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Gemilang International Limited

彭順國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6163)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 OCTOBER 2025

FINANCIAL HIGHLIGHTS

- Revenue increased to approximately US\$25.97 million for the Year from approximately US\$22.96 million for the year ended 31 October 2024. The increase was attributable to the increase in revenue of sales of bus bodies and kits and sales of parts and provision of relevant services.
- The Group recorded a loss of approximately US\$0.44 million during the Year (2024: US\$1.03 million). The decrease of loss for the Year as compared with the year ended 31 October 2024 was mainly attributable to the decrease in net allowance for impairment losses on trade and other receivables and the increase in sales of bus bodies and kits.
- Basic and diluted loss per share for the Year was US 0.16 cent. (2024: US 0.41 cent).

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Director(s)**”) of Gemilang International Limited (the “**Company**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 October 2025 (the “**Year**”) with comparative figures for the year ended 31 October 2024. All amounts set out in this announcement are expressed in United States dollars (“**US\$**”) unless otherwise indicated.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 OCTOBER 2025

	<i>Notes</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Revenue from contracts with customers	5	25,973	22,956
Cost of sales		<u>(21,460)</u>	<u>(18,751)</u>
Gross profit		4,513	4,205
Other income	6	14	1,394
Selling and distribution expenses		(570)	(632)
Net allowance for impairment losses on trade and other receivables		(67)	(1,555)
General and administrative expenses		<u>(3,648)</u>	<u>(3,173)</u>
Profit from operations		242	239
Finance costs	7(a)	<u>(480)</u>	<u>(753)</u>
Loss before taxation	7	(238)	(514)
Income tax expense	8	<u>(200)</u>	<u>(517)</u>
Loss for the year		<u>(438)</u>	<u>(1,031)</u>

	<i>Notes</i>	2025 US\$'000	2024 US\$'000
Other comprehensive income/(loss) for the year			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		<u>677</u>	<u>1,240</u>
Total comprehensive income/(loss) for the year		<u>239</u>	<u>209</u>
Loss for the year attributable to:			
Owners of the Company		(430)	(1,027)
Non-controlling interests		<u>(8)</u>	<u>(4)</u>
		<u>(438)</u>	<u>(1,031)</u>
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		247	213
Non-controlling interests		<u>(8)</u>	<u>(4)</u>
		<u>239</u>	<u>209</u>
Loss per share (US cent)	<i>10</i>		
– Basic		<u>(0.16)</u>	<u>(0.41)</u>
– Diluted		<u>(0.16)</u>	<u>(0.41)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 OCTOBER 2025

	<i>Notes</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Non-current assets			
Property, plant and equipment		6,811	6,478
Intangible assets		322	309
Interest in a joint venture		—	—
Deposit paid for acquisition of a subsidiary	<i>11(b)</i>	330	330
		7,463	7,117
Current assets			
Inventories		28,748	14,980
Trade receivables	<i>11(a)</i>	3,522	5,041
Deposits, prepayment and other receivables	<i>11(b)</i>	6,339	4,362
Tax recoverable		624	361
Financial assets at fair value through profit or loss (“ FVPL ”)		64	2,391
Pledged bank deposits		20	132
Cash at banks and on hand		1,956	659
		41,273	27,926
Current liabilities			
Trade and other payables	<i>12</i>	14,691	6,772
Contract liabilities	<i>13</i>	7,164	3,903
Bank loans and overdrafts		11,369	6,670
Lease liabilities		59	35
Convertible bonds	<i>14</i>	—	3,586
Provision for taxation		—	16
		33,283	20,982
Net current assets		7,990	6,944
Total assets less current liabilities		15,453	14,061

	<i>Notes</i>	2025 US\$'000	2024 US\$'000
Non-current liabilities			
Lease liabilities		99	68
Deferred tax liabilities		168	35
		<u>267</u>	<u>103</u>
Net assets		<u>15,186</u>	<u>13,958</u>
Capital and reserves			
Share capital	15	356	324
Reserves		14,867	13,663
Total equity attributable to owners of the Company		15,223	13,987
Non-controlling interests		(37)	(29)
		<u>15,186</u>	<u>13,958</u>

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Act, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business in Hong Kong is located at Room 1102, Tower 1, Even Gain Plaza, 88 Container Port Road, Kwai Chung, Hong Kong. The principal place of business in Malaysia is located at Ptd 42326 Jalan Seelong, Mukim Senai 81400 Senai, Johor, West Malaysia.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 11 November 2016.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements for the Year comprise the Company and its subsidiaries (together referred to as the "**Group**") and the Group's interest in a joint venture.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value:

- investment in equity securities; and
- derivative financial instruments.

Asset held for sale is stated at the lower of carrying amount and fair value less costs to sell.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is Hong Kong dollars ("**HK\$**") whereas the consolidated financial statements are presented in United States dollars ("**US\$**"), rounded to the nearest thousand, unless otherwise stated, which the management of the Group considered is more appropriate for users of the consolidated financial statements.

The preparation of financial statements in conformity with Hong Kong Financial Reporting Standards ("**HKFRSs**") requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to Hong Kong Accounting Standards (“HKASs”) 21	Lack of Exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Annual Improvements to HKFRS Accounting Standards HKFRS 18	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 19	Presentation and Disclosure in Financial Statements ³
Amendments to HKFRS 10 and HKAS 28	Subsidiaries without Public Accountability: Disclosures ³
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective for annual periods beginning on or after a date to be determined

The directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

4. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning on 1 November 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Related Amendments to Hong Kong Interpretation 5(2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 1	Non-current liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the new and amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

5. SEGMENT INFORMATION AND REVENUE

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board, being the chief operating decision maker (the “CODM”), for the purpose of allocating resources to segments and assessing their performance.

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- Sales of bus bodies and kits – sales and fabrication of body work for buses and trading of body kits
- Sales of parts and provision of relevant services – dealing in spare parts for buses and provision of after-sales and maintenance services for buses
- Rental of motor vehicles – leasing motor vehicles
- Others – Sales of program and related intellectual property (“IP”) rights. No revenue had been generated during the Year

Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of head office and corporate expenses, other income and finance costs. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

No segment assets and liabilities are presented as they were not regularly provided to the CODM for the purpose of resources allocation and performance assessment.

Information regarding the above segments is reported below.

The following is an analysis of the Group's revenue and results by reportable operating segments for the years:

For the year ended 31 October 2025

	Sales of bus bodies and kits <i>US\$'000</i>	Sales of parts and provision of relevant services <i>US\$'000</i>	Rental of motor vehicles <i>US\$'000</i>	Sales of program and related IP rights <i>US\$'000</i>	Total <i>US\$'000</i>
Revenue from external customers recognised at a point in time	21,885	3,811	277	–	25,973
Reportable segment revenue	21,885	3,811	277	–	25,973
Reportable segment profit	607	514	45	–	1,166
Unallocated head office and corporate expenses:					
– Other expenses					(938)
Other income					14
Finance costs					(480)
Loss before taxation					(238)
Other segment information					
Depreciation	318	–	34	–	352
Net allowance for impairment losses on trade and other receivables	65	2	–	–	67
Provision for writedown of inventories	23	–	–	–	23

For the year ended 31 October 2024

	Sales of bus bodies and kits <i>US\$'000</i>	Sales of parts and provision of relevant services <i>US\$'000</i>	Rental of motor vehicles <i>US\$'000</i>	Sales of program and related IP rights <i>US\$'000</i>	Total <i>US\$'000</i>
Revenue from external customers recognised at a point in time	18,428	4,416	112	–	22,956
Reportable segment revenue	<u>18,428</u>	<u>4,416</u>	<u>112</u>	<u>–</u>	<u>22,956</u>
Reportable segment profit/ (loss)	<u>510</u>	<u>692</u>	<u>7</u>	<u>(1,553)</u>	(344)
Unallocated head office and corporate expenses:					
– Other expenses					(811)
Other income					1,394
Finance costs					<u>(753)</u>
Loss before taxation					<u>(514)</u>
Other segment information					
Depreciation	341	–	14	–	355
Net (reversal)/allowance for impairment losses on trade and other receivables	(2)	4	–	1,553	1,555
(Reversal) for writedown of inventories	<u>(296)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(296)</u>

Geographical information

The following tables set out information about the geographical location of the Group's revenue from external customers. The geographical location of the customers is based on the location at which the goods are delivered and services are provided.

	Revenue from external customers	
	2025	2024
	US\$'000	US\$'000
Malaysia (place of domicile)	10,141	4,657
New Zealand	6,617	1,868
Singapore	4,855	5,821
Hong Kong	3,160	3,818
United States of America	858	1,981
Australia	99	4,264
Others	243	547
	25,973	22,956

6. OTHER INCOME

	2025	2024
	US\$'000	US\$'000
Bank and other interest income	1	195
Total interest income on financial assets measured at amortised cost	1	195
Dividends from listed securities	2	–
Net foreign exchange (loss)/gain	(41)	118
Gain on disposal of property, plant and equipment	2	2
Gain on disposal of land held for sale	–	588
Gain/(loss) on disposal of listed securities	3	(17)
Net gain on fair value change on financial assets at FVPL	5	400
Others	42	108
	14	1,394

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2025 US\$'000	2024 US\$'000
Interest on bank borrowings	383	487
Interest on lease liabilities	7	5
Imputed interest on convertible bonds	90	261
	<hr/>	<hr/>
Total interest expenses on financial liabilities not at FVPL	480	753
	<hr/> <hr/>	<hr/> <hr/>

(b) Staff costs (including Directors' emoluments)

	2025 US\$'000	2024 US\$'000
Salaries, wages and other benefits	2,575	2,048
Contributions to defined contribution retirement plans	238	188
	<hr/>	<hr/>
	2,813	2,236
	<hr/> <hr/>	<hr/> <hr/>

(c) Other items

	2025 US\$'000	2024 US\$'000
Auditors' remuneration	116	147
Cost of inventories*	21,460	18,751
Depreciation		
– Owned property, plant and equipment	308	321
– Right-of-use assets	44	34
Gain on disposal of property, plant and equipment	(2)	(2)
Gain on disposal of land held for sale	–	(588)
Net allowance for impairment losses on trade and other receivables	67	1,555
Net foreign exchange loss/(gain)	41	(118)
(Gain)/loss on disposal of listed securities	(3)	17
Net gain on fair value change on financial assets at FVPL	(5)	(400)
Expenses relating to short-term lease	136	268
	<hr/> <hr/>	<hr/> <hr/>

- * *Cost of inventories includes approximately US\$964,000 (2024: approximately US\$862,000) relating to staff costs and depreciation charges, which amount is also included in the respective total amounts disclosed separately above or in the note 7(b) for each of these types of expenses, and provision of slow-moving inventory of approximately US\$23,000 (2024: reversal of approximately US\$(296,000)).*

8. INCOME TAX EXPENSE

	2025	2024
	US\$'000	US\$'000
The income tax expense comprises:		
Current tax:		
Singapore Income Tax	<u>21</u>	<u>28</u>
	<u>21</u>	<u>28</u>
Interest Withholding Tax	<u>61</u>	<u>58</u>
Real Property Gain Tax (note (iv))	<u>–</u>	<u>142</u>
Over/(under) provision in prior years:		
Malaysia Income Tax	<u>3</u>	<u>–</u>
Singapore Income Tax	<u>(13)</u>	<u>(21)</u>
	<u>(10)</u>	<u>(21)</u>
Deferred taxation	<u>128</u>	<u>310</u>
Income tax expense for the year	<u><u>200</u></u>	<u><u>517</u></u>

Notes:

- (i) *Hong Kong profits tax rate is 16.5% for the Year on the estimated assessable profits arising in Hong Kong except for the first HK\$2 million of qualified group entity's assessable profits is calculated at 8.25% which is in accordance with the two-tiered profit tax rates regime. The Group is not subject to Hong Kong profits tax as it had no assessable profits for the years ended 31 October 2025 and 2024.*
- (ii) *The People's Republic of China ("PRC") Enterprise Income Tax ("EIT") is at the rate of 25% for the Year (2024: 25%). The PRC subsidiaries are not subject to PRC EIT as they had no assessable profits for the years ended 31 October 2025 and 2024.*

- (iii) *The domestic statutory tax rate of Malaysia and Singapore is 24% and 17% (2024: 24% and 17%) of the estimated assessable profits, respectively.*
- (iv) *All gains arising from transfer of real estate property in Malaysia are subject to Real Property Gains Tax at rates ranging from 10% to 30% on the appreciation of the land value, being the proceeds on sales of properties less certain deductible expenditure.*

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company (the “**Shareholders**”) during the Year, nor has any dividend been proposed since the end of the reporting period (2024: nil).

10. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the consolidated loss attributable to equity Shareholders of the Company of approximately US\$430,000 (2024: US\$1,027,000) and the weighted average number of approximately 267,733,863 ordinary shares (2024: 251,364,000 ordinary shares) in issue during the Year. During the Year, the Convertible Bonds (as defined in note 14) were matured and fully converted, and the Company allotted and issued 25,000,000 shares (2024: nil) pursuant to the terms and conditions of the Convertible Bonds. There is no cancellation of share during the Year (2024: nil).

(b) Diluted loss per share

The basic and diluted loss per share for the years ended 31 October 2025 and 2024 were the same because the effect of the assumed conversion of all dilutive potential ordinary shares outstanding, including the conversion of the convertible bonds and the exercise of the outstanding share options, during the years were anti-dilutive.

11. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

(a) Trade receivables

	2025 US\$'000	2024 US\$'000
Trade receivables	4,080	5,511
Less: allowance for impairment losses	(558)	(470)
	<u>3,522</u>	<u>5,041</u>
Financial assets measured at amortised cost	<u>3,522</u>	<u>5,041</u>

Trade receivables are expected to be recovered within one year.

Ageing analysis of trade receivables

As at the end of each reporting period, the ageing analysis of trade receivables based on the invoice date and net of loss allowance, is as follows:

	2025 US\$'000	2024 US\$'000
Within 30 days	2,790	3,925
31 to 90 days	99	369
Over 90 days	633	747
	<u>3,522</u>	<u>5,041</u>
	<u>3,522</u>	<u>5,041</u>

Trade receivables are generally due within 30 days from the date of billing.

(b) Deposits, prepayments and other receivables

	2025 US\$'000	2024 US\$'000
Deposits	606	413
Prepayments	5,446	3,912
Other receivables*	4,341	4,091
Less: allowance for impairment losses	(3,724)	(3,724)
	<u>6,669</u>	<u>4,692</u>
Less: non-current portion		
Deposit paid for acquisition of a subsidiary**	(330)	(330)
	<u>6,339</u>	<u>4,362</u>
	<u>6,339</u>	<u>4,362</u>

The amount of deposits, prepayments and other receivables as at 31 October 2025, are expected to be recovered or recognised as assets or expenses within one year.

Notes:

* *Included in other receivables was an amount of approximately US\$3,724,000 (2024: US\$3,724,000) in relation to the return of certain inventories under the sales of program and related IP rights segment, for which the refund was eligible pursuant to the terms and conditions under the sales and purchase agreement with the supplier. The Directors considered that the outstanding receivables was past due and the recoverability is uncertain. Accordingly, an allowance for impairment loss of approximately US\$3,724,000 was recognised against the balance as at 31 October 2024, and the situation has not changed during the reporting period.*

** *Deposit paid for acquisition of a subsidiary*

*On 27 October 2022, Gemilang Limited (the “**Purchaser**”), a direct wholly-owned subsidiary of the Company, and Mr. Pang Chong Yong (“**Mr. CY Pang**”) (who is the chairman, the chief executive officer, the executive Director and a controlling Shareholder) and Mr. Pang Jun Kang (“**Mr. JK Pang**”, together with Mr. CY Pang, the “**Vendors**”)) (who is the son of Mr. CY Pang and the brother of Mr. Pang Jun Jie, an executive Director), entered into a conditional share sale agreement, pursuant to which the Vendors have conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the entire issued share capital of GML Premier Sdn. Bhd. (the “**Target Company**”) and the advances owing to the Vendors by the Target Company, for an aggregate consideration of RM2,591,244 (equivalent to approximately US\$550,000). RM1,554,746 (equivalent to approximately US\$330,000), being the deposit and part payment towards account of the consideration, had been paid by the Purchaser to the Vendors upon the execution of the conditional share sale agreement.*

On 19 October 2023, the Purchaser and the Vendors have mutually agreed to extend the conditional period, which was initially 12 months from the date of the agreement for a further period of six (6) months, i.e. to the 26 April 2024, as additional time is required for the parties to obtain approvals from relevant authorities in Malaysia on the change of the category of land use and transfer of shares.

On 19 April 2024, the Purchaser and the Vendors have mutually agreed to further extend the conditional period for a period of six (6) months to 26 October 2024. On 16 October 2024, the Vendors and the Purchaser have mutually agreed to further extend the conditional period for a period of nine (9) months to 26 July 2025. On 17 July 2025, the Vendors and the Purchaser have mutually agreed to further extend the conditional period for a period of nine (9) months to 26 April 2026.

For further details of the above acquisition, please refer to the announcements of the Company dated 27 October 2022, 19 October 2023, 19 April 2024, 16 October 2024 and 17 July 2025.

12. TRADE AND OTHER PAYABLES

	2025 US\$'000	2024 US\$'000
Trade payables	13,456	5,676
Other payables and accruals	1,235	1,096
	<u>14,691</u>	<u>6,772</u>

Ageing analysis of trade payables

As at the end of each reporting period, the ageing analysis of trade payables based on the invoice date is as follows:

	2025 US\$'000	2024 US\$'000
Within 30 days	3,122	2,284
31 to 90 days	2,049	2,056
Over 90 days	8,285	1,336
	<u>13,456</u>	<u>5,676</u>

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

13. CONTRACT LIABILITIES

	2025 US\$'000	2024 US\$'000
Deposits received from customers	<u>7,164</u>	<u>3,903</u>

14. CONVERTIBLE BONDS

On 28 February 2022, the Company issued convertible bonds with an aggregate principal amount of HK\$25,000,000 (equivalent to approximately US\$3,222,000) (the “**Convertible Bonds**”) pursuant to the subscription agreement dated 14 December 2021 (the “**Subscription Agreement**”) and entered into between the Company and a subscriber (the “**Subscriber**”), which is an independent third party to the Company.

The Convertible Bonds entitle the holders thereof to convert them into ordinary shares of the Company at any time between the date of issue and the date of maturity. The initial conversion price is HK\$1.00 (subject to adjustments) per conversion share (the “**Conversion Price**”) under the terms and conditions of the Subscription Agreement. The Convertible Bonds shall bear an interest from (and including) the date of issue at the rate of 4.25% per annum on the outstanding principal amount of the Convertible Bonds.

The Convertible Bonds will mature on the day falling on the second anniversary of the issue of the Convertible Bonds (the “**Initial Maturity Date**”). In the event that any of the Convertible Bonds remain unconverted and outstanding on the date falling one (1) month prior to the Initial Maturity Date, the Company may serve a written notice (the “**Written Notice**”) on the holder or holders in whose name the Convertible Bonds is registered in the register in relation to the Convertible Bonds (the “**Bondholder(s)**”) at least fourteen (14) days prior to the Initial Maturity Date to extend the maturity date of such Convertible Bonds which remain unconverted and outstanding at the Initial Maturity Date to the day falling on the third anniversary of the issue of the Convertible Bonds (the “**Extended Maturity Date**”). In February 2024, the Company had served the Written Notice to the Bondholder to extend the maturity date to the Extended Maturity Date.

Subject to the terms of the conditions endorsed on the Convertible Bonds, the Company has the absolute right to require the Bondholder(s) to mandatorily convert any Convertible Bonds remaining outstanding at the Initial Maturity Date (in case of the Initial Maturity Date be extended, would be the Extended Maturity Date) into conversion shares at the then applicable Conversion Price.

For further details on the issue of the Convertible Bonds, please refer to the announcements of the Company dated 14 December 2021 and 28 February 2022. The gross proceeds and net proceeds (after deducting all the relevant costs and expenses) from the issue of the Convertible Bonds shall be approximately HK\$25,000,000 (equivalent to US\$3,222,000) and approximately HK\$24,837,000 (equivalent to US\$3,201,000), respectively.

The Convertible Bonds have three components – (i) a liability component, representing the principal amount, (ii) a derivative financial instruments, representing the extension right and the mandatory conversion option held by the issuer, and (iii) an equity component, representing the equity conversion feature.

At initial recognition, the liability component of the Convertible Bonds is measured as the present value of the future interest and principal payments, discounted at the market rate for equivalent non-convertible bonds that do not have a conversion option. The derivatives of the Convertible Bonds, which are early redemption and mandatory conversion options held by the Company, are measured at fair value and presented as derivative financial instruments in current assets. The equity component was the residual amount after deducting the liability and derivative components from the gross consideration received for the Convertible Bonds.

The effective interest rate of the liability component is 7.79%.

During the Year, the Convertible Bonds were matured and fully converted. The Company allotted and issued 25,000,000 shares of the Company pursuant to the terms and conditions of the Convertible Bonds on 7 March 2025.

The Convertible Bonds have been split as follows:

	Liability component <i>US\$'000</i>	Derivative financial instruments <i>US\$'000</i>	Equity component <i>US\$'000</i>	Total <i>US\$'000</i>
As at 1 November 2023	3,325	(1,867)	1,031	2,489
Fair value change	–	(409)	–	(409)
Imputed interest for the year ended 31 October 2024	261	–	–	261
As at 31 October 2024 and 1 November 2024	3,586	(2,276)	1,031	2,341
Imputed interest for the Year	90	–	–	90
Interest payment	(411)	–	–	(411)
Conversion into Shares	(3,265)	2,276	(1,031)	(2,020)
As at 31 October 2025	–	–	–	–

Binomial tree method is used for valuation of the derivatives financial instruments of the Convertible Bonds.

15. SHARE CAPITAL

Ordinary shares of HK\$0.01 each

Authorised:

	No. of Shares	Amount <i>US\$'000</i>
At 1 November 2023, 31 October 2024, 1 November 2024 and 31 October 2025	2,000,000,000	2,581

Issued and fully paid:

	No. of Shares	Amount <i>US\$'000</i>
At 31 October 2024 and 1 November 2024	251,364,000	324
Issue of Shares upon conversion of the Convertible Bonds	25,000,000	32
At 31 October 2025	276,364,000	356

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Group designs and manufactures bus bodies and assembles buses. The Group divides its target markets into two segments, namely core markets which comprise Singapore and Malaysia, and developing markets which comprise all other markets to where the Group exports its products, including Australia, New Zealand, Hong Kong and the United States of America (the “USA”). The Group’s buses, comprising city buses and coaches in aluminium, mainly serve public and private bus transportation operators in its target markets.

The Group’s products mainly include single deck, double deck and articulated city buses, as well as single deck, double deck and high deck coaches.

The Group sells its products to public and private bus transportation operators, chassis principals and their purchasing agents, bus assemblers and manufacturers in two categories: (i) in the form of bus bodies (SKDs⁽³⁾ and CKDs⁽²⁾) for their local assembly and onward sales; and (ii) buses (CBUs⁽¹⁾).

Apart from manufacturing bus bodies and assembling buses, the Group also provides after-sales services in maintenance of bus bodies and sales of related spare parts. During the Year, the Group has also leased motor vehicles to the customers.

During the Year, approximately 84.3% (2024: 80.3%) of the Group’s revenue was contributed by the sales of buses and bus bodies, which was mainly derived from the sales of aluminium buses and bus bodies. The demand in aluminium buses and bus bodies will continue to be the major business drive as using aluminium as materials meets environmental standards. Aluminium is likely the preferred material for buses, in particular electric buses, due to its lighter weight which results in better energy efficiency.

The Group delivered a total of 104 units of buses (CBUs⁽¹⁾) and 159 units of CKDs⁽²⁾ to its customers during the Year.

Notes:

⁽¹⁾ CBU: *completely built up, means a fully completed bus ready for immediate operation*

⁽²⁾ CKD: *completely knocked down, means completely knocked down parts and components for the side, front, rear and extended chassis frames, and roof*

⁽³⁾ SKD: *semi knocked down parts, where only constructed side, front, rear and extended chassis frames, and roof are provided and the frames and roof are not joined to each other*

The following tables set out information about the geographical location of the Group's revenue from external customers, for its two principal segments, namely, sales of bus bodies and kits and sales of parts and provision of relevant services, respectively.

Sales of bus bodies and kits segment

	Revenue from external customers For the year ended 31 October	
	2025	2024
	US\$'000	US\$'000
Malaysia (place of domicile)	9,856	4,430
New Zealand	6,516	1,562
Hong Kong	3,103	3,759
Singapore	1,716	2,279
USA	551	1,789
Australia	–	4,067
Others	143	542
	21,885	18,428

The sales of bus bodies and kits segment is the major source of income for the Group, with the sales of whole buses as the major product of the Group contributing approximately 84% of revenue for the Year (2024: 80%). The revenue generated from this segment amounted to approximately US\$21.89 million during the Year, representing an increase of approximately US\$3.46 million or 18.8% as compared with approximately US\$18.43 million for the year ended 31 October 2024. The increase in revenue in this segment was mainly attributable to the increase in revenue from the sale of CBUs to customers in Malaysia and the sale of CKDs to customers in New Zealand during the Year as compared to the year ended 31 October 2024.

The increase in revenue from the Malaysia market in this segment was approximately US\$5.43 million or 122.5%, from approximately US\$4.43 million for the year ended 31 October 2024 to approximately US\$9.86 million for the Year. During the Year, the Group delivered a total of 46 units of CBUs and 2 units of CKDs (2024: 23 units of CBUs and 0 unit of CKD) to its customers in Malaysia.

During the Year, the Group delivered a total of 24 units of CBUs and 137 units of CKDs (2024: 4 units of CBUs and 49 units of CKDs) to its customers in New Zealand and recognised revenue of approximately US\$6.52 million for the Year, resulting in an increase in revenue from New Zealand market in this segment of approximately US\$4.96 million or 317.2% as compared to approximately US\$1.56 million for the year ended 31 October 2024.

The revenue from the Hong Kong market in this segment was approximately US\$3.10 million during the Year, representing a decrease of approximately US\$0.66 million or 17.5%, from approximately US\$3.76 million for the year ended 31 October 2024. During the Year, the Group delivered 15 units of CBUs (2024: 31 units of CBUs) to its customers in Hong Kong.

The revenue from the Singapore market in this segment was approximately US\$1.72 million during the Year, representing a decrease of approximately US\$0.56 million or 24.7%, from approximately US\$2.28 million for the year ended 31 October 2024. During the Year, the Group delivered 7 units of CBUs and 0 unit of CKD (2024: 23 units of CBUs and 1 unit of CKD) to its customers in Singapore.

The revenue from the USA market in this segment was approximately US\$0.55 million during the Year, representing a decrease of approximately US\$1.24 million or 69.2%, from approximately US\$1.79 million for the year ended 31 October 2024. During the Year, the Group delivered 11 units of CBUs and 20 units of CKDs (2024: 25 units of CBUs and 0 unit of CKD) to its customers in the USA.

During the Year, no revenue was recognised from the sale of the bus bodies and kits from Australia market, where the Group recognised approximately US\$4.07 million from 17 units of CBUs delivered to its customers in Australia during the year ended 31 October 2024.

Sales of parts and provision of relevant services segment

	Revenue from external customers For the year ended 31 October	
	2025	2024
	US\$'000	US\$'000
Malaysia (place of domicile)	8	115
Singapore	3,139	3,542
USA	307	192
New Zealand	101	306
Australia	99	197
Hong Kong	57	59
Others	100	5
	<hr/>	<hr/>
	3,811	4,416
	<hr/> <hr/>	<hr/> <hr/>

The segment of sales of parts and provision of relevant services is the Group's secondary source of income, the revenue of which is mainly generated from providing after-sales service and sales of parts to the Group's customers. The revenue generated from sales of parts and provision of relevant services segment amounted to approximately US\$3.81 million during the Year, representing a decrease of approximately US\$0.61 million or 13.7% as compared with approximately US\$4.42 million for the year ended 31 October 2024.

Rental income from motor vehicles

During the Year, the Group had leased the motor vans to customers in Malaysia and recorded revenue of approximately US\$0.28 million (2024: US\$0.11 million).

OPERATING RESULTS AND FINANCIAL REVIEW

Revenue

The Group's revenue was principally generated from the assembly and sales of aluminium buses and the manufacture of bus bodies. The Group generated revenue of approximately US\$25.97 million and US\$22.96 million for the Year and for the year ended 31 October 2024, respectively. The increase in revenue was mainly attributable to the increase in revenue from sales of bus bodies and kits during the Year as compared to the year ended 31 October 2024.

By product category

The Group derives its revenue mainly from the assembly and sales of aluminium buses (CBUs) and the manufacture of bus bodies in the form of SKDs or CKDs. The following table sets out the revenue from different product segments:

	For the year ended 31 October			
	2025		2024	
	US\$'000	%	US\$'000	%
Bus (CBU)				
– City Bus	17,759	68.4	16,360	71.3
– Coach	–	–	173	0.8
– Others	1,258	4.8	–	–
Bus Body (CKD)				
– City Bus	2,868	11.1	1,895	8.3
Maintenance and after-sales service	3,811	14.7	4,416	19.2
Rental income from motor vehicles	277	1.0	112	0.4
Total	25,973	100.0	22,956	100.0

Gross profit

The Group's gross profit was approximately US\$4.51 million and US\$4.21 million for the Year and for the year ended 31 October 2024, respectively. The Group's gross profit margin was approximately 17.4% and approximately 18.3% for the Year and for the year ended 31 October 2024, respectively. The decrease in gross profit margin for the Year as compared to the year ended 31 October 2024 was due to the relatively high gross profit margin recorded from the sales of electric vehicle ("EV") bus bodies to Australia during the year ended 31 October 2024.

Selling and distribution expenses

The Group's selling and distribution expenses primarily include advertising and promotion expenses, logistic expenses, commission expenses as well as travelling expenses for sales personnel. The Group's selling and distribution expenses for the Year was approximately US\$0.57 million, which was no significant variance as compare with approximately US\$0.63 million during the year ended 31 October 2024.

Net allowance for impairment losses on trade and other receivables

During the Year, the Group recognised approximately US\$0.07 million of net allowance for impairment losses on trade and other receivables (2024: US\$1.56 million).

The net allowance for impairment losses on other receivables for the year ended 31 October 2024 was attributable to one of the Group's other receivables arising from the return of certain inventories under the sales of program and related intellectual property rights segment. As at 31 October 2024, the Group assessed the outstanding receivable of approximately US\$3.72 million (the "**Receivables**") to be credit-impaired due to default in payment and approximately US\$1.55 million of allowance for impairment losses on other receivables was recognised during the year ended 31 October 2024. The valuation was performed in accordance with HKFRS 9 – "Financial Instruments" to estimate the expected credit loss of the Receivables. During the Year, as the Receivables had been fully impaired as at 31 October 2024, no further allowance for impairment losses on the Receivables was recognised.

For net allowance for impairment losses on trade receivables, the Group had recognised approximately US\$0.07 million during the Year (2024: US\$2,000 of net reversal for impairment losses).

General and administrative expenses

The Group's general and administrative expenses mainly comprised staff costs as well as legal and professional fees. Staff costs mainly represent the salary and staff benefits paid to the Group's management and staff who were not directly involved in the production.

General and administrative expenses increased by approximately US\$0.48 million or 15.0% from approximately US\$3.17 million for the year ended 31 October 2024 to approximately US\$3.65 million for the Year. The increase was mainly attributable to increase in staff costs as compared to the year ended 31 October 2024 due to the revision in management staff salaries during the Year.

Income tax expense

The Group recorded an income tax expense of approximately US\$0.20 million for the Year (2024: US\$0.52 million). The income tax expense for the Year was mainly attributable to (i) the provision of income taxes for the subsidiary in Singapore; and (ii) the temporary tax difference mainly arose from the unutilised tax losses in Malaysia.

Significant investments held

During the Year, there was no significant investment held by the Group.

Future plans for material investments and capital assets

The Group did not have other plans for material investments and capital assets.

Material acquisitions and disposals of subsidiaries, associates, joint ventures and assets

There was no material acquisition or disposal of subsidiaries, associates, joint ventures and assets by the Group during the Year.

Pledge of assets

As at 31 October 2025, bank deposits of approximately US\$20,000 (2024: approximately US\$0.13 million) as disclosed in the consolidated statement of financial position have been pledged to banks as security for banking facilities granted to the Group. The net book value of the following assets which were pledged to banks to secure certain banking facilities granted to the Group is as follows:

	2025	2024
	US\$'000	US\$'000
Freehold land	1,835	1,760
Buildings	4,083	3,812
Financial assets at FVPL	64	115
	5,982	5,687

Contingent liabilities

As at 31 October 2025, the Group had the following contingent liabilities:

	2025 US\$'000	2024 US\$'000
Performance bonds for contracts in favour of customers	<u>26</u>	<u>26</u>

The above performance bonds were given by banks in favour of some of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the banks to pay to them the sum or sums stipulated under such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released upon the completion of the contract work for the relevant customers.

Capital commitments

Significant capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	2025 US\$'000	2024 US\$'000
Contracted but not provided for:		
– Investment in a joint venture (note (i))	–	211
– Acquisition of a subsidiary (note (ii))	<u>247</u>	<u>237</u>
	<u>247</u>	<u>448</u>

Notes:

- (i) During the year ended 31 October 2019, 順鋁(上海)汽車科技有限公司 (“順鋁(上海)”), an indirectly wholly-owned subsidiary of the Company, entered into a joint venture agreement (the “**JV agreement**”) with 上海北斗新能源有限公司 (“**Beidou**”) pursuant to which both companies agreed to establish a joint venture company, 上海北鋁汽車科技有限公司 (the “**JV Company**”). Pursuant to the JV agreement, the amount of registered capital of the JV Company shall be RMB3,000,000 while 順鋁(上海) and Beidou shall each account for a capital contribution of RMB1,500,000. During the Year, the JV Company was deregistered and the Group no longer has any obligations to contribute to its capital after its deregistration.

- (ii) *On 27 October 2022, Gemilang Limited (the “**Purchaser**”), being direct wholly-owned subsidiary of the Company, and Mr. Pang Chong Yong (“**Mr. CY Pang**”) and Mr. Pang Jun Kang (“**Mr. JK Pang**”, together with Mr. CY Pang, the “**Vendors**”), entered into a conditional share sale agreement (the “**Conditional Share Sale Agreement**”), pursuant to which the Vendors have conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the entire issued share capital of GML Premier Sdn. Bhd. (the “**Target Company**”) and the sums of money advanced to and expended by the Vendors for the Target Company which are due and owing to the Vendors by the Target Company, for an aggregate consideration of RM2,591,244 (equivalent to approximately US\$550,000[^]). RM1,554,746 (equivalent to approximately US\$330,000[^]), being the deposit and part payment towards account of the consideration, had been paid by the Purchaser to the Vendors upon the execution of the Conditional Share Sale Agreement.*

On 19 October 2023, the Purchaser and the Vendors have mutually agreed to extend conditional period, which was initially 12 months from the date of the Conditional Share Sale Agreement. i.e. 26 October 2023, for to a further period of six (6) months, i.e. to 26 April 2024, as additional time is required for the parties to obtain approvals from relevant authorities in Malaysia on the change of the category of land use and transfer of shares.

On 19 April 2024, the Purchaser and the Vendors have mutually agreed to further extend the conditional period for a period of six (6) months to 26 October 2024. On 16 October 2024, the Vendors and the Purchaser have mutually agreed to further extend the conditional period for a period of nine (9) months to 26 July 2025. On 17 July 2025, the Vendors and the Purchaser have mutually agreed to further extend the conditional period for a period of nine (9) months to 26 April 2026.

For further details of the Conditional Share Sale Agreement, please refer to the announcements of the Company dated 27 October 2022, 19 October 2023, 19 April 2024, 16 October 2024 and 17 July 2025.

[^] *Exchange rate applied as at the date of the Conditional Share Sale Agreement: RM1.00 = US\$0.2122*

PROSPECTS

The Group’s objective is to become one of the leading bus manufacturing solution providers in Asia. The Group believes the Asia market has a lot of growth potential as countries continue to urbanise with a growing population and bus is a convenient and cost efficient form of public transportation that can be implemented in many areas. The Group believes that it is well positioned and equipped with the technological capability to capture this opportunity.

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 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 will expand its market footprint in the USA, Australia and Middle East

The USA and Australia governments have been promoting the use of EV, and there was a significant increase in revenue contribution from these regions in recent years. In order to further broaden the Group's exposure, the Group is working closely with business partners from these 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. For the Middle East region, the Group has been awarded a contract of 76 units of CBUs and the Group believes that it is a good sign for the Group to continue exploring more business opportunities in this region.

The Group will further diversify its product portfolio

The Group's current product portfolio mainly comprises of 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 continue to identify and explore other business opportunities with an aim to diversifying its earnings base

The Group will explore suitable locations near its headquarter for expansion of its business and evaluate different business opportunities to broaden the Group's existing earnings base, enhance its profitability and offer better returns to the Shareholders. Recently, the Group has started to lease motor vehicles to customers to increase the passive income of the Group.

EVENT AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after 31 October 2025 and up to the date of this announcement.

DIVIDENDS

The Board does not recommend the payment of any final dividend for the Year (for the year ended 31 October 2024: Nil).

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company is scheduled to be held on Friday, 27 March 2026. The notice of annual general meeting will be published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.gml.com.my) and despatched to the Shareholders (if requested).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company which will be held on Friday, 27 March 2026, the register of members of the Company will be closed from Tuesday, 24 March 2026 to Friday, 27 March 2026, both days inclusive, during which no transfer of shares of the Company will be registered. The record date for determination of entitlements of the members of the Company to attend and vote at the annual general meeting will be on Friday, 27 March 2026. In order to be eligible to attend and vote at the annual general meeting, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must 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, 23 March 2026.

FOREIGN CURRENCY RISK

The Group undertakes certain transactions denominated in foreign currencies, mainly in US dollars, Euros, Hong Kong dollars and Singapore dollars, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely in order to keep the net exposure to an acceptable level. The Group will consider hedging significant foreign currency exposure should the need arises.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 October 2025, the aggregate sum of the Group's bank balances and cash net of bank overdrafts, and short-term pledged bank deposits amounted to approximately US\$(0.39) million, representing an increase of approximately US\$1.15 million as compared with approximately US\$(1.54) million as at 31 October 2024. The net current assets and total equity of the Group were approximately US\$7.99 million (2024: approximately US\$6.94 million) and approximately US\$15.19 million (2024: approximately US\$13.96 million), respectively. As at 31 October 2025, the Group's bank borrowings and bank overdrafts amounted to approximately US\$11.37 million (2024: approximately US\$6.67 million).

As at 31 October 2025, the Group's gearing ratio, which is computed based on dividing the total outstanding indebtedness by the total equity, was approximately 63% (2024: approximately 69%).

The Group monitors capital using, inter alia, a gearing ratio which is net debt divided by total equity. Net debt includes bank overdrafts, interest-bearing bank borrowings, convertible bonds and lease liabilities, less cash and bank balances. The gearing ratios as at 31 October 2025 and 2024 are as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Lease liabilities	158	103
Bank borrowings	9,005	4,342
Bank overdrafts	2,364	2,328
Convertible bonds	–	3,586
	11,527	10,359
Less: Cash and bank balances	1,956	659
Net debt	9,571	9,700
Total equity	15,186	13,958
Gearing ratio	63%	69%

CAPITAL STRUCTURE

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the Shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to the Shareholders, return capital to the Shareholders, or sell assets to reduce debt. No changes in the objective, policies or processes for managing capital were made in the Year.

The Board reviews the capital structure on a regular basis. As part of the review, the Board considers the cost of capital and the risks associated with each class of capital. Based on recommendation of the management, the Group will balance its overall capital structure through the payment or non-payment of dividends as well as issue of new debt or the redemption of the debt.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 October 2025, the total number of full-time employees of the Group was 253 (2024: 256). The Group recruits, employs, remunerates and promotes its employees based on their qualifications, experience, skills, performance and contributions. Remuneration is offered with reference to market rates. Salary and/or promotion review is conducted upon performance appraisal by the management on a regular basis. Discretionary year-end bonus and share options, if applicable, are granted to eligible employees, taking into account the Group's performance and individual's contribution. Ample in-house orientation and on-the-job training are arranged for the employees all year round. Employees are always encouraged to attend job-related seminars, courses and programs organised by professional or educational institutions, in Malaysia, Hong Kong or other jurisdictions.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

It is the belief of the Board that good corporate governance plays a vital part in maintaining the success of the Company. The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value accountability. The Company has adopted and complied with the applicable code provisions of the Corporate Governance Code (the “**CG Code**”)* set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), save and except for code provision C.2.1 of the CG Code throughout the Year. The Board will continue to review and enhance its corporate governance practice of the Company to ensure compliance with the CG Code and align with the latest developments.

Pursuant to the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Accordingly, the appointment of Mr. Pang Chong Yong, being the chief executive officer (the “**CEO**”) and the chairman (the “**Chairman**”) of the Company, deviates from the relevant code provision.

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

* *The amendments to the CG Code effective on 1 July 2025 will apply to corporate governance reports and annual reports for financial years commencing on or after 1 July 2025. For this announcement, the Company shall refer to the then effective CG Code.*

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Year.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules on terms no less exacting than the required standard set out in the Model Code as its code of conduct regarding securities transactions by Directors.

Having made specific enquiry of all Directors, they confirmed that they had complied with the required standard set out in the Model Code regarding securities transactions by Directors throughout the Year.

The Company has also established written guidelines no less exacting than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by employees who are likely to be in possession of inside information of the Company.

No incident of non-compliance with the Employees Written Guidelines by the employees was noted by the Company during the Year.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process, risk management and internal control system. As at the date of this announcement, the audit committee comprises the three independent non-executive Directors with Mr. Huan Yean San as the Chairman. Other members are Mr. Andrew Ling Yew Chung and Ms. Kwok Yuen Lam Sophia. The audit committee of the Company has met the external auditors of the Company, Messrs. SHINEWING (HK) CPA Limited (“**SHINEWING**”), and reviewed the accounting principles and practices adopted by the Company and the consolidated financial statements of the Group for the Year.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITORS

The figures in respect of the preliminary results announcement of the Group for the Year have been agreed by the Group's auditors, SHINEWING, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by SHINEWING in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by SHINEWING on the preliminary results announcement.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and that of the Company (www.gml.com.my). The annual report of the Group for the Year containing all the information required by the Listing Rules will be despatched to the Shareholders (if requested) and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to extend our gratitude to the Group's management and staff who dedicated their endless efforts and devoted services, and to our shareholders, suppliers, clients and bankers for their continuous support.

By order of the Board
Gemilang International Limited
Pang Chong Yong

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 23 January 2026

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) Mr. Huan Yean San, Mr. Andrew Ling Yew Chung and Ms. Kwok Yuen Lam Sophia as independent non-executive Directors.