

# ***GLG Corp Ltd***

ACN 116 632 958

## **PRELIMINARY FINAL REPORT**

**YEAR ENDED 30 JUNE 2025**

1. Highlight of Results
2. Appendix 4E Financial Statements for the Year ended 30 June 2025

**1. Results for announcement to market**

Summary financial information for the consolidated entity for the 2024/24 financial year is set out below. Full financial details are attached to this announcement.

<b>Summary Information</b>	<b>Consolidated</b>			<b>Inc/(Dec) %</b>
	<b>30 –JUN-25 USDS'000</b>	<b>30 –JUN-24 USDS'000</b>	<b>Inc/(Dec) USDS'000</b>	
Revenue from Ordinary Activities	110,534	116,555	(6,021)	(5.2)
(Loss)/ profit after Tax from Ordinary Activities	(1,350)	(3,685)	(2,335)	(63.4)
Net (Loss)/ profit after Tax Attributable to Members	(1,350)	(3,685)	(2,335)	(63.4)
Basic Earnings – US Cents Per Share	(1.82)	(4.97)	(3.15)	(63.4)
Diluted Earnings – US Cents Per Share	(1.82)	(4.97)	(3.15)	(63.4)
Net Tangible Assets – US Cents Per Share	64.21	63.66	0.55	0.9

**Dividends**

In respect of the financial year ended 30 June 2025, the Directors do not recommend the payment of an interim/final dividend.

In respect of the financial year ended 30 June 2024, no dividend was declared.

**Annual General Meeting**

The Company plans to hold the 2025 Annual General Meeting on 27 November 2025. The deadline to receive director nominations is 10 October 2025.

## Summary commentary on results

### Directors Comments:

GLG delivered an improvement in its financial performance for the year ended 30 June 2025 (“FY2025”) compared to the previous corresponding financial year ended 30 June 2024 (“FY2024”). While revenue saw a slight decline from US\$116.6m in FY2024 to US\$110.5m in FY2025, the Group’s gross profit margin improved from 15.6% to 17.0%, driven by improved capacity management and streamlined production processes that enhanced operational efficiency.

Other income increased by US\$0.6m from US\$0.4m to US\$1.0m in FY2025. This was mainly due to one-off insurance compensation of US\$0.3m and government grant support of US\$0.2m in FY2025.

Selling and distribution costs rose 18.1% from US\$6.3m to US\$7.5m, primarily driven by the higher revenue from the Landed Duty Paid (LDP) business.

Administrative expenses fell 2.6% from US\$10.4m to US\$10.2m which was mainly from manpower cost reductions as part of the streamlining initiatives.

Finance costs declined 27.7% from US\$2.3m in the previous year to US\$1.7m reflecting slightly lower interest rate and reduced borrowings through improved cash management.

Other expenses fell 33.1% from US\$3.1m to US\$2.1m, primarily due to one-off impairment and write-off of obsolete fixed assets of US\$2.1m in FY2024. This was offset by an increase in foreign exchange losses of US\$0.9m in FY2025.

Overall, GLG reduced its net loss after tax from US\$3.7m in FY2024 to US\$1.4m in FY2025, reflecting management’s strategic focus on optimizing production processes, controlling costs and improving operational efficiency. This followed a one-time retrenchment expense of US\$108k incurred due to the closure of a manufacturing facility in Malaysia.

Looking ahead to FY2026, the Group anticipates headwinds from uncertain trading conditions and tariff changes. However, with the possibility of potential for lower bank interest rates and further gains from process improvements are expected to provide some offsetting benefits.

**Directors Comments: (cont'd)****Balance Sheet position**

Trade and other receivables increased by 13.8%, from US\$30.5m as at 30 June 2024 to US\$34.7m as at 30 June 2025. The increase was primarily driven by a US\$1.5m increase in GLIT receivable resulting from higher transaction volumes following the closure of the GLM factory and a US\$2.8m increase of trade receivables.

Inventory decreased by 17.8%, from US\$24.4m as at 30 June 2024 to US\$20.1m as at 30 June 2025 due to consolidated garment manufacturing in Cambodia, increased outsourcing and the scaling down of the Malaysian plant. Additionally, lower customers' orders reduced in raw material purchases and goods in transit.

Other financial assets decreased by US\$0.6m, from US\$5.6m as at 30 June 2024 to US\$5.0m as at 30 June 2025, primarily due to the refund of rental deposits from previous lease agreements.

Property, plant and equipment decreased by 23.5% from US\$22.2m as at 30 June 2024 to US\$16.9m as at 30 June 2025, primarily due to the depreciation of US\$2.1m and US\$4.8m associated with the disposal of the freehold land and building arising from the strategic decision to close the Malaysian manufacturing plant. This decrease was partially offset by a foreign currency revaluation gain of US\$1.0m of land and building.

Right-of-use assets decreased by 27.6%, from US\$1.8m as at 30 June 2024 to US\$1.3m as at 30 June 2025 was mainly due to amortisation of US\$1.9m, partially offset by additional leases amounting to US\$1.4m.

Intangible assets decreased by 18.4% from US\$2.6m as at 30 June 2024 to US\$2.1m as at 30 June 2025 mainly due to the amortisation.

Trade and other payables decreased by 3.7% from US\$11.3m as at 30 June 2024 to US\$10.8m as at 30 June 2025 mainly from the settlement of payables.

Current and non-current borrowings declined 20.6%, from US\$32.8m as at 30 June 2024 to US\$26.1m as at 30 June 2025 was due to lower trust receipts and loan repayments to the financial institutions.

Retained earnings decreased by US\$1.9m, from US\$53.8m as at 30 June 2024 to US\$51.9m as at 30 June 2025, primarily due to the current year loss and an adjustment to the asset revaluation reserve related to the disposed property in Kulai, Malaysia.

Meanwhile, the asset revaluation reserve increased from US\$2.3m to US\$3.6m over the same period. This increase was mainly driven by US\$0.8m from revaluation of land and buildings, and by an adjustment to the revaluation reserve from the disposed property in Kulai, Malaysia.

**Directors Comments: (cont'd)**

**Cash Flow**

In FY2025, net cash flow from operating activities increased significantly to US\$2.6m, compared to the previous corresponding financial year of US\$1.8m. This was mainly due to a reduction on the outstanding payables settlement and interest payments.

Net cash flows from investing activities amounted to US\$4.6m as compared to previous corresponding financial year of cash flow used in investing activities of US\$0.8m. This improvement was attributed to net proceed of US\$4.8m from the disposal of property in Kulai Malaysia and rental deposit refund of US\$0.6m from the majority shareholder following by the termination of lease agreement.

Net cash used in financing activities increased by US\$0.8m from US\$8.0m in the previous year to US\$8.8m this financial period. The increase was mainly attributed to the net repayments of trust receipts and bank loans amounting to US\$6.8m, along with lease liability repayments of US\$2.0m.

As a result of the cash movements, cash and cash equivalents decreased by US\$1.6m for the financial year ended 30 June 2025, from a net cash surplus of US\$12.0m as at 30 June 2024 to a net cash surplus of US\$10.4m as at 30 June 2025.

Despite the decrease, we believe the current cash position and projected cash flow from continuing operations are sufficient to meet our working capital requirements, capital expenditures, debt servicing obligations and other funding requirements.

## Consolidated Statement of profit or loss and other comprehensive income for the financial year ended 30 June 2025

	Note	Consolidated	
		2025 US\$'000	2024 US\$'000
Revenue	5	110,534	116,555
Cost of sales		(91,762)	(98,352)
<b>Gross profit</b>		<b>18,772</b>	<b>18,203</b>
Other income	5	1,006	411
Distribution expenses		(7,494)	(6,343)
Administration expenses		(10,161)	(10,435)
Finance costs		(1,669)	(2,307)
Other expenses	4	(2,063)	(3,082)
<b>Loss before income tax expense</b>		<b>(1,609)</b>	<b>(3,553)</b>
Income tax expense		259	(132)
<b>Loss for the year</b>		<b>(1,350)</b>	<b>(3,685)</b>
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation surplus/ (deficit), on land and building, net of tax		769	(5)
<b>Other comprehensive income, net of tax</b>		<b>769</b>	<b>(5)</b>
<b>Total comprehensive loss for the year</b>		<b>(581)</b>	<b>(3,690)</b>
<b>Earnings per share:</b>			
Basic (cents per share)	12	(1.82)	(4.97)
Diluted (cents per share)	12	(1.82)	(4.97)

Notes to the financial statements are included on pages 11 to 33

## Consolidated Statement of financial position as at 30 June 2025

	Note	Consolidated	
		2025 US\$'000	2024 US\$'000
<b>Current assets</b>			
Cash and cash equivalents		10,440	12,015
Trade and other receivables	6	32,193	27,795
Inventory	18	20,059	24,402
Current tax assets		341	132
Other assets		1,031	1,174
<b>Total current assets</b>		<b>64,064</b>	<b>65,518</b>
<b>Non-current assets</b>			
Other financial assets	8	5,000	5,559
Trade and other receivables	6	2,500	2,700
Intangible assets	17	2,140	2,623
Right-of-use assets	7	1,326	1,832
Property, plant and equipment	14	16,943	22,155
<b>Total non-current assets</b>		<b>27,909</b>	<b>34,869</b>
<b>Total assets</b>		<b>91,973</b>	<b>100,387</b>
<b>Current liabilities</b>			
Trade and other payables	9	10,862	11,279
Borrowings	10	25,921	32,470
Lease liability	7	1,259	1,401
Current tax liabilities		208	63
<b>Total current liabilities</b>		<b>38,250</b>	<b>45,213</b>
<b>Non-current liabilities</b>			
Borrowings	10	132	360
Lease liability	7	139	569
Deferred tax liabilities		2,408	2,620
<b>Total non-current liabilities</b>		<b>2,679</b>	<b>3,549</b>
<b>Total liabilities</b>		<b>40,929</b>	<b>48,762</b>
<b>Net assets</b>		<b>51,044</b>	<b>51,625</b>
<b>Equity</b>			
Issued capital	11	10,322	10,322
Revaluation reserves		3,590	2,269
Merger reserves		(14,812)	(14,812)
Retained earnings		51,944	53,846
<b>Total equity</b>		<b>51,044</b>	<b>51,625</b>

Notes to the financial statements are included on pages 11 to 33

## Consolidated Statement of changes in equity for the financial year ended 30 June 2025

	Issued Capital	Asset Revaluation Reserve	Merger Reserve	Retained Earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Consolidated</b>					
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)
<b>Balance at 30 June 2024</b>	<b>10,322</b>	<b>2,269</b>	<b>(14,812)</b>	<b>53,846</b>	<b>51,625</b>
Balance at 1 July 2024	10,322	2,269	(14,812)	53,846	51,625
Loss after income tax expense	-	-	-	(1,350)	(1,350)
Adjustment to the revaluation reserve from disposal of property	-	552	-	(552)	-
Other comprehensive income for the year, net of tax	-	769	-	-	769
Total comprehensive income	-	1,321	-	(1,902)	(581)
<b>Balance at 30 June 2025</b>	<b>10,322</b>	<b>3,590</b>	<b>(14,812)</b>	<b>51,944</b>	<b>51,044</b>

Notes to the financial statements are included on pages 11 to 33

## Consolidated Statement of cash flows for the financial year ended 30 June 2025

		Consolidated	
Note	2025 US\$'000	2024 US\$'000	
<b>Cash flows from operating activities</b>			
	108,762	116,138	
	(102,831)	(112,093)	
	(1,491)	622	
	81	105	
	(1,584)	(2,158)	
	(85)	(149)	
	(260)	(655)	
16	<b>2,592</b>	<b>1,810</b>	
<b>Cash flows from investing activities</b>			
	(765)	(744)	
	4,830	5	
	(2)	(198)	
	559	-	
	<b>4,622</b>	<b>(937)</b>	
<b>Cash flows from financing activities</b>			
	(6,776)	(3,640)	
	(2,005)	(2,038)	
	(8)	(2,339)	
	<b>(8,789)</b>	<b>(8,017)</b>	
	<b>(1,575)</b>	<b>(7,144)</b>	
	12,015	19,159	
	<b>10,440</b>	<b>12,015</b>	

Notes to the financial statements are included on pages 11 to 33

## Notes to the Appendix 4E

### 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:

<b>Registered office</b>	<b>Principal place of business</b>
Level 37, 180 George Street Sydney, NWS 2000 Australia	15, Harvey Road, Singapore 369930

The entity's principal activities are the global supply of knitwear/apparel and supply chain management operation.

### 2. Significant accounting policies

#### Statement of compliance

The preliminary financial report has been prepared in accordance with Australian Accounting Standards and Interpretations as issued by the Australian Standards Board for the measurement and recognition criteria. The preliminary financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcement made by the consolidated entity during the year in accordance with the continuous disclosure requirements of the Corporations Act 2001. Unless otherwise detailed in this note, accounting policies have been consistency applied by the entities in the group and are consistent with those applied in the 30 June 2024 annual report.

#### 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 accounting policies and methods of computation adopted in the preparation of the preliminary financial report are consistent with those adopted and disclosed in the company's 2024 annual financial report for the financial year ended 30 June 2024, except for the impact of the new and revised Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

## 2. Significant 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

There were no transfers between levels during the period.

### *Valuations of land and buildings and investment properties*

Freehold and leasehold land and building, along with investment properties have been valued based on similar assets, location and market conditions at fair value on an annual basis.

## 2. Significant accounting policies (cont'd)

### Goodwill

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.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units and is tested annually for impairment. Negative goodwill arising on an acquisition is recognized directly in the statement of profit or loss and other comprehensive income.

### New accounting standards and interpretations

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current financial year ended 30 June 2025.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## 3. 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.

### Types of products and services

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

Fabric manufacturing	the manufacture and wholesaling of fabric
Garment	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.

### 3. Segment information (cont'd)

<b>Consolidated – 30 June 2025</b>	Fabric Manufacturing US\$'000	Garment US\$'000	Intersegment eliminations US\$'000	Total US\$'000
<b>Revenue</b>				
Sales to external customers	2,146	108,388	-	110,534
Intersegment sales	30,554	-	(30,554)	-
<b>Total revenue</b>	<b>32,700</b>	<b>108,388</b>	<b>(30,554)</b>	<b>110,534</b>
Interest received	73	8	-	81
Depreciation	(1,760)	(409)	-	(2,169)
Amortisation	(216)	(2,343)	132	(2,427)
(Loss)/ Gain on disposal PPE	(88)	96	-	8
Gain on Disposal ROU	-	47	-	47
Unrealised profit	-	-	(31)	(31)
<b>EBIT</b>	<b>(1,482)</b>	<b>1,542</b>	<b>-</b>	<b>60</b>
Finance costs				(1,669)
<b>Loss before income tax expense</b>				<b>(1,609)</b>
Income tax expense				259
<b>Loss after income tax expenses</b>				<b>(1,350)</b>

	Fabric Manufacturing US\$'000	Garment US\$'000	Corporates US\$'000	Intersegment eliminations US\$'000	Total US\$'000
<b>Assets</b>	32,303	81,166	113,501	(134,997)	91,973
<b>Liabilities</b>	(16,613)	(30,267)	(20,186)	26,137	(40,929)

### 3. Segment information (cont'd)

<b>Consolidated – 30 June 2024</b>	Fabric Manufacturing US\$'000	Garment US\$'000	Intersegment eliminations US\$'000	Total US\$'000
<b>Revenue</b>				
Sales to external customers	588	115,967	-	116,555
Intersegment sales	35,649	-	(35,649)	-
<b>Total revenue</b>	<b>36,237</b>	<b>115,967</b>	<b>(35,649)</b>	<b>116,555</b>
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)
<b>EBIT</b>	<b>(1,207)</b>	<b>(39)</b>	<b>-</b>	<b>(1,246)</b>
Finance costs				(2,307)
<b>Loss before income tax expense</b>				<b>(3,553)</b>
Income tax expense				(132)
<b>Loss after income tax expenses</b>				<b>(3,685)</b>

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

### 3. Segment information (cont'd)

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

	<b>Fabric</b>	
	<b>2025</b> <b>US\$'000</b>	<b>2024</b> <b>US\$'000</b>
India	287	152
Hong Kong	34	204
Malaysia	2	91
Vietnam	1,334	-
Others	489	141
	<b>2,146</b>	<b>588</b>

	<b>Garments</b>	
	<b>2025</b> <b>US\$'000</b>	<b>2024</b> <b>US\$'000</b>
Canada	21,527	23,696
Europe	2,018	892
Singapore	521	521
USA	83,197	90,399
Cambodia	155	160
Malaysia	250	105
Others	720	194
	<b>108,388</b>	<b>115,967</b>

#### 4. Other expenses

	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Legal and professional fee	512	497
Bad debts and doubtful accounts	-	49
Write-off of property, plant and equipment (i)	-	2,096
Foreign currency loss/(gain)	890	(75)
Other	661	515
	<b>2,063</b>	<b>3,082</b>

- (i) During the financial year June 2024, 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.

## 5. Revenue and other income

	Consolidated	
	2025 US\$'000	2024 US\$'000
Revenue from the sale of goods	110,534	116,555
<b>Other income</b>		
Gain on disposal of property, plant and equipment	8	-
Sample income	23	34
Interest income	81	105
Insurance compensation	283	-
Gain on termination of ROU assets	47	-
Government grants	202	170
Other	362	102
<b>Total other income</b>	<b>1,006</b>	<b>411</b>
	<b>111,540</b>	<b>116,966</b>

## 6. Trade and other receivables

	Consolidated	
	2025 US\$'000	2024 US\$'000
<b>Current</b>		
<b>Trade receivables</b>		
Trade customers	14,039	11,247
GLIT Holdings Group (i)	16,840	15,148
<b>Trade receivables</b>	<b>30,879</b>	<b>26,395</b>
<b>Other receivables</b>		
Other receivables	597	746
Goods and services tax recoverable	717	654
<b>Other receivables</b>	<b>1,314</b>	<b>1,400</b>
	<b>32,193</b>	<b>27,795</b>
<b>Non-current</b>		
GLIT Holdings Group (i)	2,500	2,700
	<b>2,500</b>	<b>2,700</b>
<b>Total trade and other receivables</b>	<b>34,693</b>	<b>30,495</b>

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.

## 6. Trade and other receivables (cont'd)

- (i) Receivable from GLIT Holdings Group, outsource manufacturer, that are expected to be settled in the next 12 months by netting off from the logistic revenue charged by GLIT Holdings 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. 97.4% 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.

Included in the Group's trade receivable balance are debtors with a carrying amount of US\$0.5m (2024: \$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.

### Ageing of Trade Receivables (trade customers) - past due but not impaired

	Consolidated	
	2025 US\$'000	2024 US\$'000
30 – 60 days	358	555
60 – 90 days	11	9
90 – 120 days	119	119
More than 120 days	14	14
Total	502	697
<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.

## 7. Right of Use and Leases

<b>Consolidated</b>		
	2025	2024
	US\$'000	US\$'000
<b>Cost</b>		
Balance as at 1 July	6,896	6,903
Additions	1,451	149
Disposal/ Modification of the terms of leases	(2,424)	(156)
<b>Balance as at 30 June</b>	<b>5,923</b>	<b>6,896</b>
<b>Amortisation</b>		
Balance as at 1 July	5,064	3,243
Amortisation	1,942	1,977
Disposal/ Modification of terms of leases	(2,409)	(156)
<b>Balance as at 30 June</b>	<b>4,597</b>	<b>5,064</b>
<b>Net book value</b>	<b>1,326</b>	<b>1,832</b>

<b>Consolidated</b>		
	2025	2024
	US\$'000	US\$'000
<b>Lease Liability</b>		
Balance as at 1 July	1,970	3,859
Additions	1,451	149
Modification/Disposal of the terms of leases	(18)	-
<b>Balance as at 30 June</b>	<b>3,403</b>	<b>4,008</b>
<b>Repayment</b>		
Cash payments	(2,090)	(2,186)
Interest expense	85	148
<b>Net payments</b>	<b>2,005</b>	<b>2,038</b>
<b>Balance as at 30 June</b>	<b>1,398</b>	<b>1,970</b>
Current lease liability	1,259	1,401
Non-current lease liability	139	569
<b>Total lease liability</b>	<b>1,398</b>	<b>1,970</b>

Lease	Location	Term	Interest rate
Head Office	Singapore	Jan 2025 to Dec 2025, terminated 17 Jul 2025	4.5%
Kujaya	Malaysia	3 years (01 Nov 2024 to 31 Oct 2026)	6.82%
Factory	Cambodia	3years + 3years option (01 Apr 2025 to 31 Mar 2026)	4.26%

## 7. Right of Use and 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.

## 8. Other financial assets

	Consolidated	
	2025 US\$'000	2024 US\$'000
<u>Non-current</u>		
Security deposit	5,000	5,000
Office rental deposit	-	559
	<b>5,000</b>	<b>5,559</b>
Disclosed in the financial statements as:		
<b>Total non-current other financial assets</b>	<b>5,000</b>	<b>5,559</b>

## 9. Trade and other payables

	Consolidated	
	2025 US\$'000	2024 US\$'000
Trade payables (i)	5,848	6,263
Other payables	2,382	2,647
Ghim Li Group (ii)	8	16
Accruals – bonus	568	627
Accruals – remuneration	1,303	950
Accruals – audit fee	148	130
Accruals – TR interest	251	253
Accruals – others	354	393
	<b>10,862</b>	<b>11,279</b>

- (i) The average credit period on purchases of certain goods is 4 months. No interest is charged on the outstanding balance of trade payables. The Group 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\$0.008m (2024: US\$0.02m).

## 10. Borrowings

	Consolidated	
	2025 US\$'000	2024 US\$'000
<b><u>Secured – at amortised cost</u></b>		
<b><u>Current</u></b>		
Trust receipts (Gross) (i)	23,564	28,555
Bill payables (iii)	-	2,330
Finance lease liabilities	18	18
Bank loan (ii)	2,339	922
Term loan (iv)	-	645
<b>Total</b>	<b>25,921</b>	<b>32,470</b>
<b><u>Non-current</u></b>		
Finance lease liabilities	132	-
Bank loan (ii)	-	341
Term loan (iv)	-	19
	<b>132</b>	<b>360</b>
Disclosed in the financial statements as:		
Current borrowings	25,921	32,470
Non-current borrowings	132	360
	<b>26,053</b>	<b>32,830</b>

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 6.4% (2024: 7.2%) 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 (2024: 5.0% per annum).

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

## 10. 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 13.

<b>30 June 2025</b>	<b>Used</b>	<b>Unused</b>	<b>Total</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Short term	28,796	39,255	68,051
Long term	2,340	3,588	5,927
Foreign exchange	308	17,426	17,734
<b>Total</b>	<b>31,444</b>	<b>60,269</b>	<b>91,712</b>

  

<b>30 June 2024</b>	<b>Used</b>	<b>Unused</b>	<b>Total</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Short term	36,040	44,528	80,568
Long term	664	-	664
Foreign exchange	-	17,569	17,569
<b>Total</b>	<b>36,704</b>	<b>62,097</b>	<b>98,801</b>

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

	<b>2025</b>	<b>2024</b>
Bank loans	6.05% p.a.	2.0% p.a.
Term loan	5.0%	5.0%
Bill payable	6.4%	7.2%
Trust receipts	6.3%	7.1%
Finance lease liabilities	5.2% p.a.	5.1% p.a.

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 6.3% (2024: 7.1%) 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 (2024: 5.0% per annum).
- 3) Bills Payable are amounts received from banks for discounting sales invoices billed to customers, with weighted average effective interest rate of 6.4% (2024: 7.2%) per annum.

## 11. Issue Capital

	Consolidated	
	2025	2024
	US\$'000	US\$'000
<b>74,100,000 (2024: 74,100,000) fully paid ordinary shares</b>	<b>10,322</b>	<b>10,322</b>

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

### Vote Right

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.

	Consolidated		Consolidated	
	No. '000	2025 US\$'000	No. '000	2024 US\$'000
<b>Fully paid ordinary shares</b>				
Balance at beginning of financial year	74,100	10,322	74,100	10,322
<b>Balance at end of financial year</b>	<b>74,100</b>	<b>10,322</b>	<b>74,100</b>	<b>10,322</b>

## 12. Earnings per share

	Consolidated	
	2025 Cents per share	2024 Cents per share
<b>Basic earnings per share:</b>		
Total basic earnings per share	(1.82)	(4.97)
<b>Diluted earnings per share:</b>		
Total diluted earnings per share	(1.82)	(4.97)

### 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:

	2025 US\$'000	2024 US\$'000
	Net loss	(1,350)
Earnings used in the calculation of basic EPS	(1,350)	(3,685)
	2025 No.'000	2024 No.'000
Weighted average number of ordinary shares for the purposes of basic earnings per share	74,100	74,100

## 12. Earnings per share (cont'd)

### Diluted earnings per share

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

	Consolidated	
	2025 US\$'000	2024 US\$'000
Net loss	(1,350)	(3,685)
Earnings used in the calculation of diluted EPS	(1,350)	(3,685)

  

	Consolidated	
	2025 No.'000	2024 No.'000
Weighted average number of ordinary shares used in the calculation of diluted EPS	74,100	74,100

## 13. Contingent liabilities and commitments

	Consolidated	
	2025 US\$'000	2024 US\$'000
<b>Contingent liabilities</b>		
Guarantees arising from letters of credit in force (i)	-	645
<b>Total</b>	-	<b>645</b>

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

As at year end, the group has capital commitment of \$US1.03m (2024:Nil) in respect of purchase of plant and equipment.

## 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 10.

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 50 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 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 2025 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.

#### 14. Property, plant and equipment (cont'd)

- Leasehold and leasehold land and buildings - Level 3 (cont'd)

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	RM27.85 to RM35.1 per square foot for land RM80 to RM105 per square foot for building RM = Malaysian Ringgit currency	RM27.70 per square foot for land RM92.50 per square foot for building	The higher the price per square foot the higher the fair value

#### 14. Property, plant and equipment (cont'd)

Consolidated								
	At Valuation			At Cost				
	Freehold land and buildings	Leasehold land and buildings	Sub-total	Plant and machinery	Renovation	Other assets	Motor vehicles	Total
<b>Cost</b>	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2024	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 4)	-	-	-	(5,927)	-	(40)	-	(5,967)
Revaluation surplus /(deficit)	59	(85)	(26)	-	-	-	-	(26)
<b>Balance as at 30 June 2024</b>	<b>4,772</b>	<b>8,482</b>	<b>13,254</b>	<b>23,733</b>	<b>4,665</b>	<b>2,887</b>	<b>822</b>	<b>45,361</b>
Additions	-	-	-	432	138	65	269	904
Disposals and write-off (Note 4)	(4,772)	-	(4,772)	(214)	(1,785)	(736)	(271)	(7,778)
Revaluation surplus	-	1,013	1,013	-	-	-	-	1,013
<b>Balance as at 30 June 2025</b>	<b>-</b>	<b>9,495</b>	<b>9,495</b>	<b>23,951</b>	<b>3,018</b>	<b>2,216</b>	<b>820</b>	<b>39,500</b>

#### 14. Property, plant and equipment (cont'd)

Consolidated								
	At Valuation							
	Freehold land and buildings	Leasehold land and buildings	Sub-total	Plant and machinery	Renovation	Other assets	Motor vehicles	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Accumulated depreciation</b>								
Balance as at 1 July 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 4)	-	-	-	(3,825)	-	(40)	-	(3,865)
<b>Balance as at 30 June 2024</b>	-	-	-	15,600	4,393	2,484	729	23,206
Depreciation expense	-	-	-	1,870	106	136	57	2,169
Accumulated depreciation on disposals and write-off (Note 4)	-	-	-	(119)	(1,772)	(676)	(251)	(2,818)
<b>Balance as at 30 June 2025</b>	-	-	-	17,351	2,727	1,944	535	22,557
<b>Net book value</b>								
<b>As at 30 June 2024</b>	4,772	8,482	13,254	8,133	272	403	93	22,155
<b>As at 30 June 2025</b>	-	9,495	9,495	6,600	291	272	285	16,943

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

## 15. Subsidiaries

Name of subsidiary	Country of incorporation	Ownership interest	
		2025 %	2024 %
Ghim Li Global Pte Ltd	Singapore	100	100
Ghim Li Global International Ltd*	Hong Kong	-	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.

## 16. Notes to the cash flow statement

Reconciliation of loss for the year to net cash flows from operating activities

	Consolidated	
	2025 US\$'000	2024 US\$'000
Loss for the year	(1,350)	(3,685)
Depreciation of property, plant and equipment	2,169	2,955
Amortisation of intangible assets	485	471
Amortisation of right on use assets	1,942	1,977
Bad and doubtful debts	-	49
Unrealised profit	(31)	138
Impairment/written-off on inventories	-	268
(Gain) /Write-off of property, plant and equipment	(8)	2,096
Gain on termination ROU assets	(47)	-
<b>Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:</b>		
(Increase)/decrease in assets:		
Inventories	4,373	656
Trade and other receivables	(2,706)	(741)
Other assets	143	16
Outsource to manufacturing suppliers	(1,491)	622
Increase/(decrease) in liabilities:		
Trade and other payables	(611)	(2,470)
Current tax	(64)	(279)
Deferred tax	(212)	(263)
<b>Net cash provided by operating activities</b>	<b>2,592</b>	<b>1,810</b>

## 17. Intangible Assets

Consolidated					
	Software	Goodwill	Trademark & customers network	Others	Total
Cost	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 July 2024	2,351	1,841	2,518	407	7,117
Additions	2	-	-	-	2
<b>Balance as at 30 June 2025</b>	<b>2,353</b>	<b>1,841</b>	<b>2,518</b>	<b>407</b>	<b>7,119</b>
Accumulated Amortisation					
Balance as at 1 July 2023	767	1,841	1,008	407	4,023
Amortisation	219	-	252	-	471
<b>Balance as at 30 June 2024</b>	<b>986</b>	<b>1,841</b>	<b>1,260</b>	<b>407</b>	<b>4,494</b>
Amortisation	233	-	252	-	485
<b>Balance as at 30 June 2025</b>	<b>1,219</b>	<b>1,841</b>	<b>1,512</b>	<b>407</b>	<b>4,979</b>
Net book value					
<b>As at 30 June 2024</b>	<b>1,365</b>	<b>-</b>	<b>1,258</b>	<b>-</b>	<b>2,623</b>
<b>As at 30 June 2025</b>	<b>1,134</b>	<b>-</b>	<b>1,006</b>	<b>-</b>	<b>2,140</b>

### *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 as the goodwill originated from this acquisition in FY17. Goodwill is not amortized but is subject to impairment testing on an annual basis or whenever there is an indication of impairment. As at 31 December 2022, the goodwill has been fully impaired.

### *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.

## 18. 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.

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Raw materials	7,994	11,317
Work in progress	5,639	4,777
Goods in transit	3,308	6,010
Consumables	22	2
Stock lot	233	604
Finished goods	2,863	1,692
<b>Total</b>	<b>20,059</b>	<b>24,402</b>

## 19. 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.