



ASX Release

2 November 2015

Extension of Distribution Agreement

GRG Limited (**GRG**) is pleased to announce that it has signed an extension of an existing Distribution Agreement with a major North American distribution partner (the Partner).

Background

GRG is a wholesaler of GRG Banking ATM and ATM technology related products in various markets including North America. The Partner distributes ATM's to financial institutions and other operators in North America. GRG first engaged the Partner in late 2013 to re-sell its products, and under the Distribution Agreement the Partner has been highly successful, selling approximately more than \$3m of GRG's products since the original signing. The Partner has consistently met its minimum order obligations under the present Distribution Agreement.

The parties have now decided to extend the Distribution Agreement.

Terms of Extension

The parties have agreed to extend the Distribution Agreement to the end of calendar year 2020, and to increase the minimum order obligations of the Partner. Those obligations total \$51.6m over the life of the extension of the Distribution Agreement, rising from \$2.55m in calendar year 2016 to \$17.5m in calendar year 2020.

Impact on agreement to sell assets to DC

GRG refers to its announcement to the market on 23 September 2015 concerning the sale of its ATM Operations business in Australia to DC Payments Australasia Pty Ltd (DC). GRG notes that under that agreement it retains its ATM wholesale business which includes the Distribution Agreement with the Partner. The extension of that agreement therefore has no impact on the asset sale to DC.

GRG is in the process of completing its outstanding Financial Reports and intends to call a shareholder meeting to approve the asset sale to DC as soon as this has occurred.

Change of office

In line with GRG's continuing drive to reduce costs it has moved its Melbourne office to 87 Corporate Drive, Heatherton VIC 3202. Contact numbers remain unchanged.

About GRG International

GRG International Ltd (GRG) is a listed entity on the Australian Securities Exchange (ASX) which markets and sells GRG Banking ATMs and related services into various markets.

[1]



GRG International commenced as a joint venture between GRG International Pty Ltd and GRG Banking of Guangzhou, the largest ATM manufacturer in China and listed on the Shenzhen Stock Exchange with a \$A5.0billion market capitalisation. The venture combines GRG's reputation for innovative and reliable ATMs in Asia with the proven track record of individuals who have the knowledge, reputation and relationships to make GRG Banking successful in both the retail and banking markets.

The company leverages GRG Banking's resources to design, develop, manufacture and sell ATMs, ATM management software and spare parts without incurring the associated overheads. GRG International will also sell the comprehensive range of other GRG Banking products such as Recyclers, Teller Cash Dispenser, Automatic Depository and Kiosk products.