



GLG CORP LTD
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30th June, 2016

ASX Announcement

GLG Corp Ltd signs agreement to acquire fabric and yarn mill in Malaysia

The Directors of GLG Corp Ltd (**Company**) are pleased to announce that the Company has entered into a share purchase agreement (**SPA**) with Ghim Li Group Pte Ltd (**Vendor**) to acquire the entire issued share capital of G&G International Pte Ltd (**Target**) pursuant to which the Company will acquire a fabric and yarn mill in Malaysia.

Due to changing market conditions in the textile industry, the Directors formed the view that the Company needs to provide additional services beyond its existing business (the provision of supply chain management services) in order to adapt to these changing conditions.

Accordingly, the Company approached the Vendor, a major shareholder of the Company, to acquire all of the issued share capital in the Target. The Target is, or immediately prior to completion of the acquisition of the Target will be, the registered legal and beneficial owner of the entire issued capital of each of Maxim Textile Technology Sdn Bhd, a company incorporated in Malaysia (**Maxim Malaysia**) and Maxim Textile Technology Pte Ltd, a company incorporated in Singapore (**Maxim Singapore**). Maxim Malaysia owns the fabric and yarn mill.

By acquiring the Target, the Company will have a vertically integrated textile manufacturing and supply business and will be able to offer speed to market solutions to its customers. The acquisition will allow the Company to control each of the steps in the value chain which will help in further growing the business. The Directors believe that the ownership of the mill will offer, amongst other things, the flexibility to plan for shorter production lead-times which will enable the Company to offer its customers speed to market supply solutions.

The Vendor is a related party of the Company.

Completion of the acquisition of the Target is conditional on, amongst other things:

- shareholders approving the acquisition of the Target from the Vendor and, if the Company so elects, in its absolute discretion, to issue shares, as part consideration for the acquisition of all of the issued capital of the Target;
- the Company, the Vendor and the Target having obtained all necessary regulatory and statutory approvals including but not limited to, optimization of tax considerations in respect of the Company's acquisition of the Target; and
- the Target being the sole registered legal and beneficial owner of the entire issued share capital of each of Maxim Singapore and Maxim Malaysia.

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Accordingly, the Company will shortly convene a general meeting to seek the approval of shareholders in accordance with Chapter 2E of the *Corporations Act 2001* (Cth) and ASX Listing Rules 10.1 and 10.11. The Company is also in the process of obtaining an independent expert's report stating the expert's opinion as to whether or not the acquisition of the Target is fair and reasonable to the existing shareholders of the Company. The independent expert's report will be circulated to shareholders along with the notice of general meeting.

Further information about any proposed issue of shares as part of the consideration under the SPA and its effect on shareholders will be contained in the notice of general meeting.

No changes to the board or senior management of the Company are contemplated as part of the acquisition of the Target.

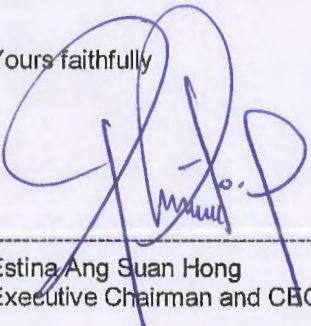
The Company anticipates that it will obtain the requisite approvals to facilitate completion of the acquisition of the Target in August 2016.

Summary

The board of the Company is excited about the acquisition of the Target and the direction of its business. The board looks forward to the support of shareholders in finalising this transaction.

Any inquiries in relation to this announcement should be directed to **our company's Investor Relations.**

Yours faithfully



Estina Ang Suan Hong
Executive Chairman and CEO

30/6/2016