback • Makes and gives feedback to others • Shows vulnerability for team and organization • Takes ownership and accountability	Fosters Collaboration • Understands and respects others' feedback • Provides constructive feedback • Makes and gives feedback to others • Sets SMART goals • Develops others through coaching

New training & talent development tools launched in FY23; individualised development plans

Global engagement well above benchmarks; recognition & communication; engagement teams launched in AUS, US & China.

Executive functional and regional leadership reorganization complete; new, high caliber, capability and capacity Americas team in place to deliver growth aspirations for both the company and individuals.

Develop our functional leadership capabilities throughout organization

Embed our Attract, Engage, Develop organizational development model

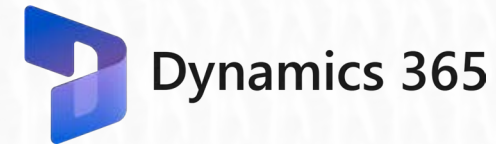
Build & empower the team to double by becoming an employer of choice for top talent to grow their careers



GROWTH ACCELERATION PLAN

CAPABILITIES

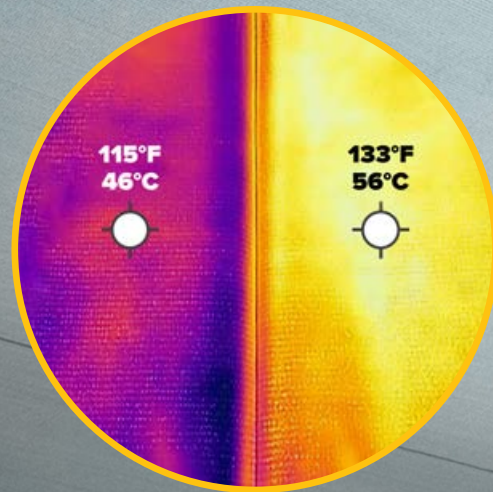
Reorganized, streamlined global and regional teams with clear operating processes and defined accountability for improved, more efficient outcomes



Completed design and soon to begin implementing new global ERP system to enable efficiency while increasing data transparency & security



Currently in-field with target consumers in the United States to unlock attitudes and usage insights for consumer sun protection for people, pets and assets to fuel product and technology development funnel.



Simplify our business and ways of working for improved clarity, efficiency, & execution

Build & implement the right global IT strategy, tools & team to enable our growth plans

Deepen our insights & innovation capabilities to accelerate our growth strategy



GROWTH ACCELERATION PLAN

SUPPLY CHAIN

Reduced inventory by \$27.2 million or 34% and lowered product lead-times by 50% in FY23 because of improvements in process, people and capability

Restructuring programs launched in AUS & US; Custom roller shades; 3-year savings of +5 million

Over \$4.7 million saved in FY23 because of global processes focused on reducing cost of inefficiency coupled with operational excellence initiatives in sourcing, manufacturing, global logistics and quality.

Leverage one Global GALE Supply Chain – Plan, Procure, Manufacture, Deliver, Distribute & Serve

Enhance utilisation, efficiency & flexibility across our global supply chain and operations

Expand productivity and deliverability, and attack trapped cost of failure



OUTLOOK

- First half trading conditions expected to remain challenging with continued demand headwinds
- Profit-enhancing & structural cost reducing measures actioned in Australia and the Americas exiting FY23 to benefit FY24
- Accelerated productivity and operating efficiency programs at our manufacturing facilities in China and Australia actioned
- Investing in growth, focusing on increasing distribution, product innovation, demand generation & expanding market reach in the US and Australia
- Key growth programs in the US & Australia secured for FY24
- Planning for full-year revenue and profit growth in FY24 with growth in the Americas in 2H offset by lower revenue, profit in 1H.