

MELBOURNE, 9 April 2020: Globe International Limited (the Group), designer, producer and distributor in the boardsports, street fashion, outdoor and work-wear markets, today updated the market about the impact of the COVID-19 pandemic on its business and the steps it has taken to respond to the global COVID-19 crisis.

The Group's operations have been significantly impacted since the middle of March 2020, due to the mass shut-down of retail stores in all of the key markets in which the Group operates, including Australia, the USA, France, the UK, Canada and New Zealand. While some of our customers have stores that remain open and we continue to ship to these stores, as well as to our on-line customers, the majority of the Group's revenue comes from sales into the bricks and mortar retail channel. Accordingly, we expect that sales activity will remain very limited until retail stores re-open.

The Group has acted swiftly to respond to this crisis, taking action to deal with the negative impacts on its business. This includes taking measures to protect its staff from the risks of potential exposure to COVID-19; implementing programs to both generate and preserve cash; working with inventory suppliers to amend or delay outstanding purchases; and reviewing and taking up all sources of government assistance in the three key countries in which the Group has operations - Australia, the USA and France.

Due to the extent to which the global pandemic has escalated since the Group issued its full year guidance on 20 February 2020, and the uncertainty that remains about the duration of retail store closures in each of the markets in which the Group operates, the Group has withdrawn the guidance that was provided in February. While the Group's balance sheet remains strong, and a conservative approach to spending and procurement is in place while demand expectations are severely depressed, the Group's plans to pay a final dividend are on hold until a more robust forecast of the full financial year's likely outcome can be made.

Further updates relating to the impacts of COVID-19 on the Group will be provided as appropriate.

Authorised for release by the Board

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