



ghim li
Group of Companies

For personal use only





NAVIGATING
CHALLENGES,
FOR A BETTER
TOMORROW
ANNUAL REPORT FY2024



GLG CORP LTD NETWORK

OUR SUPPLY
CHAIN NETWORK
3 COUNTRIES
26.4 MILLIONS
PIECES SHIPPED



 CAMBODIA
(Phnom Penh) 

 SOUTH KOREA  JAPAN

 KOREA
(Seoul) 

 MAXIM MALAYSIA
(Vertical Fabric Mill) 

 MALAYSIA
(Johor Bahru) 

 SINGAPORE
(Headquarter) 

 SINGAPORE
(Partner) 

 INDONESIA
(Batam Island) 

For personal use only

CONTENTS



02	Chairperson / CEO's Message
05	Transformation in Sustainable Fashion
07	Corporate Social Responsibility
09	Snapshot of GLG Corp Ltd
10	Financial Highlights
11	People Highlights for the Year
12	Key Events
14	Innovations & Collaborations
19	Operational Highlights
21	Audit Committee Report
22	Corporate Governance Statement
43	Director's Report
58	Auditor's Independence Declaration
59	Independent Auditor's Report
62	Directors' Declaration
63	Consolidated Statement of Profit or Loss and other Comprehensive Income
64	Consolidated Statement of Financial Position
65	Consolidated Statement of Changes in Equity
66	Consolidated Statement of Cash Flows
67	Notes to the Financial Report
110	Additional Australian Securities Exchange Information
111	Twenty largest holders of quoted equity securities

NAVIGATING CHALLENGES, FOR A BETTER TOMORROW

GLG CORP LTD
ANNUAL REPORT FY2024



CHAIRPERSON/ CEO'S MESSAGE

Felicia Gan Peiling, PBM
CEO

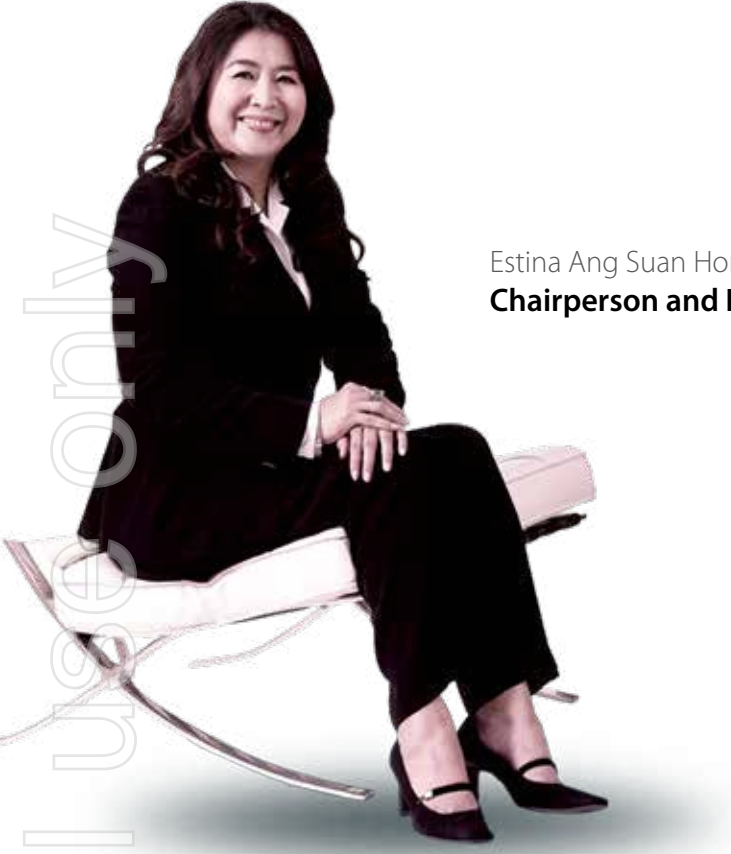
Dear Shareholders and Valued Partners,

The business environment in 2023 faced many headwinds. Many of our customers continue to deal with high inventory levels due to weak consumer spending, driven by high inflation, interest rates, and oil prices. This has led to a slowdown in their overall procurement, resulting in lower projections for core items and a cautious approach to buying. Most customers are leaning towards speed and agility, favouring more in-country sourcing to support chase and replenishment programs.

In line with our group's efforts to maintain a multi-country strategy that supports speed and agility, we have found partners in the Western Hemisphere to help our customers source closer to the USA. Our vertical mill, with full traceability and a transit time of 5 to 7 days within Southeast Asia, is positioned to quickly respond and fully support staged production and chase programs for our garment facilities. Our Mill has also started their new initiative of external fabric sales and now is a nominated mill development new customers and unlocking a new sales channel for the group.

Despite the challenging environment, we have secured new customers with whom we will continue to grow strategically, supporting their sourcing diversification and efforts to increase production in Southeast Asia. The region remains a crucial hub for apparel exports due to its political stability, abundant skilled labour, high efficiency, and strong connectivity to key markets in the USA, Canada, and Europe.

Our group continues to focus on streamlining operational costs and improving efficiency through proactive cost controls, job redesign, and digitalization efforts to optimize overheads in a cost-challenged environment. We remain resilient as we lay new foundations for a digital future, enabling swifter responses and digitally optimized production processes as we embrace automation in our factories. We continue to strengthen our partnerships with customers, fortify our market position, and enhance our competitiveness in this fast-evolving landscape.



Estina Ang Suan Hong
Chairperson and Founder

For personal use only

In terms of sustainability, our group is continuously improving production processes to meet global green standards and the UN's sustainable development principles. We are concluding our second three-year plan since initiating our sustainability efforts in 2016 and have recently launched the "One Heart, One Mind, One Ghim Li" initiative. This initiative integrates our group's environmental and social efforts into a single platform, allowing us to maximize our impact on the environment through unified sustainable goals, while managing and tracking these efforts as a group. This prepares us for future ESG reporting requirements and paves the way for our third three-year plan.

We have successfully obtained sustainability-linked loans from banks with annual carbon emission targets, allowing us to lower interest rates as a group despite the rising interest rate environment. As a company committed to diversity and women's empowerment, we have completed RISE training at our factories to empower female workers, embedding gender equality throughout our supply chain.

We recognize the challenges ahead, including ongoing disruptions in the logistics supply chain due to the Ukraine



We remain resilient as we build new foundations for a digital future for swifter responses and digitally optimised production processes as we embrace automation in our factories. We continue to strengthen our partnerships with our customers and strengthen our market position and enhance our competitiveness in this fast evolving area.

war and the Red Sea crisis, coupled with soft consumer spending. However, we are confident that our global presence in strategic locations, cost competitiveness, focused customer service, and ability to deliver quality products on time will enable us to effectively navigate market turbulence.

Once again, we extend our gratitude to the entire GLG Corp team for their commitment and concerted efforts to ensure that we operate at the highest levels of efficiency and productivity. We are confident that we can continue to make progress on our multi-country strategy and drive sustainability and productivity within our group.

On behalf of the board, I would like to express my sincere thanks to all our shareholders, customers, board members, employees, suppliers, stakeholders, and business partners for their continued faith in GLG Corp. We will remain adaptable and nimble as we support our customers in these dynamic economic times, marked by high inflation and an uncertain global outlook.

Warm regards,
CEO, GLG Corp

Estina Ang Suan Hong
Chairperson and Founder

Felicia Gan Peiling, PBM
Chief Executive Officer



VISION

To be a **WORLD-CLASS LEADER** in textiles and apparel, growing in **STRATEGIC ALLIANCES** with our customers

MISSION

To make our customers more successful by:

Focusing on our **SPEED** of services

Ensuring competitive products **COSTS**

Providing high **QUALITY** products

Meeting / exceeding **COMPLIANCE** standards

Maintaining efficient and effective seamless **SUPPLY CHAIN MANAGEMENT**

CORE VALUES



Diversity and Respect

Diversity and Respect is our life blood and governs the way we do business and makes our company stronger.

Our diverse workforce mirrors different cultures and viewpoints to create a work environment for our people to succeed. We encourage our people to express their thoughts and ideas. We treat each other with dignity.



Customer Focus

Customer-Focus, where we value our customers as the fundamental reason for us to be in business. We act on our customers' terms by offering quality products and solutions, with the best customer services possible. We look for every opportunity where we can exceed our customers' expectations.



Quality and Efficiency

Commitment to **Quality and Efficiency**, where we build on your business to deliver this promise at all time



Results Orientation

Results Orientation, characterized by our people taking ownership, being accountable for what needs to be done and getting the job done despite obstacles and difficulties

For personal use only



TRANSFORMATION IN SUSTAINABLE FASHION



Energy Reductions

30% Reduction in Energy Usage (by completing various energy savings projects)

2,175Mt Reduction of Greenhouse Gases (2018 – 2023)



Solid Waste Recycling & Reductions

30% Reduction in Waste (Recycling Program & 6S Management System)

24,001.3Mt Reduction of Greenhouse Gases (2018-2023)



Water Savings

50% Savings of Freshwater used in production (by completing various water saving projects)

116922Mt of Freshwater saved by recycling steam condensate from the boiler & utilizing recycled rainwater for production (2018-2023)



Packaging

All packaging with **100% recycled material**

29.9Mt Reduction of Greenhouse Gases (2018-2023)



Waste Management



Wastewater treatment plant



Dehydrate the sludge from wastewater treatment plant before disposal

- > 10% of global greenhouse gas emissions are caused by clothing production (this is more than all international flights and maritime shipping combined).
- > Up to 100 billion garments are produced by the fashion industry every year. And each year, as much as 92 million tons of clothing ends up in landfills.
- > We are clearly the last generation that can change the course of climate change and we should change starting from today.



For personal use only



Energy & Water Reduction

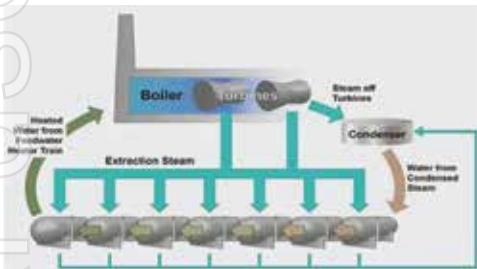


LED Light



Transparent roof project to reduce lighting usage.

- > Since 2017, as a group, we reduce **29,175 mt of CO2 emission** which is equivalent to a reduction of **3,281,878.52 gallons of gasoline** combusted and counting.



- > Utilize back boiler condensate water to save **50%** which is equivalent to **1,169,622 mt of fresh water**.



- > Install RO plant to recycle **30%** of wastewater discharge from production which is equivalent to **26,000 m3/month**.



Environment Chemical Safe Product



- > To strengthen Healthcare and Garment Chemical Management, Ghim Li uses toxic free chemical products.
- > Ghim Li has strict supplier screening processes and 100% compliance to customer RSL/MRSL (Restricted Substance List/ Manufacturing restricted substance list) program in line ZDHC MRSL 2.0 guidelines.
- > Bhive is the master platform to analyse and generate individual mills chemical management performance and recommendation for improvements.



Sustainability Fabrics



CORPORATE SOCIAL RESPONSIBILITY

For personal use only



CAMBODIA



SEP'23
ONE HEART ONE MIND

Ghim Li Fashion (M) Sdn. Bhd.



Sending our excess pipping fabric to Guan Zi Zai for better use



Turning the pipping fabrics to Mats



Selling the mats they've made to earn a living



Unloading the pipping fabrics for them.



Sending our excess pipping fabric to Guan Zi Zai for better use



MALAYSIA



OCT'23
LAKAR PROGRAM

Maxim Textile Technology Sdn Bhd



The LaKAR (Training, Impact, Analysis, Treat & Refer) program was held at the Maxim Textile Technology Sdn. Bhd. in collaboration with the Kulai District Health Office, this program was inaugurated by the District Health Officer, Kulai District Health Office, Dr. Mohd Anwar Shahrir Bin Ahmad. A total of 362 employees have participated in this program. This effort is part of the Company's commitment in its corporate social responsibility activities to ensure that the welfare and health of employees are maintained in addition to supporting the Malaysian Ministry of



Health's goal of reducing the number of leprosy cases in the future towards zero leprosy.

LaKAR is an approach under the Post-Elimination Strategy to actively detect cases to further reduce the number of leprosy cases towards zero leprosy. Leprosy is included in the Neglected Tropical Disease where this disease is often forgotten or given less priority since it is an ancient disease with a small number of cases and usually occurs among certain communities in society.

Various activities and fillings have been carried out. Among them, leprosy/TB screening, health screening (ANMS/PeKA), HPV screening, smoking screening, leprosy talk, leprosy exhibition, nutrition exhibition, know your medicine exhibition and healthy lifestyle exhibition. In addition to that, this program is also filled with Mental Health Awareness activities and a lucky draw where all the prizes provided are based on health products approved by the Malaysian Ministry of Health.



For personal use only



SNAPSHOT OF GLG CORP LTD

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



APPAREL SUPPLY CHAIN SERVICES

- > Product Design & Styling
- > Product Development (For Volume Manufacturing)
- > Material Sourcing
- > Technical Support
- > Quality Assurance & Compliance
- > Warehousing, Logistics & Customs Clearance
- > Direct Shipment From Manufacturing Origin to Final Distribution Centre of Customer



CORPORATE SERVICES

- > Business Development
- > Marketing & Merchandising
- > Sales
- > Finance
- > Human Resources & General Admin
- > Information Technology
- > Corporate Affairs & CSR



FABRIC & APPAREL MANUFACTURING SERVICES

- > Production Planning & Control
- > Fabric R&D & Manufacturing
- > Apparel Manufacturing
- > Printing
- > Embroidery
- > Wet & Dry Processing

For personal use only

For personal use only

FINANCIAL HIGHLIGHTS

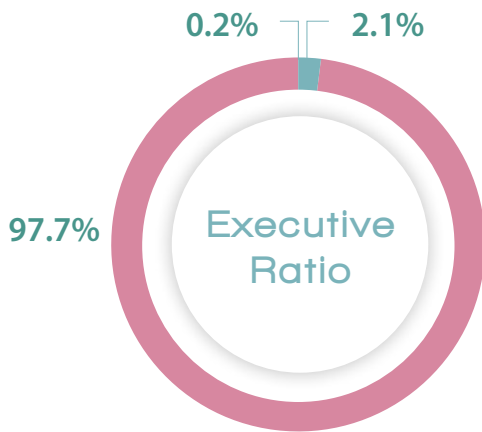
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



OUR SUPPLY
CHAIN NETWORK
3 COUNTRIES
26.4 MILLIONS
PIECES SHIPPED

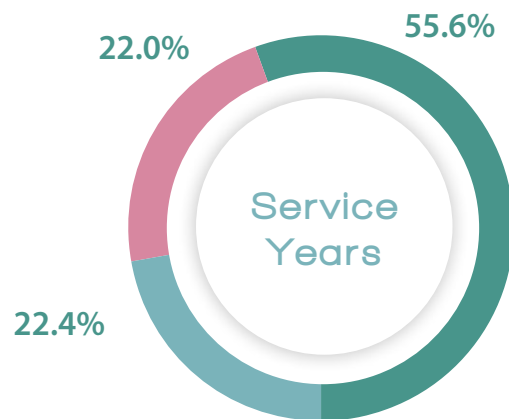
PEOPLE HIGHLIGHTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



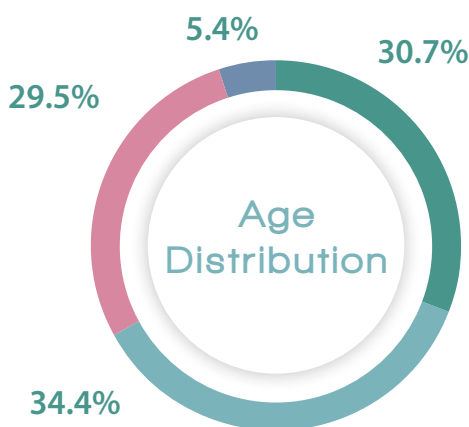
Percentage of Employees in respective Group

- Top Management
- Middle Management
- All Others



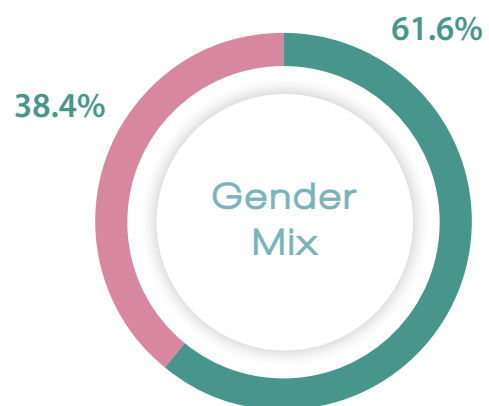
Percentage of Employees in respective categories

- 0 - 5 years
- >5 up to 10 years
- >10 years



Percentage of Employees in their Age Group

- <30 years old
- >30 up to 40 years old
- >40 up to 50 years old
- >50 years old

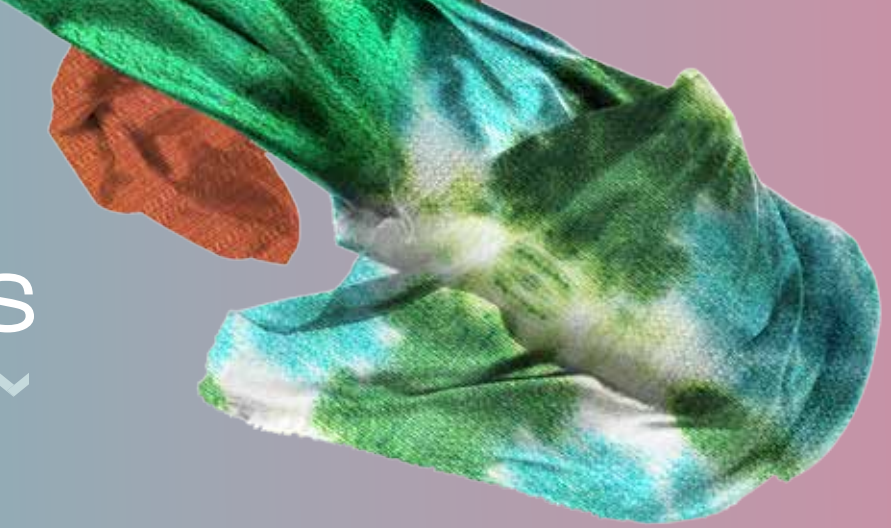


Percentage of Employees in their Gender Group

- Female
- Male

For personal use only

KEY EVENTS



01

FIRST QUARTER
Jul 2023 to Sep 2023

JUL'23:

Trade Show: TEXWORLD NYC, 18th July to 20th July 2023

AUG'23:

AC, Board meeting held in Singapore HQ to review FY2023 financials, audit etc.

Completion of Appendix 4E (Prelim Report)

SEP'23:

Statutory Report FY2023 Completed and filed with ASX

RCL Mill Week at Canada,

02

SECOND QUARTER
Oct 2023 to Dec 2023

OCT'23:

Annual Report FY2023 was completed and made available on Company website and stakeholders

NOV'23:

Annual General Meeting of GLG Corp held in Singapore HQ

03

THIRD QUARTER
Jan 2024 to Mar 2024

JAN'24:

From green solutions to empowering livelihoods: How S'pore firms are getting future-ready with purpose

Towards ESG credentialing with Ghim Li Group & TEO Garments

FEB'24:

Appendix 4D (First Half of FY2024) financials statement reviewed and filed with ASX

Established the "One Heart One Mind"

Board meeting held in Singapore HQ to review business results, strategies etc.

MAR'24:

Participating in the NAFA Creative Portfolio Review Session, 8 March 2024

04

FOURTH QUARTER
Apr 2024 to Jun 2024

JUN'24:

Outdoor Design + Innovation

Ghim Li featured in Lianhe Zaobao Singapore: 制衣商经营近半世纪 绿色道路走更远

Board E-approve budget FY2024, business strategies etc.

For personal use only

KEY EVENTS

JUL'23 TRADE SHOW: TEXWORLD NYC

The largest sourcing event. create opportunities to support the textile and apparel sourcing community by connecting global manufacturers and suppliers to the U.S. market.



SEP'23 MILL WEEK: RCL MILL WEEK, CANADA

It's not just about hoping, wishing and believing. It's about putting in the hard work, a dedicated team with a unified vision, to create a future of Canadas Fashion Playground.



JAN'24

From green solutions to empowering livelihoods: How 5 pore firms are getting future-ready with purpose

Glenn Li-Chang and 5P Group demonstrate how having a corporate purpose can help accelerate growth and innovation, acting as a catalyst for meaningful growth and resilience.



Glenn Li-Chang and 5P Group demonstrate how having a corporate purpose can help accelerate growth and innovation, acting as a catalyst for meaningful growth and resilience.

From threads to triumphs: How Felicia Gan is weaving change in the global garment empire her mother built

In a six-part series, The Holiday Times profiles people who have made an impact on the industry. In this episode, Felicia Gan, who is not only inheriting the garment business her mother founded but also setting new standards for the industry.



In a six-part series, The Holiday Times profiles people who have made an impact on the industry. In this episode, Felicia Gan, who is not only inheriting the garment business her mother founded but also setting new standards for the industry.

MAR'24 NAFA CAREER WEEK

Participating in Creative Portfolio Review sessions, where industry professionals will engage in one-on-one discussions about portfolio.



FEB'24 GHIM LI GLOBAL SUSTAINABILITY JOURNEY



Started our sustainable journey in 2016 as one of the pilot vendors of our USA customers

In February 2024, Ghim Li established the One Heart One Mind group, which is chaired by our Corporate Environmental Manager.

The One Heart One Mind group organize ESG-related events every financial year, with this year's plans including tree planting initiative and Diversity and Inclusion Training.

Continuous education in the workplace increase skill and knowledge, generate new ideas and perspectives and raise overall employee performance.



Ghim Li Global is proud to be recognized as a Company of Good, embodying values that prioritize both business excellence and positive social impact

JUN'24



2024年6月13日 星期四 制衣商经营近半世纪 绿色道路走更远

【本報專訊】由「聯合早報」主辦的「2024年綠色企業獎」頒獎典禮，於六月十三日（星期四）晚上八時假新加坡萊佛士酒店舉行。當晚嘉賓雲集，場面熱鬧。由「聯合早報」主席兼行政總裁李國章主持，頒發「2024年綠色企業獎」予五間獲獎企業。其中，Ghim Li Global 獲頒「2024年綠色企業獎」。

李國章在致辭時表示，綠色企業獎旨在表彰在環境、社會及管治（ESG）方面表現傑出的企業。他讚揚獲獎企業在推動可持續發展方面所作出的貢獻，並表示這不僅是企業社會責任的體現，也是企業核心競爭力的重要組成部分。他呼籲更多企業加入綠色行列，共同為建設一個更美好的未來而努力。

Ghim Li Global 獲獎後表示，這是一份榮譽，也是一份責任。公司將繼續秉承「誠信、專業、創新、服務」的宗旨，不斷提升 ESG 管理水平，為客戶、員工及社會創造更多價值。公司表示，將繼續加大在可持續發展方面的投入，推動業務與環境的和諧共生，為實現全球可持續發展目標貢獻力量。

此外，Ghim Li Global 還獲頒「2024年綠色企業獎」的「最佳實踐獎」。這是在評選過程中，評委對其在 ESG 領域所取得的成就給予的高度肯定。Ghim Li Global 表示，這將激勵公司繼續努力，不斷提升 ESG 管理水平，為實現全球可持續發展目標貢獻力量。

「聯合早報」表示，綠色企業獎的設立，旨在引導企業加強 ESG 管理，推動可持續發展。未來，「聯合早報」將繼續關注企業在 ESG 領域的發展，並為企業提供專業的諮詢和服務。



INNOVATIONS & COLLABORATIONS

NEW PRODUCT INNOVATION

FUNCTIONAL FABRICS

<ul style="list-style-type: none"> Improve the Ultraviolet Protection Factor (UPF) of cellulosic and polymeric fibers and fabric blends Prevents the wearer from UV rays 	<p>TOUGH COTTON</p> <ul style="list-style-type: none"> Prevents the UV and penetration of outdoor gear and accessories Strengthens it's fabric, making it more resistant to abrasion Prevents garment from being stretched longer 	
<p>WICKING WINDOWS™</p> <ul style="list-style-type: none"> Eliminate the feeling of wet, saturated fabric against the body Prevents the transfer of moisture from the skin to the inside of the fabric where it can evaporate 	<p>FUNCTIONAL FABRICS</p>	
	<p>STORM COTTON™</p> <ul style="list-style-type: none"> Double water repellent (DWR) finish for any cotton garment that can sustain extraordinary finishes Keeps the life of the garment 	
<ul style="list-style-type: none"> Delivers high performance antibacterial, antifungal, mildew and odor control Resist stains for odors caused by micro organisms 	<ul style="list-style-type: none"> Preventing odors from being absorbed and the particles from adhering to fabrics High water repellent finish 	

ATHLEISURE CASUAL
OUTDOOR
HOME TEXTILE
UNIFORM TRAINING

<p>WATER REPELLENT</p> <ul style="list-style-type: none"> Temperature sensitive fabric provides performance benefits Keeps the wearer cool or warm based on surrounding 	<p>WIND PROOF</p> <ul style="list-style-type: none"> Anti-static finish is based on conditioning agents to improve wicking capabilities Conditioning helps fabric surface look smooth, keep their shape, improve shrinkage and reduce pilling
<p>WATER REPELLENT</p> <ul style="list-style-type: none"> The water repellent permeability allows the movement of the perspiration away from the fabric to diffuse outside the fabric for the ultimate comfort Highly breathable fabric 	

SALES OFFICE
Mach Textile Technology Pte. Ltd.
11 Joozee Road, #0103 Singapore
Tel: 65-6511 0399
Email: sales@machtextile.com

FACTORY
P.O. Box 100, Perindustri 4
Kawasan Perindustrian Seremban 2, 70300 Seremban, Negeri Sembilan
Tel: 603-7088 1138



BOTANICAL DYES

BENEFITS OF BOTANICAL DYES

- Unique range of hues**
Carries soft and harmonious shades that soothes to human eyes.
- Environmentally friendly**
100% originated from natural and renewable sources.
- Biodegradable**
Made up of compounds or materials which can be decomposed at the end of their lifetime – leaving no residue to the environment



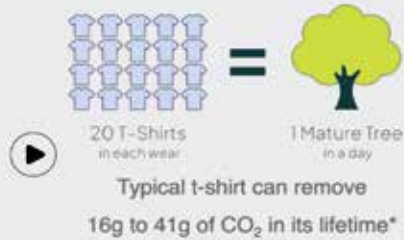
*Colour may vary depending on type of substrate.
*Please consult with botanical dye team for best result.

NEW PRODUCT INNOVATION

COZTERRA

CO₂ Removal auxiliaries

- Liquid form
- Drop-in manufacturing
- Finishing stage (padding/stenting)
- Optimized for cellulose
- POC on wool, polyester, polyamide and blends



* Depends on type of fibers, weight of textile and the total number of wears of the t-shirt



Climate change caused by greenhouse gases, where CO₂ is the most abundant, is one of the most challenging issues face as humankind.

COzTERRA give meaning and purpose to dormant surfaces, by enabling textiles to remove CO₂ from air.



- > Our mill partnered with COzTERRA to develop CO₂ capture clothing.
- > COzTERRA facilitating the transformation of every individual into a CO₂ removal agent on Earth.

PINEAPPLE LEAF



Our mill partnered with Nextevo to develop this pineapple leaf fabric

RECYCLED POLYESTER AND REGENERATIVE COTTON



Use recycled polyester that made from polyester waste and regenerative cotton that securing the health of the land





Maxim produces mostly cotton and cotton blends such as jersey, rib, interlock, pique, fleece and french terry. It is also into fabric technology such as wrinkle-free, antimicrobial, odor control, Smart Temp, UV protection and quick dry.

TREND INTELLIGENCE



RESEARCH & PRODUCT DEVELOPMENT

We have Global Design teams located in the USA, Korea, London, Singapore, and Malaysia that provide trend research and product development services:

- > Global Shopping Reports
- > Customized Market Intelligence
- > Reports
- > Research & Design
- > Sketches / CADs
- > Product & Collection Proposals
- > Fabric Sourcing & Newness
- > Laundry/Wash Techniques
- > Graphic & Print Design
- > 3D
- > Co-Development



For personal use only



Evolving role of the traditional designers to that must know technical details & sewing construction

3D VIRTUAL TECHNOLOGY



Investment in 3D technology softwares like CLO and Browzwear

These design softwares are cutting-edge 3D simulation engines that allows one to create true-to-life virtual garment and bringing evolution to design and fitting processes with shorter development leadtimes.

Our adoption rate has increased due to the fast sampling turnover time and cost savings for physical prototype samples. Embracing 3D technology is the future for the garment industry.



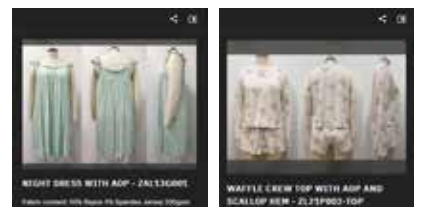
USE OF VIRTUAL SHOWROOM

We offer Virtual Showrooms with the ability to walk our development & shipment libraries for Ladies,

Men's & Kid's categories.

Our Mission is to:

- > Simplify the selection process during virtual meetings
- > Enable easier decision-making by providing product images and information
- > Provide flexibility so that teams can access product pre or post meetings independently



TECHNOLOGY AT MAXIM MILL

UV Protection Technology

- ✓ Protects skin from harmful UV rays and provides effective sun blocking.



Color Resistant

- ✓ Longer lasting performance, wash after wash.



Insect Repellent Technology

- ✓ Reduces the risk of mosquito and bug bites.

Stain Resistance

- ✓ Prevents spill from becoming stain
- ✓ Repels everyday liquid (e.g.: coffee, rain & dirt moisture)
- ✓ Garments stay cleaner for longer.



Cooling Technology

- ✓ Breathability
- ✓ Water Vapour Permeability
- ✓ Dry Fast
- ✓ Durable



Dry Inside

- ✓ Stay Dry
- ✓ Coolness
- ✓ Breathability
- ✓ Durable Performance

Natural Fit & Stretch

- ✓ Long-Lasting Fit And Shape Retention
- ✓ Enhanced Wearing Comfort: Soft Stretch
- ✓ Super-Soft Hand
- ✓ Improved Washing Durability
- ✓ Breathability



Wicking Technology

- ✓ Moisture absorption
- ✓ Moisture transportation
- ✓ Evaporation
- ✓ Enhance comfort by preventing moisture buildup and discomfort.



Water Repellent

- ✓ Superhydrophobic Surface
- ✓ Water droplets roll off easily, preventing water absorption.
- ✓ Stain Resistance
- ✓ Durability
- ✓ Versatile Applications: Suitable for various textile products
- ✓ Protection against moisture-related damage.

Antimicrobial & Odor Control Technology

- ✓ Antibacterial / Anti-Mite / Anti-Fungal
- ✓ Odor Control
- ✓ Promotes a more hygienic wearing experience.
- ✓ Keep next-to-skin apparel fresh for longer.
- ✓ Protection against potential skin irritations caused by harmful microorganisms.



Wrinkle Free

- ✓ Anti-Static Finish
- ✓ Helps fabrics look smooth
- ✓ Keeps their shape
- ✓ Improves shrinkage
- ✓ Reduces pilling
- ✓ Ideal for busy lifestyles with frequent travel and meetings



- ✓ Water Repellency - DWR Finish
- ✓ Rain-Ready: Ideal for outdoor.
- ✓ Stain Resistance
- ✓ Repels Stains
- ✓ Stain-Resistant
- ✓ Breathability
- ✓ Natural Cotton Base
- ✓ Moisture-Wicking
- ✓ Natural Cotton Feel
- ✓ Long-Lasting Finish



- ✓ Reduced Fabric Cling
- ✓ Moves Moisture Away From Body
- ✓ Keeps Wearer Cooler And Drier
- ✓ Washes Clean of Odors
- ✓ Keeps Sweat Marks Hidden



- ✓ Ultra-Soft Finish.
- ✓ Resistance to Abrasion
- ✓ Strengthen to Fabric Against Wearing and Washing
- ✓ Retain The Original Color Longer



Moisture Wicking

- ✓ Moisture wicking & stain release
- ✓ perform up to 5 launderings
- ✓ Formulated without silicone, fluorine, or waxes
- ✓ Most stains come out in the wash



Combat climate change by reducing carbon dioxide (CO2) emissions. The surface of the fabric capture carbon dioxide from the surrounding air. Approximately equivalent to 1/3 of the amount that a tree absorbs per day.



- ✓ Dynamic Temperature Regulation.
- ✓ Enhanced Comfort
- ✓ Versatility: Wide Range Of Applications
- ✓ Moisture Management



- ✓ Antibacterial Properties
- ✓ Odor Control
- ✓ Moisture
- ✓ Comfort and Well-being: Softness & Breathability
- ✓ Sustainability
- ✓ Wide Range of Applications



Stain Release

- ✓ Helps release stains up to 20 washings
- ✓ Formulated without silicone, fluorine, or waxes
- ✓ Keeps fabrics clean longer

For personal use only

OPERATIONAL HIGHLIGHTS



For personal use only



Ghim Li Fashion (M) Sdn. Bhd.

- > Established: 1984
- > Employees: 435
- > Sewing lines: 8
- > Capacity: 28,000 dozen per month
- > Close proximity to Maxim Textile Technology
- > Quick sample return
- > Vertical set-up



Maxim Textile Technology Sdn. Bhd.

- > Established: 1972
- > Employees: 400
- > Proximity to garment factory
- > ISO Knitting Machine in 24 hours operations
- > Dyeing capability of up to 2 million lbs./ month
- > Macy's self-approval colourist
- > Ability to support replenishment



We have our own textile/garment factory to allow us to stay competitive in the market and this also allows customers to have more savings and for us to have better control on the quality we provide.



 PT. Ghim Li Indonesia (Outsourced manufacturer)

- > Established: 2005
- > Employees: 2,000
- > Sewing lines: 45
- > Capacity: 1.1 million pieces per month
- > Average 31 sewer per line divided into day and night shift
- > 5-Day work week
- > The close proximity to Singapore allows access to world-class shipping facilities.
- > VAT, local service tax and import duty exemptions.



 GG Fashion (Cambodia) Co. Ltd.

- > Established: 2017
- > Employees: 2,200+
- > Sewing lines: 50
- > Capacity: 1.4 million pieces per month



For personal use only

AUDIT COMMITTEE REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024



Peter Tan
**Chairman, Audit Committee
& Independent Director**

Dear Shareholders,

I am pleased to present the Audit and Risk Committee (“AC”) Report for the financial year ended 30 June 2024 (“FY2024”).

1. Re-appointment of BDO as External Auditor

Audit Independence

The ARC reviewed BDO’s non-audit engagements and other services for FY2024 and confirmed their independence and professional conduct, in accordance with the Corporations Act 2001. We received the independence declaration from BDO on 20 September 2024.

During our meeting on 27 August 2024, we recommended BDO’s re-appointment as external auditor to the Board, and this recommendation will be presented for shareholders’ approval at the upcoming AGM in November 2024.

2. Key Audit Matters

The Group’s financial statements for FY2024 were reviewed alongside BDO’s Audit Report prior to submission to the Board for approval.

One key audit matter discussed was the recoverability of receivables, given the significant balances involved. The AC closely examined management’s analysis regarding ageing, trends, judgments, and other tests of recoverability, particularly in relation to:

Valuation of GLIT Receivables

As of 30 June 2024, the GLIT receivables balance was \$17,848,000, which was identified as a key audit matter. This valuation involved assessing various assumptions related to the operational cycle, trust receipts, and overall working capital of the Group.

How This Matter Was Addressed in the Auditor’s Report

The auditor’s report indicated the following procedures regarding recoverability as of the reporting date:

- Trade receivables aging was within acceptable settlement terms aligned with business operational cycle trends.
- The turnover and recoverability of outstanding balances were validated within the trading cycle to meet the Group’s working capital requirements.

We extend our gratitude to Steve May and BDO’s team for their commitment and timely completion of this year’s statutory audit.

Thank you for your continued support.

Peter Tan
**Chairman, Audit Committee &
Independent Director**

CORPORATE GOVERNANCE STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

COMPOSITION OF THE BOARD

The composition of the Board is determined in accordance with the following principles and guidelines:

- the Board should comprise directors with an appropriate range of qualifications and expertise; and
- the Board shall meet regularly and follow guidelines set down to ensure all directors are made aware of, and have available, all necessary information to participate in an informed discussion of all agenda items.

The Directors in office at the date of this statement are as follows:

Name	Position
Estina Ang Suan Hong	Executive Chair
Khay Ti Por	Deputy Chair and Independent Non-Executive Director
Peter Tan	Independent Non-Executive Director
Grant Hummel	Independent Non-Executive Director
Felicia Gan Peiling	Chief Executive Officer

The skills, experience and expertise relevant to the position of director as well as the period of office held by each director are set out in the Directors' Report on pages 43 to 45.



ESTINA ANG SUAN HONG

Founder, Chairman and Executive Director
Member of Nomination & Remuneration Committee



FELICIA GAN PEILING, PBM

Chief Executive Officer
Executive Director
Member of Audit Committee



KHAY TI POR

Deputy Chair and Independent Non-Executive Director
Member of Nomination & Remuneration Committee,
Member of Audit Committee



PETER TAN

Independent Non-Executive Director
Chairman of Audit Committee
Member of Nomination & Remuneration Committee



GRANT HUMMEL

Independent Non-Executive Director
Chairman of Nomination & Remuneration Committee
Member of Audit Committee

For personal use only

BOARD RESPONSIBILITIES

As the Board acts on behalf of the shareholders and is accountable to the shareholders, the Board seeks to identify the expectations of the shareholders as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks. The Board, through the Audit and Risk Committee, receives reports from management on an on-going basis as to the material risks associated with the company's operations and the recommended risk mitigation process that they undertake. The Board has established a Code of Conduct which in summary, requires that at all times Directors and employees act with the integrity, objectivity and in compliance with the letter and spirit of the law and company policies. GLG has established a written policy designed to ensure compliance with ASX listing rule disclosure and accountability as senior executive level for compliance.

Under the guidance of the ASX's Corporate Governance Principles and Recommendations (4th edition), the Board has established a Nomination and Remuneration Committee and an Audit and Risk Committee. The name of members of each committee and their attendance at meetings is contained on page 50 of the Annual Report.

The Nomination and Remuneration Committee has established a policy prohibiting transactions in associated products which limit the economic risk of participating in invested entitlements under equity-based remuneration scheme.

A copy of the Company's Code of Conduct, Audit and Risk Committee charter and Nomination and Remuneration Committee charter and the terms and conditions of the continuous disclosure and shareholder communication policy is made publicly available on the Company's website.

DIVERSITY

The Company has implemented a Diversity Policy. The Board sets a target of 25% of all Board seats and management positions to be held by women. The Company recognises the benefits of a diverse workforce and is committed to providing an environment that encourages diversity. The Board monitors the diversity profile of its workforce. As the Company already has gender diversity as evidenced by the proportion of women reported below, the Board has not set any measurable objectives.

DEALING IN GLG CORPORATION'S SECURITIES BY DIRECTORS AND EMPLOYEES

Directors, officers and employees of the Company are prohibited from trading in GLG securities during the closed trading period between the completion of a listed company's financial results and 1 trading day following the announcing of these results to the public. The close period is typically regarded as the two-month period preceding the release of a company's half-yearly and preliminary final results. A full outline of the Company's securities trading policy has been made available on the Company website.

For personal use only

RISK MANAGEMENT POLICY

Risk is an inherent part of GLG, which operates in a highly competitive market sector. GLG is committed to the management of risk as an integral part of its business, focusing on strategies to minimise risk which are regarded as threats to its achievement of objectives and goals.

The objectives of the Company’s Risk Management policy is to:

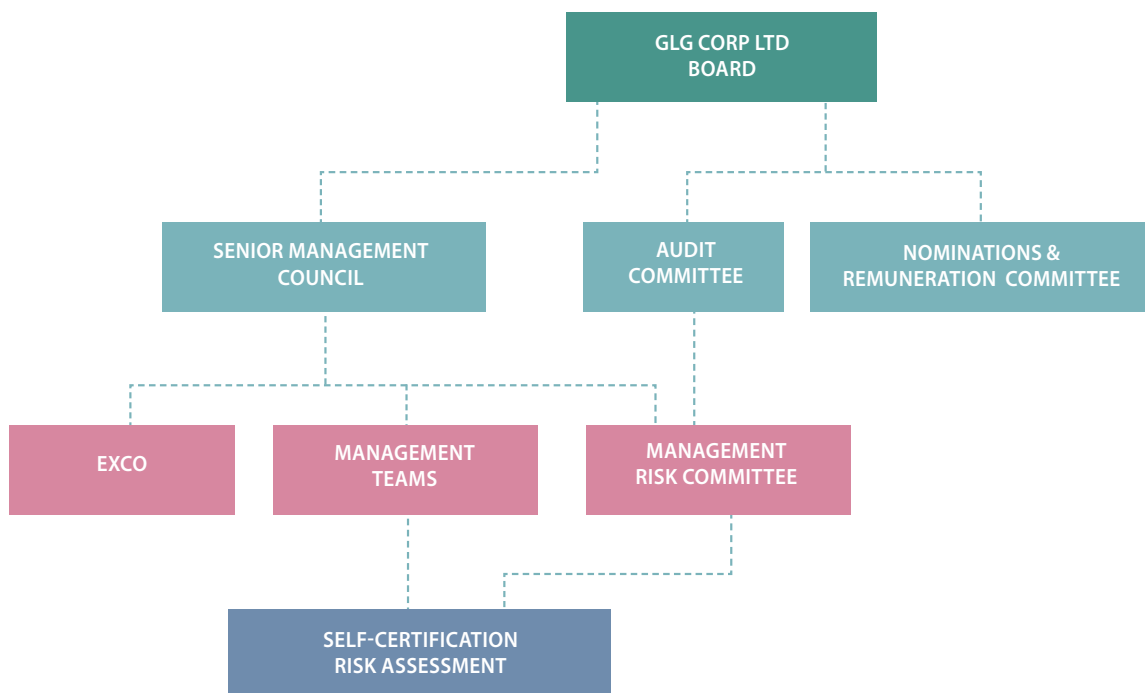
- outline the Group’s approach to risk management;
- improve decision-making, accountability and outcomes through the effective use of risk management;
- integrate risk management into daily operations of the Group and its outsourced business partners; and
- consider risk appetite in protecting staff and business assets and strategy execution.

GLG is committed to managing risk in order to benefit the Group and manage the cost of risk. To meet this commitment, risk is every employee’s business. All employees are required to be responsible and accountable for managing risk in so far as reasonably practicable within their area of responsibility.

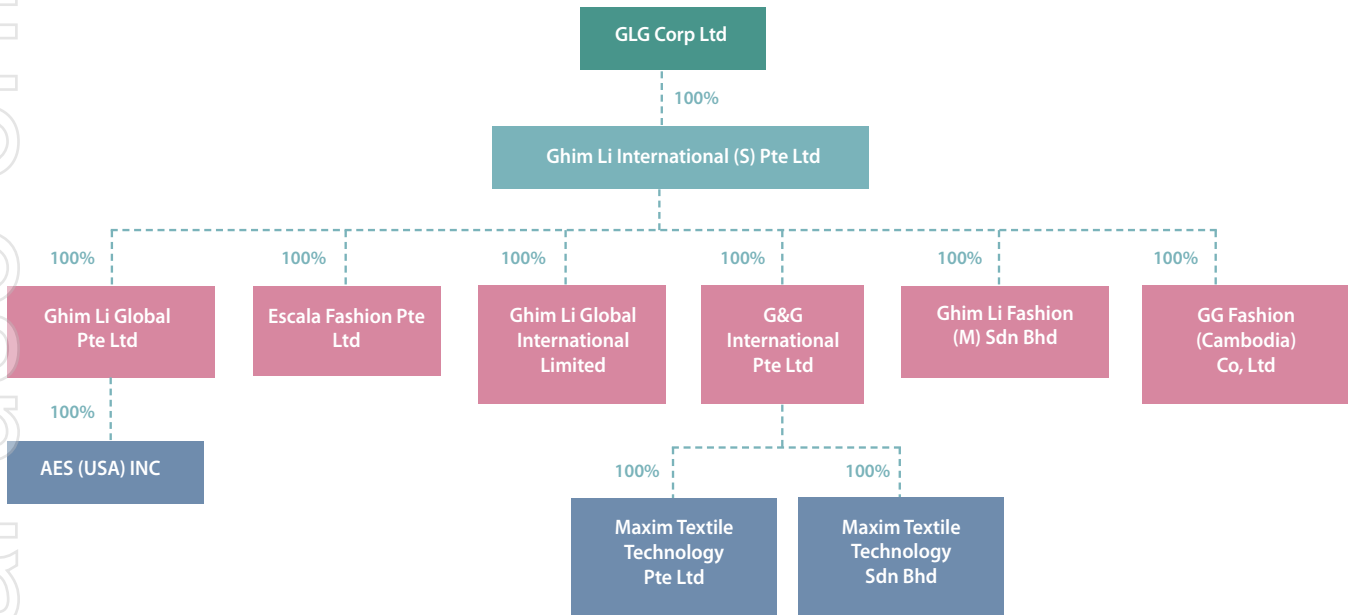
Sound risk management principles and practices must become part of the normal management strategy for all business units within GLG including its outsourced business partners.

The management of risk is to be integrated into GLG’s existing planning and operational processes and fully recognised in its reporting processes.

CORPORATE GOVERNANCE STRUCTURE



GROUP STRUCTURE



The following table summarises the roles and responsibilities of each level in discharging their duties on risk management:

BOARD	Provides policy, oversight and review of risk management
AUDIT COMMITTEE	Oversees regular review of risk management activities
CHIEF EXECUTIVE OFFICER	Drives culture of risk management and accountable for protecting the company from unacceptable costs or losses associated with its operations
RISK COMMITTEE	Develop and implement systems for effectively managing the risks that affect the achievement of objectives and operational outcomes. Continuously improving risk management policy, strategy and supporting framework
SENIOR MANAGEMENT	Ensure staff in their business or functional units comply with the risk management policy and foster a culture where risks can be identified and escalated
STAFF, BUSINESS PARTNERS AND CONTRACTORS	Comply with risk management policies and procedures

RISK MANAGEMENT REPORTING

OUR MANAGEMENT RISK ASSESSMENT IS AN ENABLING TOOL THAT HIGHLIGHTS KEY RISKS. AND CATEGORIZE SUCH KEY RISKS INTO THE ABOVE COMPONENTS.



RISK CATEGORIES UNDER 3 GROUPS



OPERATIONAL RISKS

- > Operations
- > Outsourced Partner & Manufacturing
- > Legal, Regulatory & Compliance
- > Resources (e.g. Human Resources, Information systems, Corporate resources, Property or Assets, etc.)
- > Finance



COMMERCIAL RISKS

- > Customer Business
- > Competitors
- > Reputation



STRATEGIC RISKS

- > Investment
- > External Factors (e.g. Hazards)

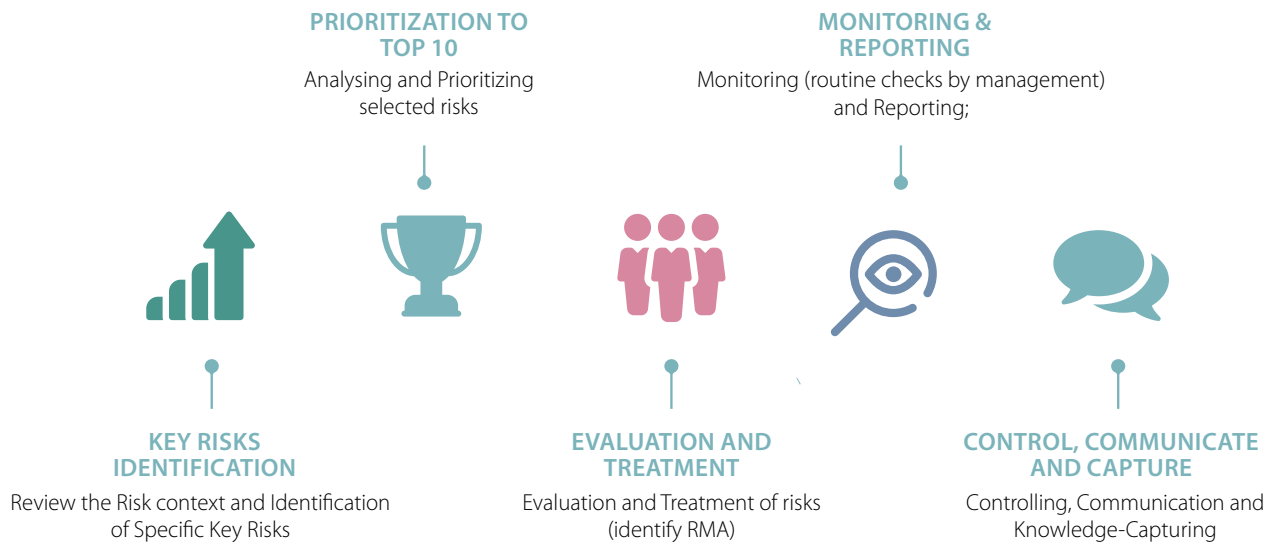
The Board is committed to monitoring and mitigating business risks faced by the Group, including the following key risks that have the potential to materially impact its financial prospects:

- **Corporate** - The Group manages a number of corporate risks including those that have the potential to materially impact the financial prospects of the Group. This includes risks such as competitor risks, investment risk and outsourced partner risks. All the aforementioned risks are managed through the GLG's Risk Management Policy which includes review and monitoring by the AC and the Board.
- **Liquidity, Interest Rate, and Credit** - The Group's activities expose it to a variety of financial risks such as interest rates, credit, and liquidity. This risk includes examples such as the ability to collect trade receivables from customers, increases in interest rates and the ability to meet its financial obligations. These risks can adversely affect the Group's ability to operate profitably or as a going concern. GLG uses different methods to measure the different types of risk to which it is exposed. These methods include sensitivity analysis in the case of cash flow forecasts, interest rates, pricing risks and accounts receivable aging analysis for credit risk. Risk management is carried out by senior executives under policies approved by the AC and the Board and reported accordingly.

For personal use only

GLG CORP'S RISK MANAGEMENT PROCESS

We implement a 5-step process in risk management as follows:



- Material Contracts** - The Group regularly enters into material contracts with key customers. Some of risks associated with these material contracts include executing on time and on budget, cash flow, contract management, performance and quality of the product being delivered and procurement. Management manages these material contracts closely and negotiates favourable payment terms and reviews counterparty credit risk to manage cash flow as effectively as possible.
- Cost Controls, Inflation, & Supply Chain Constraints** - Rising input costs supply chain constraints and project delays experienced over the past few years have the potential to reduce profit margins where those costs cannot be recovered. Significant input costs include labour, components, materials, and freight. GLG has made systematic interventions like partnering with suppliers to modify design and construction to offer design and optimisation ideas, optimise marker efficiency and adjust fabric widths to manage cost increases and inflation. Concurrently, the Company is digitalising the processes to have real time data to support better line planning, lesser downtime and to raise production efficiencies to curb rising costs of labour.
- Political, Regulatory and Compliance** - The Group must comply with a range of statutory requirements in multiple jurisdictions including changes to fiscal or regulatory regimes, adverse changes to tax laws, difficulties in interpreting or complying with local laws, material differences in sustainability standards and practices, or changes to existing political, judicial or administrative policies and changing community expectations. The Group seeks to manage and minimize this risk through its existing risk management framework and uses local service providers where applicable. For instance, the Company uses a local service provider in order to comply with a range of governance requirements which are conditions of its listing on ASX, the Board also approves the relevant governance policy which are subject to review regularly.

For personal use only

- **Anti Bribery and Corruption** – Operating in jurisdictions with varying degrees of political, economic and judicial stability, including some countries with a relatively high inherent risk of bribery and corruption, exposes the Group to the risk of unauthorized payments or offers of payments to or by employees, agents or distributors that could be in violation of applicable anti-corruption laws. The Group has a clear Anti Bribery and Anti Corruption Policy and internal controls and procedures to protect against such risks. However, there can be no assurances that such controls, policies and procedures will absolutely protect the Group from potentially improper or criminal acts.
- **Environmental, Social, Governance** – GLG is keenly aware of the potential risks climate change could present to the Group and its customers across Australia and the rest of the world. Below are the two identified material risks to the business.
 - **Ethical sourcing** – Company's Modern Slavery Statement published in <https://www.ghimli.com/ethics/> identifies that geographic risk depends on the degree of legislation and enforcement in the countries where the group operates, sources supplies from or uses labour hire. The fashion and textile industries are also recognised globally as high risk industries for potential modern slavery. The Company monitors and manages this risk with due diligence, audits, procedures and guidelines for the Company and its customers including its annual reporting under legislative requirements.
 - **Climate risk** - The Board is conscious of its approach in seeking to build a sustainable business as published in annual reports and <https://www.ghimli.com/corporate-social-responsibility/>. Energy and water become the most important aspects for a company's operation. For energy, price increase on the non-renewable energy become a challenge to the company and to manage the risk, GLG has the intention to install renewable energy such as solar energy. By having renewable energy, we can also reduce the carbon emission. Since GLG is an apparel production company, water is the important elements, we will need to overcome the water supply quantity and quality. To overcome the problem, we have installed a reverse osmosis at the mill to recycle 30% of its wastewater discharge to reduce freshwater usage.

GLG starting sustainability initiatives from year 2016 and had implemented some measures such as switching to light emitting diode (LED) and installing transparent roofing at some premises, to let natural light in and reduce its reliance on electricity. GLG also implement recycling program and 6S waste management system in the production site to ensure the waste have proper disposal and reduce the waste. In addition, we are now using 100% recycle material for the product packaging.

AUDIT COMMITTEE

The Audit and Risk Committee reviewed the statement of financial position of the consolidated financial statements of GLG for the financial year ended 30 June 2024, as well as the Independent Auditor’s Report thereon before submitting them to the Board for its approval. The AC discussed with Management the accounting principles that were applied and also considered the appropriateness of the critical accounting estimates and judgments made in preparing the financial statements.

The following significant matters impacting the financial statements were discussed with Management and the external auditor and were reviewed by the AC:

Key Audit Matters	How the Audit Committee reviewed these matters and what decisions were made
<p>Due to the material balance and potential for overstatement, recoverability of receivables is assessed as a risk.</p>	<p>The Audit Committee (“AC”) assessed and confirmed the following:</p> <ul style="list-style-type: none"> a) Normal trade receivables in GLG Corp Ltd have been reviewed for recoverability with respect to aging, trends and current industry practice. It was noted that the aging of the receivables did not show any customer having old-aged receivables and that the balances by key customers within the receivables are in line with current trends in business with no recoverability issues; and <p>The valuation of the GLIT* Receivable continues to be an area of focus due to the commercial nature of GLG’s business. The AC had reviewed management’s extensive assessment of the GLIT receivable to support its recoverability. With the accessibility of trust receipts available for offset and the amount of available collaterals in place, the receivable is evaluated to be recoverable within the operational cycle at the reporting date.</p>

* Please refer to the Notes to the Financial Statements Note 11 for the details of GLIT.

OTHER INFORMATION

The Company’s corporate governance practices and policies in relation to the matters reserved to the board, matters delegated to senior executives and a copy of the board charter are publicly available at the Company’s registered office. The policies have also been posted on the Company’s website.

For personal use only

CORPORATE GOVERNANCE STATEMENT

The Directors and management of GLG Corp Ltd (**GLG** or the **Company**) are committed to conducting the business of GLG and its controlled entities (the **Group**) in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the *ASX Corporate Governance Principles and Recommendations (Fourth Edition)* (**Recommendations**) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared this statement which sets out its corporate governance practices that were in operation throughout the financial year ended 30 June 2024. This statement identifies any Recommendations that have not been followed and provides reasons for not following such Recommendations. This statement is current as at 20th September 2024 and has been approved by the Board of GLG.

The Company's corporate governance policies and charters and policies are all available under the Investor Info section of the Company's website (<https://www.ghimli.com/investor-relations/companys-charter/>) (**the Website**).

ASX Recommendation	Status	Reference / Comment
Principle 1 – Lay solid foundations for management and oversight <i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.</i>		
1.1	Complying	<p>The Board has adopted a charter which establishes the role of the Board and its relationship with management. The primary role of the Board is the protection and enhancement of long-term shareholder value. Its responsibility is the overall strategic direction of GLG.</p> <p>The functions and responsibilities of the Board and management are consistent with ASX Principle 1. A copy of the Board Charter is posted on the Website.</p> <p>As the Board acts on behalf of the shareholders and is accountable to the shareholders, the Board seeks to identify the expectations of the shareholders as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.</p>
1.2	Complying	<p>The Board has a formal Nomination & Remuneration Committee (NRC). The Nomination & Remuneration Committee's functions and powers are formalised in a Charter and is posted on the Website. It is the role of the Nomination & Remuneration Committee to identify suitable candidates to complement the existing Board, to undertake appropriate checks on the candidate; to seek confirmation from the candidate that he/she will have sufficient time to fulfil his or her responsibilities as a director; and subject to the results of such checks and confirmations, to make recommendations to the Board on their appointment.</p> <p>The Company provides information to shareholders about Directors seeking re-election at the annual general meeting to enable them to make an informed decision on whether or not to re-elect the Director, including their relevant qualifications and experience and the skills they bring to the Board; details of any other listed directorships held by the Director in the preceding 3 years; the term of office already served by the Director; whether the Director is considered to be independent; and recommendation by the Board in respect of the re-election of the Director.</p>

For personal use only

ASX Recommendation	Status	Reference / Comment
Principle 1 – Lay solid foundations for management and oversight <i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.</i>		
1.3	Complying	<p>Each Director is given a letter upon appointment which outlines the Director's duties, obligations, remuneration, expected time commitments and notification of the Company's policies. Similarly, senior executives including the CEO and CFO, have a formal job description and services agreement describing their term of office, duties, rights and responsibilities, and entitlements on termination.</p> <p>The company will disclose the material terms of any employment, service or consultancy agreement it enters into with its CEO (or equivalent).</p>
1.4	Complying	<p>The Company Secretary is responsible for co-ordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies, ASX and all statutory and other filings. The Company Secretary is accountable to the Board, and all Directors have access to the Company Secretary. The decision to appoint or remove the Company Secretary is to be made and/or approved by the Board.</p>
1.5	Complying	<p>The Company is committed to the principles of employing people with a broad range of experiences, skills and views. All executives, managers and employees are responsible for promoting workforce diversity.</p> <p>The Company has adopted a Diversity Policy which can be viewed on the Website. The Board is considering other means to encourage diversity. The Company recognises the benefits of a diverse workforce and is committed to providing an environment that encourages diversity. The Board monitors the diversity profile of its workforce. As the Company already has gender diversity as evidenced by the proportion of women reported below, the Board has not set any measurable objectives.</p> <p>There are currently 2 female Executive Directors and 3 male Non-Executive Directors on the Board.</p> <p>The Company discloses the respective proportions of men and women in senior executive positions and across the whole organisation within its Statutory Report.</p> <p>The Company is not considered a "Relevant Employer" under the Company's Workplace Gender Equality Act (WGEA) and therefore has not lodged a WGEA Report for the 2023/2024 period.</p>

ASX Recommendation	Status	Reference / Comment
Principle 1 – Lay solid foundations for management and oversight <i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.</i>		
1.6	Complying	<p>The Directors undertake an annual process to review the performance and effectiveness of the Board, the Board Committees and individual directors. The CEO leads a discussion and provides feedback to the individual Directors as necessary.</p> <p>This process was completed during the reporting period.</p>
1.7	Complying	<p>The Company's CEO evaluates the performance of GLG's senior executives annually. The Nomination & Remuneration Committee reviews the CEO's performance annually. The Committee also reviews and approves senior management bonuses.</p> <p>An evaluation was completed during the reporting period.</p>

For personal use only

ASX Recommendation	Status	Reference / Comment								
<p>Principle 2 – Structure the Board to add value</p> <p><i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i></p>										
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Complying</p>	<p>The Nomination & Remuneration Committee comprises of the following members:</p> <table border="1" data-bbox="922 584 1449 898"> <tbody> <tr> <td data-bbox="922 584 1169 656">Grant Hummel (Chair of NRC)</td> <td data-bbox="1169 584 1449 656">Independent Non-executive Director</td> </tr> <tr> <td data-bbox="922 656 1169 757">Peter Tan (Chair of Audit and Risk Committee "AC")</td> <td data-bbox="1169 656 1449 757">Independent Non-executive Director</td> </tr> <tr> <td data-bbox="922 757 1169 828">Khay Ti Por (Deputy Chair)</td> <td data-bbox="1169 757 1449 828">Independent Non-executive Director</td> </tr> <tr> <td data-bbox="922 828 1169 898">Estina Ang</td> <td data-bbox="1169 828 1449 898">Chair & Executive Director</td> </tr> </tbody> </table> <p>The Board has a formal NRC comprising three independent directors and the Executive Chair. The Chair of NRC is independent.</p> <p>The Nomination & Remuneration Committee's powers are formalised in a Charter and is posted on the Website. The number of times that the Nomination & Remuneration Committee met throughout the financial year and the individual attendances of the members at those meetings are disclosed in the Company's Directors Report.</p>	Grant Hummel (Chair of NRC)	Independent Non-executive Director	Peter Tan (Chair of Audit and Risk Committee "AC")	Independent Non-executive Director	Khay Ti Por (Deputy Chair)	Independent Non-executive Director	Estina Ang	Chair & Executive Director
Grant Hummel (Chair of NRC)	Independent Non-executive Director									
Peter Tan (Chair of Audit and Risk Committee "AC")	Independent Non-executive Director									
Khay Ti Por (Deputy Chair)	Independent Non-executive Director									
Estina Ang	Chair & Executive Director									

ASX Recommendation	Status	Reference / Comment
Principle 2 – Structure the Board to add value <i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i>		
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>Complying</p> <p>The Board aims to be comprised of Directors which have, at all times, the appropriate mix of skills, experience, expertise and diversity relevant to the Company's businesses and the Board's responsibilities.</p> <p>The Board regularly evaluates the mix of skills, experience and diversity at the Board level, and has developed and adopted a Board skills matrix which has been tailored to the circumstances and requirements of GLG. It is intended that the skills matrix will be reviewed at least annually by the Board to ensure that ongoing needs in relation to supervising the Company and its operations are being met, and to take into account any changes in the Company's circumstances and strategic priorities.</p> <p>The objectives of the skills matrix adopted by the Board are to:</p> <ul style="list-style-type: none"> ▪ Identify the skills, knowledge, experience and capabilities that are considered to be desired of the Board as a whole, in order for the Board to fulfil its role and in light of the Company's strategic direction; ▪ Ascertain the current skills, knowledge, experience and capabilities of the Board, and provide the incumbent Directors with an opportunity to reflect upon and discuss the current composition of the Board; and ▪ Identify any gaps in skills or competencies that can be addressed in future director appointments. <p>In respect of the reporting period, the Board assessed each Director's skill level against the following key skills set out in the matrix which the Board considered to be desired of the Board of GLG:</p> <ul style="list-style-type: none"> ▪ Strategic and Commercial Acumen - The ability to define strategic objectives, constructively question business plans and implement strategy using commercial judgement. ▪ Financial Acumen - Financial knowledge, accounting or related financial management qualifications and experience. ▪ Risk & Compliance - An understanding of compliance matters and risk management, including environmental, technological and governance risk. ▪ Executive Leadership - Experience in senior leadership roles, including on the boards of other listed companies. ▪ Diversity - The ability to contribution to inclusion and diversity. ▪ International/Global - Senior leadership experience across a range of international businesses and exposure to a range of political, cultural, regulatory and business environments. ▪ Digital Technology - experience in developing technology strategies, monitoring and implementing technology strategies, and / or in digital innovation in corporate environments. ▪ Industry experience in Customer Management and Manufacturing: experience and knowledge relevant to overseeing the Company's principal activities including being a global supplier of knitwear, apparel, garments, accessories to a variety of retail customers. ▪ Industry experience in Supply Logistics: experience and knowledge relevant to supply chain management operations. <p>The Board considers that it currently has an appropriate mix of skills and diversity and provides in the Company's Directors' Report information about the skills, experience and expertise of each Director.</p>

For personal use only

ASX Recommendation	Status	Reference / Comment										
Principle 2 – Structure the Board to add value <i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i>												
2.3	Complying	<p>Currently the Board comprises five Directors as follows:</p> <table border="1"> <tr> <td>Grant Hummel (Chair of NRC)</td> <td>Independent Non-executive Director</td> </tr> <tr> <td>Peter Tan (Chair of Audit and Risk Committee “AC”)</td> <td>Independent Non-executive Director</td> </tr> <tr> <td>Khay Ti Por (Deputy Chair)</td> <td>Independent Non-executive Director</td> </tr> <tr> <td>Felicia Gan</td> <td>Chief Executive Officer & Executive Director</td> </tr> <tr> <td>Estina Ang</td> <td>Chair & Executive Director</td> </tr> </table> <p>The Board has considered the circumstances of each Director and determined that all Non-executive Directors are independent as described in item 2.3 of the Recommendations.</p> <p>The Corporations Act 2001, the Company’s Constitution and the Board meeting process requires Directors to advise the Board of any interest that they have that has the potential to conflict with the interests of GLG, including any development that may impact their perceived or actual independence. If the Board determines that a Director’s status as an independent Director has changed, that determination will be disclosed and explained in a timely manner to the market. The length of service of each Director is set out in the Company’s Annual Report. Independent Directors formally advise the Board of their independent (or other) status each year.</p>	Grant Hummel (Chair of NRC)	Independent Non-executive Director	Peter Tan (Chair of Audit and Risk Committee “AC”)	Independent Non-executive Director	Khay Ti Por (Deputy Chair)	Independent Non-executive Director	Felicia Gan	Chief Executive Officer & Executive Director	Estina Ang	Chair & Executive Director
Grant Hummel (Chair of NRC)	Independent Non-executive Director											
Peter Tan (Chair of Audit and Risk Committee “AC”)	Independent Non-executive Director											
Khay Ti Por (Deputy Chair)	Independent Non-executive Director											
Felicia Gan	Chief Executive Officer & Executive Director											
Estina Ang	Chair & Executive Director											
2.4	Complying	<p>Currently, the Board comprises three independent Non-Executive Directors and two Executive Directors. The Company believes this in an appropriate mix of skills and experience.</p>										
2.5	Non - Complying	<p>The Company separated the role of Chair and CEO. Felicia Gan has assumed the role of CEO and Estina Ang remains in the position of Chair.</p> <p>Although Estina Ang is not an independent director, the Board are comfortable that Estina Ang is the best candidate for the Chair position.</p>										
2.6	Complying	<p>The Company has procedures and policies in place to assist Directors in fulfilling their responsibilities. Each Director, at any time, is able to seek reasonable independent professional advice on any business matter at the expense of the Company. Directors also have access to adequate internal resources to seek any information from any officer or employee of the Company, or to require the attendance of management at meetings to enable them as Directors to fulfil their duties.</p>										

ASX Recommendation	Status	Reference / Comment
Principle 3 – Act ethically and responsibly <i>A listed entity should act ethically and responsibly.</i>		
3.1	Complying	The Company discloses its Core Values within its Annual Report.
3.2	Complying	The Board has established a Code of Conduct which articulates acceptable practices for directors, senior executives and employees, to guide their behaviour and to demonstrate the commitment of the Company to ethical practices. The CEO, Felicia Gan is responsible for bringing breaches of the Codes to the attention of the Board, and breach reporting is a standing agenda item at Board meetings.
3.3	Complying	The Company has established a Whistleblower Policy, a copy of which can be found on the Website. The purpose of the Whistleblower Policy is to identify wrongdoing that may not be uncovered unless there is a safe and secure means for disclosing. The Board and its management team are committed to listen to any concern from any whistleblower who raises the risk to the company, in terms of values, integrity etc, such as suspicion of fraud, corruption, criminal acts or acts of reputation risk in relation to the staff/employees/ management of the organisation. On the basis of this commitment, this policy is intended to serve the purpose of outlining the procedures for a) reporting and processing such information; and b) conducting an investigation into the issues raised by the whistleblower for final resolution including remedial action. The CEO, Felicia Gan is responsible updating the Board on any whistleblower reports and is a standing agenda item at Board meetings.
3.4	Complying	The Company has established an Anti-Bribery and Corruption Policy, a copy of which can be found on the Website. The CEO, Felicia Gan is responsible for bringing breaches of the Anti-Bribery and Corruption Policy to the attention of the Board, and breach reporting is a standing agenda item at Board meetings.

For personal use only

ASX Recommendation	Status	Reference / Comment								
Principle 4 – Safeguard the integrity of corporate reports <i>A listed entity should have appropriate processes to verify the integrity of its corporate reports.</i>										
4.1	Complying	<p>The Board has a formal AC currently comprising three independent Directors and one Executive Director (also the CEO).</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Grant Hummel (Chair of NRC)</td> <td>Independent Non-executive Director</td> </tr> <tr> <td>Peter Tan (Chair of Audit and Risk Committee "AC")</td> <td>Independent Non-executive Director</td> </tr> <tr> <td>Khay Ti Por (Deputy Chair)</td> <td>Independent Non-executive Director</td> </tr> <tr> <td>Felicia Gan</td> <td>Chief Executive Officer & Executive Director</td> </tr> </table> <p>The role of the AC is to advise on financial information prepared for use by the Board or for inclusion in financial statements. The Chair of the AC is Peter Tan. The AC's functions and powers are formalised in a Charter and is posted on the Website. The number of times that the Audit and Risk Committee met throughout the financial year and the individual attendances of the members at those meetings, and the relevant qualifications and experience of the AC members are disclosed in the Company's Directors Report and below under 'Directors Meetings'.</p>	Grant Hummel (Chair of NRC)	Independent Non-executive Director	Peter Tan (Chair of Audit and Risk Committee "AC")	Independent Non-executive Director	Khay Ti Por (Deputy Chair)	Independent Non-executive Director	Felicia Gan	Chief Executive Officer & Executive Director
Grant Hummel (Chair of NRC)	Independent Non-executive Director									
Peter Tan (Chair of Audit and Risk Committee "AC")	Independent Non-executive Director									
Khay Ti Por (Deputy Chair)	Independent Non-executive Director									
Felicia Gan	Chief Executive Officer & Executive Director									
4.2	Complying	<p>The Directors are committed to the preparation of financial statements that present a balanced and clear assessment of the Company's financial position and prospects. The Board reviews GLG's half yearly and annual financial statements. The Board requires that the CEO and CFO state it writing that GLG's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>								
4.3	Complying	<p>The Company's full year and half year reporting is audited and reviewed, as the case may be, by an external auditor. Annual directors' reports are verified by the Board, which seeks documents and information from the Management and subject-matter experts where necessary.</p>								

ASX Recommendation	Status	Reference / Comment	
Principle 5 – Make timely and balanced disclosure			
<i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Complying	The Company has a documented policy which has established procedures designed to ensure compliance with the ASX Listing Rule continuous disclosure requirements and to ensure that accountability at a senior management level for that compliance. The focus of these procedures is on continuous disclosure of any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities and improving access to information for all investors. The CEO and the Company Secretary are responsible for interpreting GLG's policy and where necessary informing the Board. The purpose of the procedures for identifying information for disclosure is to ensure timely and accurate information is provided equally to all shareholders and market participants. The documented policy is posted on the Website.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complying	The Board receives copies of all material market announcements promptly after they have been made.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complying	All investor or analyst presentations are released to the ASX market announcements platform ahead of the presentation.

For personal use only

ASX Recommendation	Status	Reference / Comment
Principle 6 – Respect the rights of security holders <i>A listed entity should provide its securityholders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.</i>		
6.1	Complying	<p>The Board informs all shareholders of all major developments affecting GLG’s state of affairs as follows:</p> <ol style="list-style-type: none"> 1. Placing all relevant announcements made to the market, on the Website after they have been released to ASX; 2. Publishing all corporate governance policies; and 3. Placing the full text of notices of meeting and explanatory material on the Website.
6.2	Complying	<p>The Company communicates with its shareholders and investors by posting information via the ASX or website, and by encouraging attendance and participation of shareholders at general meetings. Management and/or Directors may meet with shareholders from time to time upon request and respond to any enquiries they may make.</p>
6.3	Complying	<p>Shareholders are encouraged to attend the Annual General Meeting (AGM). The AGM is an opportunity for shareholders to hear the Directors provide updates on Company performance, ask questions of the Board and vote on the various resolutions affecting the business. Shareholders are given an opportunity to ask questions of the Company’s auditors regarding the conduct of the audit and preparation and content of the auditor’s report.</p>
6.4	Complying	<p>All resolutions at GLG’s general meetings are decided by way of a poll.</p>
6.5	Complying	<p>Investors are able to communicate with the Company electronically via the Website. Investors are also able to communicate with the Company’s registry electronically by emailing the registry or via the registry’s website.</p>

ASX Recommendation	Status	Reference / Comment
Principle 7 – Recognise and Manage Risk		
<i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework</i>		
<p>7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Complying	<p>The Board is responsible for the management of risk due to the current size of the Board. GLG is committed to embedding risk management practices to support the achievement of business objectives. The Board is responsible for reviewing and overseeing the risk management strategy and ensuring GLG has an appropriate corporate governance structure. Within that overall strategy, management has designed and implemented a risk management and internal control system to manage material business risks.</p> <p>GLG has implemented a 5-step process to manage risk as follows:</p> <ol style="list-style-type: none"> 1. Review the risk content and identification of specific key risks; 2. Analysing and prioritising selected risks; 3. Evaluation and treatment of risks; 4. Monitoring and reporting; and 5. Controlling, communication and knowledge-capturing. <p>GLG risk categories are:</p> <ol style="list-style-type: none"> 1. Customer risks (including their financial conditions, solvency, credit worthiness etc); 2. Competitor risks; 3. Investment risks; 4. Operational risks; 5. Outsourced partner and contract manufacturing risks; 6. Legal, regulatory and compliance risks; 7. Resource risks (including HR, IT etc); 8. Finance risks (including liquidity, trade credit financing, forex etc); 9. Reputation risks; and 10. External factor risks. <p>The Management Risk Committee provides reports for the Board meetings. The Risk Management Policy is available on the Website.</p>

For personal use only

ASX Recommendation	Status	Reference / Comment
Principle 7 – Recognise and Manage Risk		
<i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework</i>		
7.2	Complying	<p>The Company has established a Risk Management Policy, a copy of which is available on the Website.</p> <p>The Board has delegated responsibilities to the Management Risk Committee who then provides reports to the Board. The Board is responsible for approving policies on risk assessment and management. The AC regularly reviews the risk management framework and policies of the Company.</p>
7.3	Complying	<p>The Company does not have an internal audit function. Management reviews the Company's business units, organisational structure and accounting controls and processes on a regular basis and reports to the AC and in turn to the Board; the Board is satisfied that the processes in place to identify the Company's material business risks are appropriate and that these risks are being effectively managed. GLG's risk management processes continue to be monitored and reported against. A copy of GLG's Risk Management Policy is available on the Website.</p>
7.4	Complying	<p>The Company does not have any material exposure to economic, environmental and social sustainability risks. The Directors believe that the Company has adequate systems in place for the identification and management of these material risks.</p>

ASX Recommendation	Status	Reference / Comment
Principle 8 – Remunerate fairly and responsibly		
<i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.</i>		
8.1	Complying	<p>The Board has a formal Nomination & Remuneration Committee comprising three members, two of whom are independent. The Chair of the Nomination & Remuneration Committee is independent.</p> <p>The role of the Nomination & Remuneration Committee is to review and make recommendations to the Board on remuneration packages and practices applicable to the Chief Executive Officer, Senior Executives and Directors themselves. This role also includes responsibility for share option schemes, incentive performance packages and retirement and termination entitlements. Remuneration levels are competitively set to attract the most qualified and experienced Directors and Senior Executives. The Nomination & Remuneration Committee's may obtain independent advice on the appropriateness of remuneration packages. The Nomination & Remuneration Committee's functions and powers are formalised in a Charter and is posted on GLG's website.</p> <p>The number of times that the Nomination & Remuneration Committee met throughout the financial year and the individual attendance of the members at those meetings are disclosed in the Company's Annual Report and below under Directors' Meetings.</p>
8.2	Complying	<p>Details of the Directors and Senior Executives remuneration are set out in the Remuneration Report in the Directors' Report. The structure of Non-Executive Directors' remuneration is distinct from that of executives.</p>
8.3	Complying	<p>Currently the Company does not have an equity based remuneration scheme.</p>

DIRECTOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Directors of GLG Corp Ltd ("GLG" or "the Company") submit herewith the annual financial report of the consolidated entity for the financial year ended 30 June 2024. In order to comply with the provisions of the Corporations Act 2001 (Cth), the Directors report as follows:

INFORMATION ABOUT THE DIRECTORS AND SENIOR MANAGEMENT

The names and particulars of the Directors of the Company during and since the end of the financial year are:



ESTINA ANG SUAN HONG Founder and Chairman

Founder and Executive Chair of GLG Corp Ltd and parent company, Ghim Li Group Pte Ltd and a member of its Nomination and Remuneration committee. Estina Ang Suan has over 47 years of experience in the textile and apparel industry who leads a 9,000 strong workforce spanning the Southeast Asia region. She grew the business from 6 sewing machines as a sub-contractor to a global supplier of quality apparel to major retailers in the USA and throughout Europe.

Ms Estina Ang graduated from Nanyang University in 1974 with a Bachelor of Arts degree and is a member of the Singapore Institute of Directors, Textile and Fashion Singapore. She obtained The Entrepreneur of the Year Awards in 2001, listed in The 300 List in Singapore Tattler, named "The Emergent 25 Asia's Latest Star Businesswomen" by Forbes Asia in 2018 and recipient of the Nanyang Alumni Achievement Award recognised for her outstanding contribution to her field in 2021 and also spearheaded the business expansion into Malaysia, Indonesia, Cambodia, USA and Hong Kong.



FELICIA GAN PEILING, PBM Chief Executive Officer

Ms Gan joined the Board on 15 September 2015 and is a member of the Audit and Risk Committee. She joined the Company in 2006 as a legal officer responsible for the legal compliance office. Ms Gan became the Deputy Chief Executive Officer on 20 February 2019 and became the Chief Executive Officer on 1 Jul 2021. She is currently responsible for the overall management of Accounts & Finance, Textile Mill and Factories' Operation, Business Development, Sales & Marketing including Outsourced Manufacturing and Product, Development and Design departments. Ms Gan builds, direct and drives the annual strategic sales and marketing plan and implements marketing strategies to identify and develop new customers and business opportunities on a global scale.

Ms Gan graduated with a Bachelor of Laws (Honours) from University of Nottingham in 2003 and was admitted to the Singapore Bar in May 2005. She is a Vice President of the Singapore Fashion Council (SFC) (previously known as Textile and Fashion Federation (Singapore)), director and shareholder of Singapore Fashion Council (SFC) Holding Pte Ltd and a co-Deputy President of the Centre for Trade Excellence (TE).

For personal use only



KHAY TI POR

Deputy Chair and Independent Non-Executive Director

Mr Por was appointed as an independent non-executive director of the Board effective from 25 October 2022. He is currently also serving as member of Nomination and Remuneration Committee and Deputy Chairman and member of the Audit and Risk Committee.

Mr Por has more than 30 years' experience in international manufacturing and trading, on government boards and varied manufacturing industries such as printed circuit boards, leather upholsteries, furniture, technology, and apparel. Currently CEO of Adventech (S) Pte Ltd a supplier of printed circuits boards to MNCs in North Asia and ASEAN countries.

He served The Economic Development Board ("EDB") for 13 years in four divisions (Projects, Investment, International and Local Enterprises), of which 5 years were in the United States of America. The EDB is the lead government agency under the Ministry of Trade and Industry of the Singapore Government. Mr Por's final role in the EDB was the Head of the Loans and Grants Department. In addition, he served two terms on the Board of Intellectual Property Office of Singapore (a statutory board under the Ministry of Law). Subsequently he joined the private sector where he gained experience in manufacturing industries and developed his board management skills.

Mr Por has a BSc (Hons) degree in Mechanical Engineering and a post-graduate Diploma in Business Administration. He was a member of the Strategic Planning Committee of Asian Productivity Organisation, a Founding member of SFIC Institute (training and development initiative for the furniture industry), Executive Committee Member of Singapore Furniture Industries Council (SFIC) and Honorary Secretary of the Singapore Manufacturers Federation.



PETER TAN

Independent Non-Executive Director

Peter Tan was appointed as an independent non-executive director of the Board effective from 15 October 2019. He is currently the Chair of the Audit and Risk Committee and a member of the Nomination and Remuneration Committee.

Mr Tan has more than 40 years' experience in corporate accounting in Australia, Singapore and Indonesia.

Prior to joining the Group, he served as Group Chief Financial Officer or Financial Controller of various SGX-ST listed companies and unlisted corporations. He was an independent director of SGX-ST listed companies, Emerging Towns & Cities Singapore Ltd ("ETC") from 24 June 2015 to 26 April 2018 and independent Director of PCI Limited ("PCI") from 24 February 2017 to 1 June 2018. At ETC, he served as Chair of its Audit and Risk Committee and a member of its Nominating and Corporate Governance and Remuneration Committees and at PCI he was a member of the Audit, Remuneration and Nominating Committees.

He obtained his Bachelor of Commerce degree majoring in Accounting and Management from the University of Western Australia (Perth) in 1981. Mr Tan is a Fellow of CPA Australia, a member of the Australian Institute of Management, a Fellow of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.



GRANT HUMMEL
Independent Non-Executive Director

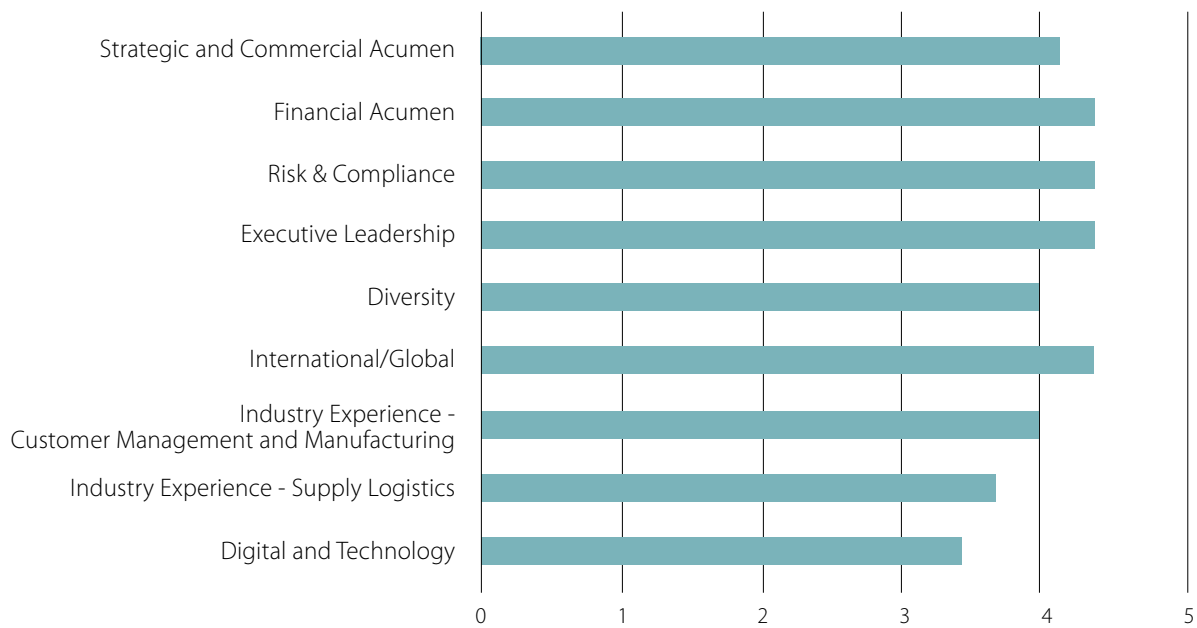
Grant Hummel was appointed to the Board as an independent non-executive director on 1 December 2018. Mr. Hummel is a member of the Audit and Risk Committee and the Chair of the Nomination and Remuneration Committee of the Board.

Grant has been a partner of a major Australian law firm for over a decade. He has experience with commercial and corporate transactions, with particular expertise in capital raisings, securities law, merger and acquisitions and the ASX Listing Rules. Grant is no stranger to GLG Corp, as he has been involved with the company, being part of the IPO and ASX listing team in 2005.

Grant holds Bachelor of Science (Honours) and Bachelor of Law (Honours) degrees from the University of Tasmania, Australia. He also has a Graduate Diploma of Applied Finance and Investment from Finsia (now Kaplan).

Grant is a Non-executive Director of ASX listed company, Next Science Limited, and was appointed in August 2023.

BOARD SKILLS MATRIX



The results of the surveys are illustrated in the diagram above, with skill assessments out of an aggregated Board score of five.

FORMER PARTNERS OF THE AUDIT FIRM

No officer of the Company has been a partner in an audit firm, or a director of an audit company that is an auditor of the Company during the period or was such a partner or director at a time when the audit firm or the audit company undertook an audit of the Company.

For personal use only

DIRECTORS' SECURITY HOLDINGS

The following table sets out each director's relevant interest in shares or options in shares or debentures of the Company or a related body corporate as at 30 June 2024.

Directors	Fully Paid Ordinary Shares			
	As at 1 July 2023	Acquisitions FY24	Disposals FY24	As at 30 June 2024
Estina Ang Suan Hong	53,338,000	–	–	53,338,000
Felicia Gan Peiling	55,560,000	–	–	55,560,000
Khay Ti Por	–	–	–	–
Peter Tan	–	–	–	–
Grant Hummel	–	–	–	–

The Directors do not hold any Options or Performance Rights.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Information about the remuneration of directors and senior management is set out in the remuneration report of this directors' report, on pages 51 to 57.

SHARE OPTIONS GRANTED TO DIRECTORS AND SENIOR MANAGEMENT

During and since the end of the financial year no share options (2023: nil) were granted to the directors as part of their remuneration.

COMPANY SECRETARY

Mr. Hasaka Martin resigned as Company Secretary on 19 September 2023. Ms Jade Cook, the Company Secretary is an employee of Source Governance Pty Ltd (the Company's Corporate Secretarial provider) and is the appointed Company Secretary for a number of Companies, including ASX listed, private unlisted, and smaller private start-up companies.

Jade Cook

Ms Cook has experience in a variety of companies in an in-house and outsourced capacity working with the Board, senior management and other stakeholders, Her expertise in governance and corporate secretarial is in professional services firms across several jurisdictions. Ms Cook is a Chartered Secretary and an Associate of the Chartered Governance Institute UK and Ireland. She holds a Bachelor's degree in Business Management and a Master's degree in Corporate Governance.

Hasaka Martin

Mr Martin has over 15 years' experience working with listed companies both internally and through corporate service providers and has worked across a number of industries. He is a Chartered Secretary and a Fellow of the Governance Institute of Australia. Mr Martin holds a Graduate Diploma in Applied Corporate Governance and postgraduate qualifications in corporate and securities law. Mr Martin resigned as Company Secretary on 19 September 2023.

PRINCIPAL ACTIVITIES

The consolidated entity's principal activities in the course of the financial year were being a global supplier of knitwear, apparel, garments, accessories and supply chain management operations.

REVIEW OF OPERATIONS

Comparison of Consolidated Statement of Profit or Loss and Comprehensive Income for the financial year ended 30 June 2024 with that of 30 June 2023.

GLG's revenue slightly increased by 0.1% from US\$116.5m to US\$116.6m during the financial year ended 30 June 2024 ("FY2024"). This was mainly attributable to the increase in sales from existing customers during the year netted off by the loss of a major customer as noted in prior year and fierce market competition which resulted in price reductions and ability to retain customers.

The gross profit margin decreased from 18.4% in FY2023 to 15.6% in FY2024 due to price competition and lack of orders to meet the optimal level of production capacity. The price challenges have also resulted in the reduction in the gross profit margin of the Group.

Other income decreased by US\$4.0m from US\$4.4m to US\$0.4m as compared to the previous corresponding financial year ended 30 June 2023. This was mainly due to one-off gain on modification of lease terms of US\$1.0m as a result of renegotiated terms of lease from 5 years to 2 years from major shareholder, Ghim Li Group Pte Ltd and write-back of the accruals for the later shipment claim of US\$2.8m in the financial year ended 30 June 2023 ("FY2023").

Selling and distribution costs decreased by 30.8% from US\$9.2m to US\$6.3m as compared to the previous corresponding financial year ended 30 June 2023. This was mainly due to lower duty and freight cost incurred on Land-Duty Paid customers' orders and decline in global freight rates over the period as a flow on improvement from COVID recovery, stabilisation of global supply chains and the decrease in customs duty.

Administrative expenses decreased by 2.6% from US\$10.7m in the previous year to US\$10.4m in the current financial year. The overall decrease was mainly due to cost reduction to streamline the manpower cost during the year.

Finance costs increased by 4.8% from US\$2.2m to US\$2.3m in FY2024 as compared to the previous corresponding financial year. The increase was mainly due to higher interest rates on loans given the current market conditions.

Other expenses decreased by 38.7% from US\$5.0m to US\$3.1m in the FY2024 as compared to the previous corresponding financial year. The decrease was mainly due to write off of deposits with an outsourced manufacturer of US\$2.0m in relation to the decrease in revenue and thereby reduction of allocated production to the third-party manufacturer resulting in the closure of the third-party manufacturer, US\$1.1m impairment of a claim made against the previous owner of the Group's Cambodian subsidiary's assets and the buyer of raw materials for their outstanding tax obligations as a result of a tax audit for the period from 2017 to 2019 and commitment fee of US\$0.8m paid to outsourced manufacturer. The decrease was offset by the increase in impairment and write-off of obsolete fixed assets of US\$2.1m in the FY2024.

GLG's net loss after tax for FY2024 amounted to US\$3.7m, compared with a loss of US\$2.0m in the corresponding financial year. The increase in net loss after tax was mainly due to the revenue generated with lower margin in these macro-economic conditions and high borrowing interest rate.

The visibility of the trading conditions has stabilised and the possibility of the reduction of bank interest rate and the improvement of the production process. The group expects the gross profit and result to reflect some improvement in FY2025.

For personal use only

REVIEW OF OPERATIONS (cont'd)

Comparison of the Consolidated Statement of Financial Position as at 30 June 2024 with that of 30 June 2023.

Inventory decreased by 4.2% from US\$25.5m as at 30 June 2023 to US\$24.4m as at 30 June 2024. This was mainly due to decline in customers' order which resulted in reduction of raw materials and work-in-progress in the factories.

Property, plant and equipment decreased by 16.4% from US\$26.5m as at 30 June 2023 to US\$22.2m as at 30 June 2024 mainly due to the depreciation, impairment and write-off of surplus and obsolete fixed assets of US\$2.1m in FY2024.

The right-of-use assets decreased by 49.9% from US\$3.7m as at 30 June 2023 to US\$1.8m as at 30 June 2024 mainly due to the amortisation of right-of-use assets.

The intangible assets decreased by 9.4% from US\$2.9m as at 30 June 2023 to US\$2.6m as at 30 June 2024 mainly due to the amortisation of intangible assets.

Trade and other payables decreased by 29.9% from US\$16.1m as at 30 June 2023 to US\$11.3m as at 30 June 2024, primarily resulting from decrease in advanced purchases of raw materials such as yarn and fabric and settlement of payables. In addition, there was a payment of intercompany balance to Ghim Li Group, parent entity that amounted to US\$2.4m during the period.

Current and non-current borrowings decreased by 10.0% from US\$36.5m as at 30 June 2023 to US\$32.9m as at 30 June 2024. The decrease was mainly due to a decrease in trust receipts and loan settlement to the financial institution.

Comparison of the Consolidated Statement of Cash Flows for the financial year ended 30 June 2024 with that of 30 June 2023.

In FY2024, net cash flow from operating activities amounted to US\$1.8m as compared to previous corresponding financial year of US\$22.8m, mainly due to prompt settlement of payables and lower receipt from customers this financial year. In addition, the interest paid during the year increased from \$1.5m in FY2023 to \$2.2m in FY2024.

Net cash flows used in investing activities amounted to US\$0.9m as compared to previous corresponding financial year of cash flow from investing activities of US\$0.2m. The movement was mainly due to investment in new machineries in fabric factory to increase the productivity and new order requirements, whilst the cash flow in prior year included a one-off refund of rental deposits as a result of modification of lease terms.

Net cash used in financing activities amounted to US\$8.0m as compared to previous corresponding financial period of US\$17.7m. This decrease was mainly due to lesser payment in borrowings as a result of lower purchases of inventory and lesser advanced purchases of yarn, netted by the increase of repayment to Ghim Li Group by US\$2.4m.

As a result of the above, there was a net decrease of US\$7.1m in cash and cash equivalents from FY2024, from a net cash surplus of US\$19.2m as at 30 June 2023 to a net cash surplus of US\$12.0m as at 30 June 2024.

We believe the balance cash position and forecast cash flow from continuing operations of GLG remains adequate to meet our working capital, capital expenditures, debt servicing and other funding requirements.

CHANGES IN STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

DIVIDENDS

In respect of the financial year ended 30 June 2024, the Directors do not recommend the payment of an interim/final dividend.

In respect of the financial year ended 30 June 2023, no dividend was declared dividend.

ANNUAL GENERAL MEETING

The Company plans to hold the 2024 Annual General Meeting on 27 November 2024. The deadline to receive director nominations is 10 October 2024.

SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring after the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of the consolidated entity in the future financial year.

FUTURE DEVELOPMENTS

The consolidated entity is expanding fabric suppliers to include fashion novelty and also to increase the amount of work with outsourced factories. The performance depends on many economic and industry factors. In the opinion of the Directors, it is not possible or appropriate to make a prediction on the future course of markets, performance of the consolidated entities or the forecast of the likely result of the consolidated entities activities.

ENVIRONMENTAL REGULATION

The consolidated entity is not subject to any particular or significant environmental regulation.

SHARES UNDER OPTION OR ISSUED ON EXERCISE OF OPTIONS

There are no shares under option or issues on exercise of options during the year (2023: Nil).

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

DIRECTORS' MEETINGS

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year four Board meetings, three Nomination and Remuneration Committee meetings and two Audit and Risk Committee meetings were held:

Directors	Board of directors		Nomination & remuneration committee		Audit committee	
	Held	Attended	Held	Attended	Held	Attended
Estina Ang Suan Hong	7	6	Note 1	3	4	4
Felicia Gan Peiling	7	7	3	3	Note 2	4
Khay Ti Por	7	7	3	3	4	4
Grant Hummel	7	7	3	3	4	4
Peter Tan	7	7	3	3	4	4

Note 1: Madam Estina attended as invitee to all ARC Meetings.

Note 2: Ms Felicia attended as invitee to all NRC Meetings.

NON-AUDIT SERVICES

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 31 of the financial report.

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services disclosed in Note 31 to the full financial statements do not compromise the external auditors' independence, based on advice received from the Audit and Risk Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 58 of this report.

ROUNDING OFF OF AMOUNTS

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191 and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

REMUNERATION REPORT (AUDITED)

This Remuneration report, which forms part of the Directors' report, sets out information about the remuneration of GLG's directors and its senior management for the financial year ended 30 June 2024. The prescribed details for each person covered by this report are detailed below under the following headings:

- director and senior management details
- remuneration policy
- relationship between the remuneration policy and company performance
- remuneration of directors and senior management.
- key terms of employment contracts

DIRECTOR AND SENIOR MANAGEMENT DETAILS

The following persons acted as directors of the Company during or since the end of the financial year:

- Estina Ang Suan Hong as Executive Chair
- Felicia Gan Peiling as Executive Director and Chief Executive Officer
- Khay Ti Por as Deputy Chair and Independent Non-Executive Director
- Grant Hummel as Independent Non-Executive Director
- Peter Tan as Independent Non-Executive Director

The term 'senior management' is used in this remuneration report to refer to the following persons. Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year:

- Susan Yong as Chief Operations Officer
- Lee Li San as Group Financial Controller
- Lee Kwak Keh appointed as Chief Marketing Officer

REMUNERATION POLICY

The remuneration for Key Management Personnel is determined as follows:

- For the Executive Chairman, Chief Executive Officer, by the Nominations and Remuneration Committee and by the Board and with a view to attract, retain and develop appropriately skilled people. Remuneration is reviewed on an annual basis having regard to personal and corporate performance and relevant comparative information.
- The remuneration of non-executive directors may not exceed in aggregate in any financial period the amount fixed by the Company at the general meeting. The amount has not changed since the Company listed in 2005.
- For executives, the Nomination and Remuneration Committee reviews remuneration policies and practices and makes recommendations to the Board regarding their approval. Remuneration is reviewed on an annual basis having regard to personal and corporate performance and relevant comparative information.

RELATIONSHIP BETWEEN THE REMUNERATION POLICY AND COMPANY PERFORMANCE

The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to June 2024:

	30 June 2024 US\$'000	30 June 2023 US\$'000	30 June 2022 US\$'000	30 June 2021 US\$'000	30 June 2020 US\$'000
Revenue from all sources	116,555	116,489	199,609	183,804	178,047
Net (loss)/profit before tax	(3,553)	(1,218)	6,843	3,890	5,223
Net (loss)/profit after tax	(3,685)	(1,952)	5,184	2,261	3,796
Share price at start of year	\$0.15	\$0.19	\$0.27	\$0.10	\$0.09
Share price at end of year	\$0.14	\$0.15	\$0.19	\$0.27	\$0.10
Total Dividend (unfranked)	–	–	\$0.015	\$0.020	–
Basic earnings per share	(4.97) cps	(2.63) cps	7.00 cps	3.05 cps	5.12 cps
Diluted earnings per share	(4.97) cps	(2.63) cps	7.00 cps	3.05 cps	5.12 cps

GLG Corp Ltd employees may be entitled to receive a discretionary bonus, as set and agreed by senior management and/or the Nomination and Remuneration Committee. These bonuses are accrued prior to year-end based on the expected bonuses to be paid, however the amounts may not be finalized or paid until a future date that is not necessarily within 12 months of the balance sheet date. As a result, there is a difference in timing of the accrual of the bonus and the timing of the payment of the bonus.

Each executive director of the Company has entered into an Executive Service Agreement with Ghim Li Global Pte Ltd, a major subsidiary of GLG. They are not remunerated separately for being a director or executive of the Company or other operating entities. Under their respective terms of engagement, all executives:

- commenced their terms as an executive of Ghim Li Global Pte Ltd for a 3-year term, and thereafter their engagement automatically continues from year to year, unless their Executive Service Agreement is terminated;
- are covenanted to not compete against GLG's operations for a period of 12 months after cessation of employment with GLG;
- agree that either party may terminate their Executive Service Agreement by giving 3 months written notice. In addition, Ghim Li Global Pte Ltd may without prior notice terminate their Service Agreements under certain conditions, for example, if the executive commits a serious breach of his or her obligations or is guilty of grave misconduct in the discharge of his or her duties or becomes bankrupt.

The service agreements contain otherwise standard terms, including with regard to each executive's duties, GLG owns any intellectual property created by its executives, confidentiality, entitlements to minor benefits in addition to their remuneration, and devoting substantially the whole of their time and attention during business hours to the discharge of their duties.

Each executive director receives a salary per month. They may also be entitled to an annual bonus determined by the Nomination and Remuneration Committee, in its absolute discretion.

Each of the key managers have entered into a service agreement with Ghim Li Global Pte Ltd, the general terms of which are not materially different to those of the executive directors described above.

Each key manager receives a salary per month, reviewed by the Chief Executive Officer annually with reference to the progress of GLG. Each may also be entitled to an annual bonus determined by the Chief Executive Officer, reviewed by the Nomination and Remuneration Committee, and approved by the Board taking into account overall management performance and the Company's profit for the year.

ELEMENTS OF KEY MANAGEMENT PERSONNEL REMUNERATION

Remuneration packages contain the following key elements:

- (a) Short-term employment benefits – salaries/fees, salary supplement; and
- (b) Post-employment benefits

	Short term employment benefits				Post-employment benefits super-annuation	Other long term employee benefits	Share based payments, options & rights	Total
	Salary & fees	Salary supplement	Non-monetary	Other				
2024	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Directors								
Estina Ang Suan Hong ¹	538,656	–	–	–	4,618	–	–	543,274
Peter Tan	44,617	–	–	–	–	–	–	44,617
Grant Hummel	40,012	–	–	–	–	–	–	40,012
Khay Ti Por	43,278	–	–	–	–	–	–	43,278
Felicia Gan Peiling ¹	324,529	–	–	–	9,838	–	–	334,367
	991,092	–	–	–	14,456	–	–	1,005,548
Executives								
Lee Kwak Keh	110,847	5,936	–	–	5,606	–	–	122,389
Susan Yong	143,789	7,420	–	–	6,557	–	–	157,766
Lee Li San	113,407	11,129	–	–	11,730	–	–	136,266
	368,043	24,485	–	–	23,893	–	–	416,421
Total	1,359,135	24,485	–	–	38,349	–	–	1,421,969

¹ Estina Ang Suan Hong and Felicia Gan Peiling are both Directors and Executives of GLG Corp Ltd. Estina Ang Suan Hong acts as the Executive Chairman; Felicia Gan Peiling is the Chief Executive Officer.

For personal use only

ELEMENTS OF KEY MANAGEMENT PERSONNEL REMUNERATION (cont'd)

2023	Short term employment benefits				Post-employment benefits super-annuation	Other long term employee benefits	Share based payments, options & rights	Total
	Salary & fees	Salary Supplement	Non-monetary	Other				
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Directors								
Estina Ang Suan Hong ¹	531,362	43,914	–	–	6,214	–	–	581,490
Peter Tan	39,714	–	–	–	–	–	–	39,714
Grant Hummel	32,650	–	–	–	–	–	–	32,650
Khay Ti Por ²	23,605	–	–	–	–	–	–	23,605
Felicia Gan Peiling ¹	309,595	25,617	–	–	12,691	–	–	347,903
	936,926	69,531	–	–	18,905	–	–	1,025,362
Executives								
Lee Kwak Keh	109,346	9,002	–	–	5,113	–	–	123,461
Susan Yong	142,721	11,710	–	–	6,821	–	–	161,252
Lee Li San	86,950	9,515	–	–	10,576	–	–	107,041
	339,017	30,227	–	–	22,510	–	–	391,754
Total	1,275,943	99,758	–	–	41,415	–	–	1,417,116

¹ Estina Ang Suan Hong and Felicia Gan Peiling are both Directors and Executives of GLG Corp Ltd. Estina Ang Suan Hong acts as the Executive Chairman; Felicia Gan Peiling is the Chief Executive Officer.

² Khay Ti Por appointed as Independent Non-Executive Director on 25 October 2022.

ELEMENTS OF KEY MANAGEMENT PERSONNEL REMUNERATION (cont'd)

The relative proportions of those elements of remuneration of key management personnel that are linked to performance:

Directors	Fixed remuneration		Remuneration linked to performance	
	2024	2023	2024	2023
Estina Ang Suan Hong	100%	92.4%	–	7.6%
Peter Tan	100%	100%	–	–
Grant Hummel	100%	100%	–	–
Khay Ti Por	100%	100%	–	–
Felicia Gan Peiling	100%	92.6%	–	7.4%
Executives				
Lee Kwak Keh	95.1%	92.7%	4.9%	7.3%
Susan Yong	95.3%	92.7%	4.7%	7.3%
Lee Li San	91.8%	91.1%	8.2%	8.9%

Note: Fixed remuneration consists of base pay plus other fixed allowances paid to the individual on a regular basis, whilst Performance-linked remuneration refers to variable bonus paid to the individual, dependent on company financial results and individual's performance.

SALARY SUPPLEMENT AS COMPENSATION FOR THE CURRENT FINANCIAL YEAR

Madam Estina Ang Suan Hong was not granted a salary supplement (2023: US\$43,914) during the financial year ended 30 June 2024.

Ms Felicia Gan Peiling was not granted a salary supplement (2023: US\$36,849) during the financial year ended 30 June 2024.

Ms Susan Yong was granted a salary supplement on 24 February 2024 of US\$7,420 (2023: US\$11,710) during the financial year ended 30 June 2024. The amount was paid on 24 February 2024 for her contribution as Chief Operations Officer for the business although the company did not pay any variable bonus to her.

Mr Lee Kwak Keh was granted a salary supplement on 24 February 2024 of US\$5,936 (2023: US\$9,002) during the financial year ended 30 June 2024. The amount was paid on 24 February 2024 for his contribution as Chief Merchandising Officer for the business although the company did not pay any variable bonus to him.

Ms Lee Li San was granted a salary supplement on 24 February 2024 of US\$11,129 (2023: US\$9,515) during the financial year ended 30 June 2024. The amount was paid on 24 February 2024 for her contribution as Group Financial Controller, although the company did not pay any variable bonus to her.

LOANS TO KEY MANAGEMENT PERSONNEL

GLG has not provided any loans to key management personnel.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL IN GLG

There have been no other transactions between GLG and key management personnel.

For personal use only

KEY MANAGEMENT PERSONNEL EQUITY HOLDINGS

Fully paid ordinary shares of GLG Corp Ltd

	Balance at 1 July No.	Granted as compensation No.	Net other change No.	Balance at resignation date No.	Balance at 30 June No.
2024					
Estina Ang Suan Hong (indirect holding through Ghim Li Group)	53,338,000	–	–	–	53,338,000
Felicia Gan Peiling (including indirect holding through Ghim Li Group)	55,560,000	–	–	–	55,560,000
Lee Kwak Keh	–	–	50,000	–	50,000
Susan Yong	–	–	50,000	–	50,000
Lee Li San	–	–	50,000	–	50,000
2023					
Estina Ang Suan Hong (indirect holding through Ghim Li Group)	53,338,000	–	–	–	53,338,000
Felicia Gan Peiling (including indirect holding through Ghim Li Group)	55,560,000	–	–	–	55,560,000

KEY TERMS OF EMPLOYMENT CONTRACT

A summary of the key term of employment are set out below for the financial year ended 30 June 2024:

Position	Key term of service agreements
Chair	<ul style="list-style-type: none"> ▪ Base salary: US\$538,656 (SG\$726,000) excluding superannuation. The contract for remuneration is in Singapore Dollars. ▪ Term: no fixed term ▪ Base remuneration: Reviewed annually by the Nomination and Remuneration Committee. ▪ Salary supplement/bonus entitlements: Determined annually by the Nomination and Remuneration Committee. ▪ Termination notice period: 6 months' notice or without notice in the event of serious misconduct. ▪ Termination payment: in lieu of notice ▪ Restraint and confidentiality provisions.

Chief Executive Officer

- Base salary: US\$324,529 (SG\$437,400) excluding superannuation. The contract for remuneration is in Singapore Dollars.
- Term: no fixed term
- Base remuneration: Reviewed annually by the Nomination and Remuneration Committee.
- Salary supplement/bonus entitlements: Determined annually by the Nomination and Remuneration Committee.
- Termination notice period: 3 months' notice or without notice in the event of serious misconduct.
- Termination payment: in lieu of notice
- Restraint and confidentiality provisions.

Senior Management

- Base salary: refer to remuneration of directors and senior management for individual's salary
- Term: no fixed term
- Base remuneration: Reviewed annually by the Nomination and Remuneration Committee.
- Salary supplement/bonus entitlements: Determined annually by the Nomination and Remuneration Committee.
- Termination notice period: one month's notice or without notice in the event of serious misconduct.
- Termination payment: in lieu of notice
- Restraint and confidentiality provisions.

This concludes the Remuneration Report, which has been audited.

The Directors' report is signed in accordance with a resolution of the Directors made pursuant to s.298 (2) of the Corporations Act 2001.

On the behalf of the Directors


Felicia Gan Peiling, PBM
Chief Executive Officer
Singapore, 20th September 2024

For personal use only



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY STEPHEN MAY TO THE DIRECTORS OF GLG CORP LTD

As lead auditor of GLG Corp Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of GLG Corp Ltd and the entities it controlled during the year.

A handwritten signature in black ink, appearing to read 'Stephen May', is written over a light grey signature line.

Stephen May
Director

BDO Audit Pty Ltd
Sydney
20 September 2024



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of GLG Corp Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of GLG Corp Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

For personal use only



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
<p>Valuation of GLIT Receivables</p> <p>The valuation of GLIT receivables, collectively the receivables from GLIT Holdings and receivables from outsourced manufacturing suppliers as disclosed in note 11 is significant to our audit because as at 30 June 2024 the balance was \$17,848,000 and it includes judgement in assumptions used in assessing the recoverability.</p> <p>The valuation process used by the Group to assess recoverability is judgemental and is based on assumptions, specifically those in relation to trust receipts and the overall working capital cycle of the Group.</p>	<p>To determine whether the receivable was recoverable at the reporting date, our audit procedures included, amongst others, the following procedures:</p> <ul style="list-style-type: none"> Assessed managements' evaluation of the recoverability of the receivable; and Analysed turnover of the receivable balance in order to ascertain whether the recoverability of the receivable would occur within a reasonable timeframe as part of the overall working capital of the Group.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

For personal use only



- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 51 to 57 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of GLG Corp Ltd, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Stephen May'.

Stephen May
Director

Sydney, 20 September 2024

For personal use only

DIRECTOR'S DECLARATION

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the attached financial statements are in compliance with Australian Accounting Standards and International Financial Reporting Standards, as stated in Note 2 to the financial statements;
- (c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Australian Accounting Standards and the Corporations Regulation 2001 and giving a true and fair view of the financial position of the consolidated entity as at 30 June 2024 and of its performance for the financial year ended on that date;
- (d) in the Directors' opinion, the information in the Consolidated Entity Disclosure Statement is true and correct; and
- (e) the Directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5)(a) of the Corporations Act 2001.

On the behalf of the Directors



Felicia Gan Pelling, PBM

Chief Executive Officer

Singapore, 20th September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Consolidated 2024 US\$'000	Consolidated 2023 US\$'000
Revenue	5	116,555	116,489
Cost of sales		(98,352)	(95,002)
Gross profit		18,203	21,487
Other income	5	411	4,395
Distribution expenses		(6,343)	(9,160)
Administration expenses	6	(10,435)	(10,712)
Finance costs	7	(2,307)	(2,201)
Other expenses	8	(3,082)	(5,027)
Loss before income tax expense		(3,553)	(1,218)
Income tax expense	10	(132)	(734)
Loss for the year		(3,685)	(1,952)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation deficit, on land and building, net of tax		(5)	(673)
Other comprehensive income, net of tax		(5)	(673)
Total comprehensive loss for the year		(3,690)	(2,625)
Earnings per share:			
Basic (cents per share)	21	(4.97)	(2.63)
Diluted (cents per share)	21	(4.97)	(2.63)

Notes to the Financial Statements are included on pages 67 to 108.

For personal use only

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	Consolidated	
		2024 US\$'000	2023 US\$'000
Current assets			
Cash and cash equivalents		12,015	19,159
Trade and other receivables	11	27,795	27,703
Inventory	13	24,402	25,463
Current tax receivable	10	132	–
Other assets	16	1,174	1,192
Total current assets		65,518	73,517
Non-current assets			
Other financial assets	12	5,559	5,559
Trade and other receivables	11	2,700	2,700
Intangible assets	15	2,623	2,896
Right-of-use assets	27	1,832	3,660
Property, plant and equipment	14	22,155	26,494
Total non-current assets		34,869	41,309
Total assets		100,387	114,826
Current liabilities			
Trade and other payables	17	11,279	16,087
Borrowings	18	32,470	34,002
Lease liability	27	1,401	1,859
Current tax liabilities	10	63	211
Total current liabilities		45,213	52,159
Non-current liabilities			
Borrowings	18	360	2,468
Lease liability	27	569	2,000
Deferred tax liabilities	10	2,620	2,884
Total non-current liabilities		3,549	7,352
Total liabilities		48,762	59,511
Net assets		51,625	55,315
Equity			
Issued capital	19	10,322	10,322
Revaluation reserves	26	2,269	2,274
Merger reserves	26	(14,812)	(14,812)
Retained earnings	20	53,846	57,531
Total equity		51,625	55,315

Notes to the Financial Statements are included on pages 67 to 108.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Issued Capital US\$'000	Asset Revaluation Reserve US\$'000	Merger Reserve US\$'000	Retained Earnings US\$'000	Total US\$'000
Consolidated					
Balance at 1 July 2022	10,322	2,947	(14,812)	60,594	59,051
Dividend declared	–	–	–	(1,111)	(1,111)
Loss after income tax expense	–	–	–	(1,952)	(1,952)
Other comprehensive income for the year, net of tax	–	(673)	–	–	(673)
Total comprehensive income	–	(673)	–	(1,952)	(2,625)
Balance at 30 June 2023	10,322	2,274	(14,812)	57,531	55,315
Balance at 1 July 2023	10,322	2,274	(14,812)	57,531	55,315
Loss after income tax expense	–	–	–	(3,685)	(3,685)
Other comprehensive income for the year, net of tax	–	(5)	–	–	(5)
Total comprehensive income	–	(5)	–	(3,685)	(3,690)
Balance at 30 June 2024	10,322	2,269	(14,812)	53,846	51,625

Notes to the Financial Statements are included on pages 67 to 108.

For personal use only

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	Consolidated	
		2024 US\$'000	2023 US\$'000
Cash flows from operating activities			
Receipts from customers		116,138	128,936
Payments to suppliers and employees		(112,093)	(102,935)
Net proceeds from/ (payments to) outsourced manufacturing suppliers		622	(544)
Interest income		105	44
Interest and other costs of finance paid		(2,158)	(1,537)
Interest paid on lease liabilities		(149)	(379)
Income tax paid		(655)	(754)
Net cash provided by operating activities	25(c)	1,810	22,831
Cash flows from investing activities			
Purchase of property, plant and equipment		(744)	(1,194)
Disposal of property, plant and equipment		5	36
Purchase software		(198)	-
Rental deposit refunded		-	1,312
Net cash (used in)/ from investing activities		(937)	154
Cash flows from financing activities			
Repayment of borrowings		(3,640)	(13,514)
Repayments of lease liability		(2,038)	(2,069)
Net repayments to from Ghim Li Group		(2,339)	(1,025)
Dividend paid		-	(1,111)
Net cash used in financing activities	25(d)	(8,017)	(17,719)
Net (decrease)/ increase in cash and cash equivalents		(7,144)	5,266
Cash and cash equivalents at the beginning of the financial year		19,159	13,893
Cash and cash equivalents at the end of the financial year	25(a)	12,015	19,159

Notes to the Financial Statements are included on pages 67 to 108.

NOTES TO THE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. GENERAL INFORMATION

GLG Corp Ltd (the Company) is a public company listed on the Australian Securities Exchange (ASX: GLE), incorporated in Australia and operating in Asia.

GLG Corp Ltd's registered office and principal place of business are as follows:

Registered office

'Australia Square' Suite 4201,
Level 42, 264-278 George Street,
Sydney, NSW, 2000
Australia

Principal place of business

15, Harvey Road,
Singapore 369930

The consolidated entity's principal activities in the course of the financial year were being a global supplier of knitwear, apparel, garments, accessories and supply chain management operations.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report comprises the consolidated financial statements of GLG for the purposes of preparing the consolidated financial statement, the company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with the Australian Accounting Standards ensures that the financial statements and notes of GLG comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the Directors on 20th September 2024.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in United States dollars, unless otherwise noted.

The consolidated entity satisfies the requirements of ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission in relation to rounding of amounts in the directors' report and the financial statements to the nearest thousand dollars. Amounts have been rounded off in the financial statements in accordance with that Legislative Instrument.

The company will be able to continue as a going concern and it is appropriate to adopt the going concern basis in the preparation of the financial report.

For personal use only

2. MATERIAL ACCOUNTING POLICIES (cont'd)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Fair value hierarchy

The following details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Assets and liabilities measured at fair value include:

- Freehold and leasehold land and buildings - Level 3 – refer to Note 14 for further details
- Contingent liability - Level 2

There were no transfers between levels during the period.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

Adoption of new and revised Accounting Standards

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

Standards and Interpretations adopted

Any new, revised, or amending accounting standards or interpretations that are not yet mandatory have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(a) Basis of consolidation

The consolidated financial statements include the information and results of each subsidiary from the date on which the GLG obtains control and until such time as the Group ceases to control such entity. Control is achieved when the company:

- has power over the investee;
- is exposed, or has the rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Total comprehensive income of subsidiaries is attributed to the owners of the Company.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

A list of subsidiaries appears in Note 24 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

(b) Foreign currency

The individual financial statements of each GLG entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in United States dollars, which is the functional currency of GLG Corp Ltd and the presentation currency for the consolidated financial statements. All subsidiaries of GLG Corp Ltd have functional currency of United States dollars.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period.

Exchange differences are recognised in profit or loss in the period in which they arise except that:

- (i) exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- (ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks, there are no hedging activities undertaken in the current year; and
- (iii) exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

Standards and Interpretations adopted (cont'd)

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(d) Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', financial assets at 'amortised cost'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Cash and cash equivalents, trade receivables, other assets and other financial assets are measured at amortised cost using the effective interest method less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Interest income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

The Group recognises an impairment gain or loss in profit or loss for the amount that the expected credit loss is updated to reflect these changes in credit risk. The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If GLG neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, GLG recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If GLG retains substantially all the risks and rewards of ownership of a transferred financial asset, GLG continues to recognise the financial assets and also recognises collateralised borrowings for the proceeds received.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

Standards and Interpretations adopted (cont'd)

(e) Impairment of tangible and intangible assets

At the end of each reporting period, GLG reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, GLG estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest GLG of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(f) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of short term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

2. MATERIAL ACCOUNTING POLICIES (cont'd)

Standards and Interpretations adopted (cont'd)

(g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(h) Financial instruments issued by the Company

Trade and other payables and borrowings are initially measured at fair value, net of transaction costs.

Trade and other payables and borrowings are subsequently measured at amortised cost using the effective interest method.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of GLG's accounting policies, which are described in Note 2 and the respective notes in the financial report, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. One such other factor considered in management's estimates and associated assumptions for the current year includes the Covid-19 pandemic. Due to the degree of uncertainty of the pandemic, the limited recent exposure of the economic and financial impacts, management have found it necessary to incorporate this ongoing event into the key judgements and estimates made in the preparation of the financial statements in order to reflect the resulting increased estimation uncertainty. Actual results may differ from these estimates.

Key estimates and judgements are relevant to impairment of receivable, revaluation of property plant and equipment and determining the lease terms and incremental borrowing rates. Refer to Notes 11, Notes 14 and Notes 27 for further details. Estimates and judgement in provision for impairment of inventories is discussed in Note 13.

4. SEGMENT INFORMATION

Identification of reportable operating segments

The consolidated entity is organised into two operating segments: fabric and garments. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The directors' review EBIT (earnings before interest and tax). The accounting policies adopted for internal reporting to the directors are consistent with those adopted in the financial statements.

Revenues of US\$20.1m (2023: US\$21.7m), US\$22.5m (2023: US\$19.5m) and US\$25.2m (2023: US\$27.0m) derived from three single customers of the Group. Each of these separate revenues amount to more than 10% of the Company's revenues from external customers.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Fabric	the manufacture and wholesaling of fabric
Garments	the manufacturing and wholesaling of garments

Intersegment transactions

Intersegment transactions were made at market rates. The garment retailing operating segment purchases fabric from the fabric manufacturing operating segment. Intersegment transactions are eliminated on consolidation.

Operating segment information

Consolidated – 30 June 2024	Fabric Manufacturing US\$'000	Garment US\$'000	Intersegment eliminations US\$'000	Total US\$'000
Revenue				
Sales to external customers	588	115,967	–	116,555
Intersegment sales	35,649	–	(35,649)	–
Total revenue	36,237	115,967	(35,649)	116,555
Interest received	41	64	–	105
Depreciation	(2,190)	(765)	–	(2,955)
Amortisation	(208)	(2,430)	190	(2,448)
Bad and doubtful debts	–	(49)	–	(49)
Write-off of property, plant and equipment	(553)	(1,543)	–	(2,096)
Unrealised profit	–	–	(138)	(138)
EBIT	(1,207)	(39)	–	(1,246)
Finance costs				(2,307)
Loss before income tax expense				(3,553)
Income tax expense				(132)
Loss after income tax expenses				(3,685)

For personal use only

4. SEGMENT INFORMATION (cont'd)

Consolidated – 30 June 2024	Fabric Manufacturing US\$'000	Garment US\$'000	Corporates US\$'000	Intersegment eliminations US\$'000	Total US\$'000
Assets	36,454	119,980	107,647	(163,694)	100,387
Liabilities	(19,190)	(67,085)	(17,455)	54,968	(48,762)

Consolidated – 30 June 2023	Fabric Manufacturing US\$'000	Garment US\$'000	Intersegment eliminations US\$'000	Total US\$'000
Revenue				
Sales to external customers	409	116,080	–	116,489
Intersegment sales	38,359	–	(38,359)	–
Total revenue	38,768	116,080	(38,359)	116,489
Interest received	41	3	–	44
Depreciation	(2,365)	(910)	–	(3,275)
Amortisation	(195)	(2,626)	198	(2,623)
Impairment of claims from tax settlement	–	(1,097)	–	(1,097)
Bad and doubtful debts	–	(30)	6	(24)
Impairment of deposits from outsourced manufacturer	–	(2,000)	–	(2,000)
Unrealised profit	(45)	(505)	–	(550)
EBIT	(1,618)	2,601	–	983
Finance costs				(2,201)
Loss before income tax expense				(1,218)
Income tax expense				(734)
Loss after income tax expense				(1,952)

Consolidated – 30 June 2023	Fabric Manufacturing US\$'000	Garment US\$'000	Corporates US\$'000	Intersegment eliminations US\$'000	Total US\$'000
Assets	39,130	134,707	113,511	(172,522)	114,826
Liabilities	(19,580)	(80,461)	(23,534)	64,064	(59,511)

For personal use only

4. SEGMENT INFORMATION (cont'd)

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	Fabric	
	2024 US\$'000	2023 US\$'000
India	152	319
Hong Kong	204	–
Malaysia	91	90
Others	141	–
	588	409

	Garment	
	2024 US\$'000	2023 US\$'000
Canada	23,696	19,797
Europe	892	1,347
Japan	–	10
Singapore	521	153
USA	90,399	93,502
Cambodia	160	712
Malaysia	105	463
Others	194	96
	115,967	116,080

5. REVENUE

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

For personal use only

5. REVENUE (cont'd)Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered to buyers' forwarders which is taken to be the point in time when the buyers have control of the goods and the cessation of all involvement in those goods.

Interest income

Interest income is recognised on a time proportionate basis that takes into account by applying the effective interest rate.

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Revenue from the sale of goods*	116,555	116,489
Other income		
Write-back of accruals for late shipment claim ⁽ⁱ⁾	–	2,765
Gain on modification of lease terms of ROU assets	–	958
Sample income	34	22
Interest income	105	44
Insurance compensation	–	194
Recovery of bad debts receivable	–	107
Government grant	170	45
Other	102	260
Total other income	411	4,395
	116,966	120,884

Disaggregation of revenue

Revenue is disaggregated by the country in which the customer is located as this depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors. See further detail on revenue by location of external customer within Note 4.

* Revenue from the sale of goods were recognised at the point in time.

⁽ⁱ⁾ In financial year 2023, the provision of \$2.8m has been reversed as management was able to negotiate the waiver of the prior year balance. No additional penalty provision is required at 30 June 2024 given the delivery periods are back to pre-covid levels with no delays incurred.

6. ADMINISTRATION EXPENSES

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Employee compensation	6,733	6,846
Leased rental and equipment expenses	145	138
Management fees	118	183
Insurance	285	340
Couriers	327	393
Depreciation and amortisation	1,979	2,035
Other administration expenses	848	777
	10,435	10,712

7. FINANCE COSTS

	Consolidated	
	2024 US\$'000	2023 US\$'000
Interest on loans	378	451
Interest on lease	149	379
Interest on obligations under finance leases	2	3
Bank charges	183	214
Total interest and bank charges	712	1,047
Line of credit charges	1,595	1,154
	2,307	2,201

8. OTHER EXPENSES

	Consolidated	
	2024 US\$'000	2023 US\$'000
Commitment fee ⁽ⁱ⁾	–	778
Legal and professional fee	497	359
Bad and doubtful debts	49	24
Impairment of deposits from outsourced manufacturer ⁽ⁱⁱⁱ⁾	–	2,000
Impairment of claim from tax settlement ⁽ⁱⁱ⁾	–	1,097
Write-off of property, plant and equipment ^(iv)	2,096	1
Others	440	768
	3,082	5,027

⁽ⁱ⁾ The Group committed 80% of total available capacity with outsourced manufacturers. If any shortfall in orders satisfaction, the outsourced manufacturers are entitled to claim a commitment fee from the Group.

⁽ⁱⁱ⁾ During the year ended 30 June 2022, a tax audit was conducted in respect of the Group's Cambodian subsidiary for the period from 2017 to 2019 which resulted in an amended final notice of assessment of US\$0.2m which was paid and disclosed as tax expenses. In addition, an amount of US\$1.1m was paid in order to finalise and settle the tax audit for tax exposures for those years prior to the Group's acquisition of the Cambodian subsidiary's assets. In accordance with the warranty clause under the Sale and Purchase Agreement and the Sales Agreement, these amounts incurred during those periods were claimable from the seller. Whilst the amounts are considered able of being recouped from the seller, they have been impaired during the year ended 30 June 2023 due to the time that has lapsed and the uncertainty of recovery.

⁽ⁱⁱⁱ⁾ The impairment of deposits from outsourced manufacturer was due to the write off of deposits with an outsourced manufacturer in relation to the decrease in revenue and thereby reduction of allocated production to the third-party manufacturer resulting in the closure of the third party manufacturer.

^(iv) During the year, property, plant and equipment was written off in respect of the Cambodia (US\$1.5m) and Malaysia (US\$0.6m) factories which were identified as no longer being required to be used in the production process.

For personal use only

9. LOSS FOR THE YEAR BEFORE INCOME TAX EXPENSE

Loss for the year has been arrived at after (crediting)/charging the following gains and losses:

	Consolidated	
	2024 US\$'000	2023 US\$'000
Write-off of property, plant and equipment	2,096	1
Impairment of deposits from outsourced manufacturer	–	2,000
Impairment of claim from tax settlement	–	1,097
Bad and doubtful debts	49	24
Impairment/Write back of inventory	268	578
Gain on modification of lease terms of ROU assets	–	(958)
Write back of accrual for late shipment claim	–	(2,765)
Net foreign exchange gain	(75)	(105)
Depreciation of non-current assets	2,955	3,275
Amortisation of intangible assets	471	465
Amortisation of right-of-use assets	1,977	2,158
Lease rental expenses:		
Minimum lease payments	47	44
Employee benefit expense:		
Salaries, wages, and bonuses	20,668	20,193
Post-employment benefits:		
Defined contribution plans	531	556
Total employee benefit expenses	21,199	20,749

10. INCOME TAXES

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items. In principle, deferred tax liabilities are recognised for all taxable temporary differences. However, deferred tax liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches and interest in joint ventures except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

There were no franking credits for 2024 and 2023.

For personal use only

10. INCOME TAXES (cont'd)

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the Consolidated Statement of profit or loss and other comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where the current or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(a) Income tax recognised in profit or loss

	Consolidated	
	2024 US\$'000	2023 US\$'000
Tax expense comprises:		
Current tax expense in respect of the current year	358	612
Deferred tax expense in respect of the current year	(175)	(507)
(Over)/ Under provision of deferred tax in prior financial year	(69)	759
Adjustments recognized in the current year in relation to prior years	18	(130)
Total tax expense	132	734

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

Loss from operations	(3,553)	(1,218)
Income tax expense calculated at 30%	(1,066)	(365)
Effect of expenses that are not deductible in determining taxable profit	855	969
Non-taxable income	–	(478)
Effect of tax losses not recognised	(3)	(12)
Effects of different tax rates of subsidiaries operating in other jurisdictions ⁽ⁱ⁾	308	(452)
Utilisation of tax losses	(283)	–
Deferred tax assets not recognised	330	–
Unrecognised tax losses during the year	–	450
(Over)/under provision of deferred tax in prior financial year	(69)	759
	72	871
Other	42	(7)
	114	864
Adjustments recognised in the current year in relation to the tax provision in previous financial years	18	(130)
Income tax expense recognised in profit	132	734

⁽ⁱ⁾ The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period. However, for the purposes of tax reconciliation, certain subsidiaries were operating in Singapore, Malaysia and Hong Kong, in which these entities are taxed at the respective local tax rates.

Unrecognised deferred tax assets in relation to tax losses at year end amounted to approximately US\$1.8m (2023: US\$2.2m) relates to a subsidiary in Cambodia expiring in 2025 to 2028.

For personal use only

10. INCOME TAXES (cont'd)

(b) Current tax (liabilities) / receivable

	Consolidated	
	2024 US\$'000	2023 US\$'000
<u>Current tax receivable</u>		
Income tax receivable attributable to entities in the consolidated GLG	132	-
	132	-
<u>Current tax liabilities</u>		
Income tax payable attributable to entities in the consolidated GLG	(63)	(211)
	(63)	(211)

(c) Deferred tax balances

Deferred tax liabilities arise from the following:

	Consolidated						
	Opening balance US\$'000	Charged to income US\$'000	Charged to Equity US\$'000	Acquisitions /disposals US\$'000	Exchange differences US\$'000	Changes in tax rate US\$'000	Closing balance US\$'000
2024							
Temporary differences							
Property, plant and equipment	2,884	(244)	(20)	-	-	-	2,620
	2,884	(244)	(20)	-	-	-	2,620
Unused tax losses and other credits:							
Nil	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,884	(244)	(20)	-	-	-	2,620

Presented in the statement of financial position as follows:

Deferred tax liability	2,620
-------------------------------	--------------

	Consolidated						
	Opening balance US\$'000	Charged to income US\$'000	Charged to Equity US\$'000	Acquisitions /disposals US\$'000	Exchange differences US\$'000	Changes in tax rate US\$'000	Closing balance US\$'000
2023							
Temporary differences							
Property, plant and equipment	2,756	252	(124)	-	-	-	2,884
	2,756	252	(124)	-	-	-	2,884
Unused tax losses and other credits:							
Nil	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	2,756	252	(124)	-	-	-	2,884

Presented in the statement of financial position as follows:

Deferred tax liability	2,884
-------------------------------	--------------

11. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Current		
Trade receivables		
Trade customers	11,247	10,638
GLIT Holdings Group ⁽ⁱ⁾	15,148	15,770
Trade receivables	26,395	26,408
Other receivables		
Other receivables	746	708
Goods and services tax recoverable	654	587
Other receivables	1,400	1,295
	27,795	27,703
Non-current		
GLIT Holdings ⁽ⁱ⁾	2,700	2,700
	2,700	2,700
Total trade and other receivables	30,495	30,403

The average credit period on sales of goods and rendering of services is 75 days. No interest is charged on the trade receivables outstanding balance.

⁽ⁱ⁾ Receivable from GLIT Holdings Group that are expected to be settled in the next 12 months by netting off from the logistic revenue charged by GLIT Holdings Group is classified as current, whilst the remaining balance that are expected to be settled in more than a year is classified as non-current.

Before accepting any new customers, the Group uses an external scoring system to assess the potential customer's credit quality and defines credit limits by customers. Limits and scoring attributed to customers are reviewed twice a year. 99.9% of the trade receivables that are neither past due nor impaired have the best credit scoring attributable under the external credit scoring system used by the Group.

For personal use only

11. TRADE AND OTHER RECEIVABLES (cont'd)

Included in the Group's trade receivable balance are debtors with a carrying amount of US\$ 0.7m (2023: \$0.02m) which are past due at the reporting date. There has been no significant change in credit quality and all amounts are considered recoverable. The Group does not hold any collateral over these balances.

	Consolidated	
	2024	2023
	US\$'000	US\$'000
<u>Ageing of Trade Receivables (trade customers) - past due but not impaired</u>		
30 – 60 days	555	117
60 – 90 days	9	–
90 – 120 days	119	–
More than 120 days	14	–
Total	697	117
<u>Movement in the allowance for expected credit loss</u>		
Balance at the beginning of the year	–	–
Charge / (credit) to profit or loss	–	–
Allowance written off during the year	–	–
Balance at the end of the year*	–	–

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. Credit risk is concentrated with a few significant counterparties.

Allowance for expected credit losses (ECL) of receivables – estimates and judgements

GLG assesses impairment at the end of each reporting period by evaluating the conditions and events specific to GLG that may be indicative of impairment triggers.

GLIT Holdings Pte Ltd (GLIT) and its operating subsidiaries provide outsourced manufacturing services to GLG. GLG provides working capital and fabric to GLIT as part of the arrangement. When fabric is acquired by GLIT, GLG issues a letter of credit on their behalf. In order to maximise the discounts available, GLG converts the letter of credit it has issued into a Trust Receipt for GLIT. The Bank will immediately pay the fabric supplier. Once GLIT invoices GLG, a trade payable is recorded. GLG has a legal enforceable right to offset the amount owed by GLIT and settle the balance, if any, with GLIT on a net basis. The offset takes place between 90 days to 120 days depending on the date of maturity of the Trust Receipt.

GLIT Holdings Pte Ltd and its subsidiaries that provide subcontracted manufacturing operations were disposed of by the Ghim Li Group in 2005 as part of a management buy out. GLIT continue to operate as GLG's outsourced manufacturing partner.

The GLIT Receivables (collectively the receivables from GLIT Holdings and receivables from outsourced manufacturing suppliers) carrying value of US\$17.8m (2023: US\$18.5m) is estimated to be recoverable on the basis that GLIT continues to operate as our outsourced manufacturing partner dedicated to serve the day-to-day needs of GLG. It is assumed that GLIT has sufficient resources, financial and otherwise to support the order fulfilment processes in the factories, with guidance and loadings from GLG. The valuation of GLIT receivable is evaluated to be recoverable based on the assumption on the accessibility of trust receipts available for offset and the amount of available collateral in place, the turnover of the balance as part of the overall working capital cycle of the group and, if necessary, payables or other assets made available to offset or guarantee the balance.

For personal use only

11. TRADE AND OTHER RECEIVABLES (cont'd)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In determining the ECL provision, forward looking macro-economic information and assumptions relating to the pandemic and other economic indicators have been considered. Both forward looking information and analysis based on the Group's historical loss experience have been used to determine the ECL provision.

12. OTHER FINANCIAL ASSETS

	Consolidated	
	2024 US\$'000	2023 US\$'000
<u>Non-current</u>		
Security deposit	5,000	5,000
Office rental deposit to Ghim Li Group ⁽ⁱ⁾	559	559
	5,559	5,559
Disclosed in the financial statements as:		
Total Non-current other financial assets	5,559	5,559

⁽ⁱ⁾ Office rental security deposits to Ghim Li Group Pte Ltd, ultimate parent entity of GLG Group.

13. INVENTORY

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

	Consolidated	
	2024 US\$'000	2023 US\$'000
Raw materials	11,317	12,106
Work in progress	4,777	5,368
Goods in transit	6,010	4,313
Consumables	2	12
Stock lot	604	574
Finished goods	1,692	3,090
Total	24,402	25,463

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

For personal use only

14. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are carried in the Statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets are pledged as security – refer further to Note 18.

Land and buildings are initially recognized at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Buildings and leasehold land are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on property, plant and equipment, including freehold buildings. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The lease period is for 60 years, ending 2050. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The following estimated useful lives are used in the calculation of depreciation

Building on freehold land	50 years
Leasehold properties	Over term of lease
Plant and machinery	10 years
Furniture, fittings and office equipment	3-10 years
Motor vehicles	5-10 years

Assets and liabilities measured at fair value include:

- Freehold and leasehold land and buildings - Level 3

Freehold and leasehold land and buildings of the Company were revalued on 30 June 2024 by One Asia Property Consultants (KL) Sdn. Bhd, an external, independent and registered valuer. The comparison method was adopted in arriving at the market value of the freehold and leasehold land and buildings. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique as compared with previous financial year and revaluations are done on an annual basis.

Freehold and leasehold land and buildings at valuation are categorised as Level 3 fair value, which has been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input to this valuation approach is price per square foot of comparable properties.

Description	Valuation Approach	Unobservable inputs	Range of inputs	Weighted average	Relationship of unobservable inputs to fair value
Leasehold Property	Sales comparison	Price per square foot	RM23 to RM32.90 per square foot for land RM50 to RM100 per square foot for building RM = Malaysian Ringgit currency	RM27.70 per square foot for land RM75 per square foot for building	The higher the price per square foot the higher the fair value
Freehold property	Sales comparison	Price per square foot	RM50.90 to RM80.70 per square foot for land RM50 to RM95 per square foot for building RM = Malaysian Ringgit currency	RM52.50 per square foot for land RM73 per square foot for building	The higher the price per square foot, the higher the fair value

For personal use only

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Financial year 30 June 2023

Description	Valuation Approach	Unobservable inputs	Range of inputs	Weighted average	Relationship of unobservable inputs to fair value
Leasehold Property	Sales comparison	Price per square foot	RM26 to RM30.60 per square foot for land RM50 to RM100 per square foot for building RM = Malaysian Ringgit currency	RM27.70 per square foot for land RM75 per square foot for building	The higher the price per square foot the higher the fair value
Freehold property	Sales comparison	Price per square foot	RM42 to RM54.90 per square foot for land RM50 to RM95 per square foot for building RM = Malaysian Ringgit currency	RM50.50 per square foot for land RM73 per square foot for building	The higher the price per square foot, the higher the fair value

Valuation of land and buildings – estimates and judgements

GLG has determined that the revaluation model is more appropriate for reflecting the value of their land and buildings.

	Consolidated	
	2024 US\$'000	2023 US\$'000
Land and Buildings		
Freehold		
Land at independent valuation	2,651	2,571
Building at independent valuation	2,121	2,142
Total land and building	4,772	4,713
Carrying amount of all freehold land and building had it been carried under the cost model	3,373	3,441
Leasehold		
Land at independent valuation	3,606	3,640
Building at independent valuation	4,876	4,927
Total land and building	8,482	8,567
Carrying amount of all leasehold land and building had it been carried under the cost model	3,492	3,628

For personal use only

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Plant and Equipment		
Plant and equipment:		
At cost	26,676	31,599
Accumulated depreciation	(20,298)	(21,458)
	6,378	10,141
Plant and equipment with net carrying amount were acquired under finance leases:		
At cost	322	595
Accumulated depreciation	(293)	(545)
	29	50
Plant and equipment with net carrying amount were acquired under bank borrowings		
At cost	5,109	5,134
Accumulated depreciation	(2,615)	(2,111)
	2,494	3,023
Total plant and equipment	8,901	13,214
Total property, plant and equipment	22,155	26,494

For personal use only

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Cost	Consolidated							
	At Valuation			At Cost				
	Freehold land and buildings US\$'000	Leasehold land and buildings US\$'000	Sub-total US\$'000	Plant and machinery US\$'000	Renovation US\$'000	Other assets US\$'000	Motor vehicles US\$'000	Total US\$'000
Balance as at 1 July 2022	4,995	9,081	14,076	29,029	4,546	2,669	720	51,040
Additions	–	–	–	846	63	172	113	1,194
Disposals	–	–	–	(801)	(5)	(11)	(11)	(828)
Revaluation deficit	(282)	(514)	(796)	–	–	–	–	(796)
Balance as at 30 June 2023	4,713	8,567	13,280	29,074	4,604	2,830	822	50,610
Additions	–	–	–	586	61	97	–	744
Disposals and write-off (Note 8)	–	–	–	(5,927)	–	(40)	–	(5,967)
Revaluation surplus/(deficit)	59	(85)	(26)	–	–	–	–	(26)
Balance as at 30 June 2024	4,772	8,482	13,254	23,733	4,665	2,887	822	45,361
Accumulated depreciation								
Balance as at 1 July 2022	–	–	–	14,881	3,947	2,172	644	21,644
Depreciation expense	–	–	–	2,739	296	179	61	3,275
Accumulated depreciation on disposals	–	–	–	(778)	(5)	(9)	(11)	(803)
Balance as at 30 June 2023	–	–	–	16,842	4,238	2,342	694	24,116
Depreciation expense	–	–	–	2,583	155	182	35	2,955
Accumulated depreciation on disposals and write-off (Note 8)	–	–	–	(3,825)	–	(40)	–	(3,865)
Balance as at 30 June 2024	–	–	–	15,600	4,393	2,484	729	23,206
Net book value								
As at 30 June 2023	4,713	8,567	13,280	12,232	366	488	128	26,494
As at 30 June 2024	4,772	8,482	13,254	8,133	272	403	93	22,155

Other assets comprise of computers, furniture and fittings, hostel and office equipment.

For personal use only

15. INTANGIBLE ASSETS

Cost	Consolidated				
	Software US\$'000	Goodwill US\$'000	Trademark & customers network US\$'000	Others US\$'000	Total US\$'000
Balance as at 1 July 2022	2,153	1,841	2,518	407	6,919
Additions	–	–	–	–	–
Balance as at 30 June 2023	2,153	1,841	2,518	407	6,919
Additions	198	–	–	–	198
Balance as at 30 June 2024	2,351	1,841	2,518	407	7,117
Accumulated Depreciation					
Balance as at 1 July 2022	554	1,841	756	407	3,558
Amortisation	213	–	252	–	465
Balance as at 30 June 2023	767	1,841	1,008	407	4,023
Amortisation	219	–	252	–	471
Balance as at 30 June 2024	986	1,841	1,260	407	4,494
Net book value					
As at 30 June 2023	1,386	–	1,510	–	2,896
As at 30 June 2024	1,365	–	1,258	–	2,623

Software

Computer software is stated as intangible assets in the statement of financial position and amortised on the straight line method over 3 -10 years.

Goodwill – recognition and measurement

All business combinations are accounted for by applying the acquisition method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired and has an indefinite useful life. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is assessed as part of the Ghim Li Fashion (M) Sdn Bhd CGU. Goodwill is not amortised but is subject to impairment testing on an annual basis or whenever there is an indication of impairment.

Trademark and customers network

Trademark and customers network are stated as intangible assets in the statement of financial position and amortised on the straight-line method over 10 years.

Goodwill – estimates and judgements

The goodwill has been fully impaired in prior years.

16. OTHER ASSETS

	Consolidated	
	2024	2023
	US\$'000	US\$'000
<u>Current</u>		
Prepayments	1,174	1,192

17. TRADE AND OTHER PAYABLES

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Trade payables ⁽ⁱ⁾	6,263	8,015
Other payables	2,647	3,271
Ghim Li Group ⁽ⁱⁱ⁾	16	2,354
Accruals – employee remuneration	1,577	1,520
Accruals – audit fee	130	115
Accruals – trust receipts interest	253	215
Accruals – others	393	597
	11,279	16,087

⁽ⁱ⁾ The average credit period on purchases of certain goods is 4 months. No interest is charged on the outstanding balance of trade payables. GLG has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

⁽ⁱⁱ⁾ The current payable due to Ghim Li Group Pte Ltd, ultimate parent entity from Ghim Li Global of US\$0.02m (2023: US\$2.4m).

For personal use only

18. BORROWINGS

	Consolidated	
	2024	2023
	US\$'000	US\$'000
<u>Secured – at amortised cost</u>		
Current		
Trust receipts (Gross) ⁽ⁱ⁾	28,555	27,930
Bill payables ⁽ⁱⁱⁱ⁾	2,330	–
Finance lease liabilities (Note 23)	18	29
Bank loan ⁽ⁱⁱ⁾	922	923
Term loan ^(iv)	645	5,120
Total	32,470	34,002
Non-current		
Finance lease liabilities (Note 23)	–	18
Bank loan ⁽ⁱⁱ⁾	341	1,266
Term loan ^(iv)	19	1,184
	360	2,468
Disclosed in the financial statements as:		
Current borrowings	32,470	34,002
Non-current borrowings	360	2,468
	32,830	36,470

Summary of borrowing arrangements:

- ⁽ⁱ⁾ Secured by negative pledge over all assets of Ghim Li Global Pte Ltd and Maxim Textile Technology Sdn Bhd. Refer to Terms & Conditions of Borrowing Balance for details.
- ⁽ⁱⁱ⁾ The bank loan, denominated in Singapore dollar was carried at fixed rate and was repayable over 5 years in 60 instalments from November 2021 to October 2025.
- ⁽ⁱⁱⁱ⁾ Bills Payable are amounts received from banks for discounting sales invoices billed to customers, with weighted average effective interest rate of 7.2% (2023: 5.9%) per annum.
- ^(iv) Term Loan relates to purchase of property, plant and machinery of the Company's subsidiaries and are secured by a negative pledge of the assets of the Company. The loan repayment period varies from 8 to 10 years for property and 5 to 6 years for plant and machinery. The weighted average effective interest rate for such loans is 5.0% per annum (2023: 4.8% per annum).

Banking relationship: GLG uses bank facilities to support the working capital requirements of its operations. Presently, the bank facilities provided to GLG are uncommitted short term trade financing facilities which are renewable annually by the banks and long term financing facilities.

18. BORROWINGS (cont'd)

Below are the details of available facilities from banks for the respective financial year end. GLG believe that it will continue to have the strong support from main bankers for its working capital and capital expenditure requirements. The facilities used are inclusive of the contingent liabilities as disclosed in Note 22.

30 June 2024	Used US\$'000	Unused US\$'000	Total US\$'000
Short term	34,777	44,528	79,305
Long term	1,927	–	1,927
Foreign exchange	–	17,569	17,569
Total	36,704	62,097	98,801

30 June 2023	Used US\$'000	Unused US\$'000	Total US\$'000
Short term	41,705	41,391	83,096
Long term	1,304	1,144	2,448
Foreign exchange	5,000	12,675	17,675
Total	48,009	55,210	103,219

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Terms & Conditions of Borrowing Balances:

- 1) Trust Receipts are denominated in USD bear weighted average effective interest rate of 7.1% (2023: 6.2%) per annum for a tenure of 4 months. Trust receipts are a discount form of supplier credit. In commercial terms, they are accounts payable.
- 2) Term Loan relates to purchase of property, plant and machinery of the Company's subsidiaries and are secured by a negative pledge of the assets of the Company. The loan repayment period varies from 8 to 10 years for property and 5 to 6 years for plant and machinery. The weighted average effective interest rate for such loans is 5.0% per annum (2023: 4.8% per annum).
- 3) Bills Payable are amounts received from banks for discounting sales invoices billed to customers, with weighted average effective interest rate of 7.2% (2023: 5.9%) per annum.

The weighted average effective interest rates for bank overdrafts, bills payable and trust receipts at the balance date were as follows:

	2024	2023
Bank loans	2.0% p.a.	2.0% p.a.
Term loan	5.0% p.a.	4.8% p.a.
Bill payable	7.2% p.a.	5.9% p.a.
Trust Receipts	7.1% p.a.	6.2% p.a.
Finance lease liabilities	5.1% p.a.	4.9% p.a.

For personal use only

19. ISSUED CAPITAL

	Consolidated	
	2024 US\$'000	2023 US\$'000
74,100,000 (2023: 74,100,000) fully paid ordinary shares	10,322	10,322

Ordinary shares:

- Each ordinary share is entitled to one vote when a poll is called; otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- Ordinary shares are classified as equity and entitle the holder to participate in dividends and the proceeds on the winding up of GLG in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and GLG does not have a limited amount of authorised capital.

	Consolidated			
	No. '000	2024 US\$'000	No. '000	2023 US\$'000
Fully paid ordinary shares				
Balance at beginning of financial year	74,100	10,322	74,100	10,322
Balance at end of financial year	74,100	10,322	74,100	10,322

20. RETAINED EARNINGS

	Consolidated	
	2024 US\$'000	2023 US\$'000
Balance at beginning of financial year	57,531	60,594
Dividend declared	–	(1,111)
Net loss attributable to members of the parent entity	(3,685)	(1,952)
Balance at end of financial year	53,846	57,531

21. EARNINGS PER SHARE

	Consolidated	
	2024 Cents per share	2023 Cents per share
Basic earnings per share:		
Total basic earnings per share	(4.97)	(2.63)
Diluted earnings per share:		
Total diluted earnings per share	(4.97)	(2.63)

For personal use only

21. EARNINGS PER SHARE (cont'd)

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Consolidated	
	2024 US\$'000	2023 US\$'000
Net loss	(3,685)	(1,952)
Earnings used in the calculation of basic EPS	(3,685)	(1,952)

	Consolidated	
	2024 No.'000	2023 No.'000
Weighted average number of ordinary shares for the purposes of basic earnings per share	74,100	74,100

Diluted earnings per share

The earnings used in the calculation of diluted earnings per share is as follows:

	Consolidated	
	2024 US\$'000	2023 US\$'000
Net loss	(3,685)	(1,952)
Earnings used in the calculation of diluted EPS	(3,685)	(1,952)

	Consolidated	
	2024 No.'000	2023 No.'000
Weighted average number of ordinary shares used in the calculation of basic EPS	74,100	74,100

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

For personal use only

22. CONTINGENT LIABILITIES

	Consolidated	
	2024 US\$'000	2023 US\$'000
Guarantees arising from Letters of Credit in force ⁽ⁱ⁾	645	2,266
Total	645	2,266

⁽ⁱ⁾ A number of contingent liabilities have arisen as a result of GLG's letter of credit issued by banks for purchase of goods.

23. FINANCE LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

GLG as lessee

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Finance lease liabilitiesLeasing arrangement

GLG leases motor vehicles and office equipment under finance leases expiring from one to five years. All the leases involve lease payments of a fixed base amount. No contingent rentals were paid during the year (2023: nil)

	Minimum future lease payments Consolidated		Present value of minimum future lease payments Consolidated	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
No later than 1 year	18	31	18	29
Later than 1 year and not later than 5 years	–	18	–	18
More than 5 years	–	–	–	–
Minimum future lease payments*	18	49	18	47
Less future finance charges	–	(2)	–	–
Present value of minimum lease payments	18	47	18	47
Included in the financial statements as (Note 18)				
Current borrowings			18	29
Non-current borrowings			–	18
			18	47

* Minimum future lease payments include the aggregate of all lease payments and any guaranteed residual.

For personal use only

24. SUBSIDIARIES

Name of subsidiary	Country of incorporation	Ownership interest	
		2024 %	2023 %
Ghim Li Global Pte Ltd	Singapore	100	100
Ghim Li Global International Ltd *	Hong Kong	100	100
Escala Fashion Pte. Ltd.	Singapore	100	100
Ghim Li International (S) Pte Ltd	Singapore	100	100
G&G International Pte Ltd	Singapore	100	100
AES (USA) Inc	USA	100	100
Maxim Textile Technology Sdn Bhd	Malaysia	100	100
Maxim Textile Technology Pte Ltd	Singapore	100	100
Ghim Li Fashion (M) Sdn Bhd	Malaysia	100	100
GG Fashion (Cambodia) Co., Ltd	Cambodia	100	100

* The company is deregistered in the financial year.

25. NOTES TO THE CASH FLOW STATEMENT

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of financial position.

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the Statement of financial position as follows:

	Consolidated	
	2024 US\$'000	2023 US\$'000
Cash and cash equivalents	12,015	19,159
	12,015	19,159

For personal use only

25. NOTES TO THE CASH FLOW STATEMENT (cont'd)

(b) Financing facilities

Secured bank loan facilities with various maturity dates and which may be extended by mutual agreement:

	Consolidated	
	2024	2023
	US\$'000	US\$'000
• amount used	36,704	48,009
• amount unused	62,097	55,210
	98,801	103,219

(c) Reconciliation of profit for the year to net cash flows from operating activities

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Loss for the year	(3,685)	(1,952)
Depreciation of property, plant and equipment	2,955	3,275
Amortisation of intangible assets	471	465
Amortisation of right on use assets	1,977	2,158
Bad and doubtful debts	49	2,024
Unrealised profit	138	(550)
Impairment/write back of inventories	268	578
Write-Off of property, plant and equipment	2,096	(11)
Gain on modification of lease terms of ROU assets	–	(958)
Write back of penalty provision	–	(2,765)

Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:

(Increase)/decrease in assets:

Inventories	656	11,833
Trade and other receivables	(741)	12,334
Other assets	16	(231)
Outsource to manufacturing suppliers	622	(544)

Increase/(decrease) in liabilities:

Trade and other payables	(2,470)	(2,682)
Current tax	(279)	(271)
Deferred tax	(263)	128

Net cash provided by operating activities

1,810	22,831
--------------	---------------

25. NOTES TO THE CASH FLOW STATEMENT (cont'd)

(d) Changes in liabilities arising from financing activities

	1 July 2023 US\$'000	Cashflows US\$'000	Non-cash items US\$'000	30 June 2024 US\$'000
Repayment of borrowings	36,470	(3,640)	–	32,830
Repayment of lease liability	3,859	(2,038)	149	1,970
Repayment of related entity borrowings	2,355	(2,339)	–	16
Dividend paid	16	–	(4)	12
Total	42,700	(8,017)	145	34,828

26. RESERVES

(a) Revaluation reserves

	Consolidated	
	2024 US\$'000	2023 US\$'000
Beginning of financial year	2,274	2,947
Deferred tax liabilities on revaluation	(20)	123
Revaluation loss arising from land and building	15	(796)
End of financial year	2,269	2,274

The revaluation reserve represents the increase in the fair value of the freehold and leasehold land and buildings, net of tax.

(b) Merger reserves

The merger reserve of US\$14.8m is a result of the common control acquisition.

For personal use only

27. LEASES

	Consolidated	
	2024 US\$'000	2023 US\$'000
Cost		
Balance as at 1 July	6,903	17,093
Additions	149	2,427
Disposal/Modification of the terms of leases	(156)	(12,617)
Balance as at 30 June	6,896	6,903
Amortisation		
Balance as at 1 July	3,243	6,031
Amortisation	1,977	2,158
Disposal/Modification of the terms of leases	(156)	(4,946)
Balance as at 30 June	5,064	3,243
Net book value	1,832	3,660
Lease Liability		
Balance as at 1 July	3,859	12,129
Additions	149	2,427
Modification/Disposal of the terms of leases	–	(8,628)
Balance as at 30 June	4,008	5,928
Repayment		
Cash payments	(2,186)	(2,069)
Interest expense	148	379
Net payments	2,038	1,690
Balance as at 30 June	1,970	3,859
Current lease liability	1,401	1,859
Non-current lease liability	569	2,000
Total lease liability	1,970	3,859

Lease	Location	Term	Interest rate
Head office	Singapore	2 years (01 Jan 2024 to 31 Dec 2024)	4.26%
Kujaya	Malaysia	3 years (01 Nov 2021 to 23 Oct 2024)	4.75%
Factory	Cambodia	3 years + 3 years option (01 Apr 2024 to 31 Mar 2026)	4.26%

For personal use only

27. LEASES (cont'd)

Accounting policies in relation to AASB 16

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

28. FINANCIAL INSTRUMENTS**(a) Capital risk management**

GLG manages its capital to ensure that entities in GLG will be able to continue as a going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. GLG's overall strategy remains unchanged from 2023.

The capital structure of GLG consists of debt, which includes the borrowings disclosed in Note 18 and lease liabilities disclosed in Note 27, and equity attributable to equity holders of the parent, comprising issued capital and retained earnings as disclosed in Notes 19 and 20 respectively.

Operating cash flows are used to maintain and expand GLG's assets, as well as to make the routine outflows of tax and repayment of maturing debt. GLG's policy is to borrow centrally, using a variety of capital market issues and borrowing facilities, to meet anticipated funding requirements.

The group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Gearing ratio

An integral function of GLG's Board is risk management. The Board reviews the capital structure on a semi-annual basis.

The gearing ratio at year end was as follows:

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Debt ⁽ⁱ⁾	34,800	40,329
Cash and cash equivalents	(12,015)	(19,159)
Net Debt	22,785	21,170
Equity ⁽ⁱⁱ⁾	51,625	55,315
Net debt to equity ratio	44%	38%

⁽ⁱ⁾ Debt is defined as long-term and short-term borrowings, as detailed in Note 18, and lease liabilities as detailed in Note 27

⁽ⁱⁱ⁾ Equity includes all capital, retained earnings and reserves

(b) Categories of financial instruments

	Consolidated	
	2024	2023
	US\$'000	US\$'000
Financial assets		
Amortised cost	48,069	55,121
Financial liabilities		
Amortised cost	46,079	56,417

28. FINANCIAL INSTRUMENTS (cont'd)

(c) Financial risk management objectives

GLG has not executed any derivatives in the current year, hence the policy listed below are for background information purposes only. If and when such derivatives are used in the future, the objectives are to use them in accordance with a board approved policy. The policy requires GLG co-ordinates access to domestic and international financial markets, and manages the financial risks relating to the operations of the consolidated entity.

GLG does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the consolidated entity's policies approved by the board of directors, which provide written principles on the use of financial derivatives.

GLG's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. GLG minimises its financial risk of changes in foreign currency exchange rate through the natural hedge of matching its revenues and purchases in US dollars and matching of its assets and liabilities in US dollars.

(d) Foreign currency risk management

GLG undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise

The carrying amount of GLG's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Liabilities		Assets	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Singapore dollars	1,251	4,313	1,176	1,326
Hong Kong dollars	-	-	92	92
Malaysia Ringgit	3,395	3,275	443	2,473
Australia Dollar	60	56	110	135
	4,706	7,644	1,821	4,026

For personal use only

28. FINANCIAL INSTRUMENTS (cont'd)**(e) Foreign currency sensitivity analysis**

GLG is mainly exposed to movements in the value of Singapore dollars and Malaysia ringgits compared to the US dollar.

The following table details GLG's sensitivity to a 10% increase and decrease in the United States dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within GLG where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number indicates an increase in profit or loss where the United States dollars strengthens against the respective currency. For a weakening of the United States dollars against the respective currency there would be an equal and opposite impact on the profit, and the balances below would be negative.

	Singapore Dollars Impact		Malaysian Ringgit Impact		Other Foreign Currency Impact	
	Consolidated		Consolidated		Consolidated	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Profit or loss	(15)	(597)	(590)	(160)	28	27

(f) Interest rate risk management

GLG is exposed to interest rate risk as entities in GLG borrow funds at both fixed and floating interest rates. The risk is managed by GLG by maintaining an appropriate mix between fixed and floating rate borrowings. As no hedging activities undertaken in the current year and if such activities are to be considered in the future, they will be evaluated to align with interest rate views and define risk appetite; ensuring optimal hedging strategies are applied, by either positioning the Statement of financial position or protecting interest expense through different interest rate cycles.

GLG's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, GLG's:

Net profit would increase by US\$0.03m and decrease by US\$0.03m (2023: increase by US\$0.19m and decrease by US\$0.17m). This is mainly attributable to GLG's exposure to interest rates on its variable rate borrowings.

For personal use only

28. FINANCIAL INSTRUMENTS (cont'd)

(g) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to GLG. The Company deals with creditworthy counterparties by reviewing the exposure and credit-ratings of its counterparties to mitigate the risk of financial loss from defaults. Credit exposure is continuously monitored by the payment behaviors of counterparties in relation to the financial strength.

Trade accounts receivable consist of a number of retail customers located in the United States of America. Ongoing credit evaluation is performed on the financial condition of accounts and, where appropriate, trading within the credit limits or discounting of receivables on non-recourse basis with credit acceptance or insurance in place.

The consolidated entity does not have any significant credit risk exposure to any single counterparty or any GLG of counterparties having similar characteristics except to the GLIT receivable as disclosed in Note 11. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. There were no derivatives in the current year.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the consolidated entity's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The consolidated entity also faces risks of orders cancellation. This is related to fabric, accessories and manufacturing cost incurred on orders cancelled prior to shipment. The consolidated entity is now exploring credit insurance to cover this risk as well.

(h) Liquidity risk management

The consolidated entity manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 25(b) is a listing of additional undrawn facilities that GLG has at its disposal to further reduce liquidity risk.

As business competition dictates, GLG has by choice given extended payment terms to certain core customers with high-volume impact during the current year. Although such practice increases the liquidity risk and cash flow requirement, it is also considered to be an essential element of market penetration and customer retention. The resulting cash flow impact is evaluated with the support of undrawn banking facilities that GLG has arranged to support such business growth.

28. FINANCIAL INSTRUMENTS (cont'd)**(h) Liquidity risk management (cont'd)****Liquidity and interest risk tables**

The following table details that GLG's remaining contractual maturity for its non-derivative financial liabilities and expected maturity for its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which GLG can be required to receive/pay. The table includes both interest and principal cash flows.

Consolidated

	Weighted average effective interest rate %	Within 1 year US\$'000	2-5 years US\$'000	5+ years US\$'000	Total US\$'000
2024					
Financial Assets					
Non-interest bearing	–	39,810	8,259	–	48,069
Financial Liabilities					
Non-interest bearing	–	11,055	–	–	11,055
Trust receipts/ Bills payables	7.10	31,721	–	–	31,721
Term loan	5.00	678	19	–	697
Bank loan	2.00	940	356	–	1,296
Finance lease liability	5.10	18	–	–	18
Lease liability	4.26	633	475	–	1,108
2023					
Financial Assets					
Non-interest bearing	–	46,862	8,259	–	55,121
Financial Liabilities					
Non-interest bearing	–	12,871	–	–	12,871
Trust receipts/ Bills payables	6.20	28,196	–	–	28,196
Loan from Ghim Li Group	2.71	2,974	–	–	2,974
Term loan	4.77	5,365	1,394	–	6,759
Bank loan	2.00	941	1,325	–	2,266
Finance lease liability	4.86	29	18	–	47
Lease liability	4.26	2,049	2,114	–	4,163

Each of the above interest bearing financial liabilities had variable interest rates.

For personal use only

28. FINANCIAL INSTRUMENTS (cont'd)

(i) Fair value of financial instruments

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

The fair values of financial assets and financial liabilities are determined as follows:

the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

(j) Forward foreign exchange contracts

The following table details the forward foreign currency contracts outstanding at the end of the reporting year:

2023	Exchange rate	Foreign currency IDR'000	Notional Currency US\$'000	Fair Value US\$'000
HSBC				
3 to 6months	15,273	15,273,000	1,000	13
3 to 6months	14,941	14,941,000	1,000	(9)
3 to 6months	14,953	14,953,000	1,000	(9)
3 to 6months	14,964	14,964,000	1,000	(8)
3 to 6months	14,976	14,976,000	1,000	(8)

Fair value measurement is Level Two within the fair value hierarchy.

There was no forward foreign exchange contracts as at 30 June 2024..

29. KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to directors and other members of the key management personnel of the Company and GLG is set out below:

	Consolidated	
	2024 US\$	2023 US\$
Short-term employee benefits	1,383,620	1,375,701
Post-employment benefits	38,349	41,415
	1,421,969	1,417,116

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the current-year's estimated costs of providing for superannuation contributions made during the year and post-employment life insurance benefits.

29. KEY MANAGEMENT PERSONNEL COMPENSATION (cont'd)

The compensation of each member of the key management personnel of GLG is set out in the remuneration report:

(a) Key management personnel compensation policy

Details of key management personnel

The Directors of GLG Corp Ltd during the year were:

- Estina Ang Suan Hong as Founder and Executive Chair
- Peter Tan as Independent Non-Director
- Grant Hummel as Independent Non-Director
- Felicia Gan Peiling as Director and Chief Executive Officer
- Por Khay Ti as Deputy Chair and Independent Non-Director

Other key management personnel of GLG Corp Ltd during the year were:

- Susan Yong as Chief Operations Officer
- Lee Li San as Group Financial Controller
- Lee Kwak Keh as Chief Marketing Officer

No director or senior management person appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

30. RELATED PARTY TRANSACTIONS

(a) Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 24 to the financial statements

(b) Transactions with key management personnel

(i) Key management personnel remuneration

Details of key management personnel remuneration are disclosed in Note 29 to the financial statements and the remuneration report.

For personal use only

30. RELATED PARTY TRANSACTIONS (cont'd)

(c) Transactions with other related parties

During the year, GLG entities entered into the following expenditure transactions with related parties that are not members of GLG:

	Transaction with Ghim Li Group Pte Ltd (majority shareholder)		Transaction with ESTA	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Rental	1,190	1,332	–	14
Utilities	122	78	–	–
Purchase	–	–	–	3
Total	1,312	1,410	–	17

Amounts payable to these related parties are disclosed in Note 17 to the financial statements. In addition, the group has rental security deposits to related parties as disclosed in Note 12.

All transactions with related parties are on an arm's length basis.

(d) Majority shareholder

The majority shareholder of GLG Corp Ltd is Ghim Li Group Pte Ltd, an incorporated entity in Singapore.

31. REMUNERATION OF AUDITORS

	Consolidated	
	2024 US\$	2023 US\$
Auditor of the parent entity – BDO		
Audit and review of the financial report	80,503	74,377
Tax services	4,518	5,838
	85,021	80,215
Related Practice of the parent entity auditor		
Audit or review of the subsidiaries	120,100	118,244
Tax services	24,355	19,193
	144,455	137,437

The auditor of *GLG Corp Ltd* is BDO Audit Pty Ltd.

The related practices are BDO Singapore and BDO Cambodia. Cheng and Co. was appointed as auditor for Malaysia's subsidiaries for FY2024: Audit US\$14,857 and Tax Service US\$5,190 (Audit US\$20,285 and Tax Service US\$4,964).

For personal use only

32. PARENT ENTITY DISCLOSURES

<i>Financial position</i>	2024 US\$'000	2023 US\$'000
Assets		
Current assets	112	439
Non-current assets	30,000	30,000
Total assets	30,112	30,439
Liabilities		
Current liabilities	308	327
Non-current liabilities	–	267
Total liabilities	308	594
Equity		
Issued capital	10,322	10,322
Dividend declared	–	(1,111)
Retained earnings and Reserves	19,482	20,634
Total equity	29,804	29,845
<i>Financial performance</i>	2024 US\$'000	2023 US\$'000
(Loss)/ Profit for the year	(41)	1,120
Other comprehensive income	–	–
Total comprehensive income	(41)	1,120

Contingent liabilities

As at 30 June 2024, the parent entity had no contingent liabilities (2023: nil).

Significant accounting policies

The accounting policies of the parent entity are consistent with those of GLG, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.

Contractual commitments

The parent did not have any contractual commitments at the end of the financial year

The above information is presented for the legal parent entity.

33. SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of the consolidated entity in future financial year.

For personal use only

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of the consolidated entity in future financial year.

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of Tax Residency

Section 295(3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Entity Name	Type of Entity	Trustee, partner or participant in Joint Venture	% of Share Capital	Country of Incorporation	Country of residence for tax purposes
GLG Corp Ltd (Parent Entity)	Body Corporation	N/A	–	Australia	Australian
Ghim Li Global Pte Ltd	Body Corporation	N/A	100	Singapore	Singaporean
Ghim Li Global International Ltd	Body Corporation	N/A	100	Hong Kong	Hong Kong
Escala Fashion Pte. Ltd.	Body Corporation	N/A	100	Singapore	Singaporean
Ghim Li International (S) Pte Ltd	Body Corporation	N/A	100	Singapore	Singaporean
G&G International Pte Ltd	Body Corporation	N/A	100	Singapore	Singaporean
AES (USA) Inc	Body Corporation	N/A	100	USA	USA
Maxim Textile Technology Sdn Bhd	Body Corporation	N/A	100	Malaysia	Malaysian
Maxim Textile Technology Pte Ltd	Body Corporation	N/A	100	Singapore	Singaporean
Ghim Li Fashion (M) Sdn Bhd	Body Corporation	N/A	100	Malaysia	Malaysian
GG Fashion (Cambodia) Co., Ltd	Body Corporation	N/A	100	Cambodia	Cambodian

ADDITIONAL AUSTRALIAN SECURITIES EXCHANGE INFORMATION

AS AT 14 AUGUST 2024

Holding Distribution

Range	Securities	%	No of Holders	%
100,001 and Over	71,141,740	96.01	19	4.79
10,001 to 100,000	2,143,836	2.89	57	14.36
5,001 to 10,000	187,272	0.25	22	5.54
1,001 to 5,000	621,574	0.84	283	71.28
1 to 1,000	5,578	0.01	16	4.03
Total	74,100,000	100.00	397	100.00

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called; otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Substantial Shareholders

The names of the substantial shareholders listed in GLG Corp Ltd register as at 14 August 2024 were:

Ordinary shareholders	Fully paid ordinary shares	
	Number	Percentage
Ghim Li Group Pte Ltd	55,560,000	74.98
	55,560,000	74.98

Unmarketable Parcels

Total Securities/Issued Capital	Total UMP Securities	UMP Holders	UMP Percent
74,100,000	500,674	267	0.67567

At 14 August 2024, there were no restricted or unquoted equity securities to disclose and no on-market purchases of securities to report.

For personal use only

TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES

TOP 20 HOLDERS – 14 AUGUST 2024

Rank	Name	No. of shares	Percentage
1	Ghim Li Group Pte Ltd	53,338,000	71.98%
2	Mr Yin Min Yong	3,504,751	4.73%
3	BNP Paribas Noms Pty Ltd	2,802,300	3.78%
4	Ms Peiling Gan	2,222,000	3.00%
5	Mr Yoke Min Pang	2,000,000	2.70%
6	Lisi Li	1,793,863	2.42%
7	Mr Ah Yian Au	1,322,957	1.79%
8	BNP Paribas Nominees Pty Ltd <UOBKH R'miers>	1,029,444	1.39%
9	Gowing Bros Limited	823,678	1.11%
10	Citicorp Nominees Pty Limited	520,118	0.70%
11	Dixson Trust Pty Limited	330,000	0.45%
12	Mr Michael James Pauley	251,988	0.34%
13	Markess Trustee Limited <The Markess A/C>	250,000	0.34%
14	Kam Hing Piece Works Ltd	206,010	0.28%
15	Ang Leong Aik	200,000	0.27%
16	AJD Engineering Pty Ltd	166,666	0.23%
17	Mr Marko Rankovic	153,964	0.21%
18	Eu Mun Leong	116,000	0.16%
19	Mr Christopher Chong & Mrs Heather Chong	110,001	0.15%
20	Seow Teng Peng	100,000	0.15%
Total Securities of Top 20 Holdings		71,241,740	96.14%
Total		74,100,000	

The Company's ordinary shares are listed on the Australian Securities Exchange.

For personal use only

Company secretary

Jade Cook

Registered office

Australia Square' Suite 4201 Level 42
264-278 George Street
Sydney, NSW, 2000
Australia
Tel No + 61 402 301 287

Principal administration office

15 Harvey Road
Singapore 369930
Tel: +65 6211 3600

Share registry

Boardroom Pty Limited
Level 12, 225 George Street,
Sydney, NSW, 2000
Australia
Tel No: +61 9290 9600

MAXIM

MAXIM TEXTILE TECHNOLOGY SDN BHD

Maxim is vertical mill supplier, strategically set up to offers a fully integrated fabric manufacturing facilities across the textile value chain such as Knitting, Dyeing, Finishing & Printing. Assuring customers of quality, consistency and dependable delivery schedules at internationally competitive price.



Cautionary Statement

Some statements contained in this annual report are not of historical facts but are statements of future expectation with respect to financial conditions, results of operations and business, and related plans and objectives. Such forward-looking statements are based on GLG Corp Ltd's current views and assumptions including but not limited to, prevailing economic and market conditions and currently available information. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements. It should be noted that the actual performance or achievements of GLG Corp Ltd may vary significantly from such statements.

For personal use only



AUSTRALIA HEAD OFFICE

GLG Corp Ltd (Registered Office)
'Australia Square' Suite 4201,
Level 42, 264-278 George Street,
Sydney, NSW, 2000
Australia

SINGAPORE HEAD OFFICE

Ghim Li Global Pte Ltd
15 Harvey Road, Singapore 369930
www.ghimli.com