



**GEMILANG INTERNATIONAL LIMITED**

**彭順國際有限公司**

(incorporated in the Cayman Islands with limited liability)

Stock Code: HK6163

# 2025

## INTERIM REPORT



SINGAPORE • MALAYSIA • HONG KONG • UNITED STATES • AUSTRALIA



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## CORPORATE INFORMATION

### EXECUTIVE DIRECTORS

Mr. Pang Chong Yong  
(*Chairman and Chief Executive Officer*)  
Mr. Yik Wai Peng  
(*Chief Financial Officer*)  
Mr. Pang Jun Jie

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Huan Yean San  
Mr. Andrew Ling Yew Chung  
Ms. Kwok Yuen Lam Sophia

### AUDIT COMMITTEE

Mr. Huan Yean San (*Chairman*)  
Mr. Andrew Ling Yew Chung  
Ms. Kwok Yuen Lam Sophia

### NOMINATION COMMITTEE

Mr. Pang Chong Yong (*Chairman*)  
Mr. Huan Yean San (*ceased to be a member with effect from 20 June 2025*)  
Mr. Andrew Ling Yew Chung  
Ms. Kwok Yuen Lam Sophia (*appointed with effect from 20 June 2025*)

### REMUNERATION COMMITTEE

Mr. Huan Yean San (*Chairman*)  
Mr. Pang Chong Yong  
Mr. Andrew Ling Yew Chung

### COMPANY SECRETARY

Mr. Chiu Chun Yin

### AUTHORISED REPRESENTATIVE UNDER PART 16 OF THE COMPANIES ORDINANCE

Mr. Chiu Chun Yin

### AUTHORISED REPRESENTATIVES UNDER THE LISTING RULES

Mr. Chiu Chun Yin  
Mr. Yik Wai Peng

### AUDITOR

**Crowe (HK) CPA Limited**  
9/F, Leighton Centre  
77 Leighton Road  
Causeway Bay  
Hong Kong

### LEGAL ADVISERS AS TO HONG KONG LAW

**CLKW Partners LLP in association with Michael Li & Co.**  
Rooms 1901A, 1902 & 1902A, 19/F.  
New World Tower I  
16-18 Queen's Road Central  
Central, Hong Kong

### PRINCIPAL BANKERS

**CIMB Bank Berhad**  
Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur  
Malaysia

**Export-Import Bank of Malaysia Berhad**  
Aras 1, EXIM BANK  
Jalan Sultan Ismail  
P.O. Box 13028  
50250 Kuala Lumpur  
Malaysia

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

**Conyers Trust Company (Cayman) Limited**  
Cricket Square  
Hutchins Drive  
PO Box 2681, Grand Cayman  
KY11-1111, Cayman Islands

## CORPORATE INFORMATION



### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

#### Tricor Investor Services Limited

17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

### CUSTOMER SERVICES

Tel: (852) 2872 6163  
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### REGISTERED OFFICE IN THE CAYMAN ISLANDS

Cricket Square  
Hutchins Drive  
PO 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

Room 1102, Tower 1  
Ever Gain Plaza  
88 Container Port Road  
Kwai Chung, Hong Kong

### SHARE LISTING

The Stock Exchange of Hong Kong Limited  
(the “**Stock Exchange**”)  
Stock code: 6163.HK  
Board lot: 2,000 shares

### CORPORATE WEBSITE ADDRESS AND INVESTOR RELATIONS CONTACT

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Email: [irgroup@gml.com.my](mailto:irgroup@gml.com.my)  
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## MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors (the “**Director(s)**”) of Gemilang International Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 April 2025 (the “**Reporting Period**”), together with the comparative figures for the corresponding period in 2024.

### BUSINESS REVIEW

The Group designs, fabricates and manufactures bus bodies and assembles buses. The Group mainly divides its target markets into two segments, namely core markets which comprise Singapore and Malaysia, and developing markets which comprise all other markets where the Group exports its products to, 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, are mainly delivered to the public and private bus transportation operators in the Group’s 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<sup>(3)</sup> and CKDs<sup>(2)</sup>) for their local assembly and onward sales; and (ii) whole buses (CBUs<sup>(1)</sup>).

Apart from manufacturing bus bodies and assembling buses, the Group also provides after-sales services in relation to the maintenance of bus bodies and sales of related spare parts.

During the Reporting Period, approximately 84.5% (2024: approximately 77.8%) of the Group’s revenue was contributed by the sales of bus bodies and kits segment, which was mainly derived from the sale 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 72 units of CBUs<sup>(1)</sup> and 47 CKDs<sup>(2)</sup> to the Group’s customers during the Reporting Period.

Notes:

<sup>(1)</sup> CBU: completely built up, means a fully completed bus ready for immediate operation

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

<sup>(3)</sup> 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

## MANAGEMENT DISCUSSION AND ANALYSIS



The following tables set out information in relation to the Group's revenue from external customers by geographical location, for the Group's two principal segments, namely (a) sales of bus bodies and kits; and (b) sales of parts and provision of relevant services, respectively.

### Sales of bus bodies and kits segment

	Revenue from external customers for the six months ended 30 April	
	2025 US\$'000	2024 US\$'000
New Zealand	4,499	81
Malaysia (place of domicile)	3,342	933
Singapore	768	1,188
USA	538	1,410
Hong Kong	509	926
Australia	—	2,177
Others	219	143
	<b>9,875</b>	<b>6,858</b>

The sales of bus bodies and kits segment is the Group's major source of income, with the sales of whole buses as the major product contributing approximately 84.5% (2024: 77.8%) of revenue during the Reporting Period. The revenue generated from this segment amounted to approximately US\$9.88 million for the Reporting Period, representing an increase of approximately 44.0% compared to the corresponding period in 2024 of approximately US\$6.86 million. The increase in revenue in this segment was mainly due to the increase in completed orders of bus bodies to New Zealand and Malaysia. During the Reporting Period, the Group had delivered 72 units of CBUs (2024: 58 units) in total mainly to the customers mainly in New Zealand, Hong Kong, Malaysia and the USA and also 47 units of CKDs (2024: 4 units) to the customers in New Zealand and Hong Kong.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Sales of parts and provision of relevant services segment

	Revenue from external customers for the six months ended 30 April	
	2025	2024
	US\$'000	US\$'000
Singapore	1,517	1,600
Malaysia (place of domicile)	64	25
USA	62	76
Hong Kong	36	27
Australia	8	94
New Zealand	—	132
Others	15	1
	<b>1,702</b>	<b>1,955</b>

The sales of parts and provision of relevant services segment is the Group's secondary source of income, the revenue of which was mainly generated from providing after-sales services and sales of parts to the Group's customers. The revenue generated from this segment amounted to approximately US\$1.70 million for the Reporting Period, representing a decrease of approximately 12.9% as compared with approximately US\$1.96 million for the corresponding period in 2024. The decrease was mainly attributable to the decrease in maintenance and after-sales services provided in Singapore where such demand were correlated with the number of buses sold to Singapore cumulatively.

### Revenue from rental of motor vehicles

During the Reporting Period, the Group had leased the motor vans to customers in Malaysia and recorded revenue of approximately US\$0.12 million (2024: nil).

## OUTLOOK

The Group has been able to maintain its market position in Asia, with the continuous support from the Group's customers in the region. The Group believes that maintaining top-quality products is crucial to being the leading bus manufacturing solution provider. In addition, the Group is expanding its market footprint in other regions such as the USA, Australia, New Zealand and the Middle East in recent years.

## MANAGEMENT DISCUSSION AND ANALYSIS



In recent years, electric vehicles (“EV”) have become the trend of the bus market and the Group has dedicated substantial efforts to adopt this trend to maintain its competitive edge. During the Reporting Period, the Group’s efforts were reflected in the increasing revenue from sales of bus bodies as compared with the corresponding period in 2024. During the Reporting Period, the Group had delivered 99 units of EV (including CBUs and CKDs) to the Group’s customers (2024: 34 units) and recorded revenue from these completed EV orders of approximately US\$6.02 million (2024: approximately US\$3.77 million). In addition to the EV bodies manufactured by the Group, during the Reporting Period, the Group has also explored the opportunities to trade the completed EVs to establish more revenue streams to capture the growth of EV market.

With the Group’s experience in building electric buses, the Group has been proactively negotiating with several potential customers from different markets and looking forward to participating in more EV projects and tenders and continue to design and manufacture suitable bodies which can be assembled on different EV chassis based on the demand in different regions. In addition, the bus market and industry in the People’s Republic of China (the “PRC”) remains to be the largest in the world. The Group will be focusing more on promoting lightweight aluminium bus body solutions for electric buses as well as strengthening relationships with chassis principals in the PRC region. Apart from electric buses, the Group would also explore the possibility of manufacturing and trading a wider range of electric commercial and special purposed vehicles and using its best effort to leverage its previous experience in manufacturing the bodies of such EVs.

In addition to maintaining the Group’s market position as a leading bus manufacturing solution provider, the Group also started to lease motor vehicles to customers in order to diversify the Group’s revenue stream and increase the passive income for the Group. In future, the Group would continuously explore various opportunities to develop its businesses and will formulate different business strategies to utilise its resources effectively to maintain sustainable long-term growth.

### OPERATING RESULTS AND FINANCIAL REVIEW

#### Revenue

During the Reporting Period, the Group recorded a revenue of approximately US\$11.70 million, representing an increase of approximately 32.7% as compared with approximately US\$8.81 million for the corresponding period in 2024. Such increase was mainly attributable to the increase in revenue from the sales of bus bodies and kits due to the increase in completed orders to the customers, mainly in New Zealand and Malaysia.





## MANAGEMENT DISCUSSION AND ANALYSIS

### By product category

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

	For the six months ended 30 April			
	2025		2024	
	US\$'000	%	US\$'000	%
<b>Bus</b>				
<b>CBU</b>				
– City Bus	8,162	69.8	6,526	74.0
– Coach	–	–	251	2.8
– Others	768	6.6	–	–
<b>Bus Body</b>				
<b>CKD</b>				
– City Bus	945	8.1	81	1.0
<b>Maintenance and after-sales services</b>	1,702	14.5	1,955	22.2
<b>Rental income from motor vehicles</b>	121	1.0	–	–
<b>TOTAL</b>	<b>11,698</b>	<b>100.0</b>	<b>8,813</b>	<b>100.0</b>

### By geographical location

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

	Revenues from external customers for the six months ended 30 April	
	2025	2024
	US\$'000	US\$'000
New Zealand	4,499	214
Malaysia (place of domicile)	3,527	958
Singapore	2,285	2,788
USA	600	1,486
Hong Kong	545	953
Australia	8	2,271
Others	234	143
	<b>11,698</b>	<b>8,813</b>

## MANAGEMENT DISCUSSION AND ANALYSIS



### Gross profit and gross profit margin

The Group's gross profit was approximately US\$2.48 million and US\$2.31 million for the Reporting Period and the corresponding period in 2024, respectively. The Group's gross profit margin was approximately 21.2% and approximately 26.3% for the Reporting Period and the corresponding period in 2024, respectively. The decrease in gross profit margin for the Reporting Period as compared to the corresponding period in 2024 is due to the relatively high gross profit margin recorded from the sales of EV bus bodies to Australia during the corresponding period in 2024.

### Selling and distribution expenses

The Group's selling and distribution expenses primarily include advertising and promotion expenses, logistic expenses as well as travelling expenses for sales personnel. The Group's selling and distribution expenses for the Reporting Period were approximately US\$0.34 million, which were maintained at the similar level as compared to the corresponding period in 2024.

### 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 to the Group's management and staff who were not directly involved in the production. The Group's general and administrative expenses for the Reporting Period were increased by approximately US\$0.18 million (approximately 12.0%) as compared to the corresponding period in 2024. Such increase is mainly attributable to the increase in staff costs as compared to the corresponding period in 2024 due to the revision in management staff salaries during the Reporting Period.

### Income tax expense

During the Reporting Period, the income tax expense of approximately US\$0.13 million was recognised as compared with approximately US\$0.23 million for the corresponding period in 2024. The income tax expense for the Reporting Period was mainly attributable to the provision of income tax recognised for the Group's subsidiaries in Singapore and Malaysia which had recorded profit before income tax during the Reporting Period, and the temporary tax difference arose from the provision for impairment losses on trade receivables recognised during the Reporting Period.



# MANAGEMENT DISCUSSION AND ANALYSIS

## LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

### Cash flow

During the Reporting Period, the Group's working capital was mainly financed by bank loans.

### Net current assets

The Group's net current assets amounted to approximately US\$8.21 million as at 30 April 2025, as compared to approximately US\$6.94 million as at 31 October 2024. As at 30 April 2025, the Group's current ratio was approximately 1.33 (as at 31 October 2024: approximately 1.33).

### Cash and cash equivalents, bank deposits and bank loans

As at 30 April 2025, cash and cash equivalents of the Group was approximately US\$0.57 million, as compared to approximately US\$0.66 million as at 31 October 2024. As at 30 April 2025, the Group had pledged bank deposits of approximately US\$22,000, as compared to approximately US\$0.13 million as at 31 October 2024. The bank loans and overdrafts of the Group decreased by approximately 4.18% to approximately US\$6.39 million as at 30 April 2025 from approximately US\$6.67 million as at 31 October 2024. As at 30 April 2025, 100% of the Group's bank borrowings were at floating interest rate and all bank borrowings are denominated in Malaysian Ringgit.

The cash and cash equivalents of the Group as at 30 April 2025 are mainly comprised by the following currencies:

	Equivalent to US\$'000 As at 30 April 2025
United States Dollars	64
Malaysian Ringgit	(1,696)
Singapore Dollars	209
Australian Dollars	38
Hong Kong Dollars	6
	(1,379)

### Gearing ratio

As at 30 April 2025, the gearing ratio (calculated by dividing leases liabilities, bank borrowings, bank overdrafts and convertible bonds less cash and bank balance by total equity as at 30 April 2025) of the Group decreased to approximately 43% from approximately 69% as at 31 October 2024, primarily attributable to the allotment and issue of ordinary shares of the Company (the "Shares") upon the conversion of the convertible bonds during the Reporting Period. For details, please refer to the announcements of the Company dated 14 December 2021 and 28 February 2022.

# MANAGEMENT DISCUSSION AND ANALYSIS



## Capital expenditures

During the Reporting Period, the Group had capital expenditure of approximately US\$0.10 million, as compared to approximately US\$17,000 for the corresponding period in 2024. The capital expenditure incurred during the Reporting Period mainly represented cash paid and lease liabilities recognised for acquisition of property, plant and equipment.

## Significant investments

During the Reporting Period, there were no significant investments held by the Group.

## Commitments

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

	Notes	As at 30 April 2025 US\$'000	As at 31 October 2024 US\$'000
Contracted but not provided for:			
– Investment in a joint venture (RMB1,500,000)	(i)	206	211
– Acquisition of a subsidiary	(ii)	240	237
		<u>446</u>	<u>448</u>

Notes:

- (i) During the year ended 31 October 2019, 順銘(上海)汽車科技有限公司 (“順銘(上海)”), an indirectly wholly-owned subsidiary of the Company, entered into a joint venture agreement (the “JV Agreement”) with 上海北斗新能有限公司 (“Beidou”) pursuant to which both companies agreed to establish a joint venture company, 上海北銘汽車科技有限公司 (the “JV Company”) in Shanghai, the PRC. Pursuant to the JV Agreement, the amount of registered capital of the JV Company shall be RMB3,000,000 while 順銘(上海) and Beidou shall each account for a capital contribution of RMB1,500,000. As at 30 April 2025, the Group has not contributed any capital into the JV Company. After the end of the Reporting Period, 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”), 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 of the Company (the “Shareholder(s)”) and Mr. Pang Jun Kang (“Mr. JK Pang”, collectively referred as 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 (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 advances owing to the Vendors by the Target Company, for an aggregate consideration of RM2,591,244 (equivalent to approximately US\$550,000<sup>^</sup>). RM1,554,746 (equivalent to approximately US\$330,000<sup>^</sup>), 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. 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 and 16 October 2024.

<sup>^</sup> Exchange rate applied at the date of the Conditional Share Sale Agreement: RM1.00 = US\$0.2122



## MANAGEMENT DISCUSSION AND ANALYSIS

### Future plans for material investments or capital assets

As at 30 April 2025, the Group did not hold any material investment. There was no specific plan for material investments or capital assets as at 30 April 2025.

### Material acquisitions or disposals

During the Reporting Period, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

### Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currencies, mainly in United States dollars, Australian 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.

### Charges on assets

As at 30 April 2025, pledged bank deposits of approximately US\$22,000 (as at 31 October 2024: approximately US\$0.13 million) as disclosed in the unaudited condensed consolidated statement of financial position have been pledged to banks as securities for banking facilities granted to the Group. The net book value of the following assets were pledged to secure certain banking facilities granted to the Group:

	As at 30 April 2025 US\$'000	As at 31 October 2024 US\$'000
Freehold land	1,783	1,760
Buildings	3,804	3,812
Financial assets at fair value through profit or loss	54	115
	<u>5,641</u>	<u>5,687</u>

### Contingent liabilities

As at 30 April 2025, the Group had the following contingent liabilities:

	As at 30 April 2025 US\$'000	As at 31 October 2024 US\$'000
Performance bonds for contracts in favour of customers	<u>52</u>	<u>26</u>

## MANAGEMENT DISCUSSION AND ANALYSIS



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 those 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.

### INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Reporting Period (six months ended 30 April 2024: nil).

### EMPLOYEES AND REMUNERATION POLICIES

As at 30 April 2025, the total number of full-time employees of the Group was 243 (at 31 October 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 management on a regular basis. Discretionary year-end bonus and share options, if applicable, are granted to eligible employees, in accordance with the Group's performance and individual's contribution. Ample in-house orientation and on-the-job training are arranged for the employees all year around. 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.

### EVENTS AFTER THE REPORTING PERIOD

There is no material event undertaken by the Company or by the Group after 30 April 2025 and up to the date of this report.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares). As at 30 April 2025, there were no treasury Shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**")) held by the Company.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 Director's securities transactions. Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the required standard set out in the Model Code regarding securities transactions by Directors throughout the Reporting Period.

The Company has also established written guidelines on terms 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 Reporting Period.

### 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 complied with the applicable code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules throughout the Reporting Period save and except for code provision C.2.1 of the CG Code.

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. CY Pang, being the chief executive officer (the "**CEO**") and the chairman (the "**Chairman**") of the Company, deviates from the relevant code provision.

## CORPORATE GOVERNANCE AND OTHER INFORMATION



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 half 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 Company will continue to review the current corporate governance structure from time to time and shall make necessary changes as and when appropriate and report to the Shareholders accordingly.





## CORPORATE GOVERNANCE AND OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 April 2025, the interests or short positions of the Directors or chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) as recorded in the register required to be kept under section 352 of SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

#### Long positions in the ordinary Shares

Name of Directors	Capacity/ Nature of interests	Total number of Shares and underlying Shares held <sup>(1)</sup>	Approximate percentage of issued share capital <sup>(9)</sup>
Mr. CY Pang	Interest in a controlled corporation <sup>(2)</sup>	82,078,125 (L)	29.70%
	Beneficial interest <sup>(3)</sup>	12,688,000 (L)	4.59%
Mr. Pang Jun Jie ("Mr. JJ Pang")	Beneficial interest <sup>(4)</sup>	1,500,000 (L)	0.54%
Mr. Yik Wai Peng	Beneficial interest <sup>(5)</sup>	1,758,000 (L)	0.64%
	Interest of spouse <sup>(6)</sup>	140,000 (L)	0.05%
Mr. Huan Yean San	Beneficial interest <sup>(7)</sup>	250,000 (L)	0.09%
Mr. Andrew Ling Yew Chung	Beneficial interest <sup>(8)</sup>	310,000 (L)	0.11%

(1) The letter "L" denotes a person's "long position" in such Shares.

(2) Mr. CY Pang beneficially owns 100% of the issued share capital of Golden Castle Investments Limited ("Golden Castle"). By virtue of the SFO, Mr. CY Pang is deemed to be interested in 82,078,125 Shares held by Golden Castle, representing approximately 29.70% of the entire issued share capital of the Company.

(3) Including 2,500,000 share options which are exercisable by Mr. CY Pang.

(4) Including 1,500,000 share options which are exercisable by Mr. JJ Pang.

(5) Including 1,500,000 share options which are exercisable by Mr. Yik Wai Peng.

(6) By virtue of the SFO, Mr. Yik Wai Peng is deemed to be interested in 140,000 Shares, being the interest beneficially held by his wife, Ms. Tan Siow Yang.

(7) Including 250,000 share options which are exercisable by Mr. Huan Yean San.

(8) Including 250,000 share options which are exercisable by Mr. Andrew Ling Yew Chung.

(9) The percentage(s) were disclosed pursuant to the relevant disclosure form(s) filed under the SFO and represented the number of shares over the total issued share capital of the Company as at 30 April 2025 of 276,364,000 Shares.

Save as disclosed above, as at 30 April 2025, none of the Directors and chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## CORPORATE GOVERNANCE AND OTHER INFORMATION



### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Save as disclosed in the section headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS" above, as at 30 April 2025, to the best knowledge of the Directors, the particulars of the persons, other than the Directors or chief executives of the Company who had any interests or short positions in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

#### Long positions in the ordinary Shares

Name of Shareholders	Capacity/ Nature of interests	Total number of Shares and underlying Shares held <sup>(1)</sup>	Approximate percentage of issued share capital <sup>(6)</sup>
Golden Castle	Beneficial owner <sup>(2)</sup>	82,078,125 (L)	29.70%
Gold-Face Finance Limited ("Gold-Face")	Person having a security interest in Shares <sup>(2)(3)</sup>	82,078,125 (L)	29.70%
Upbest Group Limited	Interest of controlled corporation <sup>(3)</sup>	82,078,125 (L)	29.70%
Ms. Low Poh Teng	Interest of spouse <sup>(4)</sup>	94,766,125 (L)	34.29%
Mr. To Chi Man	Trustee <sup>(5)</sup>	25,000,000 (L)	9.05%

(1) The letter "L" denotes a person's "long position" in such Shares.

(2) 82,078,125 Shares held by Golden Castle, which is wholly-owned by Mr. CY Pang, have been charged pursuant to a share charge executed by Mr. CY Pang, being the CEO, executive Director and controlling Shareholder, in favour of Gold-Face as security for a loan provided by Gold-Face to Golden Castle.

(3) 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.

(4) 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.

(5) Mr. To Chi Man, is one of the joint and several trustees of the bankrupt, Ms. Kan Suk Ping, who was the holder of the convertible bonds of the Company in the principal amount of HK\$25,000,000 issued on 28 February 2022 (the "**Convertible Bonds**"). The Convertible Bonds matured on 28 February 2025 and were subsequently converted into 25,000,000 Shares. Mr. To Chi Man holds these 25,000,000 Shares in his capacity as a trustee for the Bankruptcy Estate of Ms. Kan Suk Ping. To the best of the Directors' knowledge, after the Convertible Bonds matured and were subsequently converted into the Shares, there shall be no other equity derivatives held under the name of Ms. Kan Suk Ping.

(6) The percentage(s) were disclosed pursuant to the relevant disclosure form(s) filed under the SFO and represented the number of shares over the total issued share capital of the Company as at 30 April 2025 of 276,364,000 Shares.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed herein, as at 30 April 2025, the Directors were not aware of any person (other than the Directors and chief executive of the Company) who had an interest and short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

### DIRECTOR'S INTERESTS IN COMPETING BUSINESS

During the Reporting Period and up to the date of this report, none of the Directors or their respective associates (as defined in the Listing Rules) had any interest in any business which were in competition or were likely to compete, either directly or indirectly with the Group's business which needs to be disclosed pursuant to Rule 8.10 of the Listing Rules.

### SHARE OPTION SCHEME

The Company conditionally adopted the share option scheme (the **"Share Option Scheme"**) prepared in accordance with Chapter 17 of the Listing Rules on 21 October 2016 for the primary purpose of providing incentives or rewards to eligible participants as defined in the Share Option Scheme to recognise and acknowledge their contribution to the Group and motivate them to higher levels of performance.

#### (a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant options to the employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of the Company or any subsidiary (including any director of the Company or any subsidiary) who is in full-time or part-time employment with or otherwise engaged by the Company or any subsidiary at the time when an option is granted to such employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner or any person who, in the absolute discretion of the Board (the **"Eligible Participant(s)"**), has contributed or may contribute to the Group as incentive or reward for their contribution to the Group to subscribe for the Shares thereby linking their interest with that of the Group.

#### (b) Grant and acceptance of options

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years after the adoption date of the Share Option Scheme to make an offer to any Eligible Participants as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may determine. An offer shall be made to an Eligible Participant in writing in such form as the Directors may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period of 21 days from the date upon which it is made provided that no such offer shall be open for acceptance after the 10th anniversary of the adoption date of the Share Option Scheme or the termination of the same.



As at the date of this report, the Share Option Scheme has a remaining life of approximately 1.5 years.

An offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the offer duly signed by the Eligible Participant, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within 21 days from the date of offer or within such time as may be determined by the Board.

Any offer may be accepted by an Eligible Participant in respect of less than the total number of Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof.

**(c) Subscription price of Shares**

The subscription price for Shares under the Share Option Scheme shall be determined at the discretion of the Directors but in any event will not be less than the highest of (a) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day; (b) the average closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the offer date of that particular option; and (c) the nominal value of a Share on the offer date of the particular option.

**(d) Maximum number of Shares**

- (i) Subject to (ii) below, the maximum number of Shares in respect of which options may be granted at any time under the Share Option Scheme together with options which may be granted under any other share option schemes for the time being of the Company shall not in aggregate exceed such number of Shares as equals 10 per cent of the issued share capital of the Company as at 11 November 2016 (the “**Listing Date**”) (the “**Scheme Mandate Limit**”) unless Shareholders’ approval has been obtained pursuant to the sub-paragraph immediately below. On the basis of a total of 250,000,000 Shares in issue as at the Listing Date, the relevant limit would be 25,000,000 Shares which represent 10% of the issued Shares as at the Listing Date.

As at 1 November 2024 and 30 April 2025, the total number of share options available for grant under the Share Option Scheme were 4,646,000 Shares (representing approximately 1.7% of the issued Shares as at the date of this report) and 4,676,000 Shares (representing approximately 1.7% of the issued Shares as at the date of this report) respectively.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company may seek approval from its Shareholders in general meetings to refresh the Scheme Mandate Limit provided that the total number of Shares available for issue upon exercise of all options which may be granted under the Share Option Scheme and any other schemes of the Group must not exceed 10 per cent of the issued share capital of the Company as at the date of approval of refreshing of the Scheme Mandate Limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Group (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. The Company shall send a circular to the Shareholders containing the information required under the Listing Rules.

The Company may authorise the Directors to grant options to specified Eligible Participants beyond the Scheme Mandate Limit if the grant of such options is specifically approved by the Shareholders in general meeting. In such case, the Company must send a circular to the Shareholders in connection with the general meeting at which their approval will be sought containing a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the option to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the terms of the options serve such purpose, the information and the disclaimer required under the Listing Rules and such further information as may be required by the Stock Exchange from time to time.

- (ii) The limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not exceed 30 per cent of the Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of the Group if this will result in the limit being exceeded.



- (iii) Unless approved by the Shareholders in the manner set out below, the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to each grantee (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent of the Shares in issue. Where any further grant of options to an Eligible Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1 per cent of the Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his close associates (or his associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to its Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the options to be granted (and options previously granted to such Eligible Participant), and such information as may be required under the Listing Rules from time to time. The number and terms (including the subscription price) of options to be granted to such Eligible Participant must be fixed before Shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.
- (iv) The exercise of any option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Directors shall make available sufficient of the then authorised but unissued share capital of the Company to allot the Shares on the exercise of any option.

### (e) Exercise of options

An option may be exercised at any time during the period to be determined and identified by the Board to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of grant.

Subject to terms of the Share Option Scheme, an option shall be exercisable in whole or in part in the circumstances by giving notice in writing to the Company stating that the option is thereby exercised and the number of Shares in respect of which it is so exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for Shares in respect of which the notice is given. After receipt of the notice and the remittance and, where appropriate, receipt of the auditors' certificate, the Company shall within 30 days of the date upon which an option is effectively exercised (being the date of such receipt by the secretary of the Company) allot the relevant Shares to the grantee (or his personal representative(s)) credited as fully paid and instruct the relevant share registrar to issue to the grantee (or his personal representative(s)) a share certificate in respect of the Shares so allotted.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

Though there is no specified minimum period under the Share Option Scheme for which an option must be held or the performance target which must be achieved before an option can be exercised under the terms and conditions of the Share Option Scheme, the Directors may make such grant of options, subject to such terms and conditions in relation to the minimum period of such options to be held and/or the performance targets to be achieved as the Directors may determine in their absolute discretion.

On 18 August 2023 (the “**Grant Date**”), the Company granted a total of 19,700,000 share options (the “**Share Options**”) under the Share Option Scheme to entitle the holder(s) thereof to subscribe for a total of 19,700,000 Shares. The details of such grant of the Share Options are set out as follows:

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 Grant Date; (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 Grant Date; and (iii) the nominal value of a Share on the Grant Date.

Validity period of the Share Options: Subject to the terms of the Share Option Scheme, the Share Options shall be exercisable in whole or in part within three (3) years commencing from the Grant Date.

## CORPORATE GOVERNANCE AND OTHER INFORMATION



Among the 19,700,000 Share Options granted, 8,100,000 Share Options were granted to the Directors, chief executive of the Company or substantial Shareholders as at the Grant Date, and their respective associate(s) (as defined in the Listing Rules), details of which are as follows:

Name of Grantee	Capacity	Number of Share Options granted
<b>Directors</b>		
Mr. CY Pang	Chairman, executive Director, CEO and substantial Shareholder	2,500,000
Mr. JJ Pang	Executive Director, son of Mr. CY Pang	1,500,000
Mr. Yik Wai Peng	Executive Director, Chief Financial Officer	1,500,000
Ms. Lee Kit Ying <i>(Note 1)</i>	Independent non-executive Director	250,000
Mr. Huan Yean San	Independent non-executive Director	250,000
Mr. Andrew Ling Yew Chung	Independent non-executive Director	250,000
		6,250,000
<b>Employees</b>		
Mr. JK Pang	Employee of the Group, son of Mr. CY Pang, brother of Mr. JJ Pang	150,000
Ms. Pang Yok Moy	Employee of the Group, sister of Mr. CY Pang	100,000
		250,000
<b>Service providers</b>		
Mr. Pang Siew Sam	Service provider who provides bus body parts and component installation services to the Group, brother of Mr. CY Pang	800,000
Mr. Pang Siew Way	Service provider who provides bus body parts and component installation services to the Group, brother of Mr. CY Pang	800,000
		1,600,000
		8,100,000

### Notes:

- (1) Ms. Lee Kit Ying retired by rotation from the office of independent non-executive Director after the conclusion of the annual general meeting of the Company held on 22 March 2024 and 250,000 Share Options granted to Ms. Lee Kit Ying had lapsed accordingly.
- (2) Apart from the Share Options granted to Ms. Lee Kit Ying mentioned in note (1), the Share Options granted to the Directors, chief executive of the Company or substantial Shareholders as at the Grant Date, and their respective associate(s) (as defined in the Listing Rules) were outstanding and exercisable as at 30 April 2025.





## CORPORATE GOVERNANCE AND OTHER INFORMATION

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of Share Options to each of the above grantees has been approved by the independent non-executive Directors (excluding the independent non-executive Director who is the Grantee). Save as disclosed above, none of the grantees is a director, chief executive or substantial Shareholder, or any of their respective associate(s) (as defined in the Listing Rules). The balance of 11,600,000 Share Options were granted to the employees and service providers of the Group located in Hong Kong and Malaysia.

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 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 granted to Mr. CY Pang, being the Chairman, an executive Director, CEO and substantial Shareholder, would, in a 12-month period up to and including the Grant Date, represent over 0.1% of the Shares in issue, the grant of the Share Options to Mr. CY Pang is therefore subject to the approval by the Shareholders at an extraordinary general meeting convened by the Company (the “EGM”). The Shareholders had approved the grant of the Share Options to Mr. CY Pang at the EGM held on 13 October 2023 and Mr. CY Pang, his associates and all core connected persons (as defined under the Listing Rules) of the Company had abstained from voting in favour of the relevant resolution at the EGM pursuant to the Listing Rules.

The fair values of the Share Options granted under the Share Option Scheme were determined and measured using the Binomial Option Pricing Model on 18 August 2023. The significant inputs into the models were the exercise price shown above, expected volatility of 62.93%, expected dividend yields of 1.59%, expected option life of 3 years and risk free interest rates of 4.01% (with reference to the yield rates prevailing on Hong Kong Exchange Fund Notes with duration similar to the expected option life). As any changes in the subjective input assumptions can materially affect the fair value estimates, the valuation models for the Share Options granted do not necessarily provide a reliable single measure of the fair value of the Share Options.

The variables and assumptions used in computing the fair value of the Share Options are based on the Director’s best estimate. The value of an option varies with different variables of certain subjective assumptions.

A total of 19,700,000 Share Options were granted on 18 August 2023 under the Share Option Scheme. During the Reporting Period, 30,000 Share Options have lapsed and as at 30 April 2025, 18,960,000 Share Options were outstanding and exercisable.

## CORPORATE GOVERNANCE AND OTHER INFORMATION



For details of the Share Option Scheme, please refer to the section headed “Statutory and General Information – E. Share Option Scheme” in Appendix VI to the Prospectus.

The table showing movements in the Company’s share options held by each of the Director, substantial Shareholder or chief executive of the Company, or any of their respective associate(s) (as defined in the Listing Rules) and the employees of the Company in aggregate granted under the Share Option Scheme during the Reporting Period is disclosed at note 16 to the unaudited condensed consolidated financial statement in this report.

### CHANGE OF SENIOR MANAGEMENT AND BOARD COMPOSITION

With effect from 20 June 2025:

1. Mr. Huan Yean San (“**Mr. Huan**”), an independent non-executive Director, ceased to be a member of the nomination committee (the “**Nomination Committee**”) of the Company; and
2. Ms. Kwok Yuen Lam Sophia (“**Ms. Kwok**”), an independent non-executive Director, has been appointed as a member of the Nomination Committee.

Save as disclosed herein, as at the date of this report, there has been no change to the information of the Directors and chief executives of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

### AUDIT COMMITTEE

The Company established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rule 3.21 of the Listing Rules. The primary duties of the Audit Committee are, among other things, to review and supervise the financial reporting process, risk management and internal control system of the Group, oversee the audit process and select external auditors and assess their independence and qualifications. The Audit Committee comprises three independent non-executive Directors, namely Mr. Huan, Mr. Andrew Ling Yew Chung and Ms. Kwok. Mr. Huan is elected as the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated interim results and the interim report of the Company for the Reporting Period and agreed to the accounting principles and practices adopted by the Company.

### PUBLICATION OF THE INTERIM REPORT

This report containing the Company’s information including the unaudited condensed consolidated financial results for the Reporting Period is published on the Company’s website (<http://www.gml.com.my>) and the website of the Stock Exchange (<http://www.hkexnews.hk>).

By order of the Board  
**Gemilang International Limited**  
**Pang Chong Yong**  
*Chairman, Chief Executive Officer and  
Executive Director*

20 June 2025

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME



For the six months ended 30 April 2025 (Expressed in United States Dollars)

		For the six months ended 30 April	
	Notes	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
<b>Revenue</b>	3	<b>11,698</b>	8,813
Cost of sales		(9,223)	(6,497)
<b>Gross profit</b>		<b>2,475</b>	2,316
Other income and net gains/(losses)	4	27	1,078
Selling and distribution expenses		(338)	(343)
Net allowance for impairment losses on trade and other receivables		(41)	(108)
General and administrative expenses		(1,714)	(1,531)
<b>Profit from operations</b>		<b>409</b>	1,412
Finance costs	5(a)	(257)	(450)
<b>Profit before income tax</b>	5	<b>152</b>	962
Income tax	7	(130)	(227)
<b>Profit for the period</b>		<b>22</b>	735
<b>Other comprehensive income for the period</b>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		255	(13)
<b>Total comprehensive income for the period</b>		<b>277</b>	722
<b>Profit for the period attributable to:</b>			
Owners of the Company		28	736
Non-controlling interests		(6)	(1)
		<b>22</b>	735
<b>Total comprehensive income for the period attributable to:</b>			
Owners of the Company		283	723
Non-controlling interests		(6)	(1)
		<b>277</b>	722
<b>Earnings per share (US cent)</b>			
– Basic	8	0.01	0.29
– Diluted	8	0.01	0.20



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2025 (Expressed in United States Dollars)

	Notes	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
<b>Non-current assets</b>			
Property, plant and equipment	9	6,504	6,478
Intangible assets		313	309
Interest in a joint venture		—	—
Deposit paid for acquisition of a subsidiary	10(b)	330	330
		<u>7,147</u>	<u>7,117</u>
<b>Current assets</b>			
Inventories		22,222	14,980
Trade receivables	10(a)	4,113	5,041
Deposits, prepayments and other receivables	10(b)	5,732	4,362
Tax recoverable		601	361
Financial assets at fair value through profit or loss		54	2,391
Pledged bank deposits	11	22	132
Cash and bank balances		568	659
		<u>33,312</u>	<u>27,926</u>
<b>Current liabilities</b>			
Trade and other payables	12	12,115	6,772
Contract liabilities		6,535	3,903
Bank loans and overdrafts	13	6,391	6,670
Lease liabilities		57	35
Convertible bonds	14	—	3,586
Provision for taxation		4	16
		<u>25,102</u>	<u>20,982</u>
<b>Net current assets</b>		<u>8,210</u>	<u>6,944</u>
<b>Total assets less current liabilities</b>		<u>15,357</u>	<u>14,061</u>
<b>Non-current liabilities</b>			
Lease liabilities		106	68
Deferred tax liabilities		27	35
		<u>133</u>	<u>103</u>
<b>Net assets</b>		<u>15,224</u>	<u>13,958</u>
<b>Capital and reserves</b>			
Share capital	15	356	324
Reserves		14,903	13,663
<b>Total equity attributable to owners of the Company</b>		<u>15,259</u>	<u>13,987</u>
Non-controlling interests		(35)	(29)
<b>Total equity</b>		<u>15,224</u>	<u>13,958</u>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 April 2025 (Expressed in United States Dollars)



	Share capital US\$'000	Share premium US\$'000	Merger reserve US\$'000	Exchange reserve US\$'000	Convertible bonds reserve US\$'000	Share option reserve US\$'000	Retained earnings US\$'000	Equity attributable to the owners of the Company US\$'000	Non-controlling interests US\$'000	Total US\$'000
<b>As at 1 November 2023 (Audited)</b>	324	7,173	679	(2,547)	1,031	367	6,722	13,749	–	13,749
Profit for the period	–	–	–	–	–	–	736	736	(1)	735
Other comprehensive income for the period										
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	–	(13)	–	–	–	(13)	–	(13)
Total comprehensive income for the period	–	–	–	(13)	–	–	736	723	(1)	722
Lapse of share options	–	–	–	–	–	(5)	5	–	–	–
Deemed partial disposal of interest in a subsidiary without losing control	–	–	–	–	–	–	25	25	(25)	–
<b>As at 30 April 2024 (Unaudited)</b>	324	7,173	679	(2,560)	1,031	362	7,488	14,497	(26)	14,471
<b>As at 1 November 2024 (Audited)</b>	324	7,173	679	(1,307)	1,031	361	5,726	13,987	(29)	13,958
Profit for the period	–	–	–	–	–	–	28	28	(6)	22
Other comprehensive income for the period										
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	–	255	–	–	–	255	–	255
Total comprehensive income for the period	–	–	–	255	–	–	28	283	(6)	277
Lapse of share options	–	–	–	–	–	(1)	1	–	–	–
Issue of shares upon conversion of convertible bonds	32	1,988	–	–	(1,031)	–	–	989	–	989
<b>As at 30 April 2025 (Unaudited)</b>	356	9,161	679	(1,052)	–	360	5,755	15,259	(35)	15,224



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 April 2025 (Expressed in United States Dollars)

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
<b>Net cash generated from/(used in) operating activities</b>	<b>684</b>	<b>(376)</b>
<b>Investing activities</b>		
Interest received	–	96
Dividend income	1	–
Payment for purchase of plant and equipment	(103)	(17)
Purchase for financial assets at fair value through profit or loss	(8)	–
Proceeds from disposal of property, plant and equipment	–	4,390
Proceeds from disposal of financial assets at fair value through profit or loss	67	–
<b>Net cash (used in)/generated from investing activities</b>	<b>(43)</b>	<b>4,469</b>
<b>Financing activities</b>		
Decrease in pledged bank deposits	109	511
Proceeds from bank borrowings	4,859	2,311
Repayment of bank borrowings	(4,852)	(4,821)
Proceeds from finance lease	74	–
Repayment of lease liabilities	(22)	(18)
Interest paid	(575)	(320)
<b>Net cash (used in) financing activities</b>	<b>(407)</b>	<b>(2,337)</b>
<b>Net increase in cash and cash equivalents</b>	<b>234</b>	<b>1,756</b>
<b>Effects of foreign exchange translation</b>	<b>56</b>	<b>(13)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>(1,669)</b>	<b>(2,676)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(1,379)</b>	<b>(933)</b>
<b>Cash and cash equivalents at the end of the period, represented by</b>		
Cash and bank balances	568	1,163
Bank overdrafts	(1,947)	(2,096)
	<b>(1,379)</b>	<b>(933)</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Act, Chapter 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 21 June 2016 and its Shares have been listed on the Main Board of the Stock Exchange since 11 November 2016.

The principal activity of the Company is investment holding. The principal activities of the Group are set out in note 3.

The address of the registered office and principal place of business of the Company are disclosed in the section of corporate information of this report.

## 2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

### Basis of preparation

The condensed consolidated financial statements for the six months ended 30 April 2025 comprises the Group and the Group's interest in a joint venture.

The condensed consolidated financial statements for the six months ended 30 April 2025 have been prepared in accordance with the Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants, ("HKICPA") as well as with the applicable disclosure requirements of Appendix D2 to the Listing Rules.

The condensed consolidated financial statements for the six months ended 30 April 2025 have been prepared on a going concern basis as at 30 April 2025, as the Directors are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due for the foreseeable future, after taking into consideration the ability to generate funds internally.

The condensed consolidated financial statements for the six months ended 30 April 2025 should be read in conjunction with the annual financial statements of the Group for the year ended 31 October 2024.

### Principal accounting policies

The condensed consolidated financial statements for the six months ended 30 April 2025 have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss and derivative financial instruments.





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (continued)

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 April 2025 are the same as those followed in the preparation of the annual financial statements of the Group for the year ended 31 October 2024.

### Application of amendments

During the Reporting Period, the Group has applied, for the first time, the following new, amendments and interpretation to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Related Amendments to Hong Kong Interpretation 5 and Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs during the Reporting Period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 3. REVENUE AND SEGMENT REPORTING

The principal activities of the Group are (i) sales of bus bodies and kits, (ii) sales of parts and the provision of relevant services; (iii) rental of motor vehicles; and (iv) sales of program and related intellectual property ("IP") rights, from which no revenue had been generated during the Reporting Period.

### (a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products and services is as follows:

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or services		
– Sales of bus bodies and kits	9,875	6,858
– Sales of parts and provision of relevant services	1,702	1,955
– Rental of motor vehicles	121	–
	<u>11,698</u>	<u>8,813</u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 3. REVENUE AND SEGMENT REPORTING (continued)

### (a) Disaggregation of revenue (continued)

#### *Disaggregated by geographical location*

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
New Zealand	4,499	214
Malaysia (place of domicile)	3,527	958
Singapore	2,285	2,788
USA	600	1,486
Hong Kong	545	953
Australia	8	2,271
Others	234	143
	<b>11,698</b>	<b>8,813</b>

### (b) Segment reporting

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 Directors, being the chief operating decision maker (the “**CODM**”), for the purpose of allocating resources to segments and assessing their performance.

For management purpose, the Group is organised into business units based on their products and services and has two 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 relevant services for buses
- Sales of program and related IP rights. No revenue had been generated during the Reporting Period.
- Rental of motor vehicles – leasing motor vehicles



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 3. REVENUE AND SEGMENT REPORTING (continued)

#### (b) Segment reporting (continued)

Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of head office and corporate expenses, other revenue, other net income and finance costs. This is the measure reported to the CODM, for the purposes of resource 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 operating and reportable segments for both periods:

#### For the six months ended 30 April 2025

	Sales of bus bodies and kits (Unaudited) US\$'000	Sales of parts and provision of relevant services (Unaudited) US\$'000	Sales of program and related IP rights (Unaudited) US\$'000	Rental of motor vehicles (Unaudited) US\$'000	Total (Unaudited) US\$'000
Revenue from external customers recognised at a point in time	9,875	1,702	–	121	11,698
Reportable segment revenue	9,875	1,702	–	121	11,698
Reportable segment profit	361	476	–	8	845
Unallocated head office and corporate expenses:					
– Other expenses					(463)
Other income and net gains/(losses)					27
Finance costs					(257)
Profit before income tax					152

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 3. REVENUE AND SEGMENT REPORTING (continued)

### (b) Segment reporting (continued)

For the six months ended 30 April 2024

	Sales of bus bodies and kits (Unaudited) US\$'000	Sales of parts and provision of relevant services (Unaudited) US\$'000	Sales of program and related IP rights (Unaudited) US\$'000	Rental of motor vehicles (Unaudited) US\$'000	Total (Unaudited) US\$'000
<b>Revenue from external customers recognised at a point in time</b>	6,858	1,955	–	–	8,813
<b>Reportable segment revenue</b>	6,858	1,955	–	–	8,813
<b>Reportable segment profit/(loss)</b>	170	618	(70)	–	718
Unallocated head office and corporate expenses:					
– Other expenses					(384)
Other income and net gains/(losses)					1,078
Finance costs					(450)
<b>Profit before income tax</b>					962



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 4. OTHER INCOME AND NET GAINS/(LOSSES)

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Bank and other interest income	—	96
Total interest income on financial assets measured at amortised cost	—	96
Dividend from listed securities	1	—
Net foreign exchange gain	7	92
Gain on disposal of listed securities	3	—
Gain on disposal of property, plant and equipment	—	575
(Loss)/gain on fair value on financial assets at fair value through profit or loss	(3)	299
Others	19	16
	<b>27</b>	<b>1,078</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

### (a) Finance costs

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Interest expenses on bank and other borrowings	164	320
Interest expenses on lease liabilities	3	3
Imputed interest on convertible bonds	90	127
Total interest expenses on financial liabilities not at fair value through profit or loss	257	450

### (b) Staff costs (including Directors' emoluments)

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Salaries, wages and other benefits	1,263	1,069
Contributions to defined contribution retirement plans	116	92
	1,379	1,161

### (c) Other items

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Cost of inventories*	9,223	6,497
Depreciation charges		
– owned property, plant and equipment	155	138
– right-of-use assets	15	18
Net allowance for impairment losses on trade and other receivables	41	108
Net foreign exchange gain	(7)	(92)
Short-term lease expense	67	67

\* Cost of inventories did not have any reversal of provision of slow-moving inventory during the Reporting Period (2024: approximately US\$96,000).



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 6. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Reporting Period (six months ended 30 April 2024: nil).

### 7. INCOME TAX

Income tax in the condensed consolidated statement of profit or loss and other comprehensive income represents:

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
<b>Current tax</b>		
Charge for the period	138	213
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(8)	14
Income tax expense	130	227

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (ii) Hong Kong profits tax rate is 16.5% for the six months ended 30 April 2025 (2024: 16.5%) 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 six months ended 30 April 2025 and 2024.
- (iii) Subsidiaries in the PRC are subject to PRC Enterprise Income Tax ("EIT") at the rate of 25% (2024: 25%). The PRC subsidiaries are not subject to PRC EIT as they had no assessable profits during the six months ended 30 April 2025 and 2024.
- (iv) GML Coach Technology Pte. Limited, a wholly-owned subsidiary of the Company, is subject to Singapore statutory income tax rate of 17% (2024: 17%).
- (v) Gemilang Coachwork Sdn. Bhd., a wholly-owned subsidiary of the Company, is subject to Malaysia statutory income tax rate of 24% (2024: 24%).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 8. EARNINGS PER SHARE

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
<b>Earnings</b>		
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share	28	736
Adjustments for:		
Fair value change on embedded derivatives of convertible bonds	—	(299)
Imputed interest on convertible bonds	—	127
Profit for the period attributable to owners of the Company for the purpose of diluted earnings per share	28	564
<b>Number of Shares</b>		
	2025 (Unaudited)	2024 (Unaudited)
Weighted average number of issued Shares as at 1 November for the purpose of basic earnings per share	258,960,685	251,364,000
Effect of dilutive potential Shares:		
Share options	—	—
Convertible bonds	—	25,000,000
Weighted average number of Shares for the purpose of diluted earnings per share	258,960,685	276,364,000

### Basic earnings per share

The calculation of basic earnings per share is based on the profit for the Reporting Period attributable to owners of the Company of approximately US\$28,000 (2024: approximately US\$736,000) and the weighted average of 258,960,685 Shares (2024: 251,364,000 Shares).





## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 8. EARNINGS PER SHARE (continued)

#### Diluted earnings per share

For the six months ended 30 April 2025, the calculation of the diluted earnings per share amount is based on approximately US\$28,000, which is the profit for the Reporting Period attributable to owners of the Company. (2024: diluted earnings per share based on approximately US\$564,000, which is profit for the six months ended 30 April 2024 attributable to owners of the Company of approximately US\$736,000 with the adjustment for net of gain on fair value on derivative components of convertible bonds of approximately US\$299,000 and imputed interest on convertible bonds of approximately US\$127,000).

The weighted average number of Shares used in the calculation of the diluted earnings per share is based on 258,960,685 Shares (2024: 276,364,000 Shares), which is same as the weighted average number of Shares used in the basic earnings per share calculation (2024: the total of (i) the weighted average of 251,364,000 Shares used in the calculation of basic earnings per share and (ii) the weighted average of 25,000,000 Shares assumed to have been issued on the conversion of all dilutive potential Shares into Shares). There are no dilution effect of the Share Options as the computation did not assume the exercise of the outstanding Share Options since the exercise price per Share Option was higher than the average market price of the Shares during the Reporting Period and during the six months ended 30 April 2024.

### 9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

#### Property, plant and equipment

During the six months ended 30 April 2025, the Group acquired certain property, plant and equipment with a cost of approximately US\$0.10 million (2024: approximately US\$17,000). During the six months ended 30 April 2025, the Group had not recorded any gain or loss on disposal of property, plant and equipment (2024: gain of approximately US\$575,000).

#### Right-of-use assets

During the six months ended 30 April 2025, the Group entered into new leasing arrangements for the purchase of motor vehicles of approximately US\$74,000 (2024: nil).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 10. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### (a) Trade receivables

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Trade receivables	4,631	5,511
Less: allowance for impairment losses	(518)	(470)
	<u>4,113</u>	<u>5,041</u>

### Ageing analysis of trade receivables

The following is an ageing analysis of trade receivables presented based on the invoice date and net of allowance for doubtful debts at the end of each reporting period.

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Within 30 days	2,850	3,925
31 to 90 days	178	369
Over 90 days	1,085	747
	<u>4,113</u>	<u>5,041</u>

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



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 10. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (continued)

#### (b) Deposits, prepayments and other receivables

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Deposits	748	413
Prepayments	4,823	3,912
Other receivables*	4,215	4,091
Less: allowance for impairment losses	(3,724)	(3,724)
	6,062	4,692
Less: non-current portion		
Deposit paid for acquisition of a subsidiary**	(330)	(330)
	5,732	4,362

The amount of deposits, prepayments and other receivables as at 30 April 2025, are expected to be recovered or recognised as assets or expenses within one year.

#### Notes:

\* Included in other receivables was approximately 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 sale and purchase agreement with the supplier. At the end of the Reporting Period, the Directors considered that there was an increase in credit risk given that the outstanding receivables was past due and the recoverability is uncertain. Accordingly, impairment loss of approximately US\$3,724,000 was recognised against the balance as at 30 April 2025 (as at 31 October 2024: approximately US\$3,724,000).

\*\* 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. CY Pang (who is the chairman, the chief executive officer, the executive Director and a controlling Shareholder of the Company) 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 the 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 conditional share sale agreement for a further period of 6 more 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 6 more 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.

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 and 16 October 2024.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 11. PLEDGED BANK DEPOSITS

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Fixed deposits	22	132

Pledged bank deposits have been pledged to banks as security for banking facilities granted to the Group.

## 12. TRADE AND OTHER PAYABLES

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Trade payables	11,706	5,676
Other payables and accruals	391	1,096
Deposit received	18	—
	12,115	6,772

### Ageing analysis of trade payables

The ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Within 30 days	2,493	2,284
31 to 90 days	6,998	2,056
Over 90 days	2,215	1,336
	11,706	5,676

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



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 13. BANK LOANS AND OVERDRAFTS

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Bank overdrafts	1,947	2,328
Trust receipt loans	3,251	2,268
Other bank loans	1,193	2,074
	<b>6,391</b>	<b>6,670</b>

During the Reporting Period, the Group obtained new bank borrowings amounting to approximately US\$4,859,000 (during the year ended 31 October 2024: approximately US\$6,334,000).

Bank borrowings are secured by:

- (i) Legal charges over freehold land and buildings of the Group;
- (ii) Deposits with licensed banks of the Group;
- (iii) Listed securities held for trading of the Group; and
- (iv) Joint and several personal guarantees to the extent of US\$210,000 given by Directors.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 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**”) 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 the Shares 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 shall 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 approximately US\$3,222,000) and approximately HK\$24,837,000 (equivalent to approximately 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.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 14. CONVERTIBLE BONDS (continued)

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 six month ended 30 April 2025, the Convertible Bonds were matured and fully converted. The Company allotted and issued 25,000,000 Shares pursuant to the terms and conditions of the Convertible Bonds on 7 March 2025.

The Convertible Bonds have been split as follows:

	Liability component US\$'000	Derivative financial instruments US\$'000	Equity component US\$'000	Total US\$'000
As at 1 November 2023 (Audited)	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 (Audited)	3,586	(2,276)	1,031	2,341
As at 1 November 2024 (Audited)	3,586	(2,276)	1,031	2,341
Imputed interest for the six months ended 30 April 2025	90	—	—	90
Interest payment	(411)	—	—	(411)
Conversion into the Shares	(3,265)	2,276	(1,031)	(2,020)
As at 30 April 2025 (Unaudited)	—	—	—	—

Binomial tree method is used for valuation of derivatives financial instruments of the Convertible Bonds for the year ended 31 October 2024.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 15. SHARE CAPITAL

### Ordinary Shares of HK\$0.01 each

#### Authorised:

	No. of Shares	Amount US\$'000
As at 1 November 2023, 31 October 2024 and 30 April 2025	2,000,000,000	2,581

#### Issued and fully paid:

	No. of Shares	Amount US\$'000
As at 1 November 2023, 31 October 2024 and 1 November 2024	251,364,000	324
Issue of Shares upon conversion of the Convertible Bonds	25,000,000	32
As at 30 April 2025	276,364,000	356

## 16. SHARE OPTION SCHEME

A share option scheme (the “**Scheme**”) was adopted by the Company on 21 October 2016 for the primary purpose of providing incentives or rewards to eligible participants to recognise and acknowledge their contribution to the Group and motivate them to higher levels of performance, which will expire on 20 October 2026. Under the Scheme, the Board may grant options to the eligible participants, including employees, advisors, consultants, service providers, agents, customers, partners or joint-venture partners of the Group, to subscribe for Shares in the Company.

The maximum number of Shares in respect of which options may be granted at any time under the Scheme together with options which may be granted under any other share option schemes for the time being of the Company must not in aggregate exceed 10% of the Shares in issue of 250,000,000 Shares as at the date of Listing (the “**Scheme Mandate Limit**”). The Company may seek approval of the Shareholders in general meeting to refresh the Scheme Mandate Limit provided that the total number of Shares available for issue upon exercise of all options which may be granted under the Scheme and any other schemes of the Company shall not exceed 10% of the Shares in issue at the date of approval of refreshing of the Scheme Mandate Limit. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and other share option schemes of the Company shall not exceed 30% of the total number of Shares in issued from time to time.

Options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1.00. The subscription price is determined by the Board, and shall not be less than the highest of (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares on the date of grant.





# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 16. SHARE OPTION SCHEME (continued)

A total of 19,700,000 share options (each share option will entitle the holder of the share option to subscribe for one new ordinary share of HK\$0.01 each) were granted on 18 August 2023 (the “Grant Date”) under the Scheme. The closing price of the Shares immediately before the Grant Date was HK\$0.420. The option’s fair value of approximately US\$367,000 was measured at Grant Date using the Binomial Option Pricing Model.

The name of the grantees, terms and conditions, number, exercise prices of share options and particulars of outstanding share options granted on 18 August 2023 under the Scheme are as follows:

	Number of share options							Exercise price per share (HK\$)	Vesting date	Exercised Period	
	As at 1 November 2023 (Audited)	Granted during the year	Exercised during the year	Lapsed during the year	As at	Exercised during the period	Lapsed during the period				
					31 October 2024 and 1 November 2024 (Audited)						
					As at 30 April 2025 (Unaudited)						
<b>Directors</b>											
Mr. Pang Chong Yong	2,500,000	-	-	-	2,500,000	-	-	2,500,000	0.440	Immediately vested	Within 3 years from grant date
Mr. Pang Jun Jie	1,500,000	-	-	-	1,500,000	-	-	1,500,000	0.440	Immediately vested	Within 3 years from grant date
Mr. Yik Wai Pang	1,500,000	-	-	-	1,500,000	-	-	1,500,000	0.440	Immediately vested	Within 3 years from grant date
Ms. Lee Kit Ying (Note 1)	250,000	-	-	(250,000)	-	-	-	-	0.440	Immediately vested	Within 3 years from grant date
Mr. Huan Yean San	250,000	-	-	-	250,000	-	-	250,000	0.440	Immediately vested	Within 3 years from grant date
Mr. Andrew Ling Yew Chung	250,000	-	-	-	250,000	-	-	250,000	0.440	Immediately vested	Within 3 years from grant date
<b>Employees</b>											
Mr. Pang Jun Kang (Note 2)	150,000	-	-	-	150,000	-	-	150,000	0.440	Immediately vested	Within 3 years from grant date
Ms. Pang Yik Moy (Note 3)	100,000	-	-	-	100,000	-	-	100,000	0.440	Immediately vested	Within 3 years from grant date
Other employees	3,020,000	-	-	(80,000)	2,940,000	-	(30,000)	2,910,000	0.440	Immediately vested	Within 3 years from grant date
<b>Service providers</b>											
Mr. Pang Siaw Sam (Note 4)	800,000	-	-	-	800,000	-	-	800,000	0.440	Immediately vested	Within 3 years from grant date
Mr. Pang Siaw Way (Note 5)	800,000	-	-	-	800,000	-	-	800,000	0.440	Immediately vested	Within 3 years from grant date
Other service providers	8,200,000	-	-	-	8,200,000	-	-	8,200,000	0.440	Immediately vested	Within 3 years from grant date
	19,320,000	-	-	(330,000)	18,990,000	-	(30,000)	18,960,000			
Weighted average exercise price (HK\$)	0.440	0.440	0.440	0.440	0.440	0.440	0.440	0.440			

### Notes:

- Ms. Lee Kit Ying retired by rotation from the office of independent non-executive Director after the conclusion of annual general meeting of the Company held on 22 March 2024.
- The son of Mr. Pang Chong Yong, the brother of Mr. Pang Jun Jie and employee of the Group.
- The sister of Mr. Pang Chong Yong and employee of the Group.
- The brother of Mr. Pang Chong Yong and service provider who provides bus body parts and component installation services to the Group.
- The brother of Mr. Pang Chong Yong and service provider who provides bus body parts and component installation services to the Group.
- Save as disclosed above, none of the option holder of the outstanding share options granted under the Scheme is a director, chief executive or substantial Shareholder, or any of their respective associate(s) (as defined in the Listing Rules).
- No share option was cancelled during the six months ended 30 April 2025.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 16. SHARE OPTION SCHEME (continued)

No share option has been exercised during the six months ended 30 April 2025 and the year ended 31 October 2024.

Pursuant to the rules of the Scheme, the options will lapse when the grantee ceases to be an employee of the Group for reasons other than death, ill-health or retirement.

As at the beginning of the Reporting Period (i.e. 1 November 2024), the number of share options available for grant pursuant to the Scheme Mandate Limit was 4,646,000 Shares, representing approximately 1.7% of the issued Shares as at the date of this report.

As at the end of the Reporting Period (i.e. 30 April 2025), the number of share options available for grant pursuant to the Scheme Mandate Limit was 4,676,000 Shares, representing approximately 1.7% of the issued Shares as at the date of this report. The increase in the number of share options available for grant as at the end of the Reporting Period is due to the lapse of share options during the Reporting Period.

## 17. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value

### ***Fair value hierarchy***

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group has engaged an independent professional valuer (the “Valuer”) performing valuations for the financial instruments, including derivative components of convertible bonds which is categorised into Level 3 of the fair value hierarchy. A valuation report is prepared by the Valuer and the finance team shall liaise with the Valuer to analyse the changes in fair value measurement and report the analysis to the Directors and the Audit Committee.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Financial assets and liabilities measured at fair value (continued)

**Fair value hierarchy (continued)**

	Fair value at 30 April 2025 (Unaudited) US\$'000	Fair value measurements as at 30 April 2025 categorised into			Fair value at 31 October 2024 (Audited) US\$'000	Fair value measurements as at 31 October 2024 categorised into		
		Level 1 (Unaudited) US\$'000	Level 2 (Unaudited) US\$'000	Level 3 (Unaudited) US\$'000		Level 1 (Audited) US\$'000	Level 2 (Audited) US\$'000	Level 3 (Audited) US\$'000
Recurring fair value measurements								
Assets:								
Financial assets at FVPL								
Held for trading – listed equity securities	54	54	–	–	115	115	–	–
Embedded derivative components of convertible bonds	–	–	–	–	2,276	–	–	2,276

During the six months ended 30 April 2025 and year ended 31 October 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The fair values of listed equity securities are based on quoted market prices.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 18. CAPITAL COMMITMENTS

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

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Contracted but not provided for:		
– Investment in joint venture (RMB1,500,000) (Note below)	206	211
– Acquisition of a subsidiary (Note 10(b))	240	237
	<b>446</b>	<b>448</b>

Note:

During the year ended 31 October 2019, 順銘(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, 上海北銘 (“JV Company”). Pursuant to the JV agreement, the amount of registered capital of the JV Company shall be RMB3,000,000 while 順銘(上海) and Beidou shall each account for a capital contribution of RMB1,500,000. As at 30 April 2025, the Group has not contributed any capital into the JV Company. After the end of the Reporting Period, the JV Company was deregistered and the Group no longer has any obligations to contribute to its capital after its deregistration.

## 19. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

Name of party	Relationship with the Group
SW Excel Tech Engineering Sdn. Bhd.	A company controlled by close family members of a Director
P&P Excel Car Air-Conditioning Sdn. Bhd.	A company controlled by close family members of a Director
P&P Excel Tech Engineering Sdn. Bhd.	A company controlled by close family members of a Director
Cemerlang Trend Sdn. Bhd.	A company controlled by close family members of a Director



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 19. RELATED PARTY TRANSACTIONS (continued)

### (a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Directors, is as follows:

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Short-term employee benefits	494	309
Post-employment benefits	55	34
	<b>549</b>	<b>343</b>

### (b) Financing arrangements with related parties

As at 30 April 2025, the Group has the following balances with related parties:

	Notes	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Amounts due from/(to) related companies			
– P&P Excel Car Air-Conditioning Sdn. Bhd.	(i), (ii)	(13)	(17)
– P&P Excel Tech Engineering Sdn. Bhd.	(i), (ii)	(83)	(54)
– Cemerlang Trend Sdn. Bhd.	(i), (ii)	(3)	–
		<b>(99)</b>	<b>(71)</b>

Notes:

(i) The outstanding with these parties are unsecured, interest-free and repayable on demand.

(ii) The outstanding balance is included in trade and other receivables (Note 10) and trade and other payables (Note 12).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 19. RELATED PARTY TRANSACTIONS (continued)

### (c) Other related party transactions

During the six months ended 30 April 2025 and 2024, the Company entered into the following material related party transactions:

#### Continuing transactions

	For the six months ended 30 April	
	2025 (Unaudited) US\$'000	2024 (Unaudited) US\$'000
Purchases of parts and services		
– P&P Excel Car Air-Conditioning Sdn. Bhd.	12	7
– P&P Excel Tech Engineering Sdn. Bhd.	83	174
– Cemerlang Trend Sdn. Bhd.	34	–
	<u>129</u>	<u>181</u>
Sales of parts and services		
– P&P Excel Tech Engineering Sdn. Bhd.	10	3
– SW Excel Tech Engineering Sdn. Bhd.	–	2
	<u>10</u>	<u>5</u>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 20. CONTINGENT LIABILITIES

	As at 30 April 2025 (Unaudited) US\$'000	As at 31 October 2024 (Audited) US\$'000
Performance bonds for contracts in favour of customers	52	26

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 in 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.