
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Gemilang International Limited, you should at once hand this circular to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any losses howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

Gemilang International Limited

彭順國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6163)

**(1) MAJOR TRANSACTION IN RELATION TO
DISPOSAL OF PROPERTY IN MALAYSIA;
(2) GRANT OF SHARE OPTIONS UNDER SHARE OPTION SCHEME;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used on this cover page shall have the same meaning as those defined in this circular unless otherwise stated.

A letter from the Board is set out on pages 4 to 15 of this circular. A notice convening the EGM to be held at VIP Room I-II, 4/F, Park Hotel Hong Kong, 61-65 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 13 October 2023 at 10:00 a.m. or any adjournment thereof is set out on pages EGM-1 to EGM-2 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are advised to read the notice and complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, being not less than 48 hours (i.e. Wednesday, 11 October 2023 at 10:00 a.m.) before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

27 September 2023

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II – VALUATION REPORT ON THE PROPERTY	II-1
APPENDIX III – GENERAL INFORMATION	III-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	EGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Balance Purchase Price”	has the meaning ascribed thereto under the section headed “Letter from the Board – The Sale and Purchase Agreement – Purchase Price” in this circular
“Board”	board of Directors
“Company”	Gemilang International Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 6163)
“Completion”	completion of the Disposal
“Completion Period”	has the meaning ascribed thereto under the section headed “Letter from the Board – The Sale and Purchase Agreement – Completion” in this circular
“Conditional Grant”	the proposed grant of 2,500,000 Share Options to Mr. CY Pang entitling him to subscribe for 2,500,000 new Shares, subject to and conditional upon the approval of the Independent Shareholders at the EGM
“Deposit”	has the meaning ascribed thereto under the section headed “Letter from the Board – The Sale and Purchase Agreement – Purchase Price” in this circular
“Director(s)”	director(s) of the Company
“Disposal”	the proposed disposal of the Property by the Vendor to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement
“Disposal Announcement”	the announcement of the Company dated 18 August 2023 in relation to, among other things, the Disposal
“EGM”	the extraordinary general meeting of the Company to be convened and held at VIP Room I-II, 4/F, Park Hotel Hong Kong, 61-65 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 13 October 2023 at 10:00 a.m. for the purpose of considering and, if thought fit, approving the Sale and Purchase Agreement, the Conditional Grant and the respective transactions contemplated thereunder
“Extended Completion Period”	has the meaning ascribed thereto under the section headed “Letter from the Board – The Sale and Purchase Agreement – Completion” in this circular
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders other than (i) Mr. CY Pang and his associate(s) (if any); (ii) all core connected persons (as defined under the Listing Rules) of the Company; and (iii) those who have a material interest in the Conditional Grant or any other person who is required by the Listing Rules to abstain from voting on the resolution approving the Conditional Grant
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Latest Practicable Date”	21 September 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. CY Pang”	Mr. Pang Chong Yong, being the chairman of the Board, an executive Director, the chief executive officer and a substantial Shareholder of the Company
“Property”	a freehold vacant land situated at GM 79 Lot 250, Mukim Senai, District of Kulai, State of Johor, Malaysia with an area of approximately 3.3437 hectares (equivalent to approximately 359,912 square feet)
“Purchase Price”	an aggregate sum of RM20,688,000 (equivalent to approximately US\$4,456,000), being the consideration for the sale of the Property
“Purchaser”	Super Choice Sdn. Bhd., a company incorporated in Malaysia with limited liability
“Remuneration Committee”	the remuneration committee of the Company
“Sale and Purchase Agreement”	the conditional Sale and Purchase Agreement dated 18 August 2023 entered into between the Vendor and the Purchaser in respect of the Disposal
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s) from time to time

DEFINITIONS

“Share Option(s)”	the share option(s) granted or to be granted under the Share Options Scheme to subscribe for new Share(s) in accordance with the terms thereof
“Share Options Announcement”	the announcement of the Company dated 18 August 2023 in relation to, among other things, the grant of Share Options entitling the holders thereof to subscribe for an aggregate of 19,700,000 new Shares
“Share Option Scheme”	the share option scheme adopted by the Company on 21 October 2016
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unconditional Date”	has the meaning ascribed thereto under the section headed “Letter from the Board – The Sale and Purchase Agreement – Conditions Precedent” in this circular
“Vendor”	Gemilang Coachwork Sdn. Bhd., a company incorporated in Malaysia with limited liability and an indirect wholly-owned subsidiary of the Company
“RM”	Malaysian ringgit, the lawful currency of Malaysia
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

For the purpose of this circular, unless otherwise indicated, conversion of RM into US\$ is calculated at the approximate exchange rate of RM1.00 to US\$0.2154. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.

LETTER FROM THE BOARD

Gemilang International Limited
彭順國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6163)

Executive Directors:

Mr. Pang Chong Yong (*Chairman*)
Mr. Pang Jun Jie
Mr. Yik Wai Peng

Independent non-executive Directors:

Ms. Lee Kit Ying
Mr. Huan Yean San
Mr. Andrew Ling Yew Chung

Registered office:

Cricket Square,
Hutchins Drive
P.O. Box 2681,
Grand Cayman
KY1-1111
Cayman Islands

*Headquarters and principal place of
business in Malaysia:*

Ptd 42326 Jalan Seelong Mukim Senai
81400 Senai, Johor West Malaysia

Principal place of business in

Hong Kong:

Unit 206A, 2/F,
Sun Cheong Industrial Building
2 Cheung Yee Street,
Lai Chi Kok
Kowloon, Hong Kong

27 September 2023

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR TRANSACTION IN RELATION TO
DISPOSAL OF PROPERTY IN MALAYSIA;
(2) GRANT OF SHARE OPTIONS UNDER SHARE OPTION SCHEME;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to (i) the Disposal Announcement in relation to, among other matters, the Disposal; and (ii) the Share Options Announcement in relation to, among other matters, the Conditional Grant of Share Options to Mr. CY Pang, being the chairman of the Board, an executive Director, the chief executive officer and a substantial Shareholder of the Company.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further information on the Disposal; (ii) further information on the Conditional Grant of Share Options; (iii) the independent property valuation report on the Property; (iv) other information as required under the Listing Rules; and (v) a notice of the EGM.

THE DISPOSAL

On 18 August 2023 (after trading hours of the Stock Exchange), the Vendor, being an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Property for a total consideration of RM20,688,000 (equivalent to approximately US\$4,456,000) upon and subject to the terms and conditions set out therein.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out as follows:

- Date:** 18 August 2023
- Parties:** (i) the Vendor; and
- (ii) the Purchaser

The Purchaser is a company incorporated in Malaysia with limited liability. To the best of the Director's knowledge, information and belief having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner(s) is an Independent Third Party.

Asset to be disposed of

Pursuant to the terms and conditions of the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Property subject to and upon the terms and conditions therein.

The Property is a freehold vacant land situated at GM 79 Lot 250, Mukim of Senai, District of Kulai, State of Johor, Malaysia with an area of approximately 3.3437 hectares (equivalent to approximately 359,912 square feet).

LETTER FROM THE BOARD

Purchase Price

The Purchase Price payable for the Property is RM20,688,000 (equivalent to approximately US\$4,456,000), which shall be satisfied by the Purchaser in the following manner:

- (i) a sum of RM2,068,800 (equivalent to approximately US\$446,000) (the “**Deposit**”), being the earnest deposit of RM206,880 (equivalent to approximately US\$45,000), and the balance deposit of RM1,861,920 (equivalent to approximately US\$401,000) shall be paid upon execution of the Sale and Purchase Agreement to the Vendor’s solicitors as stakeholder, of which a retention sum of RM620,640 (equivalent to approximately US\$134,000) will be paid to the Director-General of Inland Revenue towards payment of real property gains tax; and
- (ii) the remaining balance as to RM18,619,200 (equivalent to approximately US\$4,010,000) (the “**Balance Purchase Price**”) shall be paid by the Purchaser to the Vendor’s solicitors within the Completion Period or the Extended Completion Period (as the case may be).

If the Purchaser is unable to pay the Balance Purchase Price or any part thereof by the end of the Completion Period, the Vendor agrees to automatically (and without the necessity of a request by the Purchaser) grant to the Purchaser an extension of time until the Extended Completion Period being one (1) month from the expiry of the Completion Period to pay the Balance Purchase Price or such part thereof, in which event the Purchaser agrees to pay to the Vendor interest on the Balance Purchase Price or any outstanding amount due to the Vendor, as the case may be, at the rate of 8% per annum, calculated on a daily basis from the final day of the Completion Period to the date of actual payment of all outstanding amount in full, such interest to be tendered together with the Balance Purchase Price or any outstanding amount due, at or before the end of the Extended Completion Period.

Basis of the Purchase Price

The Purchase Price was determined after arm’s length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to (i) the market value of the Property of approximately RM20,000,000 (equivalent to approximately US\$4,308,000) as at 7 August 2023 based on the valuation report prepared by an independent property valuer using direct comparison approach; (ii) the original purchase price of the Property of RM16,915,864 (equivalent to approximately US\$3,644,000); (iii) the prevailing market conditions, the location of the Property and the market price of comparable properties of similar size, type and location of the Property; and (iv) other reasons as set out in the section headed “Reasons for and benefits of the Disposal” in this circular.

Conditions Precedent

The sale and purchase of the Property is conditional upon obtaining the following within two (2) months from the date of the Sale and Purchase Agreement or such other extended period to be mutually agreed by the Vendor and the Purchaser (the “**Conditional Period**”):

- (a) the Purchaser obtaining the approvals from its board of directors and shareholders, for the purchase of the Property from the Vendor; and
- (b) the Vendor and the Company obtaining all necessary approvals from the Board, the Shareholders and any regulatory bodies, for the sale of the Property to the Purchaser.

LETTER FROM THE BOARD

As at the Latest Practicable Date, none of the above conditions has been fulfilled.

The Sale and Purchase Agreement will become unconditional on the date on which the last of the above conditions has been duly fulfilled (the “**Unconditional Date**”), and the fulfillment thereof shall be confirmed and communicated by the Vendor’s solicitors to the Purchaser’s solicitors or vice versa, as the case may be. The date of notification of such fulfillment by the relevant solicitors shall be construed as the Unconditional Date. None of the above conditions is capable of being waived.

In the event that any of the conditions precedent under the Sale and Purchase Agreement is not fulfilled by the expiry of the Conditional Period for any reasons whatsoever, the parties shall extend the Conditional Period for a further extension period to be mutually agreed by the parties to fulfill the relevant conditions precedent, failing which the Purchaser will be entitled to terminate the Sale and Purchase Agreement by serving a written notice to the other party whereupon the Vendor will, within fourteen (14) days from the date of receipt of such written notice, refund or cause to be refunded to the Purchaser the Deposit, free of interest, and the Purchaser will, in exchange thereof, (i) withdraw any private caveat or other encumbrances lodged against the Property at its own costs and expenses; (ii) deliver or cause to be delivered to the Vendor the memorandum of transfer; and (iii) return or cause to be returned to the Vendor all other relevant documents in respect of the Property which had been given by the Vendor to the Purchaser with the Vendor’s interest intact.

Thereafter, the Sale and Purchase Agreement will terminate and cease to have any effect and neither party thereto will have any further claim against the other party on any matter in respect of or arising from the Sale and Purchase Agreement save and except for any antecedent breach that has been committed and the Vendor will be at liberty to sell the Property to any third party without any reference to the Purchaser.

Completion

Completion shall take place within three (3) months from the Unconditional Date (the “**Completion Period**”) or one (1) month from the expiry of the Completion Period (the “**Extended Completion Period**”), as the case may be. Upon Completion, the Property will cease to be owned by the Vendor and the Company will cease to have any interests in the Property.

Vacant possession of the Property must be delivered to the Purchaser forthwith upon receipt of the Balance Purchase Price by the Vendor’s solicitors.

Default by the Purchaser

If the Purchaser fails to pay the Balance Purchase Price on or before the end of the Completion Period or the Extended Completion Period, as the case may be, the Vendor will be at liberty to terminate the Sale and Purchase Agreement, whereupon all the Purchaser’s rights thereunder will cease and the Deposit paid thereunder will be irrevocably forfeited to the Vendor absolutely, and the Sale and Purchase Agreement will be treated as null and void and of no further effect and neither party will have any claim whatsoever against the other.

LETTER FROM THE BOARD

Default by the Vendor

If the Vendor fails or neglects to transfer the Property to the Purchaser when the Purchaser has tendered the Balance Purchase Price, the Vendor must forthwith refund all moneys paid by the Purchaser together with a further sum equivalent to 10% of the Purchase Price as agreed liquidated damages, whereupon the Sale and Purchase Agreement will be treated as null and void and of no further effect and neither party will have any claim whatsoever against the other. Alternatively, the Purchaser may exercise its right to enforce specific performance of the Sale and Purchase Agreement together with all the rights and entitlements ensuing therefrom.

INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in Malaysia with limited liability and is an investment holding company and is engaged in local, import and export trading business. The Purchaser is owned as to approximately 42.76% by Ms. Lock Siew Chin, approximately 12.25% by Mr. Cai Songhan, approximately 12.25% by Mr. Chua Wan Zuo, approximately 12.25% by Mr. Chua Song Ru and approximately 12.25% by Mr. Chua Bin Leong (Cai Bingliang), each of whom is a merchant. The remaining equity interests of the Purchaser are held by two other individuals each holding not more than 5% of the issued shares of the Purchaser. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner(s) is an Independent Third Party as at the Latest Practicable Date.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

The Property has been indirectly held by the Company. The carrying amount of the Property in the Group's account is approximately RM17,977,000 (equivalent to approximately US\$3,872,000), and the expected book gain, after deducting related expenses, from the Disposal is approximately RM1,765,000 (equivalent to approximately US\$380,000).

Upon Completion, the Company will cease to have any interests in the Property. Subject to further audit procedures to be performed by the auditor of the Company, the Group is expected to record (i) a gain from the Disposal of approximately RM1,765,000 (equivalent to approximately US\$380,000) being the Purchase Price for the Disposal of RM20,688,000 (equivalent to approximately US\$4,456,000) after deducting relevant expenses and taxes and the carrying amount of the Property in the Group's account; (ii) a decrease of non-current assets of approximately RM17,977,000 (equivalent to approximately US\$3,872,000), being the carrying amount of the Property in the Group's account; (iii) a decrease in current liabilities of approximately RM12,512,000 (equivalent to approximately US\$2,695,000), taking into account the settlement of the bank borrowings as disclosed below; and (iv) an increase in net current assets of approximately RM7,230,000 (equivalent to approximately US\$1,557,000), being the difference between the estimated net proceeds from the Disposal and the amount of bank borrowings to be settled after the Completion. The financial effect of the Disposal is presented for illustrative purpose only and is subject to change upon actual Completion and review and final audit by the auditor of the Company.

LETTER FROM THE BOARD

The net proceeds from the Disposal, after deducting the expenses directly attributable thereto, will be approximately RM19,742,000 (equivalent to approximately US\$4,252,000). The Company intends to apply the net proceeds from the Disposal in the following manner:

- (i) approximately RM12,512,000 (equivalent to approximately US\$2,695,000), representing approximately 63% of the net proceeds from the Disposal shall be utilised for settlement of the bank borrowings in the outstanding principal amount of RM12,150,000 (equivalent to approximately US\$2,617,000) at the interest rate of 12.4% per annum for a term of 120 months commencing from 26 August 2022, and the maturity date of which shall fall on 26 August 2032, which the Vendor financed for the purchase of the Property; and
- (ii) approximately RM7,230,000 (equivalent to approximately US\$1,557,000), representing approximately 37% of the net proceeds from the Disposal shall be utilised for the general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company. The Group is principally engaged in designing and manufacturing bus bodies and assembling buses. The Vendor is a company incorporated in Malaysia with limited liability, and an indirect wholly-owned subsidiary of the Company. It is principally engaged in the fabrication of body work for buses and trading of body kits and spare parts for buses.

As disclosed in the announcement of the Company dated 28 July 2021 in relation to, among other things, the acquisition of the Property, the Property was acquired and intended for self-use as parking lot for buses and/or storage of bus bodies and related spare parts for the business of the Group.

In the light of the rapid development and expansion of production activities surrounding the Property, the rising demand of lands in the area in which the Property located leads to the surge in the market value of the relevant properties, including the Property. Considering that (i) the Group has not significantly invested in the Property since its acquisition; and (ii) there are other lands, which are of similar size, costs and proximity to the Group's headquarters in Malaysia, may be considered as alternatives to the Property for similar purposes, the Board believes that the Disposal represents a valuable opportunity to realise the appreciated value of the Property without hindering the operation and future expansion of the Group's businesses.

Furthermore, taking into the consideration (i) that the Purchase Price is higher than the market value of the Property of approximately RM20,000,000 (equivalent to approximately US\$4,308,000) valued by an independent property valuer; (ii) the original purchase price of the Property of RM16,915,864 (equivalent to approximately US\$3,644,000) when the Group entered into a sale and purchase agreement to purchase the Property in July 2021; and (iii) the prevailing market conditions, the location of the Property and the market price of comparable properties in the same area; and (iv) the expected gain from the Disposal, the Disposal represents a good opportunity to realise the value of the Property at a favourable price and to better allocate its resources for the development of the Group's existing business. Having regard to the aforementioned, the Directors believe that the terms of the Disposal (including the Purchase Price) are on normal commercial terms, fair and reasonable, and the Disposal is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company has no intention to downscale or dispose of any of its existing businesses or commence any new business.

GRANT OF SHARE OPTIONS UNDER SHARE OPTION SCHEME

On 18 August 2023, the Board (including the independent non-executive Directors, and excluding Mr. CY Pang who had abstained from voting on the resolution in respect of the Conditional Grant) has resolved to grant 2,500,000 Share Options to Mr. CY Pang, conditional upon the approval by the Independent Shareholders at the EGM.

Details of the Conditional Grant are as follows:

Date of Conditional Grant	:	18 August 2023 (the “ Date of Conditional Grant ”)
Number of Share Options granted	:	2,500,000 Share Options (each Share Option entitling Mr. CY Pang to subscribe for one (1) Share), representing approximately 0.99% of the total issued Shares as at the Date of Conditional Grant
Exercise price of Share Options granted	:	HK\$0.440 per Share (which is the highest of (i) the closing price of HK\$0.420 per Share as stated in the Stock Exchange’s daily quotation sheet on the Date of Conditional Grant; (ii) the average closing price of HK\$0.440 per Share as stated in the Stock Exchange’s daily quotation sheets for the five (5) business days immediately preceding the Date of Conditional Grant; and (iii) the nominal value of a Share on the Date of Conditional Grant)
Exercise period of Share Options	:	Subject to the terms of the Share Option Scheme, the Share Options shall be exercisable in whole or in part from the date of obtaining the Independent Shareholders’ approval at the EGM up to 17 August 2026.
Vesting period of Share Options	:	The Share Options shall be vested on the date of obtaining the Independent Shareholders’ approval at the EGM.

The Share Option Scheme does not provide for any minimum vesting period. The Board (including the independent non-executive Directors, and excluding Mr. CY Pang) and the Remuneration Committee (excluding Mr. CY Pang) are of the view that the absence of vesting period is appropriate, considering that the grant of the Share Options serves as a recognition of Mr. CY Pang’s past contribution to the Group and outstanding performance in the preceding financial year and an incentive to Mr. CY Pang’s to continuously contribute to the operation, development and long-term growth of the Group.

LETTER FROM THE BOARD

Financial assistance : No financial assistance shall be provided by the Group to Mr. CY Pang to facilitate the purchase of Shares under the Share Option Scheme.

Performance target : There is no performance target attached to the Share Options.

The purpose of the Share Option Scheme is to enable the Company to grant Share Options to the eligible participants under the Share Option Scheme as incentives or rewards for their contribution to the Group.

Having considered that (i) the Share Options to be granted will further align Mr. CY Pang's interests with the long-term interests of the Group by increasing his personal stake in the Company, which will help motivate him in making continuous contribution to the Group; (ii) the number of Share Options granted is based on, among other things, Mr. CY Pang's effort and past contribution to the Group and his leadership, duties and responsibilities; and (iii) the value of the Share Options is subject to the market price of the Shares, which, in turn, depends on the business performance of the Group, to which Mr. CY Pang would directly contribute, and Mr. CY Pang will benefit more from the Share Options if the market price of the Shares increases, the Remuneration Committee (excluding Mr. CY Pang) considered that notwithstanding the absence of the performance targets, the grant of the Share Options aligns with the purpose of the Share Option Scheme.

Clawback mechanism : The Share Options granted to Mr. CY Pang are not subject to any clawback mechanism for the Company to recover but shall lapse (to the extent not already exercised) automatically on the date on which Mr. CY Pang ceases to be a Director.

The Board (including the independent non-executive Directors, and excluding Mr. CY Pang) and the Remuneration Committee (excluding Mr. CY Pang) are of the view that a specific clawback mechanism is not necessary, having considered that the lapse of Share Options upon cessation of directorship shall motivate Mr. CY Pang to optimise his performance and efficiency, which is in line with the purpose of the Share Option Scheme and shall adequately safeguard the Company's interests.

LETTER FROM THE BOARD

The Shares to be allotted and issued to Mr. CY Pang upon the exercise of 2,500,000 Share Options shall rank *pari passu* in all respects with the fully-paid Shares in issue, and accordingly will entitle Mr. CY Pang the same rights in relation to voting, dividend, transfer or other rights as the Shares in issue in accordance with the articles of association of the Company. Subject to the Share Option Scheme, the Shares Options themselves, however, do not carry any rights in relation to voting, dividend, transfer or other rights prior to being exercised and the underlying Shares being issued.

None of the Directors is a trustee of the Share Option Scheme nor has any direct or indirect interest in the trustee(s) of the Share Option Scheme.

REASONS FOR AND BENEFITS OF THE CONDITIONAL GRANT

Mr. CY Pang is the co-founder of the Group, the chairman of the Board, an executive Director, the chief executive officer and a substantial Shareholder of the Company. Mr. CY Pang is also a director of certain subsidiaries of the Company. He is primarily responsible for formulating the overall corporate strategies and policies of the Group, general management, and day-to-day operation of the Group.

The Conditional Grant is to provide incentives and rewards (i) for recognising Mr. CY Pang's leadership, persistent devotions and significant contributions to the Group's operation and development; (ii) in retaining Mr. CY Pang for his continuous contribution to the operation and development of the Group; and (iii) for further aligning his interests with the long-term interests of the Group, thereby achieving the business goals and long-term growth of the Group and enhancing return for the Shareholders.

Since the Company's listing in 2016, Mr. CY Pang has played a pivotal role in the operation and development of the Group. In particular, thanks to his effort and business connections, the Group has successfully entered into new markets for the manufacturing of bus body outside Southeast Asia, including but not limited to the United States of America, Uzbekistan, and Australia. Further, in view of the market transition from traditional diesel-powered vehicles to electric vehicles ("EV"), the Group has also followed the business trend and tapped into the EV market under the leadership of Mr. CY Pang. With the continuous contributions and insightful advice from Mr. CY Pang, the Group has been able to maintain its competitive edge and solidify its leading position in the bus body manufacturing industry.

Taking into account that (i) Mr. CY Pang's leading role and responsibilities in the Group, exceptional leadership and substantial contributions made and to be made to the Group, including but not limited to corporate strategy planning and development of the Group's businesses; (ii) the stability of key personnel is essential to the long-term development of the Group; (iii) the grant of share options as incentives, as compared with other forms of incentives such as cash bonus, would enable the Group to preserve its cash resources and further align Mr. CY Pang's interests with the long-term interests of the Group and the Shareholders; (iv) the dilution effect of the Conditional Grant is insignificant; and the grant of share options as rewards aligns with the market practice of retaining key personnel to achieve the long-term development of the Group, the Board (including the independent non-executive Directors, and excluding Mr. CY Pang) and the Remuneration Committee (excluding Mr. CY Pang) are of the view that the Conditional Grant is appropriate remuneration and incentive for Mr. CY Pang's past and future contribution, and its terms are fair and reasonable and the Conditional Grant is in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

(a) The Disposal

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal is more than 25% but all of the percentage ratios are less than 75%, the entering into of the Sale and Purchase Agreement constitutes a major transaction on the part of the Company under the Listing Rules, and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

None of the Directors has material interest in the Disposal and hence no Director is required to abstain from voting on the relevant resolution(s) of the Board approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

(b) The Conditional Grant

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of the Share Options to Mr. CY Pang has been approved by the independent non-executive Directors and Mr. CY Pang had abstained from voting so far as the resolution for the approval of the grant of Share Options to him was concerned.

Pursuant to Rule 17.04(3) of the Listing Rules, if the grant of Share Options to an independent non-executive Director or a Substantial shareholder of the Company or any of their respective associates would result in the Shares in issue and to be issued in respect of all Share Options granted (excluding any Share Options lapsed in accordance with the terms of the Share Option Scheme) to such person during the 12-month period up to and including the date of grant representing in aggregate over 0.1% of the relevant class of Shares in issue, such proposed grant of Share Options must be approved by the Shareholders in a general meeting in the manner described in Rule 17.04(4) of the Listing Rules.

As the total number of Shares issued and to be issued upon the exercise of the Share Options proposed to be granted to Mr. CY Pang, being the chairman of the Board, an executive Director, the chief executive officer and a substantial Shareholder of the Company, would, in a 12-month period up to and including the Date of Conditional Grant, represent over 0.1% of the Shares in issue, the Conditional Grant is therefore subject to the approval of the Independent Shareholders at the EGM, where Mr. CY Pang, his associates and all core connected persons (as defined under the Listing Rules) of the Company shall abstain from voting in favour of the relevant resolution at the EGM pursuant to the Listing Rules.

GENERAL

The EGM will be convened and held at VIP Room I-II, 4/F, Park Hotel Hong Kong, 61-65 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 13 October 2023 at 10:00 a.m. for the Shareholders to consider and, if thought fit, to approve (i) the Sale and Purchase Agreement and the transactions contemplated thereunder; and (ii) the Conditional Grant. A notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and will be required to abstain from voting on the relevant resolution(s) at the EGM.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Mr. CY Pang, his associates and all core connected persons of the Company who are required to abstain from voting in favour of the relevant resolution(s) to approve the Conditional Grant at the EGM pursuant to the Listing Rules, no other Shareholder or any of their associates has any material interest in the Conditional Grant, and will be required to abstain from voting on the relevant resolution(s) at the EGM.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours (i.e. Wednesday, 11 October 2023 at 10:00 a.m.) before the time appointed for holding of the EGM or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting thereof (as the case may be) should you so wish.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon its ultimate beneficial owners and their respective associates; and (ii) no obligation or entitlement of its ultimate beneficial owners and their respective associates as at the Latest Practicable Date, whereby it or he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its or his Shares to a third party, either generally or on a case-by-case basis.

RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Shareholders are recommended to vote in favour of the resolution(s) to be proposed at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

The Board (including the independent non-executive Directors, and excluding Mr. CY Pang who had abstained from voting on the resolution in respect of the Conditional Grant) considers that the terms of the Conditional Grant are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Independent Shareholders are recommended to vote in favour of the resolution(s) to be proposed at the EGM to approve the Conditional Grant.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Completion is subject to the fulfillment of the conditions precedent set out in the Sale and Purchase Agreement and therefore the Disposal may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

Yours faithfully,

For and on behalf of the Board

Gemilang International Limited

Pang Chong Yong

Chairman, Chief Executive Officer and Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three financial years ended 31 October 2020, 2021 and 2022, the six months ended 30 April 2023 are disclosed in the annual reports of the Company for the years ended 31 October 2020, 2021 and 2022 and the interim report of the Company for the six months ended 30 April 2023, respectively, and there was no qualified audit opinion expressed on the consolidated financial statements of the Group for the three years ended 31 October 2020, 2021 and 2022.

The said annual reports and interim report of the Group are published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.gml.com.my):

- the annual report of the Company for the year ended 31 October 2020 published on 24 February 2021 (pages 76 to 162) (hyperlink: <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0224/2021022400770.pdf>);
- the annual report of the Company for the year ended 31 October 2021 published on 25 February 2022 (pages 91 to 170) (hyperlink: <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0225/2022022500571.pdf>);
- the annual report of the Company for the year ended 31 October 2022 published on 16 February 2023 (pages 100 to 184) (hyperlink: <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0216/2023021600384.pdf>);
- the interim report of the Company for the six months ended 30 April 2023 published on 21 July 2023 (pages 26 to 52) (hyperlink: <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0721/2023072100297.pdf>); and

2. STATEMENT OF INDEBTEDNESS

At the close of business on 31 August 2023, being the latest practicable date prior to the printing of this circular and for the purpose of ascertaining the information contained in this statement of indebtedness, the Group had outstanding indebtedness as follows:

- (i) interest-bearing, guaranteed, secured bank borrowings of approximately US\$4.81 million;
- (ii) interest-bearing, guaranteed, secured bank overdraft of approximately US\$2.73 million;

- (iii) guaranteed, unsecured lease liabilities of approximately US\$0.11 million; and
- (iv) unguaranteed and unsecured convertible bonds of approximately US\$3.28 million.

Contingent liabilities

As at 31 August 2023, the Group had issued letters of guarantee amounted to US\$0.62 million.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, as of 31 August 2023, being the latest practicable date for determining indebtedness, the Group did not have any outstanding mortgages, charges, debentures, debt securities or other loan capital or bank overdrafts or loans or other similar indebtedness or finance lease commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments or guarantees or other material contingent liabilities, nor any authorised or otherwise created but unissued debt securities.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, taking into consideration the financial resources available to the Group including the net proceeds to be received from the Disposal, the bank facilities and other internal resources, the Group will have sufficient working capital for at least twelve (12) months from the date of publication of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 October 2022, being the date to which the latest published audited accounts of the Group were made up.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

As disclosed in the annual report of the Company for the year ended 31 October 2022, from the second half of 2022, Malaysia released the border restrictions for 2019 novel coronavirus disease (“COVID-19”) and the global economy started to step into the post COVID-19 pandemic era. The Board believes that the business performance and development of the Group can improve in the post pandemic era since more business activities can be resumed.

During the year ended 31 October 2022, besides the pandemic of COVID-19 variant Omicron in early 2022, the Group was also facing the challenge of the transition of vehicle market, of which the market demand is transiting from the domination of diesel-powered vehicle to electric vehicle (“EV”). For the bus manufacturing market, both customers and suppliers are exploring the business approach to transit from diesel-powered vehicle to EV, including the consideration of government policies, design, and technology etc.

Considering the market trend of shifting the focus to EV and expected future investment on EV, customers of the Group have become more cautious to place purchase orders for diesel-powered buses during the market transition period. To adapt to the market change, the Group has been proactively discussing with its major customers and approaching potential customers for the sales and manufacturing of EV and already received certain purchase orders for EV during the year ended 31 October 2022. However, since the market transition may take time, the total number of orders received by the Group during the year ended 31 October 2022 has decreased, as compared with the year ended 31 October 2021.

Currently, the Group has already received purchase orders from customers of different countries and regions. With such purchase orders, approximately 137 units of vehicle bodies (including school buses, single/double deck buses, coach, government vehicles), among which approximately 113 units are EVs, will be delivered to customers of different regions (Singapore, Australia, United States of America (the “USA”) and Hong Kong etc.).

Looking ahead, the Group strongly believes EV is the future of vehicle market. Apart from electric buses, the Group would also explore the possibility of manufacturing a wider range of electric commercial and special purposed vehicle with the best effort to leverage on our previous experience in manufacturing the bodies of these kind of vehicles. In terms of global market presence, we aim to expand our footprint in the USA, Australia, New Zealand, as well as to gain exposure in other countries in Asia and the Middle East, such as Uzbekistan and the United Arab Emirates.

Domestically, with the announced electric commercial vehicles incentives (which includes buses) under national budget of Malaysia in 2022, the Group is confident to capture more market shares by utilising its rich industry experience.

Prospects

The following highlights the Group’s key development strategies:

The Group plans to capture the rising demand of body solutions for electric buses in the Asia Pacific Region

The general demand for EV including buses is in an increasing trend and the Group continues to use its best endeavour to explore further of venturing or gaining more exposure in the Asia Pacific region with Malaysia and Singapore as its core markets. The Greater China’s bus market and industry remains the largest in the world and the Group will also be focusing more on promoting lightweight aluminium bus body solutions for electric buses as well as strengthening relationships with chassis principals and partners in the region.

The Group plans to expand its manufacturing capacity and continue to invest in product development

The Group will continue to upgrade and improve its production capacity and efficiency. This can be achieved through building new facilities on the recently acquired land and enhancing the automation of its existing manufacturing facility. The expansion of the Group's production capacity and efficiency is essential for catering the rising demand of body solutions for electric-powered commercial vehicles (including but not limited to buses and coaches). The Group will also continuously endeavour in research and development to further improve the lightweight body solutions as well as the overall environmental friendliness of its products.

The Group will further enhance its strategic partnership with chassis principals

The Group has always been maintaining close collaborations with its chassis principals. The Group's long-standing relationship with them is a key factor behind the success of its business.

The Group will continue to co-design and jointly bid for projects with its chassis principals. In order to further enhance the Group's strategic partnership with its chassis principals, the Group intends to implement the following measures:

- develop new markets with the Group's chassis principals;
- develop new EV models with the Group's chassis principals;
- share its bus production technology and know-how in improving production efficiency; and
- leverage its market position to help the Group's chassis principals to enter new markets.

The Group aims to expand its market footprint in the USA and Australia

The USA and Australia governments have been promoting the use of EV, and there was a significant increase in revenue contribution from these two regions in recent years respectively. In order to further broaden the Group's exposure, the Group is working closely with business partners from the regions to increase its market shares. The Group also believes that it is in better position to promote its products by collaborating with its business partners, especially in Australia while the Group is present in those major cities where it has been delivering its buses to since 1999. The Group will continue to working closely with its business partners through regular discussions to produce buses that meet the Federal Motor Vehicle Safety Standard for the USA market and the Australian Design Rules for the Australia market. In terms of after-sales support, the Group seeks to provide round the clock after-sales services to the bus transportation operators by working closely with its business partners. Furthermore, the Group is working on the expansion of its after-sales services and the size of its marketing team which will enable the Group to be more responsive to after-sales requests from its customers and to establish better relationships with its customers through gathering feedbacks on its products.

The Group will further diversify its product portfolio

The Group's current product portfolio covers city bus and coach, including both electric and diesel powered. It is the Group's plan to expand its product range to cater for a broader market. As more countries are transitioning to EV, the Group will be exploring the markets and continue to design and manufacture suitable bodies that can be assembled on different EV chassis based on the demand from different regions. Through The Group's development efforts, the Group intends to develop bodies with lighter materials to further reduce the weight of the vehicle, so as to improve battery efficiency and performance. In addition, its body-kit solutions are versatile and friendly to those countries that are promoting localisation with local manufacturing activities. The Group's relentless efforts to invest in developing new products for new markets outside Asia have successfully helped the Group open doors to new markets such as the USA. The Group will continue to innovate and expand its portfolio to reach out to more new markets.

The Group will continuously identify and explore other business opportunities with an aim to diversifying its earnings base

The Group had signed the agreement for the purpose to acquire a piece of land which is close to its headquarter in Malaysia in October 2022 and the Group had explored the opportunities to convert the land to commercial use which will allow the Group to explore different business development opportunities (such as showroom for rental income) to provide additional source of income to the Group. During the year ended 31 October 2022, the Group also purchased certain program and related intellectual property rights products which are held for trading purpose in order to diversify its revenue stream. The Group will continue to evaluate different business opportunities to broaden the Group's existing earnings base, enhance its profitability and offer better returns to Shareholders.

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from CBRE WTW Valuation & Advisory Sdn Bhd, an independent property valuer, in connection with their opinion of value of the Property as at 7 August 2023.



CBRE WTW VALUATION & ADVISORY SDN BHD (197401001098)
(formerly known as C H Williams Talhar & Wong Sdn Bhd)
Unit 15B Level 15 Menara Ansar
65 Jalan Trus, P O Box 320
80000 Johor Bahru
Johor Darul Takzim
Malaysia

REPORT AND VALUATION

27 September 2023

**THE BOARD OF DIRECTORS
GEMILANG INTERNATIONAL LIMITED**

Unit 206A, 2/F,
Sun Cheong Industrial Building,
2 Cheung Yee Street,
Lai Chi Kok, Kowloon,
Hong Kong

Dear Sirs

**VALUATION OF
LOT 250 (SURVEYED LOT 91002)
MUKIM OF SENAI
DISTRICT OF KULAI, JOHOR, MALAYSIA**

We refer to the instructions from Gemilang International Limited (the “Company”) for us to assess the market value of the above captioned property for the purpose of submission to the Hong Kong Exchanges and Clearing Limited (“HKEX”) in relation to the proposed disposal of property by Gemilang Coachwork Sdn Bhd (“GCSB”), a wholly owned subsidiary of the Company.

We confirm that we have carried out a site inspection on 7 August 2023, by Mr. Low Tze Yang under the supervision of the Qualified Valuer, Sr. Lo Kin Weng, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property as at the date of inspection.

Note: Mr. LOW TZE YANG is a registered Probationary Valuer who has over 15 years’ experience in the valuation of properties in Malaysia and currently is the Senior Assistant Manager of CBRE WTW Valuation & Advisory Sdn Bhd.

Valuation Basis and Assumptions

The valuation has been prepared in accordance with the requirements as set out in the Malaysian Valuation Standards (“MVS”) issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia (“BOVEAP”) and other established valuation manuals and standards such as the International Valuation Standards (“IVS”) published by the International Valuation Standards Council (“IVSC”) and the RICS Valuation – Global Standards (the “Red Book”) published by Royal Institution of Chartered Surveyors (“RICS”).

The basis of the valuation is Market Value which is defined by the MVS and IVS to be “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Our valuation has been made on the assumption that the owner sells the subject property on the open market in its existing state and without the benefit of a deferred terms contract, joint venture, or any similar arrangement which would affect the value of the subject property.

No allowances are made in our valuation for any charges, pledges or amounts owing on the subject property nor any expense of realisation or for taxation which may be arise in the event of a disposal, deemed or otherwise. We have considered the subject property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assume the subject property is free of statutory notices and outgoing.

Source of Information

Where applicable, information as to title particulars, site area and tenure are obtained from searches carried out at Registry of Land and Mines, Johor, Malaysia. Dimensions, measurements and areas included in the valuation report are based on the information provided to us and are therefore only approximations. All information provided is treated as true and accurate and we accept no responsibility for subsequent changes in information and reserves the right to change our opinion of value if any other information provided were to materially change.

Confidentiality and Disclaimers

This letter and Valuation Certificate may only be relied upon by the Company for the purpose of submission to the Hong Kong Exchanges and Clearing Limited (“HKEX”) in connection with the proposed disposal. This confidential document is for the sole use of persons directly provided with it by us. No liability can be accepted by us for any loss arising from any unauthorised use or reliance of this document.

Valuation Rationale

In arriving at the market value of the subject property, we have considered relevant general and economic factors and in particular have investigated recent sales transactions of comparable properties that have occurred in the Johor's property market.

In arriving at the market value of the subject property, we have adopted the Direct Comparison Approach.

The Direct Comparison Approach entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, accessibility, terrain, size and shape of land, tenure, planning status, title restrictions, if any, and other relevant characteristics to arrive at the market value.

Valuer's Interest

We affirm that the valuers are authorised under law to practice as valuers and have at least 5 years continuous experience in valuation and do not have a pecuniary interest that could conflict with the proper valuation of the subject property.

The key details and valuation of the subject property are detailed in the Valuation Certificate attached overleaf.

Yours faithfully

for and on behalf of

CBRE WTW Valuation & Advisory Sdn Bhd

(formerly known as CH Williams Talhar & Wong Sdn Bhd)

Sr LO KIN WENG

B. (Hons) Estate Management, MRICS, MRISM, MPEPS

BOVEAP Registration No. V-917

Director

Note: Sr. LO KIN WENG is a Chartered Surveyor who has over 15 years' experience in the valuation of properties Malaysia

Valuation Certificate

Subject Property:	A parcel of vacant industrial land located along Jalan Seelong, in the locality of Senai Jaya, Senai, Johor, MALAYSIA.
Client:	Gemilang International Limited
Purpose:	Proposed disposal of property by Gemilang Coachwork Sdn Bhd, a wholly owned subsidiary of the Company
Legal Description :	Lot 250 (Surveyed Lot 91002), Title No. GM 79 Mukim of Senai, District of Kulai, Johor
Interest Valued:	Freehold/Term In Perpetuity
Basis of Valuation:	Market Value
Registered Proprietor:	Gemilang Coachwork Sdn Bhd
Surveyed Land Area: as per the Certified Plan No. 233508/Land Area Under Valuation	3.201 hectares (approximately 7.910 acres)
Encumbrances:	Charged to OCBC AI-Amin Bank Berhad & OCBC Bank (Malaysia) Berhad
Town Planning:	Designated for Light Industry Use
Brief Description:	The subject property is a parcel of vacant industrial land located along Jalan Seelong, in the locality of Senai Jaya, Senai, Johor, Malaysia. It is sited approximately 28 kilometres by road due north-west of the Johor Bahru city centre. Senai town is located about 4 kilometres to the west It is strategically located within Flagship E: Senai – Skudai of the Iskandar Malaysia development region.
Valuation Approach:	Direct Comparison Approach

Value Consideration: In arriving at the market value of the subject property, we have considered the following registered transactions:-

Details	Comparable1	Comparable2	Comparable3	Comparable4
Source	Valuation & Property Services Department			
Lot No, Mukim, District and State	PTD 103042, Mukim of Senai, District of Kulai, Johor	PTD 114791, Mukim of Senai, District of Kulai, Johor	PTD 102725, Mukim of Senai, District of Kulai, Johor	Lot 2941, Mukim of Senai, District of Kulai, Johor
Address	Along Jalan Seelong, Senai, Johor	Along Jalan Seelong, Senai, Johor	Along Jalan Seelong Jaya 15, Seelong Jaya, Senai, Johor	Along Jalan Seelong, Senai, Johor
Type	Vacant industrial land			
Tenure	Freehold/Term in perpetuity			
Land Area	5,100.00 sqm	12,948.40 sqm	4,277.00 sqm	29,820.00 sqm
Date	18/05/2022	28/02/2022	08/08/2022	14/01/2021
Vendor	ONL Properties Sdn Bhd	Blessplus Sdn Bhd	Lanjut Cerah Sdn Bhd	Modern Unit Sdn Bhd
Purchaser	Thiam Seng Steel Centre Sdn Bhd	Vigorhood Sdn Bhd	Ho Leong Precision Stamping Sdn Bhd	Megahock Pipes & Profile Manufacturing Sdn Bhd
Consideration	RM3,019,272/-	RM7,247,604/-	RM2,301,850/-	RM16,049,000/-
Analysed Land Value (RM psf)	RM55 psf	RM52 psf	RM50 psf	RM50 psf

Note: "psf" denotes per square foot

"sqm" denotes square metres

Value Consideration: The subject property was transacted on 28 July 2021 for a consideration of RM16,915,864/-.

The analysed land value of the comparable range from RM50 to RM55 per square foot. In our valuation, we have considered the different attributes between the Subject Property and the comparables in terms of transaction time, location and size and have made adjustments accordingly.

The adjusted land values derived from the above comparables range from RM57 to RM60 per square foot. We have placed greater emphasis on comparable nos. 1, 2 and 4 by reason of they are among the latest sale transactions and have least adjustment made.

In light of the above, we have adopted the land value at RM58 per square foot for the subject property as a fair representation.

Date of Inspection: 7 August 2023

Date of Valuation : 7 August 2023

Market Value: RM20,000,000/-
(100% Interest) (Ringgit Malaysia: Twenty Million Only)

Assumptions,
Disclaimers,
Limitations &
Qualifications

This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed through this certificate which are made in conjunction with those included within the Limiting Conditions located at the end of this certificate. Reliance on this certificate and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the subject property.

Prepared by: CBRE WTW Valuation & Advisory Sdn Bhd

LIMITING CONDITIONS

These are limiting conditions upon which our Report and Valuation are normally prepared, unless specifically mentioned otherwise in the report.

1. Malaysian Valuation Standards

Our Report and Valuation is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

2. Confidentiality

This Report is confidential to the Client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the Client in respect of that purpose, but the Client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any part in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.

3. Use of Report

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report being relied upon by any other party whatsoever or for any information therein being quoted out of context.

4. Title Search

Whenever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office. Legal advice may be sought to verify the title details, if required.

5. Town Planning and Other Statutory Enquiries

We have obtained only verbal town planning information from the relevant authorities whilst we also relied upon published Structure and/or Local Plans, if any.

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

6. Measurements

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors, Malaysia, or such other building measurements standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

7. Site Surveys

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

8. Structural Surveys

While due care has been taken to note building defects in the course of inspection, no structural surveys nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance in respect of any rot, termite or pest infestation or other hidden defects.

9. Contamination

We have not carried out investigations into the past and present uses of either the property or of any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

10. Deleterious or Hazardous Materials

No investigations have been carried out to determine whether or not any deleterious or hazardous material had been used in the construction or of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

11. Soil Investigation

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting.

No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

12. Disease or infestation

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

13. Leases and Tenancies

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

14. Development Agreements

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development rights agreement or other similar contracts.

15. Outstanding Debts

In the case of buildings where works are in hand or have recently been completed, no allowances were made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

16. Taxation, Encumbrances, Statutory Notices and Outgoings

Unless otherwise stated, no allowances are made in our valuation for any expenses of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoings.

17. Attendance

The instruction and the valuation assignment does not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instruction is given or subsequently agreed upon.

18. Source of information

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the Valuation have been made known to us and we cannot accept any liability or responsibility in any event, unless such full disclosure has been made to us for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it express or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

19. Validity Period of Valuation Report

A Valuation Report is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

20. Limitation of Liability

Although every care has been taken in preparing the Valuation Report, if it is proved that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in the Company or its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives of the Company and their associates in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities Futures Ordinance, Chapter 571 of the Laws of Hong Kong (“SFO”), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors or chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (“Model Code”) were as follows:

Interests in Shares

Name of Director	Nature of interest	Number of Shares interested <small>(Note 1)</small>	Approximate percentage of issued share capital of the Company <small>(Note 5)</small>
Mr. CY Pang	Interest in a controlled corporation <small>(Note 2)</small>	82,078,125 (L)	32.65%
	Beneficial owner	4,960,000 (L)	1.98%
Mr. Pang Jun Jie	Beneficial owner <small>(Note 4)</small>	1,500,000 (L)	0.60%
Mr. Yik Wai Peng	Beneficial owner <small>(Note 4)</small>	1,758,000 (L)	0.70%
	Interest of spouse <small>(Note 3)</small>	140,000 (L)	0.06%
Ms. Lee Kit Ying	Beneficial owner <small>(Note 4)</small>	250,000 (L)	0.10%
Mr. Huan Yean San	Beneficial owner <small>(Note 4)</small>	250,000 (L)	0.10%
Mr. Andrew Ling Yew Chung	Beneficial owner <small>(Note 4)</small>	310,000 (L)	0.12%

Notes:

1. The letter “L” denotes a long position in the Shares.
2. Mr. CY Pang beneficially owns 100% of the issued share capital of Golden Castle Investments Limited. By virtue of the SFO, Mr. CY Pang is deemed to be interested in 82,078,125 Shares held by Golden Castle Investments Limited, representing approximately 32.65% of the entire issued share capital of the Company.
3. By virtue of the SFO, Mr. Yik Wai Peng is deemed to be interested in 140,000 Shares, being the number of Shares beneficially held by his wife, Ms. Tan Siow Yang.
4. Included interests of Share Options granted under the Share Option Scheme.
5. The shareholding percentage in the Company is calculated on the basis of 251,364,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial Shareholders and other persons’ interests in Shares and underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group and the amount of each of such person’s interests in such securities, together with particulars of any options in respect of such capital:

Interest in Shares

Name of Shareholder	Nature of interest	Number of Shares interested <small>(Note 1)</small>	Approximate percentage of issued share capital of the Company <small>(Note 6)</small>
Golden Castle Investments Limited (“Golden Castle”)	Beneficial owner <small>(Note 2)</small>	82,078,125 (L)	32.65%

Name of Shareholder	Nature of interest	Number of Shares interested (Note 1)	Approximate
			percentage of issued share capital of the Company (Note 6)
Gold-Face Finance Limited (“ Gold Face ”)	Person having a security interest in Shares (Notes 2&3)	82,078,125 (L)	32.65%
Upbest Group Limited	Interest of controlled corporation (Note 3)	82,078,125 (L)	32.65%
Ms. Low Poh Teng	Interest of spouse (Note 4)	87,038,125 (L)	34.63%
Ms. Kan Suk Ping	Beneficial owner (Note 5)	25,000,000 (L)	9.95%

Notes:

- The letter “L” denotes a long position in the Shares.
- 82,078,125 Shares held by Golden Castle, which is wholly-owned by Mr. CY Pang, being the chief executive officer, executive Director and controlling shareholder of the Company, have been charged pursuant to a share charge executed by Mr. CY Pang in favour of Gold-Face as security for a loan provided by Gold-Face to Golden Castle.
- Gold-Face is wholly-owned by Upbest Credit & Mortgage Limited (“**Upbest Credit and Mortgage**”), which in turn is owned as to 50% by Upbest Strategic Co., Ltd (“**Upbest Strategic**”) and 50% by Good Foundation Co., Ltd (“**Good Foundation**”). Upbest Strategic and Good Foundation are both wholly-owned by Upbest Financial Holdings Limited (“**Upbest Financial**”), which in turn is wholly-owned by Upbest Group Limited (“**Upbest Group**”). Upbest Credit and Mortgage, Upbest Strategic, Good Foundation, Upbest Financial and Upbest Group are all deemed to be interested in the security interest in the 82,078,125 Shares charged in favour of Gold-Face by virtue of the SFO.
- Ms. Low Poh Teng is the spouse of Mr. CY Pang. Therefore, Ms. Low Poh Teng is deemed to be interested in the Shares in which Mr. CY Pang is interested by virtue of the SFO.
- Ms. Kan Suk Ping is the holder of the convertible bonds in a principal amount of HK\$25,000,000 at a conversion price of HK\$1.00 per conversion share (subject to adjustments) issued by the Company, of which a maximum number of 25,000,000 Shares will be allotted and issued upon full conversion of the convertible bonds.
- The shareholding percentage in the Company is calculated on the basis of 251,364,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

3. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective close associates had any interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into a service contract with the any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. INTERESTS IN CONTRACTS OR ARRANGEMENT

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group.

6. INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which, since 31 October 2022 (the date to which the latest published audited financial statements of the Group were made up), had been or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

7. LITIGATION AND ARBITRATION

As at the Latest Practicable Date, no member of the Group was involved in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened by or against any member of the Group.

8. QUALIFICATION AND CONSENT OF EXPERT

The following sets out the qualification of the expert who has given opinions, letter or advice included in this circular (the “**Expert**”):

Name	Qualification
CBRE WTW Valuation & Advisory Sdn Bhd	Independent professional valuer

As at the Latest Practicable Date, the Expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, report or name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the Expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the Expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 October 2022, being the date to which the latest published audited accounts of the Company were made up.

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) had been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

- (i) the subscription agreement dated 14 December 2021 and entered into between the Company as issuer and Ms. Kan Suk Ping (“**Ms. Kan**”), an Independent Third Party, as subscriber, pursuant to which Ms. Kan has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue, the unlisted 4.25% coupon convertible bonds in the principal amount of HK\$25,000,000;
- (ii) the conditional share sale agreement dated 27 October 2022 and entered into between Gemilang Limited, a direct wholly-owned subsidiary of the Company, as purchaser and Mr. CY Pang and Mr. Pang Jun Kang, as vendors, pursuant to which Mr. CY Pang and Mr. Pang Jun Kang have conditionally agreed to sell, and Gemilang Limited has conditionally agreed to purchase, the entire issued share capital of and the sums of money advanced to and expended by the vendors for the GML Premier Sdn. Bhd. which are due and owing to the vendors by GML Premier Sdn. Bhd., which in turn solely owns a freehold agriculture land held under HS(M) 4267 PTD 43224 (now known as HS(M) 2761 PTD 43224) in Mukim of Senai, District of Kulai, State of Johor, for an aggregate consideration of RM2,591,244 (equivalent to approximately US\$550,000 as at 27 October 2022);
- (iii) the sale and purchase agreement dated 9 January 2023 and entered into between Gemilang Coachwork Sdn. Bhd., an indirect wholly-owned subsidiary of the Company, as purchaser and Mr. Lau Ching Eng, an Independent Third Party, as vendor, pursuant to which Mr. Lau Ching Eng has conditionally agreed to sell, and Gemilang Coachwork Sdn. Bhd. has conditionally agreed to purchase, a commercial land held under HS(M) 2763 PTD 43226, Mukim of Senai, District of Kulai, State of Johor, Malaysia for a total purchase price of RM5,350,000 (equivalent to approximately US\$1,223,000 as at 9 January 2023); and
- (iv) the Sale and Purchase Agreement.

10. GENERAL

- (a) The secretary of the Company is Mr. Chiu Chun Yin, who is a member of The Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (c) The headquarters and principal place of business of the Company in Malaysia is situated at Ptd 42326 Jalan Seelong Mukim Senai 81400 Senai, Johor West Malaysia.
- (d) The principal place of business of the Company in Hong Kong is situated at Unit 206A, 2/F, Sun Cheong Industrial Building 2 Cheung Yee Street, Lai Chi Kok Kowloon, Hong Kong.
- (e) The Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (f) In the event of any inconsistency, the English texts of the circular and the accompanying form of proxy shall prevail over their respective Chinese texts.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.gml.com.my>) for not less than 14 days from the date of this circular (both days inclusive).

- (i) the annual reports of the Company for the three years ended 31 October 2022;
- (ii) the interim report of the Company for the six months ended 30 April 2023;
- (iii) the written consent referred to in the paragraph headed "8. Qualification and consent of Expert" of this appendix;
- (iv) the material contracts referred to in the paragraph headed "9. Material contracts" of this appendix;
- (v) the valuation report issued by CBRE WTW Valuation & Advisory Sdn Bhd, the text of which is set out in Appendix II to this circular; and
- (vi) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Gemilang International Limited 彭順國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6163)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HERE BY GIVEN that an extraordinary general meeting (the “**EGM**”) of Gemilang International Limited (the “**Company**”) will be held at VIP Room I-II, 4/F, Park Hotel Hong Kong, 61-65 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 13 October 2023 at 10:00 a.m., to consider and, if thought fit, pass with or without amendments the following resolutions as an ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the sale and purchase agreement dated 18 August 2023 (the “**Sale and Purchase Agreement**”, details of which are disclosed in the circular of the Company dated 27 September 2023 (the “**Circular**”) entered into between Gemilang Coachwork Sdn. Bhd. (the “**Vendor**”), an indirect wholly-owned subsidiary of the Company, as vendor, and Super Choice Sdn. Bhd. (the “**Purchaser**”), as purchaser, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, a freehold vacant land situated at GM 79 Lot 250, Mukim Senai, District of Kulai, State of Johor, Malaysia for a consideration of RM20,688,000 (a copy of the Sale and Purchase Agreement is marked “A” and produced to the EGM and signed by the chairman of the EGM for identification purpose) and the transactions contemplated thereunder be and are hereby ratified, confirmed and approved;
- (b) any one or more director(s) (the “**Director(s)**”) of the Company be and are hereby generally and unconditionally authorised to do all such acts and things, to sign and execute all such documents for and on behalf of the Company as they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Sale and Purchase Agreement and the transactions contemplated thereunder, and to make and agree to make such variations of the terms of the Sale and Purchase Agreement as they may in their discretion consider to be appropriate, necessary or desirable and in the interests of the Company and its shareholders as a whole.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

2. “**THAT** the grant of 2,500,000 share options to Mr. Pang Chong Yong, being the chairman of the board of Directors, an executive Director, the chief executive officer and substantial shareholder of the Company, under the share option scheme adopted by the Company on 21 October 2016 to subscribe for 2,500,000 ordinary shares in the share capital of the Company at the exercise price of HK\$0.440 per share and on the terms and conditions set out in the circular to the shareholders of the Company dated 27 September 2023 be and is hereby confirmed and approved, and that any one Director be and is hereby authorised to do all such acts and/or execute all such documents as may be necessary or expedient in order to give effect to the foregoing.”

By the order of the Board

Gemilang International Limited

Pang Chong Yong

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 27 September 2023

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business in Hong Kong:

Unit 206A, 2/F

Sun Cheong Industrial Building

2 Cheung Yee Street

Lai Chi Kok, Kowloon

Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the EGM (i.e. no later than 10:00 a.m. on Wednesday, 11 October 2023) or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the EGM or any adjournment thereof, should he/she/it so wish.
3. In the case of joint holders of shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
4. In order to qualify for entitlement to attend the EGM, all completed transfer forms, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration, not later than 4:30 p.m. on Monday, 9 October 2023.
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the EGM, the EGM will be postponed. The Company will publish an announcement on the website of the Company at www.gml.com.my and on the website of the Stock Exchange at www.hkexnews.hk to notify the members of the Company of the date, time and venue of the rescheduled meeting.
7. As at the date of this announcement, the Board comprises (i) Mr. Pang Chong Yong (Chairman and Chief Executive Officer), Mr. Pang Jun Jie and Mr. Yik Wai Peng as executive Directors; and (ii) Ms. Lee Kit Ying, Mr. Huan Yean San and Mr. Andrew Ling Yew Chung as independent non-executive Directors.