

ASX | MEDIA RELEASE FY25 RESULTS



GALE Pacific Limited
(ASX: GAP)
29 August 2025

GALE Pacific Limited (GALE or the Company), a leading global manufacturer of innovative and sustainable knitted, coated and advanced polymer fabric products, today released its financial results for the year ended 30 June 2025 (FY25). Heightened geopolitical uncertainty and tariff-related headwinds in the United States disrupted trading conditions and contributed to weaker second-half financial performance.

\$ million	FY25	FY24	Change %
Revenue	172.0	174.0	(1.2)
EBITDA	12.0	14.2	(15.5)
Normalised EBITDA	19.5	18.6	4.8
Net Loss After Tax	(5.2)	(0.3)	(>100)
Basic EPS (cents)	(1.82)	(0.12)	(>100)
Final Dividend (cents per share)	Nil	Nil	
Operating Cash Flow	0.1	26.7	(>100)
Net Debt	8.9	0.7	(>100)

All financial data in this report is recorded in Australia dollars (AU\$)

KEY DRIVERS OF PERFORMANCE

- **Americas:** Full-year revenue declined 11.3%, with second-half revenue down 25% as consumer confidence weakened and higher tariffs impacted demand during the North American peak season. Despite these headwinds, GALE achieved its third consecutive year of higher revenue in the commercial architectural shade segment and expanded store and product placements across core retail channels.
- **Australia/New Zealand:** Revenue grew 7.6%, driven by increased coated fabric sales for grain storage and record sell-through at Bunnings during the peak summer period, including an all-time high in December. However, an unfavourable product mix in the second half reduced overall profitability compared to the prior year.
- **Developing Markets:** Revenue increased 14.4%, supported by strong architectural shade project wins in the UAE and Saudi Arabia, alongside growth through key distribution partners in Spain, Italy, and Japan. Disciplined credit management underpinned positive earnings growth across the region.
- **Non-recurring costs:** \$5.4 million for the year, comprising of first half costs for the Microsoft Dynamics 365 ERP implementation and executive leadership transitions, together with the write-off of capitalised development costs in the second half.
- **Currency impact:** The strengthening of the US Dollar in the first half resulted in a \$2.1 million FX expense for the year.
- **Net Debt:** Increased to \$8.9M (\$0.7M prior period) primarily due to elevated working capital levels at year end following lower than expected sell through in the Americas during the second half.

CEO Troy Mortleman commented, “FY25 was a year that tested our resilience and sharpened our strategic focus. The second half presented a particularly challenging trading environment, most notably in the United States, where consumer confidence fell well below historical norms and elevated tariffs on Chinese imports placed sustained pressure on our cost base. These external headwinds impacted demand across key categories in our largest market.

While these conditions were difficult, we remain committed to our growth ambition in the United States. To achieve this, we have taken, and will continue to take decisive steps to adjust our operating model and cost base to ensure the business is profitable and sustainable in an uncertain environment.”

OUTLOOK – FY26 PRIORITIES

The Company does not expect near-term relief from elevated input costs on products shipped from China to the United States. As these costs continue to flow through to shelf pricing, consumer demand across our US retail partners is likely to remain subdued.

To improve profitability and ensure a sustainable presence in this market, GALE has commenced a comprehensive reset of its US operating model. This includes simplifying operating structures, removing inefficiencies, and delivering material cost reductions to align the cost base with current trading conditions. These actions are designed to improve profitability and strengthen the long-term sustainability of the business.

In parallel, the Company is accelerating the diversification of its manufacturing footprint. Trial production in Southeast Asia of roller shades for the Americas market was completed in the second half, and further work is underway to establish long-term supply partnerships outside China. This transition is complex and will continue throughout the coming year.

GALE will provide a detailed update on these initiatives at the Company’s Annual General Meeting.

INVESTOR AND ANALYST WEBINAR

Chief Executive Officer, Troy Mortleman and Chief Financial Officer, Dexter Clarke will hold a webinar briefing for analysts and investors on Friday, 29 August 2025 at 11:00am AEST.

An accompanying presentation will be available via the ASX announcements platform before the call. Attendees are required to register beforehand. After registering, a confirmation email will be sent containing information on how to join the webinar.

The webinar will include an opportunity for attendees to ask questions. Alternatively, investors can submit questions before to the webinar via investor.relations@galepacific.com.

To register, please go to: <https://s1.c-conf.com/diamondpass/10048362-8et6fg.html>



ABOUT GALE PACIFIC

GALE Pacific is a market-leading manufacturer of technical fabrics used for consumer and commercial applications around the world. Founded in Melbourne, Australia in 1951, today GALE has operations in Australia, New Zealand, the United States, China, and Dubai and employs more than 600 people worldwide. GALE's products are sold across Australia, New Zealand, Asia, the Americas, Europe, the Middle East, and a growing number of additional markets.

GALE's products are recognised around the world for their innovative technology, quality, durability, and reliability. 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.

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.

GALE's core strategy is to accelerate its growth as a world-class global fabrics technology business through product innovation, category expansion, expanded distribution in existing and new markets, and improved operational efficiency and flexibility.

GALE Pacific Limited's shares are listed on the Australian Securities Exchange (code: GAP).

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