

Chair's Agenda for GLG CORP LTD 2017 AGM

**ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE
HELD
ON THURSDAY 23TH NOVEMBER 2017 AT 11:00AM AEST,
LEVEL 11, 1 MARGARET STREET, SYDNEY, NSW 2000.**

Business

Responsible

Slide One

1. *Welcome*

Chair

Good morning ladies and gentlemen. It is my pleasure to welcome you to the GLG Corp Ltd 2017 Annual General Meeting.

I will now call upon the Company Secretary to advise whether the meeting has been properly constituted and that a quorum is present.

2. *Quorum*

Company Secretary

I confirm that the meeting has been properly constituted and a quorum is present, and that all shareholders present have signed the attendance register, all proxies received have been inspected and all those validly lodged have been accepted.

**Chairman: Thank You, Alistair.
for business at 11:01 AM AEST.**

I declare the meeting open

I can confirm that Proxies have been received representing 64,761,186 votes of the Company.

3. **Apologies**

Chair

Now I will call upon the Company Secretary to advise the meeting of any apologies that have been received.

Company Secretary: I note that:

- Ms Felicia Gan is unable to join us through travel commitments,
- Ms Estina Ang Suan Hong who is unable to join us through travel commitments,
- Mr Christopher Chong is attending via web-conference

SLIDE TWO - Tabled

Slide three is a cautionary note on forward-looking statements, which comprises of a note of warning regarding forecast statements which are included in this slide pack. Although these numbers have been derived from prior experience, they cannot be relied upon for future earnings.

SLIDE THREE - Tabled

An introduction to the team of GLG. You will note that the members of the board are listed, please refer to the GLG website or Annual Report for further information regarding our board of directors and senior management.

SLIDE FOUR - Tabled

During today's meeting we will cover the Director's Review of our business, the outlook and prospects, the 2017 Accounts and Reports, the Formal Resolutions that have been put before the meeting and any Other Business. It is now my pleasure to introduce to you my fellow Director and guests.

Introductions and thank you

Chair

In attendance today from the Company we have:

Mr Christopher Chong: Non-Executive Director via telephone

Mr Shane Hartwig: Non-Executive Director (Chairman)

Mr Shawn Fung: CFO

Company Secretary: Mr Alistair Chong.

SPECIAL WELCOME TO OUR AUDITORS

Mr John Bresolin from BDO East Coast is in attendance. BDO will be available to answer any questions that shareholders have regarding the audited accounts.

BDO East Coast Partnership's John Bresolin will be available throughout the meeting, and at its conclusion, to answer any questions in relation to the audited accounts.

Slide Five

4. AGM Presentation

Chair - Tabled

Our presentation this morning will review the key highlights of the last financial year, provide an update of the recent September Quarter and the forward outlook for the company.

Slide Six - Tabled

Looking at the data presented, we can see that profits are down to 4.193 million, from 4.827 million in the 2016 financial year.

This has been because of a slump in the sales to Walmart in the US, and the recuperation from the down-fall of Aeropostale which still lingers.

Sales Revenue of USD\$156.04M was down by 9% Year on Year primarily because of reduced purchases from global retailers as a result of uncertain consumer confidence and difficult trading conditions.

Other revenue fell from 1.3m to 344k due mainly to a lower average commission received from supplier and new development of agency fees.

Gross Profit of USD \$4.477M was down compared with the prior period.

Selling and Distribution costs were higher in the 2017 financial year due to the increase in customs duties and freight costs for outbound LDP shipments

Finance costs have reduced from the 2016 FY (1,327,000) to (1,215,000) 2017 FY.

Net Profit decreased by USD\$634k to USD\$4.193M, against a net profit of USD\$4.827M million in the previous year.

Slide Seven – Revenue by Key Customers – Tabled

As you can see, our largest customers are still Macy's and Wal-Mart USA, however, as they are tightening their belts, their purchases from GLG are also slowing, down 9% for Macy's from 2016 to 2017, and down 7% for Wal-Mart USA from 2016 to 2017.

Slide Eight – Revenue for the 2017 Financial Year - Tabled

You can see that Quarter on Quarter results showed an increase throughout the year (apart from a slight dip in Q3). This however, is reflected in the average price per dozen that is charged to our customers.

Slide Nine – Marketplace Update

As you can see, although our gross profit in the 2017 (21,471) period was lower than that of the 2016 (22,858) financial year, we have a higher gross profit percentage (13.7 in 2017, vs 13.3 in 2016) due to improved production efficiency and lower yarn costs.

Slide Ten – Cost Analysis - Tabled

As you can see, we have undergone a cost cutting endeavour, which has seen reduced costs in: admin expenses, other operating expenses, and our financing costs. However, due to increased customs duties and freight costs for outbound LDP shipments, our selling and distribution costs have increased.

We have reduced our Admin costs with the streamlining of processes, and finance costs have been reduced with the severance of financing costs from previous exports associated with a previous customer.

Slide Eleven – Financial Highlights of 2017 - Tabled

I would like to bring your attention to the following numbers including our gross margin of \$21.47M USD, which has been derived from a revenue stream of \$156M, and has resulted in 5.66 cents per share in earnings.

Slide Twelve – 2017 First Quarter Highlights - Tabled

Throughout the first quarter, we have seen many notable highlights including: the execution of maxim entities acquisition, risk reports and statutory reporting done for FY 2016.

Slide Thirteen – 2017 Second Quarter - Tabled

The second quarter saw us publish our 2017 Annual report, send our maiden shipments to Gerber, have our first batch of LDP shipments arrive in the USA, a change in company secretary, our AGM, and the completion of the acquisition of Maxim entities started in the first quarter.

Slide Fourteen – 2017 Third Quarter - Tabled

Q3 saw us appoint our new auditor BDO, filing our financial statements and the joining of Maxim Malaysia to Walmart's self-testing quality program.

Slide Fifteen – 2017 Fourth Quarter - Tabled

Our last quarter saw our CFO and CMO conducting investors roadshows in Sydney, the attainment of a Walmart Canada Supplier Award, the acquisition of the garment factory in Malaysia (GLM), approval of the 2018 budget, and then the subsequent completion of the GLM acquisition.

Slide Sixteen – Key Strengths - Table

We are now going to turn our focus to the key strengths and competitive advantages including: our proximity to the port with the Maxim Fabric Mill, Vertical integration of the process, giving us the ability to streamline our processes.

Slide Seventeen – Network - Tabled

As you can see, the Ghimli Network sees us across 6 countries, with 7,000 employees, shipping over 59 million garments annually.

Slide Eighteen – Market Place and Outlook – Tabled

Slide Nineteen – Marketplace Update - Tabled

2017 has been an unkind year to the U.S. Retail Industry, where it continues to see store closures and bankruptcies

Some of the major retail brands in trouble include True Religion (a 15-year old denim brand will close some stores), The Limited (who will close all its 250 stores but maintain its online business), Wet Seal, Gymboree, etc.

Also troubling is the cascade of closure announcements from department-store chains that have historically anchored shopping centres. JC Penney has said it will close 138 locations (14% of its stores), Macy's said earlier this year that it would shutter 68 locations. Sears, in a series of announcements, has announced 300 store closings

Slide Twenty - Tabled

It is not all gloom and doom in the retail industry, as we also see some companies expanding e.g. TJX and Costco

Off-price retailing giant, TJX is benefiting from the turmoil by bulking up its inventory, to support sales and profit growth, adding new locations, with increase in its customer traffic.

Costco, US's second-biggest retailer has expanded its store footprint, added new locations and focus its expansion on international growth e.g. France and Iceland

Although 85% of retail sales in the USA are still made in physical stores today, the growing threat of e-commerce digital dominance has caused more purchases to be rung up online. Online fashion sales are predicted to double to 36% within 15 years.

Amazon's acquisition of Whole Foods confirms that there is still a future for the brick & mortar box. But mall owners and stores retailers need to innovate and employ new technologies/models to leverage their physical assets and survive the online shift

Slide Twenty-One – Tabled

To be the strongest and smartest, the key is how the retailers need to play to the strengths of their physical stores, by build them for the future. The use of data to better manage inventories, allowing marketing to better in-store outreach, and optimize costs throughout the stores

Technology will play a key role e.g. RFID to keep shelves stocked, computer data to observe shoppers' foot traffic, AI (Artificial Intelligence) to aid in optimizing execution

Slide Twenty-Two – Response to the marketplace - Tabled

As you can see, we have responded to the marketplace in three areas including speed, productivity and vertical integration.

Slide Twenty-Three & Twenty-Four – Accounts and Reports

Ladies and gentlemen, we will now move on to the formal business of this meeting:

The notice of meeting and accompanying explanatory memorandum was mailed to shareholders on the 20th October 2017. I propose “that the notice of meeting, mailed to all registered members on the 20th October 2017 be taken as read.” – Moved by Shane Hartwig

Would someone please second that? – Seconded Alistair Chong

Any Discussion? – None

All those in favour please raise their hand – 4 Aye's

All those against please raise their hand. – 0 Nay's

I declare the motion carried/lost

The annual financial report for the period ending 30 June 2017 was made available to all shareholders on the 30 September 2017.

The financial statements for the year ended 30 June 2017 and the reports of the directors and the auditor are now laid before the meeting.

Are there any questions or comments on the financial statements or the reports of the directors and auditor? – No questions posed.

Slide Twenty-Five– Formal Resolutions

We will now consider the formal resolutions.

Slide Twenty-Six – Formal Resolutions

Three resolutions will be put forward today including: the adoption of the remuneration report, the re-election of Mr. Shane Hartwig as Director, and the Re-appointment of the Auditor BDO.

Slide Twenty-Seven – Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Section 250R(2) of the Corporations Act 2001, the Remuneration Report as contained in the Directors Report for the year ended 30 June 2017 be adopted.”

Are there any questions in relation to the remuneration report? – No questions asked.

I note that there have been proxies received representing 2,403,123 votes with: 2,327,957 voting for the resolution; 67,180 voting against the resolution, and 8,000 open votes.

Are there any questions in relation to this resolution?

Would someone care to move the motion? – Moved - Shawn Fung

Would someone care to second the motion? – Seconded - Alistair Chong

I now put the motion

All those in favour please raise their hands

All those against please raise their hand

I declare the resolution carried/lost.

I will now move onto resolution 2.

Slide 28 - Resolution 2 – Re-Election of Director Chair

“I will now pass the Chair of the meeting over to Christopher Chong for this resolution”

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“In accordance with the Constitution of the Company, Shane Hartwig retires by rotation and, being eligible, offers himself for re-election as a director of GLG Corp Ltd”.

I note there has been proxies received representing 64,761,186 votes with: 64,686,006 voting for the resolution; 8,000 open votes; and 67,180 voting against the resolution; Nil abstaining;

Are there any Questions in relation to this resolution? - Nil

I will move the motion.

Would someone care to second the motion? – Seconded - Shawn Fung

I now put the motion

All those in favour please raise their hand.

All those against please raise their hand.

I declare the resolution carried/lost.

Slide 29 - Resolution 3 - Re-Election of Director

Chair

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

Re-appointment of BDO East Coast Partnership as Auditor:

The board puts forward the re-appointment of BDO East Coast Partnership as the auditor for the 2018 financial year

The votes that were obtained totalled 64,708,706, with: 64,698 For votes; Open Votes: 8,000; Against: 2,000; Abstain: 52,480

Are there any Questions in relation to this resolution? - Nil

Would someone care to move the motion? – Moved – Alistair Chong

Would someone care to second the motion? – Seconded – Shawn Fung

I now put the motion

All those in favour please raise their hand.

All those against please raise their hand.

I declare the resolution carried/~~lost~~.

Slide Thirty - Closure

Is there any other business that can lawfully be brought forward or any questions from the floor?

- No questions raised

THANK YOU

On behalf of GLG Corp Ltd and my fellow directors, I would like to express our sincere thanks to our shareholders, customers, suppliers and employees for their support of our company during the past year.

We look forward to a long and fruitful partnership with all of them. I thank members for their attendance.

As that concludes the business of the meeting, I declare the formal part of the meeting closed.

The meeting was closed as at 11:35AM AEST.