



Attention: Company Announcements
Australian Securities Exchange Limited

21st October 2021

Dear Sir/Madam,

CHAIRMAN'S AND CEO'S ADDRESSES – 2021 ANNUAL GENERAL MEETING (“AGM”)

Attached please find copies of the Chairman's and CEO's addresses that will be made at today's Globe International Limited (“Globe”) AGM commencing at 1 pm.

The subject addresses have been authorized for release by the Board of Globe.

Yours sincerely,

Gerhard Correa
Company Secretary
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Media/investors contact:

Jessica Moelands, CFO
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**GLOBE INTERNATIONAL LIMITED
ANNUAL GENERAL MEETING
THURSDAY 21 OCTOBER 2021**

CHAIRMAN'S ADDRESS TO SHAREHOLDERS

Welcome,

During the 2020-21 financial year Globe encountered numerous trading headwinds and roadblocks in all of its regions of sales. Staff and suppliers and customers were all challenged by the COVID 19 pandemic with illness, lockdowns and restrictions on normal trading conditions.

Despite this environment Globe achieved spectacular record financial results and this gives us immense pride and satisfaction. Pride in all the stakeholders who worked so hard to deliver the results and satisfaction as the planning and strategy developed and implemented by management and endorsed by the Board was effective. The broad range of brands and numerous customer segments, the geographical spread of sales, the various sales channels that were available and the supply chain relationships that were in place, ensured that Globe was able to optimise sales despite the ever changing scenarios. This implementation required dedicated hardwork and teamwork. To all Globe employees congratulations on your achievement and I am sure Shareholders would want me to thank you and congratulate you as Globe has paid Shareholders a record 32 cent fully franked dividend.

Relationships are built over many years and Globe's culture and values result in trusting long term relationships. These relationships with suppliers and customers has enabled Globe to flourish in this difficult market. We thank all stakeholders for their support and commitment to Globe.

Whilst sales have blossomed, new product development and product launches continued and we believe that Globe is well positioned to continue its growth post COVID as the revitalisation of our brands and newer brands continue to deliver value and attract a growing number of consumers.

I congratulate Matt Hill and his management team for their dedication and skilful execution and Matt will talk more about operations in his address.

The success of 2021 has established a solid base for Globe in each region of Australia, North America and Europe. I assure you the Board continue to show passion and dedication to further grow and develop Globe's business in a sustainable and environmentally aware way.



**GLOBE INTERNATIONAL LIMITED
ANNUAL GENERAL MEETING
THURSDAY 21 OCTOBER 2021**

CEO'S ADDRESS TO SHAREHOLDERS

Hi Everyone,

Thanks William, and thanks all for taking the time today to tune in to our update. It's disappointing to again have to do this meeting virtually, but I'm definitely hoping, based on the positive news of vaccination progress in Australia that this time next year we will once again meet in person.

As William referenced, Globe International had a record-breaking year in 2021 on almost every financial and brand metric. We posted by far our biggest ever revenue and profit year with sales of \$266.5M and \$46.7M of EBIT. This eclipsed the prior year sales by 75% and was 6 times the prior year's EBIT. Our three main operating regions in Australia, North America and Europe delivered the biggest year in the company history and our four pillar brands of Globe, Salty Crew, FXD and Impala all grew dramatically and contributed materially to the group result. Furthermore, we saw significant channel growth both in our wholesale and our direct-to-consumer channels, giving us a broad reach to our customers and an excellent expanded platform for the future.

As a consequence of that financial performance, we were able to issue dividends paid in relation to the 2021 financial year of 32 cents per share which was almost three times that of the prior year. By the end of the financial year the increase in shareholder value was better than any other year in our history and our brands were in dominant positions in their respective, diverse markets and distribution channels.

Throughout this past year, our operations in Australia, North America and Europe went into restrictions and lockdowns at different times. Nonetheless, the performance extracted from our brands by our staff proved to be exceptional. Our staff rallied to keep us moving forward against a backdrop of personal stress and complicated working conditions brought about by government restrictions and the need for appropriate health and safety measures in the workplace. The historic year can be attributed to our brand repositioning of the last five years, the market dominance of our key brands and the work of our entire staff base. It was a true team effort around the world, with everyone from brand and product creation, product procurement, sales and marketing, operations, finance, and distribution being instrumental in our success.

Looking beyond the short-term achievements in the 2021 financial year, we continued to work on programs for our longer-term benefit. This included the introduction of new product categories in Impala and FXD, the global launch of our Globe Low Velocity eco-friendly apparel program, and the release of the Salty Crew women's line. It is critical that we not only capitalize on prior brand investments during the pandemic but also that we continue to sow the seeds for future and ongoing growth and brand revitalization. Evolving our brand portfolio has been a key part of our values and longevity and subsequently it has been imperative that we have maintained focus on future initiatives despite the pandemic.

Overall, our current performance vividly illustrates one of our core strengths – diversity. We have operations in multiple territories, and we have many brands that are sold across a diverse range of distribution channels. This has enabled us to ebb and flow across regions and brands for performance throughout the year, depending on the broader pandemic conditions that prevailed in each region and market. It has been gratifying to see the strategies that we worked so hard to implement in the preceding years deliver performance during a period with so many commercial obstacles. We proved to have the right brands for the right time and the right team to execute on our plan.

Beyond our brands and financial performance, we continued to improve on our environmental, social and community activities. While we see this as an ongoing program of improvement, we were proud in the year with so many distractions to have remained committed to our environmental causes, including our wood off-setting partnership with the National Forest Foundation, and to have commenced new initiatives in relation to ethical sourcing and staff welfare.

Looking ahead, for the upcoming 2022 financial year we expect another bumpy ride. Since the end of the 2021 financial year we have seen global logistics interruptions causing lengthy shipping delays, particularly into North America. In Australia, ongoing lockdowns and restrictions in retail trade have been in place in Victoria and NSW, primarily, for much of the first quarter. Both of these factors have had a short-term impact on our revenues, working capital and cash flows. In addition, we are seeing downward pressure on margins after the exceptionally high margins experienced last year. While we expect our margins and profitability to remain healthy and stable, it will certainly be lower than the prior year as the impact of higher cost logistics is felt, and a more consistent retail market emerges. However, despite the various challenges, the first quarter of trade in the 2022 financial year has produced a solid financial result. Sales growth has continued and profitability is strong. Due to the various uncertainties that currently exist, we are unable to provide a definitive outlook to the market at this stage

In summary, we have good runs on the board for the first quarter and expect our brands to remain in high demand. However, we anticipate that the operating environment may be erratic and it may be problematic to fully service that demand. On top of this, the operating platform will be more costly than in the prior year, which will put downward pressure on margins.

Finally, I would like to thank our board, the management team, our global staff and shareholders for their ongoing support for the company and our brands. This past two years we have performed well as a company, but not just financially. All of the achievements of the past few years have been executed as a result of our core values that we work hard to instill and maintain throughout the company. We have taken authentic brands and products to market, conducted ourselves honestly and supported our long term staff, supplier and consumer relationships with a collaborative approach – all with the goal of delivering optimum financial results to shareholders. Without these guiding values, I doubt we could have achieved the success we have enjoyed through the pandemic.

We have an engaged team of stakeholders in the company, and it is that sense of support and commitment that has helped drive the stellar performance, and the increase in shareholder returns throughout the financial year. We have achieved a new platform with increased scale in 2021 which I look forward to Globe leveraging in the coming years across all our global brands of today, and those still to come in the future.