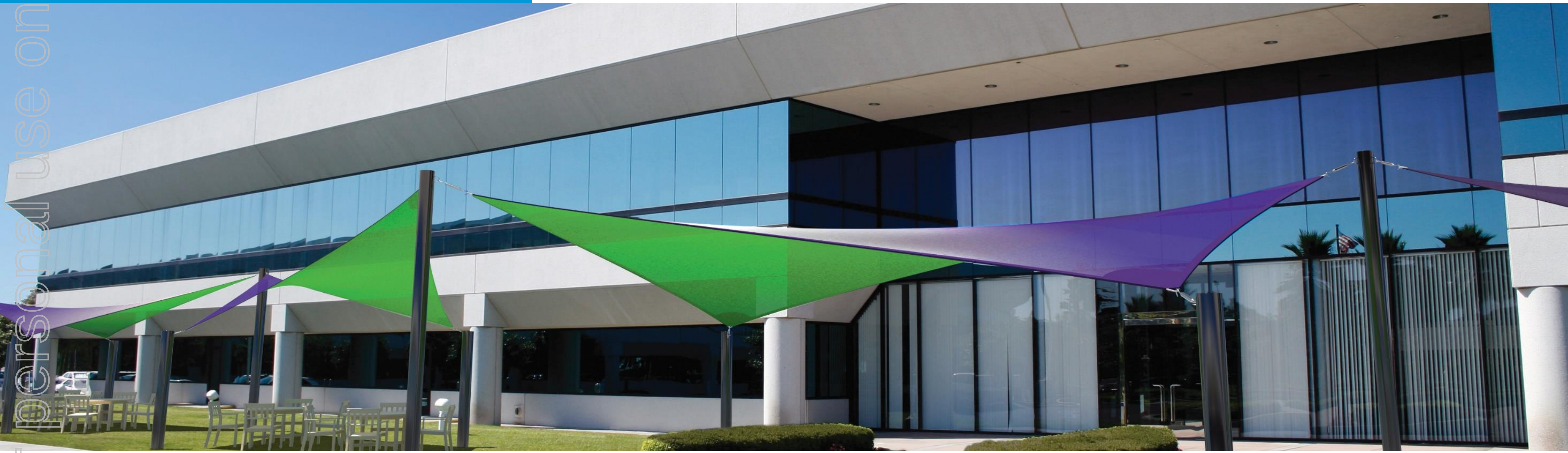


H1 FY20 RESULTS

24 FEBRUARY 2020

AGENDA

1. H1 FY20 Overview
2. H1 FY20 Results
3. Strategy & Outlook

H1 FY20 OVERVIEW

John Paul Marcantonio, CEO

H1 FY20 Results Overview

Challenging trading conditions in MENA and an unforeseen provision impacting H1 FY20 result

- Group net revenue of $62.3 million (down 8.1% on H1 FY19)
- Net Loss after Tax at $2.6 million (vs NPAT of $1.5 million in H1 FY19)
- Australia/New Zealand net revenue up 5.9%; retail growth offsetting weather/environmental challenges
- Americas net revenue down 27.4%; non-repeat of stock build for major new program win in prior comparable period
- Eurasia net revenue up 10.6%; new large-scale commercial projects, new ranging and expansion to new markets
- Middle East/North Africa net revenue down 17.0%; project spending shifts & tightening of GAP credit policy
- Operating cash flow of $(3.6) million
- Capital Management Policy remains unchanged
- Dividend Policy remains unchanged; no interim dividend declared in H1 FY20
- Underlying business remains healthy with runway for growth despite near term challenges

H1 FY20 Results Overview

ANZ Returns to Growth

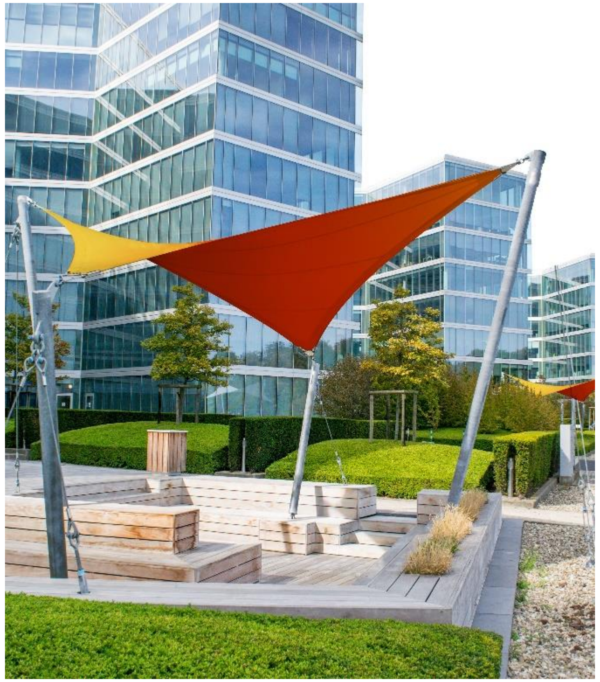
New ranging & increased sell-through in retail; select coated fabric category growth; provision for major customer incentive arrangement; weather and environment challenges

Challenges in MENA

Deferrals & reallocation of spending on government infrastructure projects coupled with tightening GAP credit policy and overall tensions in the region driving the result

Americas Timing

Non-repeat of stock build associated with a major customer win in prior corresponding period; tariffs on China goods entering the US are primary drivers of the result



Underlying Business

Strong sell-through rates in our core consumer categories, new retail customer placements, new market entry, innovation and new product initiatives coming to market

H1 FY20 RESULTS

Domenic Romanelli, CFO
John Paul Marcantonio, CEO

H1 FY20 RESULTS SUMMARY

	1H20 A$ million	1H19 A$ million	Change %
Net revenue	62.3	67.8	(8.1)
EBITDA	3.4	5.2	(33.3)
EBIT	(2.5)	2.2	N/A
Profit before tax	(3.6)	1.3	N/A
Profit after tax	(2.6)	1.5	N/A
Net cash used in operating activities[1]	(3.6)	(4.8)	24.2
Net debt	(23.6)	(24.7)	(4.3)
Basic earnings per share (cents)	(0.95)	0.51	N/A
Interim dividend per share (cents) (unfranked)	0	1.0	N/A

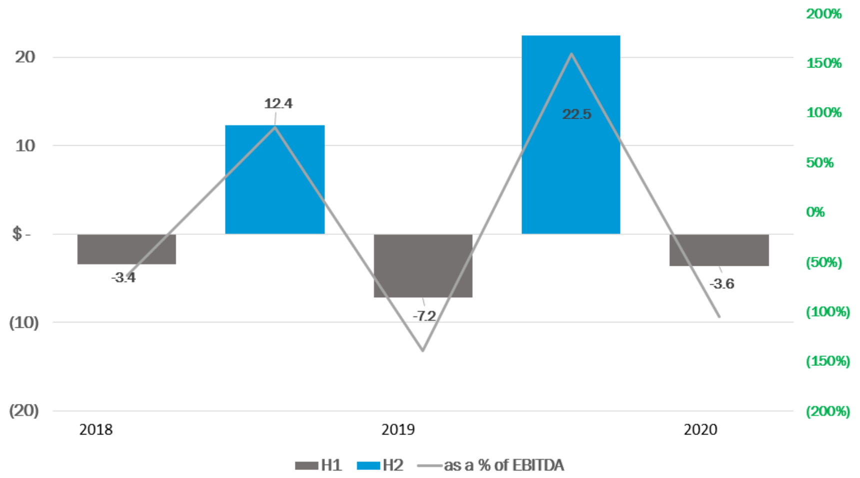
- Net Revenue down $5.5 million, (8.1)% vs pcp
- Earnings impacted by a combination of:
  - Challenging environment in MENA;
  - Unforeseen requirements to make a significant provision in ANZ;
  - Cost pressure associated with import tariffs in the US; and
  - Non-repeat of stock build associated with a major customer win in pcp in the US
- Net debt down by $1.1m from Dec 2018
- EPS (0.95) cents (vs 0.51 cents in 1H19)
- No interim dividend declared in H1 FY20

[1]31 December 2018 balance adjusted for the new lease accounting standard introduced in 2019

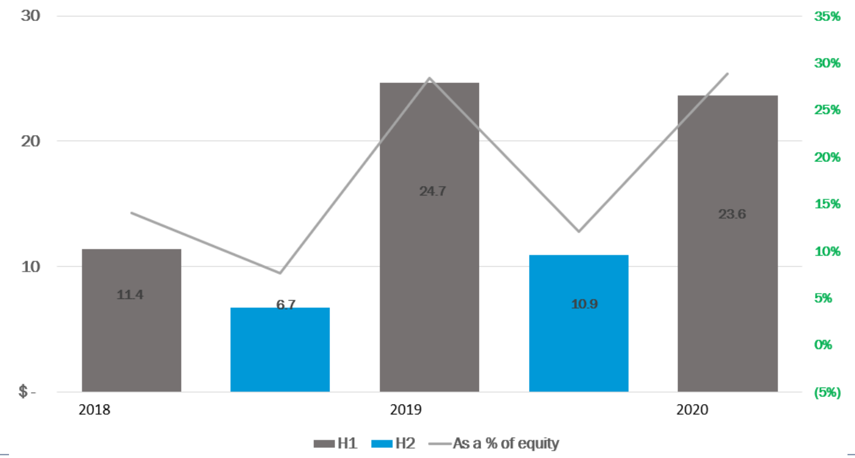
Cash Flow and Net Debt

Net debt reduced by $1.1 million vs Dec 2018

Operating cashflow $A million



Net Debt $A million



- As per prior years, positive cash flows from operating activities expected in H2 FY20, due to the seasonal nature of its business and the Northern Hemisphere summer.

Americas

Underlying business growth offset by stock build in pcp and continued import tariff impact

	1H20 A$ million	1H19 A$ million	Change %
Revenue	17.5	24.0	(27.4)
EBITDA	(1.1)	1.8	na
PBT	(4.8)	(0.6)	(>100)

- Net revenue down 27.4%; EBITDA down $ 2.9 million on pcp
- Non-repeat of stock build associated with a major customer in pcp
- New ranging & new product placements secured in H1 & H2 FY20
- Above market, category & customer growth rates in sell-through across brick & mortar and eCommerce in core categories
- Import tariffs remain for portions of the portfolio; minor reductions in import tariffs in some categories in H2 FY20; new tariffs deferred
- Measures to offset include pricing, efficiencies & growth programs
- Investing in line with the strategy to more quickly grow the region

Australia & New Zealand

Growth in the consumer business offset by weather, environmental challenges & incentive arrangement

	1H20 A$ million	1H19 A$ million	Change %
Revenue	36.8	34.7	5.9
EBITDA	4.0	2.8	40.5
PBT	1.2	1.7	(26.6)

- New product placements and incremental ranging in core consumer categories driving growth
- Positive underlying demand increases - sell-through growth in core categories
- Unforeseen requirement to make a significant provision for an incentive arrangement with a major customer impacted profitability in H1 FY20
- Challenging weather & environmental conditions in Australia with drought conditions impacting agricultural commercial coated fabrics categories
- Growth in coated fabrics ranges used in the manufacture of water containment applications including a major new customer win secured for H2 FY20

Middle East/North Africa

Trading result impacted by ongoing challenging macro conditions and tighter credit policies

	1H20 A$ million	1H19 A$ million	Change %
Revenue	5.8	7.0	(17.0)
EBITDA	1.5	2.0	(24.0)
PBT	1.2	1.8	(36.7)

- Middle East impacted by adverse macro conditions coupled with overall tensions and instability in the region
- Underlying demand affected as funding for projects consuming Gale Pacific commercial fabrics deferred, delayed or channeled to other investments
- H1 FY20 trading result also impacted by the Company's decision to tighten credit policy in the region
- MENA continues to be an attractive and an important market for Gale Pacific
- Continued investment into product innovation and market development in H2 FY20

Eurasia

Incremental project wins and focus on expanding distribution for commercial fabrics ranges

	1H20 A$ million	1H19 A$ million	Change %
Revenue	2.3	2.1	10.6
EBITDA	0.6	0.4	73.1
PBT	0.4	0.2	110

- Successful conversion of new shade and asset protection projects in H1 FY20
- Expansion into new markets with shade solutions in H1 FY20
- Addition of new distribution partners and additional ranging with existing core customers
- Regional growth plan to include further commercial fabrics distribution expansion and large-scale shade and asset protection project conversions

Strategy & Outlook

John Paul Marcantonio, CEO

Our Core Strategy

Build Gale Pacific into a more quickly growing, world-class, global fabrics technology business

Product Innovation

Launch new products with meaningful new benefits that are unique to Gale Pacific




Grow Our Categories

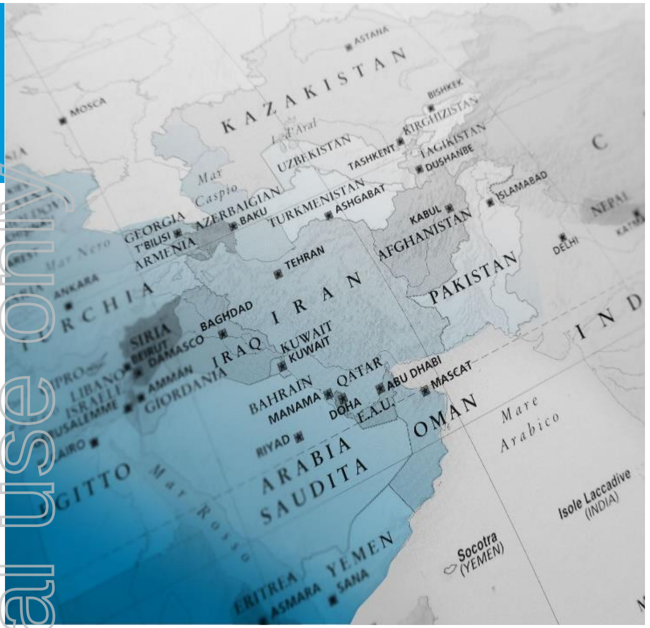
More users, usage & benefits

Accelerate sell-through

New ranging & availability

Improved Operations

Match operations to market demands while driving efficiency, productivity and quality improvements



New Geographies

Leverage product innovation and category development capability to expand into new markets for Gale Pacific

H2 & Full Year FY20 Outlook

- As with previous years, profit delivery for the Company will be skewed to the second half of FY20
- Major macro-market factors are expected to significantly influence results for 2H FY20 & full year FY20
- Developments in the trade climate between the US & China expected to continue to impact 2H FY20 profitability
- Challenging trading conditions & overall tensions in the MENA region expected to continue in 2H FY20
- Disruption to our supply chain and operations in China due to the COVID-19 outbreak expected to persist in 2H FY20
- The Company expects both H2 FY20 and full year FY20 profit to remain positive but to be lower than FY19
- We remain confident in our core strategy as outlined despite the current near-term challenges
- We are working diligently to offset near-term headwinds; many of our initiative are yielding positive outcomes
- Underlying demand in much of our business remains strong and our overall business health is positive
- We've earned new range placements, are launching new products and have strong sell-through performance

DISCLAIMER

Statements contained in this presentation, particularly those regarding possible or assumed future performance, estimated company earnings, potential growth of the company, industry growth or other trend projections are or may be forward looking statements. Such statements relate to future events and expectations and therefore involve unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward looking statements.

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