

**EVER GLORY UNITED HOLDINGS LIMITED**  
(Company Registration No. 202144351H)  
(Incorporated in the Republic of Singapore)

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**PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF  
GUTHRIE ENGINEERING (S) PTE LTD**

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*The Board of Directors of Ever Glory United Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") (the "**Board**" or "**Directors**") refers to the announcements of the Company dated 26 February 2025 and 2 April 2025 in relation to the Proposed Acquisition (the "**Announcements**").*

**1. INTRODUCTION**

- 1.1 Further to the Announcements, the Board wishes to announce that it has on 8 April 2025 entered into a share purchase agreement (the "**SPA**") with Guthrie GTS Pte Ltd (the "**Vendor**", and together with the Company, the "**Parties**" and each, a "**Party**") and Guthrie Engineering (S) Pte Ltd ("**GESPL**") in relation to the Company's proposed acquisition of all issued and paid-up ordinary shares in the share capital of GESPL (the "**Sale Shares**") (the "**Proposed Acquisition**"). GESPL in turn holds 36.87% of the issued and paid-up share capital of Tek Guthrie Pte. Ltd. ("**Tek Guthrie**") (GESPL and Tek Guthrie shall collectively be known as the "**Target Group**").
- 1.2 As at the date of this announcement, GESPL is a sole shareholder of Guthrie FMC Pte. Ltd. (Company Registration No. 199002325Z) ("**Guthrie FMC**" and together with its subsidiaries<sup>1</sup>, the "**Guthrie FMC Group**"). Pursuant to clause 5.2(b) of the SPA, the Guthrie FMC Group will not be part of the Proposed Acquisition, and all the shares in Guthrie FMC held by GESPL will be transferred to the Vendor or such other person as selected by the Vendor on or prior to Completion (as defined below) on such terms as may be determined by the Vendor. Accordingly, the Company is not acquiring the Guthrie FMC Group, and the Target Group excludes the Guthrie FMC Group.
- 1.3 The Proposed Acquisition constitutes a "Major Transaction" as defined under Chapter 10 of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"). The Proposed Acquisition is subject to, *inter alia*, approval of the shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting to be convened (the "**EGM**").

<sup>1</sup> Guthrie FMC is the sole shareholder of FMC Landscape Services Pte Ltd (Company Registration No. 201613393D) and Guthrie FMC Security Pte. Ltd. (Company Registration No. 201211103M).

## 2. INFORMATION ON THE VENDOR

2.1 The Vendor (Company Registration Number: 196800390N) is a private company incorporated in Singapore on 27 August 1968 with its registered office at 1 Fifth Avenue, #02-06/07, Guthrie House, Singapore 268802. As at the date of this announcement:

- (a) the Vendor has an issued and paid-up share capital of S\$621,130,721.38 comprising 378,726,135 ordinary shares;
- (b) the Vendor is wholly owned by Activewatch Limited (Company Registration Number: T13UF2398L), a private company incorporated in the British Virgin Islands;
- (c) the directors of the Vendor are Mr. Jansen Jerome Mark, Mr. Brandon Masagung, Mr. Putra Masagung, Ms. Priscilla Tiara Masagung, Mr. Ryan Pascal Masagung and Mr. Chua Lai Kiang; and
- (d) the Vendor is the sole shareholder of GESPL.

2.2 The Vendor is in the business of engineering, retail and commercial properties as well as hospitality sectors. The Company, the Group, the Directors and the controlling shareholders of the Company are independent of and are not related to the Vendor and/or Activewatch Limited.

## 3. INFORMATION ON THE TARGET GROUP

### 3.1 GESPL

GESPL (Company Registration Number: 195100006K) is a private company incorporated in Singapore on 6 January 1951 with its registered office at 6 Aljunied Avenue 3, #04-00, Guthrie Engineering Building, Singapore 389932. As at the date of this announcement:

- (a) GESPL has an issued and paid-up share capital of S\$39,000,000 comprising 39,000,000 ordinary shares; and
- (b) the directors of GESPL are Mr. Brandon Masagung, Mr. Ryan Pascal Masagung, Mr. Alan Tay Yeow Kee (Zheng Yaoji) ("**Alan Tay**"), Mr. Chua Lai Kiang and Mr. Jansen Jerome Mark.

Since 1951, GESPL has established itself as a respected pillar in the mechanical and electrical ("**M&E**") engineering space in Singapore having been involved in various prestigious and iconic landmark projects such as Marina Bay Sands, Jewel Changi Airport, Thomson-East Coast Mass Rapid Transit ("**MRT**") Line, The Star Vista, Sky Habitat and Funan CapitalLand Mall. GESPL is principally engaged in the business of providing (a) mechanical engineering services, (b) electrical engineering services, (c) technology solutions, (d) switchboard manufacturing, and (e) sustainable power solutions, providing a comprehensive repertoire of services to meet the needs of smart buildings, iconic landmarks and nationwide transportation network.

(a) Mechanical Engineering Services

GESPL specialises in mechanical engineering services for Air Conditioning and Mechanical Ventilation (“**ACMV**”) and Building Automation System (BAS). It caters to the needs of the residential, industrial and commercial sectors in the building industry, and has been involved in landmark projects such as Jewel Changi Airport, the Punggol Digital District, and Funan mall. GESPL also offers Fire Protection (FP) solutions. GESPL holds, *inter alia*, the following registrations<sup>2</sup> with the Building and Construction Authority (“**BCA**”): ME01 Grade L6 registration for ACMV works, ME02 Grade L5 registration for Building Automation, Industrial & Process Control Systems, ME06 Grade L5 registration for Fire Prevention & Fire Protection Systems, ME11 Grade L5 registration for Mechanical Engineering and ME15 Grade L6 registration for Integrated Building Services.

(b) Electrical Engineering Services

GESPL also provides electrical engineering services, and its expertise encompasses the design, installation, and maintenance of electrical systems. It primarily serves government agencies such as the SP PowerGrid, Land Transport Authority, Housing and Development Board, and Changi Airport Group. GESPL specialises in High Tension (HT) Installation, Low Voltage System for MRT lines, Street Lighting Installation, Public Carpark System Installation and Airfield System Installation. Its works involve High and Medium Voltage Systems (3.3KV to 230KV), Low Voltage Systems (230V/400V) and Extra Low Voltage Systems. GESPL holds an ME05 Grade L6 registration for electrical engineering with the BCA.

(c) Technology Solutions

GESPL also provides technology solutions, such as Tailgating Detection Systems and Bus Stop Information Display. It also has a fully integrated command centre.

(d) Switchboard Manufacturing

GESPL designs, manufactures and manages low and medium voltage switchgear and switchboards that meet stringent standards for various industries, including public infrastructures by the Land Transport Authority.

(e) Sustainable Power Solutions

GESPL also provides critical power solutions to data centres, public infrastructures and other commercial installation projects. Currently, GESPL is the Singapore supply partner for major brands like Huawei and Siemens.

<sup>2</sup> Accessed at <https://www1.bca.gov.sg/bca-directory/company/Details/195100006K> as at 8 April 2025.

GESPL is the registered proprietor of the whole of Lot 6021W of Mukim 24 together with the building(s) erected thereon and known as 6 Aljunied Avenue 3, Singapore 389932 (the "**Property**"), pursuant to an Instrument of Lease registered at the Singapore Land Authority as Lease No. ID/743316H dated 9 January 2014 between GESPL and JTC Corporation (the "**JTC Lease**"), with the Certificate of Title (SUB) Volume 765 Folio 101, for a leasehold term of 30 years commencing from 1 September 2013.

### 3.2 Tek Guthrie

Tek Guthrie (Company Registration Number: 200100183K) is a private company incorporated in Singapore on 6 January 2001 with its registered office at 1 Fifth Avenue, #02-06/07, Guthrie House, Singapore 268802. As at the date of this announcement:

- (a) Tek Guthrie has an issued and paid-up share capital of S\$7,533,726.53 comprising 5,602,384 ordinary shares;
- (b) Tek Guthrie is owned by the following shareholders in the following shareholdings:
  - (i) GESPL, holding 2,065,879 ordinary shares, representing 36.87% of the issued and paid-up share capital of Tek Guthrie;
  - (ii) Springdale Street Limited Partnership ("**SSLP**"), holding 2,801,192 ordinary shares, representing 50% of the issued and paid-up share capital of Tek Guthrie; and
  - (iii) Tek Precision Tooling Pte Ltd ("**TPT**"), holding 735,313 ordinary shares, representing 13.13% of the issued and paid-up share capital of Tek Guthrie.

The Company, the Group, the Directors and the controlling shareholders of the Company are independent of and are not related to SSLP and/or TPT; and

- (c) the directors of Tek Guthrie are Mr. Alan Tay, Mr. Pedro Aranda (whose alternate director is Mr. Carlos Javier Aranda), Mr. Gerrard Connolly (whose alternate director is Mr. Daniel Alberto Aranda), Mr. Khang Gip Meng and Mr. Lim Teong Lee.

Tek Guthrie is principally engaged in the manufacturing of moulds, tools and dies, and metal stamping.

### 3.3 Financial information of the Target Group

Based on the unaudited financial statements for the financial year ended 31 December ("**FY**") 2024 of GESPL with adjustments (the "**Target Group Unaudited Consolidated Accounts**")<sup>3</sup>:

- (a) the net working capital of the Target Group as at 31 December 2024 was S\$4,236,691;

<sup>3</sup>

Adjustments that have been made to GESPL's unaudited financial statements for FY2024 are set out below:

- (a) Share of results of Tek Guthrie has been included as GESPL has been exempted from consolidating the share of results of Tek Guthrie; and
- (b) Value attributable to the Guthrie FMC Group have been subtracted as it has been excluded from the Target Group as described in paragraph 1.2 of this announcement.

- (b) the book value (“**NAV**”) and net tangible assets (“**NTA**”) of the Target Group was S\$25,812,805 as at 31 December 2024; and
- (c) the consolidated net loss before tax of the Target Group for FY2024 amounted to S\$14,354,950.

#### 3.4 Independent Valuation

For the purpose of the Proposed Acquisition, the Company has commissioned BDO Advisory Pte. Ltd. (the “**Independent Valuer**”) as an independent valuer to perform a valuation of the Target Group as at 31 December 2024 (“**Valuation Date**”).

The Independent Valuer had assessed the equity value of the Target Group based on the income approach (using the discounted cash flow (“**DCF**”) methodology) as the primary method, as the Target Group’s operating business is primarily income driven. The market approach (using the enterprise value to earnings before interest, taxes, depreciation and amortisation multiples of comparable companies) was applied as a secondary approach to cross-check the value range derived using the DCF method.

Based on the valuation report dated 8 April 2025 (the “**Valuation Report**”), the indicative equity value of the Target Group as at the Valuation Date was estimated to be in the range from S\$52.5 million to S\$59.5 million. Details of the Valuation Report and the valuation summary letter (“**Valuation Summary Letter**”) will be set out in the Circular (as defined below) in due course.

The Purchase Consideration (as defined below) therefore represents a discount of approximately 12.3% of the lower range of the indicative equity value of the Target Group and a discount of approximately 22.6% of the higher range of the indicative equity value of the Target Group.

#### 4. **RATIONALE**

The Board believes that the Proposed Acquisition is of commercial benefits to the Group and represents an attractive investment opportunity which will diversify its revenue streams. The Proposed Acquisition is in line with the Group’s plans to expand its M&E engineering business operations, with the ancillary businesses serving as a gateway to allow the Group to expand into switchboard and other manufacturing, further strengthening the Group’s engineering and manufacturing capabilities. The Board believes that an acquisition of the entire issued and paid-up share capital of GESPL allows the Company to have full business ownership control which the Board considers essential for facilitating efficient implementation of future business plan.

The Group will, through this Proposed Acquisition, strengthen its competitive advantage, value proposition and provide a holistic engineering solution to existing customers, eventually gaining access to new customers, markets and business opportunities.

## 5. SALIENT TERMS OF THE PROPOSED ACQUISITION

### 5.1 Sale and Purchase of the Sale Shares

Subject to the terms and conditions of the SPA, the Vendor agrees to sell the Sale Shares to the Company, and the Company agrees to purchase the Sale Shares from the Vendor, free from all encumbrances together with all rights, dividends, entitlements and advantages attaching thereto as at the completion of the sale and purchase of the Sale Shares pursuant to the conditions of the SPA ("**Completion**"). The date of Completion will be 2 June 2025 or such other date as the Vendor and the Company may agree in writing ("**Completion Date**").

### 5.2 Purchase Consideration

Subject to paragraph 5.3 of this announcement and Clause 7.6 of the SPA, the total consideration for the purchase of the Sale Shares (the "**Purchase Consideration**") is S\$46,034,273, consisting of:

- (a) S\$1,000,000, being the deposit paid by the Company to the Vendor on 27 February 2025 pursuant to the letter of offer dated 26 February 2025 entered into between the Company and the Vendor (as announced on by the Company on 26 February 2025) and is applied towards and treated as part of the Purchase Consideration under this paragraph 5.2 of this announcement **Error! Reference source not found.**;
- (b) a payment at Completion (the "**Completion Payment**") in the amount of S\$31,534,273 (or such other amount as adjusted pursuant to paragraph 5.3 of this announcement); and
- (c) a payment on 15 April 2026 in the amount of S\$13,500,000 (the "**Balance Payment**").

The Purchase Consideration will be fully satisfied in cash. Each payment to be made by the Company under the SPA shall be made free and clear of all deductions, withholdings, counterclaims or set-off of any kind.

The Purchase Consideration was arrived at arm's length on a willing-buyer willing-seller basis, after taking into account, *inter alia*, the following factors:

- (a) the indicative valuation of the Target Group as disclosed in paragraph 3.4 of this announcement;
- (b) the order book of GESPL<sup>4</sup> as at 31 December 2024 of approximately S\$312.3 million; and
- (c) the rationale for and benefit of the Proposed Acquisition (as further described in paragraph 3 of this announcement).

<sup>4</sup> For avoidance of doubt, Tek Guthrie does not have an order book.

### 5.3 Completion Payment Adjustment

- (a) The Parties acknowledge and agree that if (upon the issuance of the audited FY2024 financial statements of GESPL) the audited NAV of GESPL (excluding the book value of the Guthrie FMC Group) as at 31 December 2024 is less than the unaudited NAV of GESPL (excluding the book value of the Guthrie FMC Group) as at 31 December 2024 of S\$25,631,352 (such deficit the "**NAV Deficit**") by S\$300,000 or more, the Completion Payment shall be reduced by the entire amount of the NAV Deficit (and not just the excess over S\$300,000).
- (b) For the avoidance of doubt, the Purchase Consideration shall not exceed S\$46,034,273, and the Completion Payment shall not exceed S\$31,534,273, as a result of the adjustment to the Completion Payment pursuant to this paragraph 5.3 of this announcement.

### 5.4 Conditions Precedent

5.4.1. The sale and purchase of the Sale Shares and Completion is conditional upon the fulfilment of all the following conditions:

- (a) all the Vendor's warranties being true, accurate and not misleading in all material respects as at the Completion Date;
- (b) all the Company's warranties being true, accurate and not misleading in all material respects as at the Completion Date;
- (c) all covenants and undertakings of the Vendor under the SPA have been complied with in all material respects as at the Completion Date;
- (d) the Company having obtained majority shareholder approval for the purchase of the Sale Shares under the SPA;
- (e) no governmental authority having commenced, or threatened to commence, any proceedings or investigation for the purpose of prohibiting or otherwise challenging or interfering with the performance of the SPA; and
- (f) the delivery to the Company of a written consent (on such terms satisfactory to the Company, acting reasonably) from JTC Corporation pursuant to clause 1(viii) of the JTC Lease consenting to the transfer of the Sale Shares under the SPA.

### 5.4.2. Parties' Commitments

- (a) The Vendor shall use its best endeavours to ensure the satisfaction of the conditions set out in paragraphs 5.4.1(a), (c) and (f) of this announcement as soon as possible and in any event by the long stop date, being 1 July 2025 or such other dates as the Parties may agree in writing (the "**Long Stop Date**").

- (b) The Company shall use its best endeavours to ensure the satisfaction of the condition set out in paragraphs 5.5.4.1(b) and (d) of this announcement as soon as possible and in any event by the Long Stop Date.

#### 5.4.3. Waiver of Conditions

- (a) The Company may in its absolute discretion waive any condition in paragraphs 5.5.4.1(a), (c) or (f) of this announcement either in whole or in part at any time by notice in writing to the Vendor.
- (b) The Vendor may in its absolute discretion waive any condition in paragraphs 5.5.4.1(b) of this announcement either in whole or in part at any time by notice in writing to the Company.

#### 5.4.4. Non-satisfaction

- (a) If, at any time prior to Completion, any of the Vendor or the Company becomes aware of a fact or circumstance which could reasonably be expected to prevent any of the conditions undertaken by such Party under paragraph 5.4.2 of this announcement from being satisfied by such Party, such Party shall immediately inform the other Party of such fact or circumstance.
- (b) If the conditions in paragraph 5.5.4.1 of this announcement are not satisfied or waived on or before the Long Stop Date, save as expressly provided, either the Vendor or the Company may, in its sole discretion, terminate the SPA (other than the Surviving Provisions) and neither the Vendor nor the Company shall have any claim against the other under it, save for any claims, rights or remedies available arising from any antecedent breach of any obligations contained in paragraph 5.5.4.2 of this announcement or Clause 5.1 of the SPA (Pre-Completion Undertakings) or already accrued to the Company prior to such termination.

#### 5.5 Prohibition of Use of Guthrie Name and Branding

- (a) Following Completion, the Company acknowledges and agrees that it, and any person that directly or indirectly through one or intermediaries, controls or is controlled by it, or is under common control with such person (including GESPL) ("**Affiliates**"), has no right to, and shall within the time period specified in paragraph 5.5(b) of this announcement cease the use of, any Guthrie Name<sup>5</sup> or Guthrie Branding<sup>6</sup> on any stationery, document or in any other way (including any trading name, business name, company name, logo, mark or domain name containing or consisting of any Guthrie Name or any Guthrie Branding), save that GESPL shall be allowed to use the reference "formerly known as Guthrie Engineering (S) Pte Ltd" for a period of twenty (20) years after Completion.

<sup>5</sup> "**Guthrie Name**" means (a) any word, expression, logo or mark that consists of or contains "Guthrie" or "GTS" and (b) any word, expression, logo or mark which is a derivative of or resembling or likely to be mistaken for or confused with anything described in part (a) of this definition.

<sup>6</sup> "**Guthrie Branding**" means the trade marks and trade names owned by the Vendor or any of its Affiliates.

- (b) Subject to paragraph 5.5(a) of this announcement, the Vendor and the Company agree that the Company shall have a grace period of three (3) years after Completion to phase out the use of any Guthrie Name or Guthrie Branding by GESPL.
- (c) The Company shall procure that GESPL comply with the restrictions in this paragraph 5.5 of this announcement.
- (d) Following Completion, the Company shall not (and shall procure that each of its Affiliates does not) represent or hold themselves out as retaining or having any connection with the Vendor or any of its Affiliates (other than having acquired the Sale Shares and GESPL pursuant to the SPA).

## 5.6 Vendor Guarantee

The Vendor had provided a guarantee to a bank in relation to the bank facilities granted by such bank to GESPL (the "**Vendor Guarantee**"). To the extent that the Vendor Guarantee is not discharged on or prior to Completion, the Company undertakes to the Vendor to:

- (a) take all measures to procure the discharge of the Vendor Guarantee no later than ten (10) business days after the earlier of: (i) 28 February 2026; and (ii) the expiration of the guarantee provided by such bank in favour of a third party; and
- (b) indemnify and save harmless the Vendor from and against any loss which the Vendor may sustain, incur or suffer (at any time and from time to time) in respect of any claim by the beneficiary of the Vendor Guarantee (or any of its Affiliates) under the Vendor Guarantee arising from any act or omission of GESPL occurring in or attributable to the period starting on the Completion Date and ending on the date of discharge of the Vendor Guarantee.

## 5.7 Non-Compete

### 5.7.1. Definitions

In this paragraph 5.7 of this announcement, the following terms shall have the following meanings:

- (a) "**Prohibited Business**" means: (i) merchandising of building materials, telephone and engineering equipment; (ii) the undertaking of engineering and industrial contracts; and (iii) the provision of project management services, in each case as conducted by the Company as of the date of the SPA.
- (b) "**Prohibited Period**" means the period commencing on the calendar day immediately following the Completion Date and ending three (3) years after the Completion Date.
- (c) "**Prohibited Person**" means the Vendor or any of its Affiliates.
- (d) "**Prohibited Territory**" means Singapore.

### 5.7.2. Non-competition

During the Prohibited Period, save with the prior written consent of the Company, the Vendor hereby undertakes to the Company that it will not (and it will procure that each other Prohibited Person will not) directly or indirectly:

- (a) conduct or engage in any business or activity which is the same or similar to the Prohibited Business, or competes with the Prohibited Business, in the Prohibited Territory;
- (b) canvass, solicit or entice away, in competition with the Prohibited Business in the Prohibited Territory, the custom of any person who has within one (1) year prior to the date of the SPA been a customer, supplier or partner of the Company; or
- (c) induce or seek to induce the key employee, Alan Tay, to become employed, whether as employee, consultant or otherwise, by any Prohibited Person.

### 5.7.3. Exceptions

- (a) The restrictions in paragraphs 5.7.2(a) and 5.7.2(b) of this announcement shall not apply to any Prohibited Person with respect to:
  - (i) the carrying on or being engaged in or being economically interested in any business which is of the same or similar type to the Prohibited Business after such time as the Company or GESPL ceases to carry on or be engaged in or economically interested in such business; and
  - (ii) any holding of or trading in: (A) less than 10% of the outstanding share capital of a company the shares of which are listed on any stock exchange, or (B) any participation interests in any collective investment fund managed by an independent professional fund manager.
- (b) The restrictions in paragraph 5.7.2(c) of this announcement shall not prevent any Prohibited Person from placing an advertisement for a post available to a member of the public generally and the recruitment of a person through an employment agency provided that such Prohibited Person does not direct such agency to approach any such employee.

## 5.8 Pre-Completion Matters

- 5.8.1. The Vendor shall fully capitalise all outstanding amounts owed by GESPL to the Vendor under any and all shareholder loans on or before Completion.
- 5.8.2. In the period starting on the date of the SPA and ending on the Completion Date (the "**Interim Period**"), the Vendor undertakes to the Company to use its best efforts to obtain the consent (and if such consent is subject to any condition, such condition to be satisfactory to the Company, acting reasonably) of SSLP and TPT in relation to the transfer of the Sale Shares under the SPA (the "**Tek Guthrie Consent**") as required under clause 7.6 of the shareholders' agreement dated 6 February 2004 among the Vendor, SSLP, TPT and GESPL (pursuant to the Deed of Ratification and Accession dated 31 January 2023) (the "**Tek Guthrie SHA**").

5.8.3 If the Tek Guthrie Consent is not obtained by the Vendor in the Interim Period under paragraph 5.8.2 of this announcement, then subject to Completion, the Vendor shall indemnify and keep the Company harmless from and against all and any losses which the Company sustains, suffers or incurs as a result of any claim by SSLP and / or TPT against GESPL for any breach of clause 7.6 of the Tek Guthrie SHA in relation to the transfer of the Sale Shares under the SPA.

5.8.4 In the Interim Period, the Vendor undertakes to the Company to use its best efforts to obtain the consents or waivers (as the case may be, and if such consent or waiver is subject to any condition, such condition to be satisfactory to the Company, acting reasonably) to, *inter alia*, the transfer of the Sale Shares under the SPA from the relevant banks pursuant to banking facilities letters entered between GESPL and such relevant banks.

5.9 Undertaking Pending Updating of Electronic Register on ACRA

To the extent that the Vendor remains registered in the electronic register of members of GESPL as the holder of the Sale Shares after the Completion Date, the Vendor undertakes to the Company that it shall vote the Sale Shares in accordance with the Company's written instructions on any shareholders' resolutions of GESPL passed or proposed to be passed after the Completion Date.

5.10 Other Salient Terms of the SPA

The SPA contains customary representations and warranties for transactions of this nature as agreed between the parties, including but not limited to the power and authority of the Parties to enter into the transactions contemplated under the SPA, title to the Sale Shares, title to the Property and save as disclosed, there being no litigation against GESPL.

The maximum aggregate liability of the Vendor in respect of any and all Purchaser Claims (as defined in the SPA) shall not exceed the Purchase Consideration, and subject to the foregoing, the maximum aggregate liability of the Vendor in respect of: (a) any and all Purchaser Claims for a breach of any Vendor Warranty (as defined in the SPA) which is not a Vendor Fundamental Warranty (as defined in the SPA); and (b) any and all Purchaser Claims under paragraph 5.8.3 of this announcement, shall not individually or collectively in either or both cases (a) and (b) exceed 10% of the Purchase Consideration.

In addition, the Vendor has undertaken to procure that the GESPL does not undertake certain actions pending Completion without the prior written consent of the Company, including declaration or payment of any dividend or other distribution, the incurrence of additional borrowings or any other indebtedness, and creation, allotment or issuance of any share capital or loan capital of GESPL, or any instruments or securities giving rise to a right on the share capital or loan capital of GESPL.

**6. SOURCE OF FUNDS**

The acquisition of the Sale Shares by the Company will be funded through internal resources, bank borrowings and/or debt fund raising (such as the issuance of convertible bonds by the Company, the completion of which had been announced by the Company on 2 April 2025) (as

appropriate). In the event that there are any equity fund raising undertaken by the Company in relation to the Proposed Acquisition, the Company will make a separate announcement on its financial impact in due course.

## 7. DIRECTORS' SERVICE AGREEMENTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

## 8. CATALIST RULE COMPUTATIONS AND PROPOSED ACQUISITION AS A MAJOR TRANSACTION

### 8.1 Relative Figures of the Proposed Acquisition under Chapter 10 of the Catalist Rules

Based on the latest announced unaudited consolidated financial statements of the Group for FY2024, the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules are as follows for the Proposed Acquisition:

<b>Catalist Rules / Bases</b>	<b>Relative Figure (%)</b>
<u>Rule 1006(a):</u> Net asset value of the assets to be disposed of, compared with the net asset value of the Group	Not applicable as this is not a disposal of assets.
<u>Rule 1006(b):</u> Net loss <sup>(1)</sup> attributable to the assets acquired or disposed of, compared with the Group's net profits	(138.11) <sup>(2)</sup>
<u>Rule 1006(c):</u> Aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	45.28 <sup>(3)</sup>
<u>Rule 1006(d):</u> Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as no equity securities will be issued by the Company in connection with the Proposed Acquisition.
<u>Rule 1006(e):</u> The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as the Company is not a mineral, oil and gas company.

**Notes:**

- (1) "Net profits / loss" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (2) Computed based on the unaudited consolidated net loss before tax of the Target Group of S\$14,354,950 for FY2024 and the Group's latest announced unaudited consolidated profit before tax of S\$10,394,019 for FY2024.
- (3) Computed based on the aggregate value of consideration of S\$46,034,273 and the Company's market capitalisation calculated on the volume weighted average price per share of S\$0.3912 on 8 April 2025, being the last market day immediately preceding the date of the SPA in which shares were traded, and the number of issued shares (excluding treasury shares) of the Company.

## 8.2 The Proposed Acquisition as Major Transaction under Chapter 10 of the Catalyst Rules

Pursuant to Catalyst Rule 1007(1), if any of the relative figures computed pursuant to Catalyst Rule 1006 involves a negative figure, Chapter 10 of the Catalyst Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A.

Based on the relative figures set out in paragraph 8.1 of this announcement above, we note the following:

- (a) the relative figure computed under Catalyst Rule 1006(b) involves a negative figure;
- (b) the unaudited consolidated net loss before tax of the Target Group exceeds 10% of the consolidated net profit before tax of the Company (in each case taking into account only the absolute values); and
- (c) the absolute relative figure computed under Catalyst Rule 1006(c) of 45.28% exceeds 5% but does not exceed 75%.

As such, the Proposed Acquisition does not fall within the situations provided for in paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalyst Rules. Accordingly, pursuant to paragraph 4.6 of Practice Note 10A of the Catalyst Rules, Catalyst Rule 1014 shall apply to the Proposed Acquisition, and the Proposed Acquisition would constitute a "Major Transaction", which is subject to the approval of the Shareholders.

## 9. **FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION**

### 9.1 Illustrative Nature of Financial Effects

The financial effects of the Proposed Acquisition on the Group as set out below are for **illustrative purposes only** and are not intended to reflect the actual future financial performance or position of the Group immediately after the Completion. The loss from the Target Group will be consolidated in the Group's financials following the Completion. The financial effects of the Proposed Acquisition set out below have been prepared on the following key bases and assumptions:

- (a) the financial effects of the Proposed Acquisition on the NTA per share and earnings per share ("**EPS**") of the Group are based on (i) the Group's unaudited consolidated financial statements for FY2024, and (ii) the Target Group Unaudited Consolidated Accounts for FY2024;

- (b) for the purposes of illustrating the financial effects of the Proposed Acquisition on the NTA per share of the Group, it is assumed that the Proposed Acquisition had been completed on 31 December 2024;
- (c) for the purposes of illustrating the financial effects of the Proposed Acquisition on the EPS of the Group, it is assumed that the Proposed Acquisition had been completed on 1 January 2024;
- (d) the NTA per share is computed based on 260,246,749 shares in issue (excluding treasury shares) as at 31 December 2024, and the EPS of the Group is computed based on the weighted average of 257,544,531 shares in issue (excluding treasury shares) as at 31 December 2024;
- (e) estimated expenses of approximately S\$150,000 to be incurred in relation to the Proposed Acquisition; and
- (f) the financial effects of the Proposed Acquisition are purely for illustrative purposes only and are neither indicative of the actual financial effects of the Proposed Acquisition on the NTA per share and EPS of the Group, nor do they represent the future financial performance and/or position of the Group immediately following the Completion.

## 9.2 NTA

On the bases and assumptions set out above, the *pro forma* effect of the Proposed Acquisition on the NTA per share of the Group is as follows:

	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Consolidated NTA (S\$'000)	18,255	44,067
Number of shares (excluding treasury shares)	260,246,749	260,246,749
Consolidated NTA per share (S\$ cents)	7.01	16.93

## 9.3 EPS / Loss per share ("LPS")

On the bases and assumptions set out above, the *pro forma* effect of the Proposed Acquisition on the EPS/ LPS of the Group is as follows:

	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Profit/(loss) attributable to equity holders of the Company (S\$'000)	8,955	(5,616)
Weighted average number of shares	257,544,531	257,544,531
EPS/ (LPS) (S\$ cents)	3.48	(2.18)

## 10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 10.1 The interests of the Directors and any persons who hold directly or indirectly 5% or more of the issued shares excluding treasury shares in the Company (the "**Substantial Shareholders**") as at the date of this announcement are as follows:

No.	Directors	Direct Interest		Deemed Interest	
		Number of Shares	%	Number of Shares	%
1.	Sun Renwang	98,400,000	37.86	-	-
2.	Xu Ruibing	98,400,000	37.86	-	-
3.	Chua Siong Kiat	-	-	-	-
4.	Kong Chee Keong	-	-	-	-
5.	Goh Siong Pheck Francis	-	-	-	-

### Notes:

- (1) The percentage is calculated based on 259,907,349 shares (excluding treasury shares) as at the date of this announcement.
- (2) Save for Mr. Sun Renwang and Mr. Xu Ruibing, there is no other Substantial Shareholder as at the date of this announcement.
- 10.2 None of the Company's directors or controlling shareholders or their associates has any interest, direct or indirect, in the Proposed Acquisition (other than through their respective shareholdings in the Company as disclosed in paragraph 10 of this announcement, if any).

## 11. SHAREHOLDERS' APPROVAL

The Company will be convening an EGM to seek Shareholders' approval for the Proposed Acquisition. A circular to Shareholders containing, *inter alia*, further information on the Proposed Acquisition (the "**Circular**"), together with a notice of the EGM, will be despatched by the Company to Shareholders in due course.

## 12. DOCUMENTS FOR INSPECTION

A copy of the SPA, the Valuation Report and the Valuation Summary Letter will be made available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this announcement.

## 13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly

extracted from those sources and/or reproduced in this announcement in its proper form and context.

#### 14. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their shares in the Company. The Proposed Acquisition (or all other transactions in connection therewith and incidental thereto), is subject to numerous conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Acquisition (or all other transactions in connection therewith and incidental thereto), will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

**By Order of the Board of Directors of  
EVER GLORY UNITED HOLDINGS LIMITED**

Xu Ruibing  
Executive Director and Chief Executive Officer

8 April 2025

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*Ever Glory United Holdings Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 18 May 2023. The initial public offering of the Company was sponsored by Novus Corporate Finance Pte. Ltd. (the "**Sponsor**").*

*This announcement has been prepared by the Company and reviewed by the Sponsor, in compliance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.*