



Attention: Company Announcements
Australian Securities Exchange Limited

22 October 2024

Dear Sir/Madam,

**SUBJECT: CHAIRMAN'S AND CEO'S ADDRESSES – 2024 ANNUAL GENERAL MEETING
("AGM")**

Please find enclosed copies of the Chairman's and CEO's addresses that will be made at today's Globe International Limited AGM, commencing at 10am.

This release has been authorised by the Board of Globe International Limited.

Yours sincerely,

A handwritten signature in black ink that reads "Samantha Cook".

Samantha Cook
Company Secretary
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**GLOBE INTERNATIONAL LIMITED
ANNUAL GENERAL MEETING
TUESDAY 22 OCTOBER 2024**

CHAIRMAN'S ADDRESS TO SHAREHOLDERS

Good morning everyone,

My name is Harry Hodge, and on behalf of my fellow Directors, our CEO, and the Management Team, it is my privilege as Chair to welcome you to the 2024 Annual General Meeting of Globe International Limited.

Globe has a deep heritage throughout the world as one of the pioneering brands to merge the action sports cultures of skate, surf, and snow with streetwear. Today, we define ourselves through our portfolio iconic brands in the board sports, streetwear, workwear, and outdoor distribution segments. And while we remain true to the roots that put us on the global stage nearly 40 years ago, we continue to evolve and grow through our portfolio of core and emerging brands.

This year was pivotal, as we evaluated the strategic initiatives implemented in 2023, aimed at stabilising our revenue base and driving profitability. I am thrilled to say the team delivered excellent results: all core brands - Globe, Salty Crew, FXD Workwear, and Impala Skate delivered profit in all key regions.

Our performance is evident in the substantial uplifts in EBIT, NPAT, and operational cash flows reflected in our financial results. While revenue faced a slight dip due to our deliberate shift away from discounting, the upside is clear - Gross Margins have risen and contributed to profitability.

Our CEO, Matt Hill, will provide more insight into the strategic initiatives behind the numbers, but I would like to take this opportunity to acknowledge and praise the entire Globe International team for their dedication, energy and passion. Their hard work played a significant role in delivering your fully franked final dividend of 22 cents per share – a sizable increase from 7 cents in 2023.

The success of Globe International in FY24 has not only solidified our position as leaders in our industries but has reinforced our relevance in the 70 countries where our brands are sold. What sets us apart is the fact that, after all these years, our founders remain actively involved in the company's day-to-day operations, preserving the entrepreneurial spirit that has guided us for decades and will continue to inspire the next generation of leaders.

This entrepreneurial drive is evident in our commitment to building global brands and investing in emerging ones. It's this agility and vision that allow us to quickly capitalise on new cultural trends, while providing a solid platform for sustained revenue and profit growth over the long term.



Before I hand over to Matt, I'd like to take a moment to thank my fellow Directors, Peter and Stephen Hill, our CEO Matt Hill, the senior management team, our supply chain partners, and every one of our employees for their dedication and hard work over the last 12 months.

I would also like to acknowledge the unwavering support of our customers and shareholders. I look forward to connecting with many of you today and on any other occasion when we meet.

With that, I'll now pass you over to our CEO, Matt Hill.

Thank you.

Harry Hodge
Chairman



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CEO'S ADDRESS TO SHAREHOLDERS

Thank you Harry, and welcome, everybody. For those of you new to Globe International, my name is Matt Hill and I am the Company CEO.

Globe International has been in operation for almost 40 years. What began in Australia in the 80s as a skateboard distribution business, has evolved into a stable, but ever adapting global brand house.

Over our history, we have continued to develop apparel and footwear expertise and launched our own brands in broader segments beyond skateboarding. We created these brands to have universal appeal to launch into international markets. Today our business produces and distributes purpose-built apparel, footwear and skate hardgoods – specialising in board sports, street fashion, outdoor, and workwear. With operations in Australia, North America and Europe we are market leaders in our product segments, with our brands available in over 70 countries.

Many of you have a connection to our company outside of your shareholding through our brands, which share a common theme in that they connect people to culture.

Our “core” brands, including Globe, Salty Crew, FXD and Impala are established market leaders, that make significant contribution to Globe International’s financial success. We continue to invest in these brands as well as our “emerging” brands including It’s Now Cool, Szade and X-DMG to drive future strategic and financial growth in our business.

Today, I am very pleased to deliver our FY24 results to you. In FY24 our focus was on the quality of our earnings. We achieved EBIT of \$17.1 million, which is an increase of \$12.4 million on the prior year, translating to an EBIT margin of 7.7% on net sales. We closed the year with an NPAT of \$11.5 million – a significant increase of \$10 million from last year.

Our brands’ strong performance, driven by growth in apparel and footwear, combined with the strategic initiatives undertaken in FY23 – including reducing hardgoods clearance sales, clearing inventory and restructuring our European division has led to this upturn in profitability.

We were pleased with the Group’s revenue performance in FY24, totalling \$222 million. Although this was a slight decrease compared with the prior year, it was strategically planned, as it coincided with the normalisation of the hardgoods cycle, after a COVID-induced surge and with our move away from discounting.

Our three major operational territories all performed well versus the prior year. Australia remained the cornerstone division of reliable profit and scale, North America bounced back

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after a year of COVID-impacted margins, and Europe returned to profitability, reaping the benefits of an effective restructure in 2023.

Our “core” brands delivered growth across all regions, driven by their ability to adapt to shifting consumer preferences and really, because these brands are embraced by their loyal customers – who return time and time again.

Given the Group’s significant turnaround in profitability, brand performance and strong balance sheet, fully franked final dividends of 22 cents per share were paid to shareholders. We always strive to return capital to our shareholders whenever it’s not required for business operations, and I am pleased we were able to significantly increase this year’s dividend.

Overall, I am extremely proud of the Group this year with their efforts leading to increased profitability and a significant dividend payout for our shareholders.

Looking to FY25, which is predicted to be another tough retail year, we are focused on maintaining our revenues, while again furthering the improvement in the quality of our earnings and shareholder returns.

Our first quarter delivered solid results, with our brands continuing to perform strongly. Despite a challenging retail environment, where many retailers are down compared to last year, we are outperforming our competitors and demonstrating resilience in a difficult market climate.

While it’s early in the year, we are on track to deliver an FY25 with relatively flat revenues, with profitability tracking up as we achieve further efficiencies and margin improvement in our operations, from a more profitable brand mix of revenues.

Moving forward, we will concentrate on growing market share of our “core” brands, ensuring they remain leaders in their respective industries while developing “emerging brands” to grow our revenue, capitalise on new opportunities, both complementary and diverse to our existing brand mix.

Brand and operational excellence will guide our decision-making to sustain profitability and ensure we continue to generate positive returns for our shareholders.

I want to thank everyone for your continued support of Globe International wherever you joined us in our evolution – your support is greatly appreciated, and I look forward to furthering the success of the Company alongside our shareholders.

Thank you everyone. We will now move to the formal proceedings.

Matt Hill
CEO