

**MARKET RELEASE**

30 October 2018

**Cavalier Corporation Annual Meeting Summary and Voting Results**

New Zealand carpet company, Cavalier Corporation Limited (NZX: CAV) today held its annual meeting in Auckland, updating shareholders on its new strategy and its strengthening performance.

In his first meeting as chairman, Alan Clarke commented: “Given Cavalier’s heritage, expertise and brand reputation, our focus is firmly on wool. Going forward, our efforts will be turned towards manufacturing and marketing high quality, environmentally responsible carpet solutions.

“We have a very strong financial platform to support growth initiatives, an in depth knowledge of market opportunities and a passionate, experienced and talented team.

“We are optimistic about our future and the new strategic direction we have set for ourselves, as we focus on delivering an improved performance and value for shareholders.”

CEO Paul Alston provided an overview on the company’s new strategic focus, as well as an update on the company’s performance.

CEO Paul Alston said: “We have made significant change to our business in the last couple of years, to better align capacity and capability to our markets. We are and will remain a proud and highly successful manufacturer of great carpets that can generate strong and sustainable margins and achieve profitable growth.

“However, we are now moving to better market our carpets, and it is our intention to be the market leader in New Zealand for high end carpets, to grow our market share in Australia and selectively expand our presence in other Rest of World Markets.

“We will build on the success of our Cavalier Bremworth World of Difference positioning, integrate and promote our New Zealand wool story and quality proposition, and leverage the growing concern consumers have around the use of plastics and synthetics.

“Cavalier Bremworth was and still is a market leader in product development. For the past two years we have challenged the product development team to create new and exciting products with a point of difference and we will progressively launch these into the market over the next 12 months.”

In commenting on performance in the year to date, Paul said: “The market has been quiet in the first quarter this year, however, we are anticipating another year of improving financial performance. Demand for wool continues to grow, we have a strengthening balance sheet, and we are continuing to deliver efficiency gains and improving margins while investing in our business.

“There is a call to action for the industry to promote wool as a desirable high end product. Cavalier is playing an important role in this – we want to see New Zealand’s wool industry positioned as one of the best in the world and we can do that through the manufacture, marketing and sale of high end woollen carpets.”

Shareholders passed all resolutions at the 2018 annual meeting:

<b>Resolution</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Authorise Directors to fix the auditor's remuneration	27,516,591 100.0%	0 0.00%	51,202
Re-election of Grant Biel as a director	26,869,206 97.69%	635,553 2.31%	63,034
Election of Alan Clarke as a director	27,163,516 99.88%	31,933 0.12%	372,344
Election of George Adams as a director	27,460,002 99.88%	33,007 0.12%	74,784
Approve an increase in Directors' remuneration to \$450,000 per annum	16,861,507 94.72%	939,626 5.28%	9,766,660

ENDS

**For further information please contact:**

Paul Alston Chief Executive Officer palston@cavbrem.co.nz +64 21 918 033 +64 9 277 1135	Lenska Papich General Manager Communications lpapich@cavcorp.co.nz +64 21 410 496
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