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Gemilang International Limited

彭順國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6163)

(1) RESIGNATION OF EXECUTIVE DIRECTOR;

(2) CHANGE OF CHAIRMAN OF THE BOARD;

AND

(3) CHANGE IN COMPOSITION OF NOMINATION COMMITTEE

RESIGNATION OF EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Director(s)**”) of Gemilang International Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) hereby announces that Mr. Phang Sun Wah (“**Mr. Phang**”) has reached his retirement age and tendered his resignation from office as an executive Director and a director of certain subsidiaries of the Company with effect from 11 January 2021. Upon his resignation, Mr. Phang also ceased to act as the chairman of the Board and the chairman of the nomination committee of the Board (the “**Nomination Committee**”).

Mr. Phang has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board would like to express its sincere gratitude to Mr. Phang for his contributions to the Group during his tenure of office.

CHANGE OF CHAIRMAN OF THE BOARD AND CHANGE IN COMPOSITION OF NOMINATION COMMITTEE

The Board is pleased to announce that with effect from 11 January 2021, Mr. Pang Chong Yong (“**Mr. Pang**”), an executive Director, member of the remuneration committee of the Board (the “**Remuneration Committee**”) and chief executive officer of the Company (the “**CEO**”), has been appointed as the chairman of the Board and chairman of the Nomination Committee (the “**Appointment**”) to fill up the vacancy due to Mr. Phang’s resignation. No service contract is entered into between Mr. Pang and the Company for the Appointment and the remuneration of Mr. Pang remains unchanged.

Mr. Pang Chong Yong

Mr. Pang, aged 61, is the co-founder of the Group and has been the CEO and the executive Director since 21 June 2016 and a member of the Remuneration Committee since 21 October 2016. He is also a director of various subsidiaries of the Company. Mr. Pang is primarily responsible for formulating overall corporate strategies and policies of the Group, general management and day-to-day operation of the Group. He had over 10 years of experience in the installation of cars accessories and provision of after-sales services and over 25 years in bus assembly and bus body manufacturing. Currently, Mr. Pang is a non-executive director of Advance Packaging Technology (M) Bhd (stock code: 9148), whose shares are listed on the Main Market of the Bursa Malaysia Securities Berhad.

Save as disclosed herein, Mr. Pang has not held (a) any directorship in the last three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (b) any other position with the Company and other members of the Group; or (c) other major appointments and professional qualifications.

As at the date of this announcement, Mr. Pang is interested in (a) 82,078,125 shares of the Company (which have been charged in favour of Gold-Face Finance Limited as security for a loan granted in favour of Mr. Pang and represent approximately 32.65% of the issued share capital of the Company) through Golden Castle Investments Limited, which is beneficially and wholly-owned by Mr. Pang; and (b) 53,548,125 shares of the Company (representing approximately 21.30% of the issued share capital of the Company), being the shares held by Sun Wah Investments Limited, which is beneficially and wholly-owned by Mr. Phang, and the shares beneficially owned by Mr. Phang and his spouse. Pursuant to the confirmatory deed in relation to parties acting in concert dated 20 July 2016 and entered into between Mr. Pang and Mr. Phang, Mr. Pang and Mr. Phang are parties acting in concert within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”). As such, Mr. Pang and Mr. Phang have aggregate interests in 135,626,250 shares of the Company, representing approximately 53.96% of the issued share capital of the Company. Mr. Pang is also interested in 250,000 share options of the Company entitling him to subscribe for 250,000 new shares of the Company with exercise price of HK\$1.764 each.

Save as disclosed above, Mr. Pang has (i) no relationship with any Directors, senior management or substantial or controlling shareholders of the Company (having the meaning ascribed thereto under the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”)); and (ii) no interest in the shares of the Company within the meaning of Part XV of the SFO.

Pursuant to the service agreement dated 23 October 2019 and entered into between Mr. Pang and the Company, Mr. Pang has been appointed as an executive Director for a term of three years commencing from 11 November 2019. The service agreement continues thereafter until terminated by a three months' notice in writing served by either party and subject to re-election in annual general meeting according to the articles of association of the Company. Mr. Pang is entitled to receive an annual fee of HK\$120,000 payable in 12 monthly installments and a discretion bonus for each financial year. The remuneration package of Mr. Pang is reviewed and recommended annually by the Remuneration Committee and fixed by the Board.

Save as disclosed above, there is no further information which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules nor are there any other matters in relation to the Appointment that need to be brought to the attention of the shareholders of the Company.

Code Provision A.2.1 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Accordingly, the appointment of Mr. Pang, being the CEO, as the chairman deviates from the relevant Code Provision.

The Board believes that resting the roles of both the chairman and the CEO in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board also considers that this arrangement will not impair the balance of power and authority as a majority of the Board members are represented by the independent non-executive Directors, who offer different independent perspectives. In addition, the Board meets regularly to consider major matters affecting the operations of the Group and all Directors are properly and promptly briefed on such matters with adequate, complete and reliable information. Therefore, the Board is of the view that the balance of power and safeguards in place are adequate. The Board would review and monitor the situation on a regular basis, and it would ensure that the present structure would not impair the balance of power in the Group.

By order of the Board
Gemilang International Limited
Pang Chong Yong

Chairman, Chief Executive Officer and Executive Director

11 January 2021

As at the date of this announcement, the Board comprises (i) Mr. Pang Chong Yong (Chairman) as executive director of the Company; and (ii) Ms. Lee Kit Ying, Ms. Wong Hiu Ping, Ms. Kwok Yuen Shan Rosetta and Mr. Huan Yean San as independent non-executive directors of the Company.