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Gemilang International Limited

彭順國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6163)

COMPLETION OF ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

Reference is made to the announcement of Gemilang International Limited (the “**Company**”) dated 14 December 2021 (the “**Announcement**”) in relation to, among other things, the Subscription. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

COMPLETION OF ISSUE OF CONVERTIBLE BONDS

The Board is pleased to announce that all conditions precedent set out in the Subscription Agreement have been fulfilled and the completion of the issue of the Convertible Bonds in the principal amount of HK\$25,000,000 to the Subscriber took place on 28 February 2022 in accordance with the terms and conditions of the Subscription Agreement.

The net proceeds from the Subscription, after deduction of related expenses, are approximately HK\$24,837,000. The Company intends to use such net proceeds for development of the existing business of the Group and for working capital purposes of the Group as disclosed in the Announcement. None of the Convertible Bonds is converted as at the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purpose only, the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately upon full conversion of the Convertible Bonds based on the initial Conversion Price, assuming there being no other change in the issued share capital and shareholding structure of the Company from the date of this announcement and up to the date of full conversion of the Convertible Bonds, are as follows:

| Shareholders | As at the date of this announcement | | Immediately upon full conversion of the Convertible Bonds at the initial Conversion Price (assuming there being no other change in the issued share capital and shareholding structure of the Company from the date of this announcement and up to the date of full conversion of the Convertible Bonds) | |
|--|--|-------------------------------------|--|-------------------------------------|
| | Number of Shares | Approximate % of shareholding | Number of Shares | Approximate % of shareholding |
| Directors | | | | |
| Yik Wai Peng (Note 3) | 364,000 | 0.14 | 364,000 | 0.13 |
| Andrew Ling Yew Chung | 60,000 | 0.02 | 60,000 | 0.02 |
| Substantial Shareholders | | | | |
| Golden Castle Investments Limited ("Gold Castle") (Notes 1 and 2) | 82,078,125 | 32.65 | 82,078,125 | 29.70 |
| Sun Wah Investments Limited ("Sun Wah") (Notes 2 and 4) | 3,076,125 | 1.22 | 3,076,125 | 1.11 |
| Phang Sun Wah (Notes 2 and 4) | 988,000 | 0.40 | 988,000 | 0.36 |
| Subscriber (Note 5) | – | – | 25,000,000 | 9.05 |
| Public Shareholders | 164,797,750 | 65.57 | 164,797,750 | 59.63 |
| Total | 251,364,000 | 100 | 276,364,000 | 100 |

Notes:

1. Mr. Pang Chong Yong, who is the chairman, chief executive officer, executive Director and controlling shareholder of the Company, beneficially owns 100% of the issued share capital of Golden Castle. By virtue of the SFO, Mr. Pang Chong Yong is deemed to be interested in 82,078,125 Shares held by Golden Castle representing approximately 32.65% of the entire issue share capital of the Company as at the date of this announcement. 82,078,125 Shares held by Golden Castle have been charged in favour of Gold-Face Finance Limited as security for a loan granted in favour of Mr. Pang Chong Yong.
2. Pursuant to the confirmatory deed in relation to parties acting in concert dated 20 July 2016 and signed by Mr. Phang Sun Wah and Mr. Pang Chong Yong, Mr. Phang Sun Wah and Mr. Pang Chong Yong are parties acting in concert (having the meaning ascribed to it under the Takeovers Code). As such, Mr. Phang Sun Wah and Mr. Pang Chong Yong will together control approximately 34.27% of the entire issued share capital of the Company as at the date of this announcement.

3. Ms. Tan Siow Yang is the spouse of Mr. Yik Wai Peng, being an executive Director. 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.
4. Mr. Phang Sun Wah beneficially owns 100% of the issued share capital of Sun Wah. By virtue of the SFO, Mr. Phang Sun Wah is deemed to be interested in 3,076,125 Shares held by Sun Wah, representing approximately 1.22% of the entire issued share capital of the Company as at the date of this announcement.
5. According to the Conditions, a Bondholder shall have the right at any time during the Conversion Period to convert the whole or part (in multiples of HK\$1,000,000) of the outstanding principal amount of Convertible Bonds registered in her name into Conversion Shares at the Conversion Price, provided that only a portion of the principal amount of the Convertible Bonds may be converted such that, among others, (i) the conversion of such portion of the principal amount of the Convertible Bonds will not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Bondholder(s) which exercised the Conversion Rights and parties acting in concert with it; and (ii) the public float of the Shares shall not be less than 25% (or any given percentage as required by the Listing Rules for the minimum percentage of Shares being held by the public) of the issued Shares of the Company at the time in compliance with the Listing Rules.
6. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

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

28 February 2022

As at the date of this announcement, the Board comprises (i) Mr. Pang Chong Yong (Chairman), Mr. Pang Jun Jie and Mr. Yik Wai Peng as executive directors of the Company; and (ii) Ms. Lee Kit Ying, Ms. Kwok Yuen Shan Rosetta, Mr. Huan Yean San and Mr. Andrew Ling Yew Chung as independent non-executive directors of the Company.