



EVER GLORY
UNITED HOLDINGS
LIMITED



**COMMITTED
TO EXCELLENCE**

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**20
24**
ANNUAL REPORT

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	CORPORATE INFORMATION

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

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.



CORPORATE PROFILE

Ever Glory United Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) was incorporated in Singapore on 23 December 2021, under the Companies Act 1967 as a private company limited by shares under the name of Ever Glory United Holdings Pte Ltd. On 25 April 2023, the Company was converted into a public company and was renamed “Ever Glory United Holdings Limited”.

The Group was listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 18 May 2023 (the “**Listing**”).

Our business commenced when Sunbeam M&E Pte. Ltd. (“**Sunbeam**” or “**SBME**”) was incorporated on 14 May 2018 and was initially held by Mr. Xu Ruibing and Mr. Sun Renwang. We have been in operation in the mechanical and electrical (“**M&E**”) engineering industry in Singapore since our inception. Throughout the years, we believe that we have built a reputation as a quality and reliable M&E engineering contractor in Singapore. Our Executive Director and Chief Executive Officer (“**CEO**”), Mr. Xu Ruibing, has almost 30 years of experience in providing M&E engineering services. Members of our core management team each have over 17 years of experience in providing M&E engineering services.

In February 2024, the Group acquired the entire issued and paid-up share capital of Fire-Guard Engineering Pte. Ltd. (“**Fire-Guard**” or “**FG**”) as a subsidiary. FG has more than 30 years of track record in the M&E engineering industry. FG specialises in providing services including design, supply, installation, testing and commissioning and maintenance of Fire Protection system and has a Building and Construction Authority (“**BCA**”) grading of L5 for ME06 fire prevention and protection system.

The Group has grown and expanded beyond its core business and successfully expanded the business into the property industry, and by doing so, the Group can leverage on its existing core business, diversify and reduce the business risks and provide a new income stream to the Group. The Group currently operates principally in the following two (2) business segments:

- (1) Its core business is in the provision of M&E engineering services; and
- (2) Property investment and development.

CORPORATE PROFILE

MECHANICAL AND ELECTRICAL (M&E) ENGINEERING SERVICES

The Company operates through its wholly-owned subsidiary, SBME, which is a Singapore-based M&E engineering contractor, specialising in a wide range of M&E engineering services since 2018. The M&E engineering services include the supply and installation of air-conditioning and mechanical ventilation (“**ACMV**”) systems, electrical engineering systems, fire alarms and fire protection (“**FP**”) systems and plumbing, sanitary and gas (“**PSG**”) systems and the provision of integrated building services (“**IBS**”). Our services involve projects in both private and public sectors, such as development or redevelopment of HDB residential flats, private residential properties, private schools, mixed-use properties, commercial buildings or industrial buildings in Singapore. We provide M&E engineering services as either a nominated subcontractor or a domestic subcontractor. Our public sector projects and private sector projects accounted for approximately 13% and 87% of Group’s total revenue respectively for the financial year ended 31 December 2024.

In December 2024, SBME successfully obtained an upgrade in its BCA grading to L6 category from L5 category for electrical engineering (workhead ME05) and integrated building services (workhead ME15). The upgrade allows SBME to tender “unlimited amount” for electrical projects.

Also, in December 2024, SBME successfully obtained an upgrade of plumbing and sanitary works (workhead ME12) to L5 category from L4 category. The upgrade allows SBME to tender for plumbing and sanitary works for public governance projects worth no more than S\$16 million, as compared to a tendering limit of S\$8 million previously.

Each of our M&E engineering services are described below:

(a) **ACMV systems**

We are a specialist in ACMV systems for both public sector and private sector buildings.

The range of services we provide includes:

- design and build, supply, installation, testing and commissioning of centralised air-conditioning system for commercial, institutional and industrial buildings;
- supply and installation of split or multi-split type and variable refrigerant volume type air-conditioning system for residential and commercial buildings;
- supply and installation of mechanical ventilation system for carpark, plant rooms, corridor and staircase of residential and commercial buildings; and
- supply, installation, testing and commissioning of building management system for residential and commercial buildings.

(b) **Electrical engineering systems**

We supply and install electrical engineering systems for buildings, generally involving the supply, installation, testing and commissioning of networks of high-voltage switchgears, transformers, main switchboards and distribution boards, generators, underground piping works, submain cables including cable supporting systems, final circuit wiring for lightings and powers, extra low voltage systems, light fittings, fans, uninterruptible power supply, earthing systems and lightning protection systems.

(c) **FP systems**

We design, supply and install fire protection systems for buildings. Our range of services includes the design, supply, installation, testing and commissioning of the equipment, piping networks, appliances and fittings for fire protection systems such as the fire hydrant system, wet or dry riser system, fire hose reel system, automatic fire sprinkler system, automated fire alarm system, fireman intercom system, foam system, fire suppression system, fire extinguishing system and other fire specialist systems.

CORPORATE PROFILE

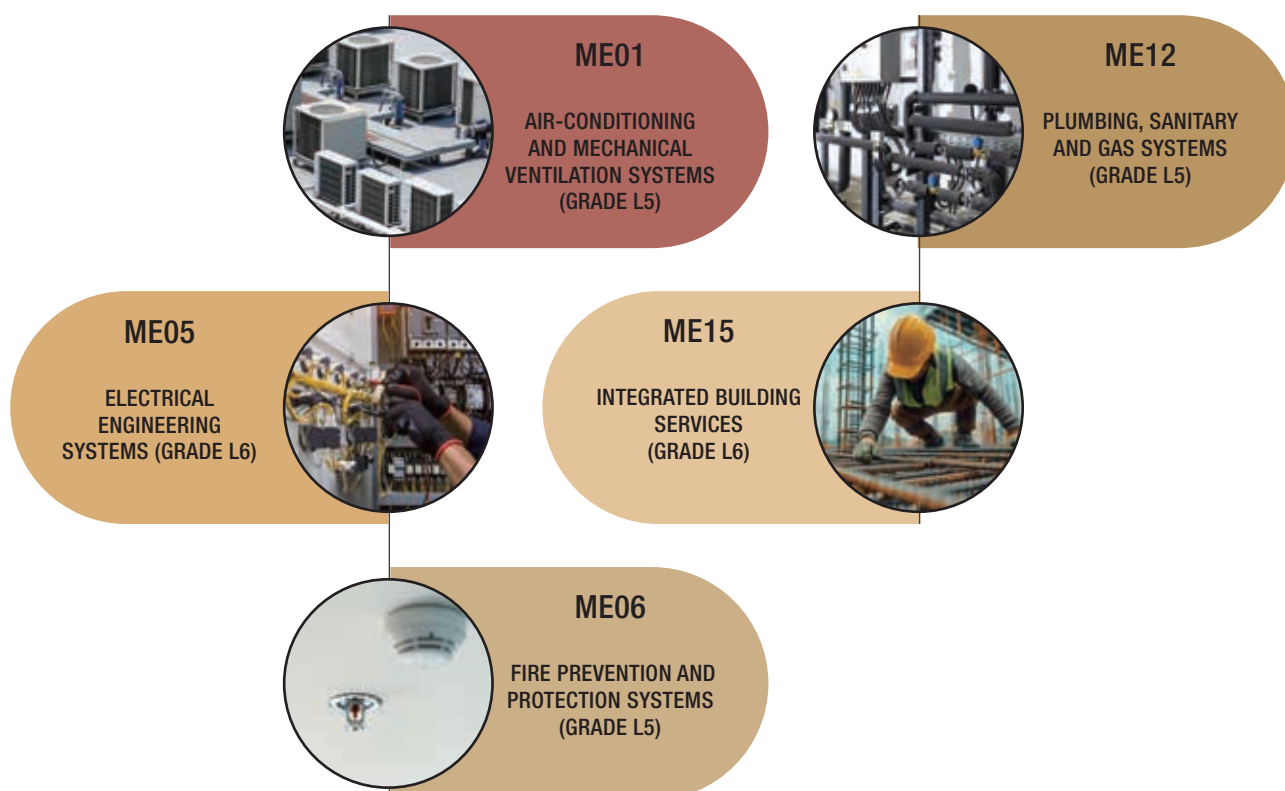
(d) PSG systems

We design, supply and install water supply sanitary and drainage systems, gas supply systems and rainwater drainage systems for buildings. Our range of services includes the design, supply, installation, testing and commissioning of the equipment, piping networks, appliances and fittings for the plumbing, sanitary, gas and drainage systems such as the potable water supply and pumping system, NEWater supply and pumping system, minor sewer system, sanitary drainage and pumping system, gas supply system, detention of storm water pumping system, conventional rainwater system, siphonic rainwater system and other PSG-related systems.

(e) IBS

We are graded “L6” by the Building and Construction Authority (“**BCA**”) which allows us to take on IBS projects in the public sector. This also allows us to tender for projects in the areas of ACMV systems, electrical engineering systems, FP systems and PSG systems as an integrated project instead of submitting individual tenders for each area of specialisation.

We successfully obtained the following registration of M&E work-head by BCA:



PROPERTY INVESTMENT AND DEVELOPMENT

The Group has expanded into the property investment and development segment in 2023, with the incorporation of a wholly-owned subsidiary in Singapore known as Ever Capital Pte. Ltd. (“**ECPL**”). The principal business of ECPL is property development business activity, which includes property development, construction and property investment.

The Group’s joint development project is a 20 units freehold residential flat project at District 14 Geylang Singapore, which is scheduled for the issuance of its Temporary Occupation Permit (“**TOP**”) in end-2028.

In August 2024, the Group invested in a new joint development project for a food factory at 2C Mandai Estate, Singapore, which is scheduled for the issuance of its TOP in end-2027.

AWARDS AND ACCREDITATIONS

Over the years, in recognition of our quality management and work safety, we have received a number of accreditations and awards. We were accredited with ISO 9001:2015 (Quality Management System), ISO 45001:2018 (Occupational Health and Safety Management System) and bizSAFE Star for workplace safety and health.

CORPORATE MISSION

To provide a one-stop engineering solution for full M&E engineering services in the building and construction market with excellent quality, cost effectiveness and total customer satisfaction.

To enhance shareholders' value by expanding in property, building and construction and engineering markets.

Moving forward, the Group will continue to explore new business opportunities by acquiring new businesses or investing in property development and investment projects to enhance shareholders' return.

BUSINESS OUTLOOK

According to a media release by Building and Construction Authority ("**BCA**") on 23 January 2025¹, Singapore's construction demand in 2025 will range between S\$47 billion and S\$53 billion in nominal terms. This anticipated increase is primarily driven by several large-scale developments, including Changi Airport Terminal 5 and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing developments and upgrading works.

In 2024, the preliminary total construction demand reached S\$44.2 billion, surpassing BCA's mid-year revised forecast of S\$35 billion to S\$41 billion. This was mainly attributed to the rollout of more public institutional projects, as well as public and private housing projects.

Looking ahead, BCA expects the total construction demand to average between S\$39 billion and S\$46 billion per year from 2026 to 2029. This medium-term demand will be supported by developments such as Changi Airport Terminal 5, a steady pipeline of public housing projects, MRT expansions including the Cross Island Line (Phase 3) and the Downtown Line Extension to Sungei Kadut, and various urban rejuvenation initiatives. Overall, the outlook for Singapore's construction sector remains robust, with significant contributions from both public and private sector projects expected to sustain growth in the coming years.

In relation to the Group's property development and investment segment, the Group has invested in 2 joint development projects, a 20 units freehold residential flat project at District 14 Geylang Singapore, which is scheduled for Temporary Occupation Permit (TOP) in end-2028 and a 69 units food factory at 2C Mandai Estate Singapore, which is scheduled for Temporary Occupation Permit (TOP) in end-2027. Going forward, the Group will continue to explore new business opportunities by acquiring new businesses or investing in property development projects to enhance shareholders' return.

¹ <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2025/01/23/construction-demand-to-remain-strong-for-2025>

GROUP STRUCTURE

As at 31 December 2024



EVER GLORY UNITED HOLDINGS LIMITED
恒荣集团

100%

SUNBEAM M&E PTE. LTD.
瑞阳工程私人有限公司

EVER CAPITAL PTE. LTD.
恒雅地产私人有限公司

FIRE-GUARD ENGINEERING PTE. LTD.

25%

10%

PRIMEST LAND V1 PTE. LTD.

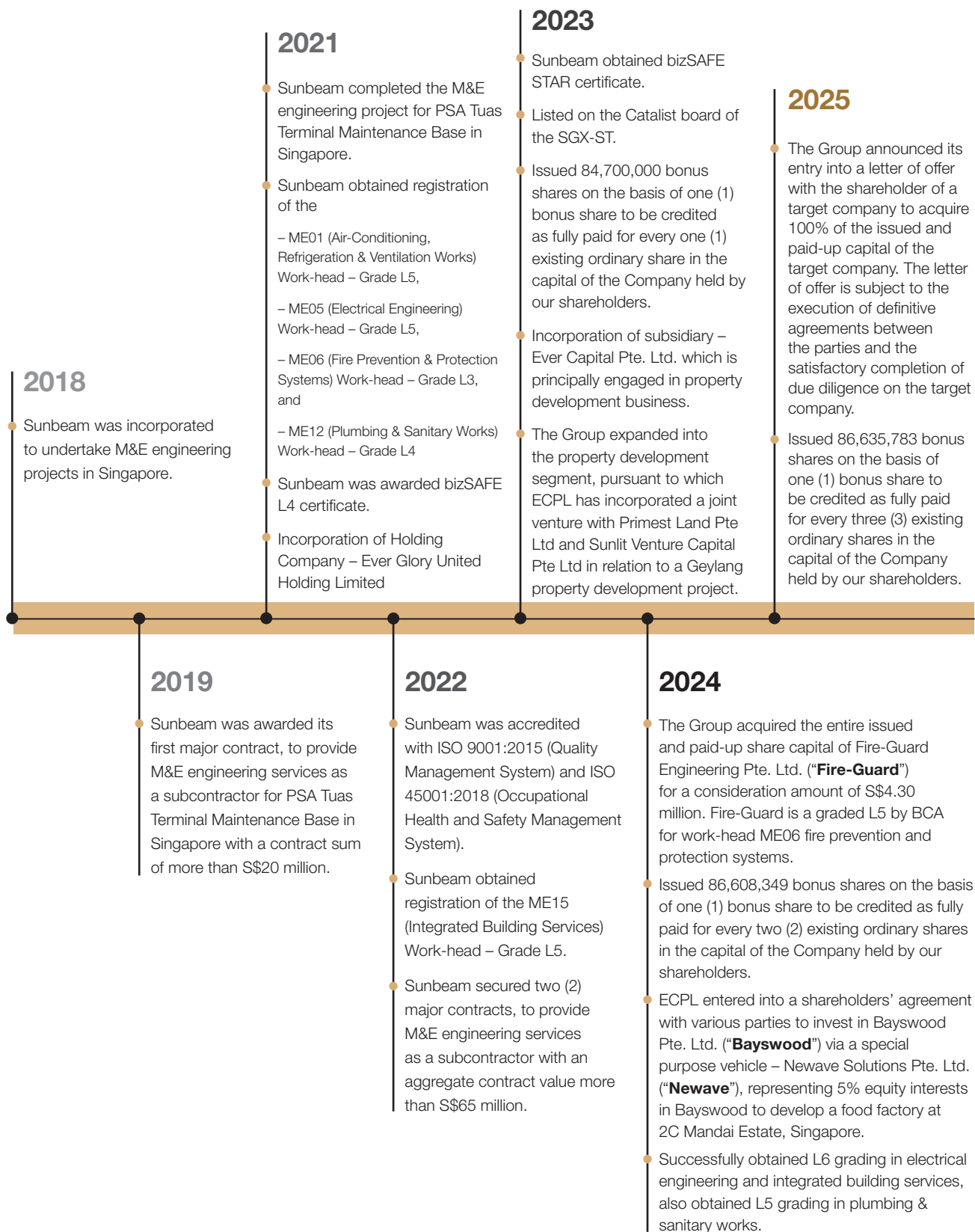
NEWAVE SOLUTION PTE. LTD.

48%

BAYSWOOD PTE. LTD.

CORPORATE MILESTONES

A summary of the key milestones of our Group since incorporation is set out below:



CHAIRMAN'S AND CEO'S MESSAGE

Dear shareholders,

On behalf of the Board of Directors (the “**Board**”) of the Company, we would like to present you our Annual Report for the financial year ended 31 December 2024 (“**FY2024**”).

The Group recorded revenue of S\$74.67 million for FY2024, an increase of 57.3% compared to S\$47.48 million in financial year ended 31 December 2023 (“**FY2023**”) mainly due to an increased number of on-going M&E engineering projects. The overall gross profit margin in FY2024 was 14.95%, lower than the 23.07% achieved in FY2023. The lower gross profit margin was mainly due to the presence of higher project margin projects in FY2023.

The Group recorded a profit before tax of S\$10.39 million in FY2024 compared to profit before tax of S\$8.59 million in FY2023 because of a higher share of results of a joint venture and bargain purchase in relation to the acquisition of Fire-Guard, partially offset by the increase in general and administrative expenses consisting of employee benefit expense, depreciation and amortisation expenses and other professional fees.

Over the past year, the global construction industry has faced numerous challenges, including rising material costs, supply chain disruptions and labour shortages. However, with our strong foundation, exceptional execution capabilities and adaptive strategies, we have successfully navigated these difficulties and continued to achieve steady progress in a highly competitive market.

In FY2024, our existing property investment and development segment did not contribute to the Group’s revenue or profit. We are pleased to report that the M&E engineering services segment continues to be a key driver of growth for the Group. With our current order book and significant project completions, we have further strengthened our position in M&E engineering market.

We remain committed to continuously provide high quality and timely services at competitive prices to the satisfaction of our customers and we have continuously maintained good business relationships with our existing customer, consultants, main contractors, suppliers and subcontractors. As a result, our business continues to grow through repeat business, referrals and recommendations. Our Group’s established partnerships with certain suppliers and subcontractors facilitate resources deployment and division of labour, and such established partnerships are based on prior business relationships, track record and ability in project delivery. By leveraging the existing good working relationships built on collaboration with these industry stakeholders, time and costs are saved in our day-to-day operations. Accordingly, SBME, as an existing M&E contractor, generally has better execution capacity than new entrants.

Throughout the years, we believe that our executive director and key management team’s experience in the M&E engineering industry has allowed us to readily establish our presence in the industry. With a strong management team that brings on board their extensive industry knowledge and project expertise in M&E engineering services, we believe that our Group is able to deliver quality and satisfactory services to our customers, and maintain our competitive edge in the M&E engineering sector.

CHAIRMAN'S AND CEO'S MESSAGE

As we look ahead, we aim to explore new business opportunities for growth, including expanding our presence in property development through investments, and acquiring new businesses. By broadening our business scope, we aim to create new revenue streams that will contribute to the Group's long-term success and enhance shareholders' return.

In appreciation of your ongoing support, I am pleased to announce that the Board has proposed a final dividend of 0.25 Singapore cents per share, subject to approval at the upcoming Annual General Meeting. The lower final cash dividend for FY2024, as compared to that of FY2023 final dividend, is meant to conserve cash resources for the Group's strategic development. In light of the lower final cash dividend for FY2024, we have, on 13 March 2025, announced a proposed issue of bonus shares on the basis of one (1) bonus share to be credited as fully paid for every three (3) existing ordinary shares in the capital of the Company held by our shareholders.

On behalf of the Board, we would like to express our sincere appreciation to the management team and staff for their efforts in ensuring the success of the Group. We would also like to extend our thanks to our shareholders, clients, business associates, consultants, suppliers and sub-contractors for their continued trust and support. With your continued support, we will achieve even greater success in FY2025 and beyond.

Mr Xu Ruibing
Executive Director & CEO

Mr Sun Renwang
Non-Independent Non-Executive Chairman



BOARD OF DIRECTORS

MR. XU RUIBING
Executive Director and CEO

Mr. Xu Ruibing is our Executive Director and CEO and was appointed to our Board on 23 December 2021.

Mr. Xu is a co-founder of the Group. He has almost 30 years of experience in M&E engineering and project management. He is primarily responsible for the overall management and formulation of business strategies of our Group. He has been involved in all key aspects of the operations and business of the Group including the tendering process and project management processes of the Group. He also establishes and maintains a good network with developers, customers and consultants within the construction industry.

Before he co-founded the Group in 2018, Mr. Xu was an executive director of Kin Xin Engineering Pte Ltd ("**Kin Xin**") and its parent company, Libra Group Limited.

Mr. Xu holds a Bachelor of Engineering, specialising in electrical engineering, from Northwestern Polytechnical University, the People's Republic of China ("**PRC**").

MR. SUN RENWANG
*Non-Independent
Non-Executive Chairman*

Mr. Sun Renwang, is our Non-Independent Non-Executive Chairman and was appointed to our Board on 23 December 2021, and was last re-elected on 29 April 2024.

In 2018, Mr. Sun co-founded the Group with Mr. Xu. He has almost 30 years of experience in the construction industry.

Since 2000, Mr. Sun has founded various building construction companies such as Chan Rong Fen Building Construction Pte. Ltd. in 2000, Century Building Construction Pte. Ltd. in 2013, and SG United Construction Pte Ltd in 2018. He also ventured into property development and property investments with the incorporation of RWSun Pte. Ltd. in 2012, CPF Land Pte. Ltd. in 2018 and RWSun Development Pte. Ltd. in 2021.

BOARD OF DIRECTORS

MR. CHUA SIONG KIAT
*Lead Independent
Non-Executive Director*

Mr. Chua Siong Kiat is our Lead Independent Non-Executive Director, and was appointed to our Board on 20 April 2023 and was last re-elected on 29 April 2024. Mr. Chua chairs the Audit Committee and is a member of the Remuneration Committee and the Nominating Committee.

Mr. Chua is an experienced corporate financial executive and consultant with substantial international broad-based financial and management experience of close to 30 years, with exposure in leadership, business strategy and management, corporate governance and compliance, group restructuring, investor relations, corporate finance and mergers and acquisitions, public listing, financial reporting, controls and planning; and having lived and worked in London, Beijing, Ho Chi Minh City and Singapore. He is a director of Lighthouse Business Consulting Pte Ltd, a boutique business consulting firm he founded in 2017. He is currently the chief financial officer (“**CFO**”) of Memiontec Holdings Ltd., a SGX-listed company and serves as the independent non-executive director to three other publicly listed companies.

Mr. Chua is a Fellow Chartered Certified Accountant (FCCA), Fellow Chartered Accountant of Singapore (FCA, Singapore), Certified Internal Auditor (CIA), Chartered Valuer and Appraiser (CVA) and Senior Accredited Director by Singapore Institute of Directors (SID-SRAD). He holds a Master of Business Administration and Diploma of the Imperial College in Management (MBA, DIC) from Imperial College London Business School, University of London.

MR. KONG CHEE KEONG
*Independent Non-Executive
Director*

Mr. Kong Chee Keong is our Independent Non-Executive Director, and was appointed to our Board on 20 April 2023. Mr. Kong Chee Keong currently chairs the Remuneration Committee and is a member of the Audit Committee and Nominating Committee.

Mr. Kong is a Chartered Accountant with more than 27 years of experience in corporate development, private equity investment as well as accounting and corporate governance across various industries. He started Penvest Co Pte Ltd in 2011, where he owned and developed several clean energy projects. He then led Darco Water Technologies Limited, a water and wastewater engineering listed company as Executive Director and CEO from 2021 to 2022. Currently, Mr. Kong serves as the lead independent non-executive director of JEP Holdings Limited as well as an independent non-executive director of PC Partner Group Limited.

Mr. Kong holds a Bachelor of Accountancy from the National University of Singapore and an MBA from the University of Manchester. He is a member of the Institute of Singapore Chartered Accountants and a fellow member of the Singapore Institute of Directors (SID).

BOARD OF DIRECTORS

MR. GOH SIONG PHECK FRANCIS
Independent Non-Executive Director

Mr. Goh Siong Pheck Francis is our Independent Non-Executive Director, and was appointed to our Board on 20 April 2023. Mr. Goh currently chairs the Nominating Committee and is a member of the Audit Committee and Remuneration Committee.

Mr. Goh is a qualified Mediator, Arbitrator and Lawyer. He has been practicing law in Singapore since 1991. He is currently a Consultant at Legis Point LLC. An early adopter of mediation since 2001, Mr. Goh has incorporated mediation techniques into his dispute resolution practice. He weaves litigation, arbitration and mediation expertise to obtain outcomes enabling clients and parties to 'get back to doing business' in a time and cost-efficient way. Mr. Goh's current focus is on acting as a mediator in cross-border commercial dispute cases as well as training in the fields of mediation and advocacy skills. Mr. Goh is the Chairman of the Advocacy Committee of the Law Society of Singapore. Mr. Goh is a Fellow of the Chartered Institute of Arbitrators and the Singapore Institute of Arbitrators. Mr. Goh is an Adjudicator at the Financial Industry Disputes Resolution Centre. Mr. Goh is a mediator on the panel of many institutions including the Singapore Mediation Centre, the Singapore International Mediation Centre, Law Society of Singapore Mediation Panel, American Arbitration Association – International Centre for Dispute Resolution (AAA-ICDR), SAGE Mediation, the Brunei Darussalam Arbitration Centre, and the Vietnam International Arbitration Centre.

Mr. Goh is a certified mediator recognised by the Singapore International Mediation Institute and International Mediation Institute ("IMI") which is the highest certification of a mediator recognised by Singapore Law. He is also an IMI Certified Mediation Advocate. He holds a Bachelor of Law from National University of Singapore.



KEY MANAGEMENT TEAM

MS. NG CHOU YUAN
Group Financial Controller

Ms. Ng Chou Yuan is the Financial Controller of our Group and is responsible for the finance and accounting matters of our Group. She joined SBME as an assistant accounts manager in September 2018 and was subsequently promoted to Financial Controller in 2022. Ms. Ng is currently a non-executive director of Primest Land V1 Pte. Ltd.

Ms. Ng has more than 12 years of experience in audit and accounting. Prior to her appointment in SBME, she was an accountant at Kin Xin, a wholly-owned subsidiary of Libra Group Limited.

Ms. Ng is qualified as a Chartered Accountant of Singapore and she is a member of the Institute of Singapore Chartered Accountants.

MS. LEI LEI
General Manager of SBME

Ms. Lei Lei is the General Manager of SBME and is responsible for the day-to-day operations of SBME. She joined SBME as a general manager in October 2018. She oversees various projects and ensures the smooth operation and completion of the projects.

Ms. Lei has almost 18 years of experience in the M&E engineering services industry, specialising in providing ACMV works. Prior to her appointment in SBME, she was a general manager of Kin Xin.

Ms. Lei holds a Master's Degree of Science (Mechanical Engineering) from Nanyang Technological University and a Bachelor of Engineering (specialising in construction environment and equipment engineering) from Central South University, PRC.

KEY MANAGEMENT TEAM

MR. SU YAN PEI
*Deputy General Manager
and Head of ACMV
department of SBME*

Mr. Su Yan Pei is the Deputy General Manager and Head of ACMV department of SBME and is responsible for the management and operation of projects in respect of ACMV works undertaken by SBME. He joined SBME as deputy general manager and head of ACMV department in May 2023.

Mr. Su has almost 20 years of experience in the M&E engineering services industry, specialising in providing ACMV works. Prior to his appointment in SBME, he was an assistant managing director of Great Resources M&E Contractor Pte Ltd.

Mr. Su holds a Master of Science (International Construction Management) from Nanyang Technological University and Bachelor of Engineering (specialising in building environment and equipment engineering) from Dalian University of Technology, PRC.

MR. SU CHANG
*Deputy General Manager and
Project Director of SBME*

Mr. Su Chang is the Deputy General Manager and Project Director of SBME and is responsible for the management and operation of certain projects undertaken by SBME. He joined SBME as a project director in April 2020 and was subsequently promoted to the Deputy General Manager and Project Director in 2023.

Mr. Su has almost 18 years of experience in the M&E engineering services industry, specialising in providing PSG works. Prior to his appointment in SBME, he co-founded Sintop M&E Pte Ltd, which was engaged in providing M&E engineering services.

Mr. Su holds a Bachelor of Engineering from Tongji University, PRC. He is a licensed plumber with the Public Utilities Board of Singapore.

KEY MANAGEMENT TEAM

MR. YANG WENBO
*Head of Department (PSG and
Fire Protection) of SBME*

Mr. Yang Wenbo is the Head of Department (PSG and Fire Protection) of SBME and is responsible for managing projects in respect of PSG and FP works undertaken by SBME. He joined SBME in July 2019 as a senior project manager and was subsequently promoted to the Head of Department (PSG and Fire Protection) in 2022.

Mr. Yang has over 30 years of experience in the M&E engineering services industry, specialising in providing PSG works. Prior to his appointment in SBME, he was a project manager at Newcon Builders Pte. Ltd., and was briefly a senior project manager of AAL Engineering Pte. Ltd.

Mr. Yang holds a higher education in water supply and drainage from HuBei Radio and Television University, PRC.

MS. HAU CHIU SI
Procurement Manager of SBME

Ms. Hau Chiu Si is the Procurement Manager of SBME and is in charge of the procurement department. She joined SBME as the Procurement Manager in July 2018.

Ms. Hau has more than 18 years of experience in the area of procurement. Prior to her appointment in SBME, she was an assistant procurement manager at Kin Xin.

Ms. Hau holds an Executive Diploma in Business Administration from University of Technology, Sydney.

KEY MANAGEMENT TEAM

MR. CHEE TEOW SIONG
*Business Development
Director of FG*

Mr. Chee Teow Siong is the Business Development Director of FG and is responsible for business development, maintaining current business relationships with clients and consultants and identifying and building new business opportunities and partnerships of FG.

He has more than 40 years of experience in M&E engineering services industry and project management, specialising in providing fire protection works. He joined FG since 1984 as a project manager.

Mr. Chee holds a Technical Diploma in Mechanical Engineering from Singapore Polytechnic.

MR. LIM TECK SENG
General Manager of FG

Mr Lim Teck Seng is the General Manager of FG and is responsible for overseeing the tendering department and project management of FG.

He has more than 30 years of experience in M&E engineering services industry, specialising in providing fire protection works. He joined FG since 1991 as a project manager.

Mr. Lim holds a Diploma in Mechanical Engineering from Singapore Polytechnic.

KEY MANAGEMENT TEAM

MS. CHEE YEN MING
Deputy General Manager of FG

Ms Chee Yen Ming is the Deputy General Manager of FG and is responsible for overseeing daily operations of FG including admin, accounts, procurement and human resources department.

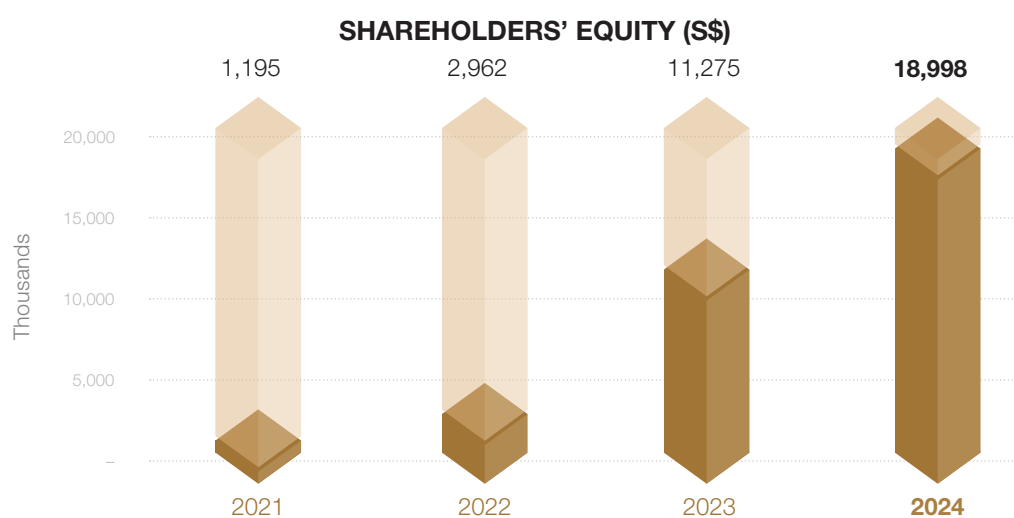
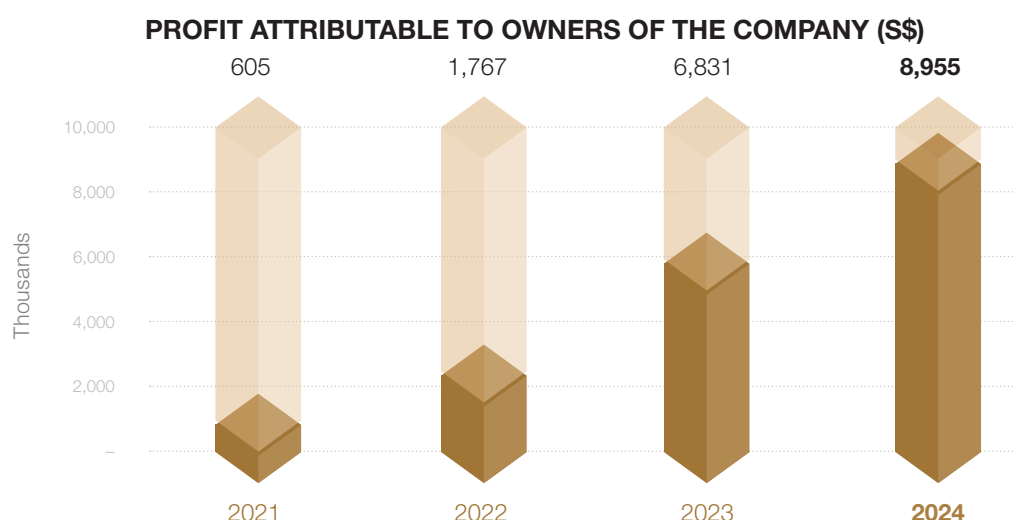
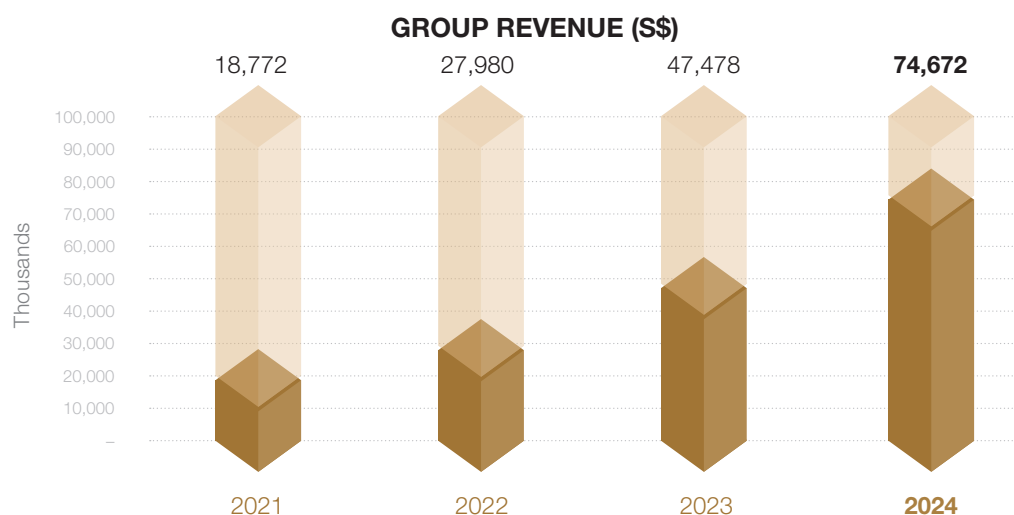
She has more than 20 years of experience in human resources, accounts and procurement. She joined FG since year 2001 as accounts cum admin executive.

Ms. Chee holds a Bachelor of Arts from the National University of Singapore.



FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE



FINANCIAL REVIEWS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	FY2024	FY2023	Increase/ (Decrease)	Increase/ (Decrease)
	S\$'000	S\$'000	S\$'000	%
Revenue	74,672	47,478	27,194	57.3%
Cost of Sales	(63,511)	(36,524)	26,987	73.9%
Gross profit	11,161	10,954	207	1.9%
Other income	1,838	405	1,433	>100%
General and administrative expenses	(3,461)	(1,525)	1,936	>100%
Other expenses	—	(1,268)	(1,268)	NM*
Finance costs	(146)	(39)	107	>100%
Share of results of an associate, net of tax	(8)	—**	8	NM*
Share of results of a joint venture, net of tax	1,010	62	948	>100%
Profit before income tax	10,394	8,589	1,805	21.0%
Income tax expense	(1,439)	(1,758)	(319)	(18.1%)
Profit for the financial year, representing total comprehensive income for the year	8,955	6,831	2,124	31.1%

* NM denotes "not meaningful".

** Amount is less than \$1,000

STATEMENTS OF FINANCIAL POSITION

	FY2024	FY2023	Increase/ (Decrease)	Increase/ (Decrease)
	S\$'000	S\$'000	S\$'000	%
Non-current assets	4,593	1,289	3,304	>100%
Current assets	43,562	23,612	19,950	84.5%
Non-current liabilities	469	474	(5)	(1.1%)
Current liabilities	28,688	13,152	15,536	>100%
Net asset value	18,998	11,275	7,723	68.5%

CONSOLIDATED STATEMENTS OF CASH FLOWS

	FY2024 S\$'000	FY2023 S\$'000
Cash and cash equivalents at beginning of year	5,156	498
Net cash generated from operating activities	9,430	5,966
Net cash used in investing activities	(2,051)	(710)
Net cash used in financing activities	(3,756)	(598)
Cash and cash equivalents at the end of the year	8,779	5,156

FINANCIAL REVIEWS

REVIEW OF INCOME STATEMENT

REVENUE

The Group's revenue increased by approximately S\$27.19 million or 57.3% from approximately S\$47.48 million in FY2023 to approximately S\$74.67 million in FY2024. The increase in revenue was mainly due to an increased number of on-going M&E engineering projects.

COST OF SALES

The Group's cost of sales increased by approximately S\$26.99 million or 73.9% from approximately S\$36.52 million in FY2023 to approximately S\$63.51 million in FY2024. The increase in cost of sales was mainly due to an increased number of on-going M&E engineering projects.

GROSS PROFIT

The Group's gross profit increased by approximately S\$0.21 million from approximately S\$10.95 million in FY2023 to approximately S\$11.16 million in FY2024. The increase in gross profit derived from M&E engineering was mainly due to an increased number of on-going M&E engineering projects.

GROSS PROFIT MARGIN

The Group's gross profit margin decreased from 23.07% in FY2023 to 14.95% in FY2024 due to the presence of higher profit margin projects in FY2023.

OTHER INCOME

Other income increased by approximately S\$1.44 million from approximately S\$0.40 million in FY2023 to approximately S\$1.84 million in FY2024, mainly due to (i) the increase in bargain purchase of S\$1.08 million in relation to the acquisition of FG, (ii) the increase in management fees of joint venture project of approximately S\$0.31 million, (iii) the increase in sundry income of approximately S\$0.02 million consisting of administrative charge income and foreign exchange gain, (iv) the increase in fixed deposit interest income of approximately S\$0.07 million, (v) the increase in gain on provision contingent consideration of approximately S\$0.18 million and (vi) partially offset by a decrease in government grant of approximately S\$0.22 million.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses increased by approximately S\$1.94 million from approximately S\$1.52 million in FY2023 to approximately S\$3.46 million in FY2024. The increase was mainly due to (i) the increase in employee benefit expenses of approximately S\$0.90 million arising from increased staff headcount, (ii) the increase in depreciation and amortisation expenses of approximately S\$0.39 million mainly arising from additional right-of-use assets, plant and equipment as well as intangible assets, and (iii) the increase in other expenses of approximately S\$0.65 million consisting mainly professional fees, upkeep of computer and software, upkeep of motor vehicle and other office and general expenses.

OTHER EXPENSES

Other expenses decreased by approximately S\$1.27 million in FY2023 to nil in FY2024, due to one-off listing expenses incurred in FY2023.

FINANCE COSTS

Finance costs increased by approximately S\$0.11 million from approximately S\$0.04 million in FY2023 to approximately S\$0.15 million in FY2024. The increase was mainly due to the increase in utilisation of bank borrowing and the increase in lease liabilities.

SHARE OF RESULTS OF JOINT VENTURES

Share of results of joint ventures, net of tax relates to two of the Company's joint arrangement with Sunley M&E Engineering Pte. Ltd. to jointly provide M&E engineering services for development of a hotel erection building and a business park building. The Company's share of profit of a joint venture increased by approximately S\$0.94 million from approximately S\$0.06 million in FY2023 to approximately S\$1.00 million in FY2024. The increase was mainly due to higher revenue generated from the joint project as one of the projects were completed in 2024.

INCOME TAX EXPENSES

Income tax expense decreased by approximately S\$0.32 million in FY2024, mainly due to under provision in the year of assessment 2020 to year of assessment 2022 income tax recorded in FY2023.

PROFIT AFTER TAX FOR THE FINANCIAL YEAR

As a result of the above, profit after tax for FY2024 increased by approximately S\$2.13 million, from approximately S\$6.83 million in FY2023 to approximately S\$8.96 million in FY2024.

FINANCIAL REVIEWS

● REVIEW OF FINANCIAL POSITION

The Group's non-current assets increased by approximately S\$3.30 million, from approximately S\$1.29 million as at 31 December 2023 to approximately S\$4.59 million as at 31 December 2024. The increase was mainly due to increase in intangible assets arising from acquisition of a subsidiary of S\$0.73 million, increase in investment in an associate of S\$1.04 million, addition of right-of-use assets of S\$0.12 million, addition of plant and equipment of S\$0.14 million, increase in investment in joint ventures of S\$0.02 million and loan receivables from investee of S\$1.25 million relating to the Group's investment in a property development project.

The Group's current assets increased by approximately S\$19.95 million, from approximately S\$23.61 million as at 31 December 2023 to approximately S\$43.56 million as at 31 December 2024. The increase was due to increases in cash and bank balances of S\$3.02 million, fixed deposits of S\$2.83 million, trade and other receivables of S\$11.72 million, contract assets of S\$2.30 million, and inventories of S\$0.08 million arising from advanced purchases of materials by FG. As at 31 December 2024, our average trade receivables turnover days were approximately 32 days.

The Group's current liabilities increased by approximately S\$15.54 million, from approximately S\$13.15 million as at 31 December 2023 to approximately S\$28.69 million as at 31 December 2024. This was mainly due to an increase in trade and other payables of S\$10.19 million, lease liabilities of S\$0.07 million, bank borrowings of S\$2.93 million, income tax payables of S\$1.57 million, contract liabilities of S\$0.23 million and provisions of S\$0.55 million. As at 31 December 2024, our average trade payables turnover days were approximately 40 days.

The Group's non-current liabilities remained constant as S\$0.47 million as at 31 December 2024 and 2023, as a result of an increase in deferred tax liabilities from nil as at 31 December 2023 to S\$0.12 million as at 31 December 2024 and increase in lease liabilities of S\$0.04 million, which was partially offset by decrease in bank borrowings of S\$0.17 million.

The Group's total equity increased by approximately S\$7.72 million, from approximately S\$11.28 million as at 31 December 2023 to approximately S\$19.00 million as at 31 December 2024. The increase was mainly due to the issue of new ordinary shares for acquisition of a subsidiary of S\$1.80 million and issue of award shares pursuant to PSP of S\$0.43 million and the Group's profit of S\$8.96 million, partially offset by an increase in treasury shares of S\$0.43 million and dividend paid of S\$3.03 million.

● REVIEW OF CASH FLOWS

The Group reported a net increase in cash and cash equivalents mainly due to net cash generated from operating activities, partially offset by net cash used in investing activities and financing activities.

The Group net cash generated from operating activities amounted to approximately S\$9.43 million in FY2024, mainly due to operating cash flows before movements in working capital of S\$9.40 million and net working capital inflow of S\$0.13 million, partially offset by income tax paid of S\$0.10 million.

The Group net cash used in investing activities amounted to approximately S\$2.05 million in FY2024, mainly due to investment in an associate of S\$1.05 million, investment in joint ventures of S\$0.23 million, loan to investment project of S\$1.25 million, purchase of plant and equipment of S\$0.19 million, purchase of intangible assets of S\$0.02 million and acquisition of subsidiary, net of cash required of S\$0.64 million, partially offset by return on capital from joint ventures of S\$0.46 million, dividend received from joint venture of S\$0.76 million and interest received of S\$0.11 million.

The Group net cash used in financing activities amounted to approximately S\$3.76 million in FY2024, mainly due to proceeds from bank borrowings of S\$7.26 million, partially offset by increase in fixed deposits pledged of S\$2.23 million, purchase of treasury shares of S\$0.43 million, dividends paid of S\$3.03 million, repayments of bank borrowings and lease liabilities (including interest) of S\$4.93 million and repayment to director of S\$0.40 million.

As a result of the above, overall cash and cash equivalents increased by approximately S\$3.62 million, from approximately S\$5.16 million as at 31 December 2023 to approximately S\$8.78 million as at 31 December 2024.

SUBSEQUENT EVENTS

On 10 March 2025, the Company announced that it had entered into a subscription agreement with various subscribers for the subscription of convertible bonds of an aggregate principal of S\$5 million. The issuance was subsequently completed on 2 April 2025.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Ever Glory United Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) is committed in upholding high standards of corporate governance and practices throughout the Group, as a fundamental part of its responsibilities to protect shareholders’ interests, enhance shareholders’ value and the financial performance of the Group.

This report describes the Group’s corporate governance practices and structures that were in place for the financial year ended 31 December 2024 (“**FY2024**”) with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) pursuant to Rule 710 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”).

The Board is pleased to report that the Company has adhered to all principles set out in the Code. Where there were deviations from any provisions of the Code, appropriate disclosures and explanations for the deviations and how the practices adopted are consistent with the intent of the relevant principles are provided in this report.

BOARD MATTERS

The Board, as at the date of this Annual Report, comprises the following members:

Name of Director	Designation	Board Committee Membership		
		AC	NC	RC
Mr. Sun Renwang	Non-Independent Non-Executive Chairman	–	–	–
Mr. Xu Ruibing	Executive Director and Chief Executive Officer (“ CEO ”)	–	–	–
Mr. Chua Siong Kiat	Lead Independent Non-Executive Director	Chairman	Member	Member
Mr. Goh Siong Pheck Francis	Independent Non-Executive Director	Member	Chairman	Member
Mr. Kong Chee Keong	Independent Non-Executive Director	Member	Member	Chairman

The profiles of each Director are presented under the “Board of Directors” section of the Annual Report.

The Board’s Conduct of Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1 of the Code: Directors’ duties and responsibilities

The Board is entrusted with the responsibility for the overall management of the Company.

The principal functions of the Board, in addition to carrying out its statutory responsibilities are, *inter alia*, as follows:

- overseeing the Company’s business and its performance and being collectively responsible for the long-term success of the Company;
- overall responsible for establishing and maintaining a framework of good corporate governance in the Group, including the risk management system and internal controls to safeguard shareholders’ interests and the Group’s assets and to take into account the interests of key stakeholder groups in its decision making;
- providing their independent judgement, diverse knowledge and experience to bear on issues of strategy, performance, resources and standards of conduct and ethics;

CORPORATE GOVERNANCE REPORT

- regularly reviewing the Group's strategic business plans, the assessment of key risks by Management and the operational and financial performance of the Group to enable the Group to meet its objectives;
- responsible for shaping the Company's strategic direction and integrating sustainability components including the consideration of Environmental, Social and Governance ("**ESG**") factors into all the Company's business and operations. The Board will work alongside the Management to advance sustainability efforts within the Company;
- acting objectively in the best interests of the Company and holding Management accountable for performance; and
- putting in place a code of conduct and ethics, setting forth an appropriate tone and desired organisational culture, and ensuring proper accountability within the Company.

All Directors recognise that they must discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company and act in good faith by exercising due care in discharging their responsibilities, and form their own independent views when making decisions. The Board is a representation of the shareholders in the Company and is accountable to them through effective governance of the business. The Board works closely with the management of the Group ("**Management**") and holds Management accountable for the performance of the Group. All Directors are required to avoid situations where their own personal or business interests may conflict or appear to conflict with the interests of the Company.

Where a Director has a conflict of interest in the matter discussed, or it appears that the Director might have a conflict of interest in relation to the matter discussed, the Director must immediately declare his personal or business interests at the Board meeting or send a written notice to the Company containing details of his personal or business interests in the matter and the actual or potential conflict of interest.

Any Director facing a conflict of interest in the matter discussed will recuse himself from the discussions and abstain from participating in any Board decisions and voting on any resolutions regarding the matter and refrain from exercising any influence over other members of the Board, unless the Board is of the opinion that his presence and participation is necessary to enhance the efficacy of such discussions.

Provision 1.2 of the Code: Induction, training and development

A formal letter is provided to each Director upon their appointment, setting out their relevant duties and obligations, to acquaint them with their responsibilities as Directors of the Company.

The Company conducts an orientation programme for new directors where they are briefed by the Management to familiarise themselves with the Group's businesses, governance policies and practices. The orientation programme aims to provide the new directors with an understanding of the Group's businesses to enable them to assimilate into their new roles and to get acquainted with the Management, thereby facilitating Board interaction and independent access to the Management.

To keep abreast with developments in relevant sectors and to ensure that the Directors are kept informed of relevant new laws, regulations and changing commercial risks that will affect the Group, the Company encourages its Directors to attend relevant instructional or training courses at the Company's expense. In particular, the Board is regularly kept informed of and updated on courses and seminars offered by the Singapore Institute of Directors ("**SID**") which are relevant to the training and professional development of the Directors. The Directors are also briefed on updates to the Catalist Rules, Companies Act 1967 and other regulatory requirements from time to time by the company secretary, the Company's auditors and the Company's sponsor, to facilitate effective discharge of their fiduciary duties as the member of the Board or Board Committees. Annually, the Company's auditors update the Audit Committee ("**AC**") and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

CORPORATE GOVERNANCE REPORT

The Company will arrange and fund for first time director to attend relevant training courses in relation to the roles and responsibilities of a director of a listed company. In line with the requirement of Rule 406(3)(a) of the Catalist Rules, Mr. Sun Renwang and Mr. Goh Siong Pheok Francis, being the Directors with no prior experience as a director of a listed company in Singapore have completed the mandatory training as of the date of this report. In addition, all Directors have completed LED 9 – Environmental, Social & Governance Essentials organised by Singapore Institute of Directors as prescribed under Rule 720(6) of the Catalist Rules. In FY2024, Mr. Goh Siong Pheok Francis has attended Listed Entity Director Programme 1-9 organised by Singapore Institute of Singapore.

Provision 1.3 of the Code: Matters requiring Board's approval

Notwithstanding that the daily operations and management of the Group are delegated to the Executive Director and CEO, the Board has put in place internal guidelines on matters which require Board's approval, including but not limited to the followings:

- nomination of directors and appointment of key executives;
- appointment of the auditors, the company secretary and the sponsor;
- any major transactions such as, *inter alia*, capital funding, acquisitions and disposals of assets;
- release of the Group's financial results announcements, convening of shareholders' meeting, and the issuance of circulars to shareholders and related announcements through SGXNet;
- corporate/financial restructuring and corporate exercise;
- approving interested person transactions exceeding a certain threshold;
- policies and procedures, delegation of authority matrix and code of conduct and ethics;
- any material regulatory matters and litigation cases; and
- compliance matters associated with the Catalist Rules, Securities and Futures Act 2001 or other relevant laws and regulations.

Clear directions have been disseminated to the Management that reserved matters must be approved by the Board.

Provision 1.4 of the Code: Board Committees

The Board objectively discharges its duties and responsibilities at all times and makes decisions in the interests of the Group. The Board has delegated specific responsibilities to the various committees established by the Board, namely the AC, the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively known as the "**Board Committees**"). Each Board Committee has the authority to examine issues relevant to their terms of references and to make fair, proper and appropriate recommendations to the Board when required. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

More details on each of the Board Committees, including the names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions and a summary of their activities, are set out in the other principles of this report.

CORPORATE GOVERNANCE REPORT

Provision 1.5 of the Code: Board and Board Committee Meetings

The Board meets regularly on a bi-annual basis and ad-hoc Board Committee and/or Board meetings (physically or via electronic means) are convened as and when required. In between Board meetings, any important matter will be tabled for the Board's approval by way of circular resolutions in writing in accordance with the Company's Constitution.

The Constitution of the Company allows Directors to participate in Board meetings via electronic means. The Directors are free to discuss any information or view as presented by any member of the Board and Management.

When necessary or appropriate, members of the Board exchange views outside the formal environment of Board meetings. Each Board member is expected to objectively discharge his duties and responsibilities at all times as fiduciaries in the best interests of the Company.

All Directors are required to declare their board appointments and other principal commitments. When a Director has multiple board representations, the NC will consider whether the Director is able to and has adequately carried out his/her duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. In support of their candidature for directorship or re-election, Directors are to provide the NC with details of their other commitments and an indication of the time involved. The NC is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations.

The attendance record of each Director at meetings of the Board and Board Committees and general meeting held during FY2024 is disclosed below:-

Name of Director	Board Meeting		AC Meeting		NC Meeting		RC Meeting		Annual General Meeting	
	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended
Mr. Sun Renwang	2	2	2	2*	1	1*	1	1*	1	1
Mr. Xu Ruibing	2	2	2	2*	1	1*	1	1*	1	1
Mr. Chua Siong Kiat	2	2	2	2	1	1	1	1	1	1
Mr. Goh Siong Pheok Francis	2	2	2	2	1	1	1	1	1	1
Mr. Kong Chee Keong	2	2	2	2	1	1	1	1	1	1

* By invitation.

Provision 1.6 of the Code: Access to information

The Company recognises that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge its duties effectively. The Management provides the Board in advance with key information that is complete and adequate to enable the Directors to make timely decisions, effectively discharge their duties and make a balanced and informed assessment of the performance, position and prospects of the Company.

The Management provides members of the Board with half-yearly management accounts, as well as relevant background and explanatory information relating to the matters that would be discussed in the Board meetings, prior to the scheduled meetings. All Directors are also furnished with timely updates on the financial position and any material development of the Group as and when necessary. Any additional materials or information requested by the Directors are promptly furnished. If necessary, management staff who are able to explain and provide insights to the matters to be discussed are invited to present to the Board and answer any queries that the Directors may have.

CORPORATE GOVERNANCE REPORT

Provision 1.7 of the Code: Access to Management and Company Secretary

The Directors are updated regularly on corporate governance requirements, changes in listing rules and regulations, and the performance of the Group. The Directors have separate and independent access to the Management, including the CEO, the Financial Controller (“**FC**”) and other key management personnel (“**KMP**”) as well as the Group’s internal and external auditors, and Company Secretary at all times.

The Company Secretary and/or her representative attends all Board and Board Committees meetings and ensures the Board procedures and the performance of the Group’s compliance obligations pursuant to the relevant statutes and regulations are followed. Under the direction of the CEO, the Company Secretary ensures good information flow within the Board and Board Committees and between senior management and Non-Executive Directors, and facilitates orientation and assists with professional development if required. The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

The Directors, either individually or as a whole, have direct access to the Group’s independent professional advisers, if necessary, to enable each Director to discharge his responsibility effectively. Any cost of obtaining professional advice will be borne by the Company.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Provision 2.1 of the Code: Directors’ independence

Provision 2.2 of the Code: Independent Directors make up a majority of the Board where the Chairman is not independent

Provision 2.3 of the Code: Non-Executive Directors make up a majority of the Board

As at the date of this Annual Report, the Board consists of five (5) directors, comprising one (1) Non-Independent Non-Executive Chairman, one (1) Executive Director and CEO and three (3) Independent Directors. With more than half of the Board made up of Independent Non-Executive Directors, including independence from the substantial shareholders of the Company, the Board is capable of exercising independent and objective judgement on corporate affairs of the Group. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into consideration the long-term interests of the Group and its stakeholders. No individual or small group of individuals dominates the Board’s decision making.

The independence of each Director is assessed and reviewed annually by the NC. In the review and deliberation of the independence of the three (3) Independent Directors, the NC has considered the guidelines for independence set out in Provision 2.1 of the Code as well as the Catalyst Rules, including whether a Director has business relationships with the Group, its substantial shareholders or its officer and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independence business judgement in the interests of the Group.

Each Independent Director is required to complete an annual declaration to confirm his independence based on the applicable Catalyst Rules and the principles as set out in the Code as well as the practice guidance to the Code. The Directors must also confirm whether they consider themselves independent despite not having any relationship identified under the applicable Catalyst Rules and the Code.

For the year under review, the NC has assessed and is satisfied that all three (3) Independent Directors are independent. Each such Director had abstained from the review and determination of their independence by the NC and the Board.

CORPORATE GOVERNANCE REPORT

The Board recognises that Independent Directors may over time develop significant insights in the Group's business and operations and can continue to provide noteworthy and valuable contribution objectively to the Board as a whole. The independence of the Independent Directors must be based on the substance of their professionalism, integrity, and objectivity, and not merely based on form.

Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, a director will not be independent if he has been a director of the issuer for an aggregate period of more than nine (9) years. As at the date of this Annual Report, none of the Independent Directors has served on the Board beyond nine (9) years from their respective date of appointment.

Provision 2.4 of the Code: Board size and diversity

The profiles of the Directors and key information are set out on pages 9 to 11 of this Annual Report.

The NC is responsible for examining the size and composition of the Board and Board Committees. Having considered the scope and nature of the Group's businesses, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees, the Board, in concurrence with the NC, considers that a board size of five (5) members, of which three (3) of them are Independent Non-Executive Directors, is appropriate.

The NC is responsible for setting the Board Diversity Policy. The Group's existing Board Diversity Policy considers the benefits of all aspects of diversity, including diversity of background, skills, experience, gender, age and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The current Board does not have any female directors and the Board targets to appoint a female director to the Board within 3 years, by FY2027 and in order to do so, the NC and the Board will continue to seek opportunities to appoint a suitable female director to the Board as and when suitable candidates are identified. In addition, the NC will ensure that female candidates are put up for consideration as directors during the search. In order to ensure that the suitable director will be appointed to the Board, the NC and the Board aim to diversify the pool of candidates by broadening the search to include candidates with a wider range of backgrounds and experiences and where necessary, the Company will appoint external resources specialising in the identification of suitable/qualified candidates for consideration.

In respect of age diversity, currently one (1) out of five (5) Directors of the Board is above 60 years of age. The Board targets to maintain a wide range of age on the Board to tap on the different energies and experience that can be brought onboard. The Board will continue to promote age diversity in the Board by FY2028 after taking into consideration, *inter alia*, background, skills, experience, gender, age and other relevant factors of the candidates.

The current Board comprises Directors who collectively have vast skills and experience in various fields in relation to engineering experience, property development and investment experience, financial and legal knowledge and management experience, which provides diversity and allows for informed and constructive discussion and effective decision making at the Board meetings. Accordingly, the Board is satisfied that the current board size, the existing composition and balance of skills, experience and knowledge of the Board is sufficiently diverse to effectively serve the Group and are adequate to support the Group's strategy and business needs. Nonetheless, the Board will actively seek new candidates with a diverse background to effectively contribute their unique insights for the Company's benefit.

The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure that there is diversity including gender diversity on the Board.

CORPORATE GOVERNANCE REPORT

Provision 2.5 of the Code: Meeting of Non-Executive Directors without Management

The Independent Directors, led by the Lead Independent Director (“**LID**”), meet amongst themselves at least once a year without the presence of the Management to discuss and evaluate the performance of the Management as well as the remuneration of the executive director. The feedback and views expressed by the Independent Directors were communicated by the LID to the Board and/or the Chairman, as appropriate.

During FY2024, the Independent Directors met once in the absence of Management.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 of the Code: Separation of the roles of the Chairman and the Chief Executive Officer

The Chairman of the Board and the CEO are separate persons to ensure clear distinction of responsibilities, appropriate balance of power and increased accountability. Mr. Sun Renwang serves as the Non-Independent Non-Executive Chairman (“**NINEC**”), whereas Mr. Xu Ruibing is the Group’s CEO.

All major proposals and decisions made by the CEO are discussed and reviewed by the AC. His performance and appointment are reviewed periodically by the NC and the packages are reviewed periodically by the RC. As the AC, NC and RC consist of all Independent Directors, the Board believes that there are sufficient strong and independent elements and adequate safeguards in place to ensure independent decision making.

Provision 3.2 of the Code: Division of responsibilities between the Chairman and CEO

The NINEC, Mr. Sun Renwang, plays an instrumental role in developing the business of the Group and provides the Group with strong leadership and vision. He leads the Board in its review of the Group’s strategies for sustainable growth, ensuring diversity of the Board.

In addition to setting of business strategies for the Group and the monitoring of the translation of the Board’s decisions and directions into executive action, he is to ensure that each member of the Board and the Management works well together with integrity and competency. As the Chairman, he, with the assistance of the Company Secretary, schedules Board meetings as and when required and prepares the agenda for Board meetings and ensures sufficient allocation of time for thorough discussion of each agenda item, in particular strategic issues. He promotes an open environment for debate and ensures that Independent Directors are able to speak freely and contribute effectively.

In addition, he sets guidelines and exercises control over the quality, quantity, accurateness and timeliness of information flow between the Board and the Management. He plays a pivotal role in fostering constructive dialogue among stakeholders and provides close oversight, guidance and advice to the CEO and the Management. He also takes a leading role in ensuring the Group’s drive to achieve and maintain a high standard of corporate governance and sustainability practices with the full support of the Board, the Company Secretary and the Management.

As the Group’s CEO, Mr. Xu Ruibing manages the members of the Management team and is responsible for implementing and reviewing the business directions and strategies for the Group as endorsed by the Board, for operational performance and organisational excellence.

CORPORATE GOVERNANCE REPORT

Provision 3.3 of the Code: Lead Independent Director

Taking cognisance that the Chairman of the Board is not independent, the Board has designated a LID who serves as a sounding board for the Chairman and as an intermediary between the Independent Non-Executive Directors and the NINEC. The current LID is Mr. Chua Siong Kiat who was appointed on 20 April 2023. The role of the LID is to co-ordinate and to lead the Independent Directors to provide a non-executive perspective and contribute to balanced viewpoints on the Board.

Mr. Chua Siong Kiat, as LID, is available to shareholders and stakeholders should they have concerns which cannot be resolved or are inappropriate or inadequate to raise through the normal communication channels with the Chairman or the Management.

In FY2024, there was no query or any matters raised which required the LID's attention.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 of the Code: Role of the NC

Provision 4.2 of the Code: Composition of NC

The NC comprises the following three (3) members, all of whom including the Chairman, are IDs and the LID is one of the members of the NC:–

- | | |
|-------------------------------|------------|
| – Mr. Goh Siong Pheck Francis | (Chairman) |
| – Mr. Chua Siong Kiat | (Member) |
| – Mr. Kong Chee Keong | (Member) |

The written terms of reference of the NC have been approved and adopted, which includes but is not limited to the following:–

- recommending to the Board on (i) the appointment of new directors and executive officers, including re-nominations of existing Directors for re-election in accordance with the constitution of the Company, taking into account the Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group; and (ii) the objective performance criteria and process for evaluation of the effectiveness of the Board as a whole, and of each of the Board Committees separately, as well as the contribution of each individual Director to the Board;
- developing and maintaining a formal and transparent process for the selection, nomination, appointment, re-nomination and re-election of Directors (including alternate Directors, if any), taking into account the need for progressive renewal of the Board as whole;
- reviewing succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- ensuring that each Director submits himself for re-nomination and re-election at least once every three (3) years;
- reviewing and ensuring that the Board and its committees comprise Directors who, as a group, provide the appropriate balance and mix of skills, experience, core competencies, knowledge and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate;

CORPORATE GOVERNANCE REPORT

- reviewing and approving any new employment of persons related to the Directors and/or the Company's substantial shareholders and proposed terms of their employment;
- determining on an annual basis, and as and when circumstances require, whether or not a Director is independent, in accordance with the Code;
- establishing guidelines on what a reasonable and maximum number of the directorships and principal commitments for each Director (or type of director) should be;
- determining and recommending to the Board the maximum number of listed company board representations which any Director may hold and disclosing this in the Company's annual report;
- reviewing and deciding whether or not a Director is able to and has been adequately carrying out his duties as Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his duties towards other principal commitments;
- reviewing the training and professional development programs for the Board and the Directors; and
- undertaking a formal annual assessment of the performance and effectiveness of the Board as a whole and that of each of the Board Committees and each individual Director.

The NC is responsible for identifying and nominating candidates for the Board, determining annually, whether a Director is independent in accordance with the guidelines set out in the Code, filling board vacancies as well as to put in place plans for succession.

Provision 4.3 of the Code: Director appointment and re-nomination

Process for Selection and Appointment of New Directors

The NC is responsible for identifying candidates and reviewing all nominations for the appointments of new directors in the following order: (i) determining the desirable competencies for the appointment, and after consultation with the Management, (ii) assessing the suitability of the candidates and conducting an open dialogue to ensure that each candidate is aware of his role and obligations and (iii) submitting a final shortlist for recommendation to the Board.

The search and nomination process for new directors, led by the NC, is as follows:

- The NC evaluates the balance, skills, knowledge and experience of the existing Board and the requirements of the Group. In light of such evaluation, the NC determines the role and key attributes that an incoming director should have.
- After endorsement by the Board of the key attributes required, the NC taps on the networking resources of the existing Directors and seeks recommendations from them in relation to the potential candidates, and goes through a shortlisting process. If candidates identified from this process are not suitable, executive recruitment agencies may be appointed to aid in the search process.
- The NC meets with the shortlisted candidate(s) to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required.
- The NC recommends the most suitable candidate to the Board for appointment as Director.

CORPORATE GOVERNANCE REPORT

Process for Re-Appointment of Directors

The role of the NC also includes the responsibility of reviewing the re-nomination of directors who retire by rotation, taking into consideration the director's integrity, independent mindedness, contribution and performance (such as attendance, participation, preparedness and candour) and any other factors as may be determined by the NC.

Pursuant to Regulation 97 of the Constitution of the Company, one-third of the Board are to retire from office by rotation and be subject to re-appointment at the Company's Annual General Meeting ("**AGM**"). In addition, Regulation 103 of the Constitution of the Company stipulates that a director newly appointed by the Board during the financial year must retire and submit himself/herself for re-appointment at the next AGM following his/her appointment. Thereafter, the director is subject to be re-appointed at least once every three (3) years at the Company's AGM.

Retiring Directors are eligible to offer themselves for re-election. Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his performance or re-nomination as Director.

At the forthcoming AGM of the Company, the following directors will be retiring pursuant to Regulation 97 of the Company's Constitution:–

Regulation 97

1. Mr. Xu Ruibing
2. Mr. Kong Chee Keong

The NC has recommended re-election of these two (2) Directors and the Board had accepted the NC's recommendation. In recommending the re-election of these two (2) Directors, the NC has considered the Directors' overall contributions and performance. The details of the Directors seeking re-election as required under Appendix 7F of the Catalist Rules are set out on page 120 to page 128 of this Annual Report.

Provision 4.4 of the Code: Circumstances affecting a director's independence

As described under Provision 2.1 above, the Company has put in place a process to ensure the continuous monitoring of the independence of the Directors. Each Independent Director is required annually to confirm his independence. Further, the NC determines annually, and as and when circumstances require, whether a Director is independent, taking into consideration the disclosures by the Directors of any relationships with the Company, its related corporations, its substantial shareholders or its officers and the checklist completed by each Independent Director. Having carried out its review, the NC is of the view that all Independent Directors have satisfied the criteria for independence.

During FY2024, there was no alternate director on the Board.

Provision 4.5 of the Code: Multiple directorships

The NC ensures that new Directors are aware of their duties and obligations. For re-nomination and re-appointment of Directors, the NC takes into consideration the competing time commitments faced by Directors and their ability to devote adequate time and attention to the Group.

CORPORATE GOVERNANCE REPORT

Each Director is required to confirm annually to the NC as to whether he has any issue with competing time commitments which may impact his ability to provide sufficient time and attention to his duties as a Director of the Company. Based on the Directors' annual confirmation and the Directors' existing board representations, commitments and contributions to the Company, which are also evident in their level of attendance and participation at Board and Committee meetings, the NC and the Board consider that the various Board representations held presently by the Directors do not impede their performance in carrying out their duties to the Company and are satisfied that all the Directors were able to and have been adequately carrying out their duties as Directors of the Company in FY2024. The NC concluded that there is no need to impose a limit on the number of board representations at this stage.

Key information for each Director is disclosed in their profiles as set out in the section entitled "Board of Directors" of the Annual Report. The dates of initial appointment and last re-election of each Director, together with details of his other listed company directorships and principal commitments, are set out in "Particulars of Directors" pursuant to the Code on page 118 to page 119 of this Annual Report.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1 of the Code: Performance criteria and process for evaluation of the effectiveness of the Board

Provision 5.2 of the Code: Disclosure of assessment of the Board, Board Committees and each Director

Board Evaluation Process

The Board, through the NC, has used its best efforts to ensure that directors appointed to the Board and the Board Committees, whether individually or collectively, possess the background, experience and the relevant skills set which are critical to the Group's business. It has also ensured that each director, with his special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

Based on the recommendations by the NC, the Board has established processes and objective performance criteria for evaluating the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the Chairman and individual Directors to the effectiveness of the Board.

Each Director is required to complete an assessment form to evaluate the Board, Board Committees and individual Directors, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors. The evaluation of individual Directors aims to assess whether each Director continues to contribute effectively and demonstrate commitment to the role, including commitment of time for Board and Board Committee meetings, and any other duties.

The results of the Board's and Directors' evaluations would be collated by the Company Secretary and provide the summary observations to the Chairman of the NC and the Board Chairman for their review and consideration. The Chairman of the Board will act on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed or in the case of resignation, new directors may be sought.

The NC is responsible for assessing the effectiveness of the Board, the Board Committees and each individual Director. All NC members have abstained from voting or review process of any matters in connection with the assessment of his own performance.

CORPORATE GOVERNANCE REPORT

The Board is of the view that it has satisfactorily met its performance objectives for FY2024 and there was no external consultant involved in the evaluation process for each individual Director, Board and Board Committees for FY2024. Where relevant and when the need arises, the NC will consider such engagement.

Evaluation Criteria of the Board, Board Committees and individual Directors

Part of the evaluation process is through the review of the appraisal and evaluation forms, which considered an assessment of the following key performance criteria:

- Board size and composition of the Board
- Board independence
- Board processes
- Board information and accountability
- Board performance in discharging principal functions
- Board Committee performance
- Board time commitment
- Board diversity
- Overall contribution

The primary objective of the board evaluation exercise is to create a platform for the Board and its Board Committees' members to provide constructive feedback on the contributions by the individual Directors, board procedures and processes and the changes which should be made to enhance the effectiveness of the Board and its Board Committees.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 of the Code: Role of the RC

Provision 6.2 of the Code: Composition of RC

RC Composition and Role

The RC comprises the following three (3) members, all of whom including the Chairman, are Independent Directors.

- | | |
|-------------------------------|------------|
| – Mr. Kong Chee Keong | (Chairman) |
| – Mr. Chua Siong Kiat | (Member) |
| – Mr. Goh Siong Pheck Francis | (Member) |

The RC is responsible for ensuring a formal and transparent procedure for developing policies on director and executive remuneration, and for determining the remuneration packages of individual Directors and KMP.

CORPORATE GOVERNANCE REPORT

The written terms of reference of the RC have been approved and adopted, which include and are not limited to the following:–

- Executive Remuneration Policy
 - (i) consider and recommend the Company's policy and framework for executive remuneration (including the remuneration of the Company's Executive Director and CEO, FC, and other KMP);
 - (ii) review and ensure that the remuneration policies, frameworks, guidelines and other benefit programmes and systems of the Group, as approved by the Board (the "**Policies**"), support the Group's objectives and strategies, and are consistently being administered and being adhered to within the Group;
 - (iii) review the obligations arising in the event of termination of the service agreements entered into with the CEO and FC ("**Service Agreements**") or service contracts of other KMP and ensure that such Service Agreements and service contracts contain fair and reasonable termination clauses which are not overly generous; and
 - (iv) propose, for adoption by the Board, measurable, appropriate and meaningful performance targets for assessing the performance of the KMP, individual Directors and of the Board as a whole;
- Executive Remuneration Package
 - (i) consider, review and recommend the entire specific remuneration package and all service contract terms for each KMP and each employee related to the Company's Directors, CEO or substantial shareholders (the "**Related Employee**"), if any (including but not limited to provisions relating to salaries, allowances, bonuses, payments, options, benefits in kind, termination, retirement rights and severance packages), and ensure that such remuneration packages are fair, reasonable, in accordance with the Policies and commensurate with such persons' respective job scopes and level of responsibility;
 - (ii) consider, review and approve bonuses, termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to KMP and Related Employees, if any;
 - (iii) consider, review and approve payment increments and promotions for Related Employees;
- Equity-Based Plans
 - (i) review and approve the design, terms and rules (including but not limited to eligibility criteria) of all option plans, stock plans and/or other equity-based plans;
 - (ii) for each equity-based plan, determine whether awards will be made or options will be granted (as the case may be) under that plan;
 - (iii) administer the Ever Glory Performance Share Plan and the Ever Glory Employee Share Option Scheme;
 - (iv) review, approve and keep under review performance conditions and period and/or fulfillment of performance conditions and period (if any) for each equity-based plan;
 - (v) review the terms of performance-related remuneration scheme or incentive schemes (if any) and determine the eligibility criteria of the employees who can participate in such scheme;

CORPORATE GOVERNANCE REPORT

- Non-Executive Directors' Remuneration: consider, review and recommend the Company's remuneration policy and framework as well as the specific remuneration packages (including Directors' fees) for non-executive Directors; and
- Other Duties and Activities: perform all other duties and activities (with advice from internal and/or external experts or consultants, where necessary) that the RC or the Board considers appropriate in the context of these terms of reference (including but not limited to all aspects of remuneration and recommending measurable, appropriate and meaningful performance targets for the assessment of the Board as a whole, each Director and each KMP). In the event that internal or external experts and/or consultants are engaged for these purposes, the RC shall ensure that such experts and consultants are independent and objective in rendering their advice, notwithstanding any existing relationships between the Company and such experts or consultants.

Provision 6.3 of the Code: RC to consider and ensure that all aspects of remuneration are fair

The RC reviews the reasonableness of the contracts of service of Executive Director and KMPs to ensure that their compensation is commensurate with the responsibilities and risks involved in being a Director or KMP and that their remuneration packages are comparable within the industry and include a performance-related element with appropriate and meaningful measures of assessing performance.

The Independent Directors are entitled to Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent and their responsibilities. The Directors' fees are recommended by the RC and endorsed by the Board, and subject to shareholders' approval at AGM. Except as disclosed in this Annual Report, the Independent Directors are not entitled to any other remuneration from the Company.

The Executive Director has, on 20 April 2023, entered into a service agreement with the Company ("**Service Agreement**"), under which the terms of his employment are stipulated, including a monthly base salary, annual performance bonus and benefits commensurate with the position. The Executive Director is not entitled to Directors' fees and there are no post-retirement and severance benefits except the common practice of giving notice or salary in lieu of notice in the event of termination. The Service Agreement is valid for three (3) years and subject to renewal upon expiry.

All recommendations made by the RC on remuneration of Directors and KMPs will be submitted for endorsement by the Board. None of the members of the RC is involved in setting his own remuneration package. Each RC member shall abstain from reviewing, deliberating and voting on any resolution in respect of his remuneration package or that of any employees who are related to him.

Provision 6.4 of the Code: Expert advice on remuneration

The RC has explicit authority within its terms of reference to seek appropriate expert advice in the field of executive compensation outside the Company on remuneration matters where necessary. There being no specific necessity, the RC did not seek the service of an external remuneration consultant to advise on remuneration matters in FY2024.

CORPORATE GOVERNANCE REPORT

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provision 7.1 and 7.3 of the Code: Remuneration of Executive Directors and key management personnel are appropriately structured to link rewards to performance

The annual reviews of compensation are carried out by the RC to ensure that the remuneration of the Executive Director and KMPs are commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the CEO (together with other KMPs) is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into consideration the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

The Executive Director does not receive directors' fees but is remunerated as a member of Management. The remuneration packages of the Executive Director and the KMPs are linked to the performance of the Group as a whole, as well as the individual performance. This is to align the remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote the long-term sustainability of the Group.

The service contract for the Executive Director is for a fixed appointment period and does not contain onerous removal clauses.

The Company advocates a performance-based remuneration system that is flexible and responsive to the market, and the performance of the Group's business units and individual employees. In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is transparent, competitive, relevant and appropriate in finding a balance between the current and longer-term objectives of the Company so as to be able to attract, retain and motivate the Directors to provide good stewardship of the Company and KMPs to successfully manage the Company in the long term, and thereby maximise value for shareholders.

The RC is of the view that it is not necessary to institute contractual provisions to reclaim incentive components of remuneration from the Executive Director and KMPs in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group, as the Executive Director and CEO is paid a performance bonus based on the Group's audited profit before tax for each financial year pursuant to his service agreement with the Company dated 20 April 2023 and KMPs are paid variable bonus linked to their performance.

The Company has in place Performance Incentive Schemes ("**Schemes**") such as the Ever Glory Employee Share Option Scheme ("**ESOS**") and Ever Glory Performance Share Plan ("**PSP**"). These Schemes serve to motivate eligible participants towards better performance through the award of shares to align themselves with the performance of the Company.

Provision 7.2 of the Code: Remuneration of Non-Executive Directors

Non-Executive Directors have no service agreements (except for the letter of appointment) with the Company and their terms in office are specified in the Constitution. When reviewing the structure and level of directors' fee for the Non-Executive Directors, the RC takes into consideration the Directors' effort and time spent, as well as their respective roles and responsibilities in the Board and its Board Committees and the frequency of Board and Board Committee meetings.

Each of the Non-Executive Directors receives a base director's fee.

CORPORATE GOVERNANCE REPORT

The structure of the fees payable to the Non-Executive Directors of the Company for FY2024 is disclosed under Principle 8 below.

The RC is mindful that the remuneration for Independent Non-Executive Directors should not be excessive, so as not to compromise or reasonably be perceived to compromise their independence. No Director is involved in deciding his remuneration.

The Directors' fees are proposed by the RC and are appropriate and not excessive, taking into consideration the level of contributions by the Directors and factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the Directors. Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company.

Disclosure on Remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 and 8.3 of the Code: Remuneration disclosures of Directors and key management personnel

Provision 8.2 of the Code: Remuneration of employees who are substantial shareholders or are immediate family members of a Director, the CEO or substantial shareholder

The compensation packages for employees including the Executive Director and the KMP comprised a fixed component (in the form of a basic salary) and a variable component (which normally consists of a cash-based annual bonus) and benefits-in-kind, where applicable, considering amongst other factors, the individual's performance, the performance of the Group and industry practices.

In its deliberations, the RC will take into consideration industry practices and norms in compensation in addition to the Company's relative performance in the industry and the performance of the individual Directors and the KMP, taking into consideration specific key performance indicators (involving financial and non-financial indicators) tracked over time as compared to the targets to be achieved by the Group based on its short-term and long-term objectives. The Board exercises its discretion and independent judgement in ensuring that the amount and mix of compensation are aligned with the interests of shareholders and promotes the long-term success of the Group. The remuneration packages recommended by the RC are ultimately approved by the Board and no Director is involved in deciding his own remuneration.

During the financial year under review, there was no termination, retirement or post-employment benefits granted to any Director or KMP.

CORPORATE GOVERNANCE REPORT

Disclosure of Remuneration

(i) Remuneration of Directors

The breakdown of the total remuneration of the Directors of the Company for FY2024 is set out below:

Name of Directors	Salary & Allowance ⁽¹⁾	Bonus	Directors' Fees ⁽²⁾	Benefits ⁽³⁾	Total
Mr. Xu Ruibing	S\$317,340	S\$328,606	–	S\$8,654	S\$654,600
Mr. Sun Renwang	–	–	S\$65,000	–	S\$65,000
Mr. Chua Siong Kiat	–	–	S\$45,000	–	S\$45,000
Mr. Kong Chee Keong	–	–	S\$35,000	–	S\$35,000
Mr. Goh Siong Pheck Francis	–	–	S\$35,000	–	S\$35,000

Notes:

(1) Includes contributions made by the Company to the Director's Central Provident Fund.

(2) The Directors' fees are subject to shareholders' approval at the AGM.

(3) Benefits refers to annual leave encashment.

Taking into account the disclosure of the exact fees for the Directors and the CEO and the remuneration policies, composition of remuneration and performance metrics which go towards determination of the total remuneration packages of the Directors and the CEO, the Board has determined that there is sufficient transparency and information on the remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation consistent with the intent of Principle 8 of the code.

(ii) Remuneration of KMPs

The Group has nine (9) KMPs who are not Directors or the CEO during FY2024. The aggregate remuneration paid to these KMPs in FY2024 was S\$1,811,349. The details of the remuneration for FY2024 are set out below:

Name of KMP	Salary & Allowance ⁽¹⁾	Bonus	Share awards (PSP)	Benefits ⁽²⁾	Total
	%	%	%	%	%
From S\$250,001 to S\$500,000					
Ms. Lei Lei	68	6	25	1	100
Mr. Su Yanpei	79	7	14	–	100
Below S\$250,000					
Ms. Ng Chou Yuan	78	7	15	–	100
Ms. Hau Chiu Si	73	7	20	–	100
Mr. Su Chang	74	7	19	–	100
Mr. Yang Wenbo	78	6	16	–	100
Mr. Chee Teow Siong	82	18	–	–	100
Mr. Lim Teck Seng	85	15	–	–	100
Ms. Chee Yen Ming	85	15	–	–	100

Notes:

(1) Includes contributions made by the Company to the KMP's Central Provident Fund.

(2) Benefits refers to annual leave encashment.

CORPORATE GOVERNANCE REPORT

After careful consideration and taking into account the highly competitive business environment, commercially sensitive and confidential nature of the remuneration policies of the Company, the Board is of the view that it currently will not be able to disclose details of the KMP's remuneration as required under Provision 8.1(b) of the Code as the disclosure may adversely affect talent attraction and retention. Notwithstanding the deviation from Provision 8.1 of the Code, the Company believes that it complies with Principle 8 of the Code as it is transparent on its remuneration policies, which has been disclosed not only as part of compliance with Principle 8 of the Code but also in respect of Principle 7 of the Code. In addition, the Company has elaborated on the remuneration policy governing the remuneration of the Executive Director and the factors taken into account for the remuneration of the Independent Directors.

The Company has also disclosed the remuneration paid to each Director, and has disclosed the remuneration paid to KMP using remuneration bands, the breakdown of the components of their remuneration and the aggregate remunerations paid, for transparency. Accordingly, the Board is of the view that the non-disclosure of the exact quantum of the remuneration of each KMP will not be prejudicial to the interest of shareholders and complies with the intent of Provision 8.1 of the Code, and that the disclosure of the breakdown of the level and mix of remuneration in percentage terms and in bands no wider than S\$250,000 is sufficient to enable the Shareholders to understand the Company's remuneration policies and practice for key management personnel.

(iii) Remuneration of employees who are substantial shareholders of the Company, or immediate family members of a director, the CEO or a substantial shareholder of the Company

Save for Mr. Sun Renwang and Mr. Xu Ruibing who are substantial shareholders of the Company, the Company does not have any employee who is a substantial Shareholder, or is an immediate family member of a Director, the CEO or a substantial Shareholder whose remuneration in FY2024 exceeded S\$100,000 per annum.

(iv) Details of Share Plans

Long-term incentive schemes are provided in the form of Ever Glory Employee Share Option Scheme ("**Ever Glory ESOS**") and Ever Glory Performance Share Plan ("**Ever Glory PSP**") for eligible employees including Executive Director (collectively, the "**Share Plans**"). The administration committee for the Share Plans ("**Administration Committee**") is the RC, comprising Mr. Kong Chee Keong, Mr. Chua Siong Kiat and Mr. Goh Siong Pheok Francis.

CORPORATE GOVERNANCE REPORT

Ever Glory ESOS

Summary of Ever Glory ESOS	Ever Glory ESOS provides eligible participants an opportunity to participate in the equity of the Company, thereby aligning the interests of the Participants with the interests of the Company and the Shareholders, motivating them towards long-term growth and profitability of the Group and promoting better performance through increased dedication and incentives. The Ever Glory ESOS also provides the Group greater flexibility in structuring compensation packages of the eligible participants to offer compensation packages that are competitive to motivate and retain the employees, Directors (including Independent Directors) and Controlling Shareholders and foster a long-term commitment and dedication to the business of the Group.
Participants of the Ever Glory ESOS	Ever Glory ESOS allows for participation by full time employees of the Group (including Executive Directors) and Non-Executive Directors and controlling Shareholders or associates of controlling Shareholders.
Administration of the Ever Glory ESOS	The Ever Glory ESOS shall be administered by the Administration Committee which shall have the power, from time to time, to make or vary such arrangements, guidelines and/or regulations (not being inconsistent with this Scheme) for the implementation and administration of the Ever Glory ESOS as it thinks fit including, but not limited to, imposing restrictions on the number of options that may be exercised within particular sections of the relevant option period.
Awards Entitlement	The right to subscribe for Shares granted or to be granted to an Employee pursuant to this Scheme and for the time being subsisting, which will be either via a Market Price Option or Incentive Option.
Size of Ever Glory ESOS	The aggregate number of Shares which may be offered under the Share Plans shall not exceed 15.0% of the Company's total number of issued Shares (excluding treasury shares) on the day preceding the date of the relevant grant.
Exercise Period	No minimum exercise period is prescribed under Ever Glory ESOS for options and the length of the exercise period in respect of each option will be determined on a case-by-case basis by the Administration Committee.
Exercise Price of Options under the Ever Glory ESOS	<p>The Exercise price for each option shall be determined by the Administration Committee, in its absolute discretion, on the date of grant, at:-</p> <ul style="list-style-type: none"> (a) a price equal to the market price; or (b) a price which is set at a discount to the market, provided <ul style="list-style-type: none"> (i) the maximum discount shall not exceed 20% of the Market Price (or such other percentage or amount as may be determined by the Administration Committee and permitted by the SGX-ST); and (ii) the shareholders in general meeting shall have authorised, in a separate option, the making of offers and grants of options under the Ever Glory ESOS at a discount not exceeding the maximum discount as aforesaid.

CORPORATE GOVERNANCE REPORT

No options have been granted or exercised under the Ever Glory ESOS since the commencement of the Ever Glory ESOS to 31 December 2024. Accordingly, there were no options granted under Ever Glory ESOS to (i) Directors of the Company; (ii) participants who are controlling shareholders of the Company and their associates; and (iii) participants other than the Directors of the Company and controlling shareholders of the Company and their associates, who received five per cent (5.0%) or more of the total number of options available under the Ever Glory ESOS since the commencement of the Ever Glory ESOS to 31 December 2024.

The Company does not have a parent company.

Details of the Ever Glory ESOS are set out in the Company's offer document dated 11 May 2023 ("**Offer Document**").

Ever Glory PSP

Summary of Ever Glory PSP	The Ever Glory PSP is designed to reward its eligible participants by the issue and/or transfer of fully paid shares according to the extent to which they complete certain time-based service conditions or achieve their performance conditions over set performance periods. The objective of Ever Glory PSP is to align the executives' interests with that of Shareholders and to make total employee remuneration sufficiently competitive.
Participants of the Ever Glory PSP	Ever Glory PSP allows for participation by full time employees of the Group (including Executive Directors) and Non-Executive Directors and controlling Shareholders or associates of controlling Shareholders.
Administration of the Ever Glory PSP	Ever Glory PSP shall be administered by the Administration Committee, which shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with this Plan) for the implementation and administration of this Plan, to give effect to the provisions of the Ever Glory PSP and/or to enhance the benefit of the awards and the released awards to the eligible participants, as it may, in its absolute discretion, think fit.
Awards Entitlement	Awards represent the right of a Participant to receive fully paid Shares free of charge.
Size of Ever Glory PSP	The aggregate number of Shares which may be issued or transferred pursuant to awards granted under the Ever Glory PSP shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares) on the day preceding the date of the relevant grant.
Vesting Period	No minimum vesting periods are prescribed under the Ever Glory PSP for awards, and the length of the vesting period in respect of each award will be determined on a case-by-case basis.

CORPORATE GOVERNANCE REPORT

On 13 August 2024, the Company granted a total of up to 1,072,300 share awards under the Ever Glory PSP. As announced on 13 August 2024, the Company has issued and allotted 1,072,300 new ordinary shares in the capital of the Company pursuant to the vesting of the aforementioned awards. There were no share awards granted under Ever Glory PSP to (i) Directors of the Company; (ii) participants who are controlling shareholders of the Company and their associates; and (iii) participants other than the Directors of the Company and controlling shareholders of the Company and their associates, who received five per cent (5.0%) or more of the total number of share awards available under the Ever Glory PSP since the commencement of the Ever Glory PSP to 31 December 2024.

The Company does not have a parent company. Details of the Ever Glory PSP are set out in the Company's Offer Document.

The aggregate number of shares which may be offered under the Share Plans should not exceed 15.0% of the Company's total issued share capital (excluding treasury shares) on the date preceding the date of the relevant grant. The Share Plans were adopted on 20 April 2023 for a period of ten (10) years and will expire on 19 April 2033.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Provision 9.1 of the Code: Board determines the nature and extent of significant risks

The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework but recognises no cost-effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against the occurrence of materials errors or poor judgement in decision-making. In addition, it is essential to maintain adequate accounting records, develop and maintain an effective control environment within the Group.

The Board regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as determine the Company's levels of risk tolerance and risk policies. In addition, the Board also regularly oversees the Management in the design, implementation and monitoring of the risk management and internal control systems to control, manage and mitigate these risks. The Management reviews the risk management and internal control systems and highlights all significant matters to the AC and Board from time to time. The Company does not have a Risk Management Committee. However, the Management regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management reviews all significant control policies and procedures and highlights all significant matters to the AC and the Board. During FY2024, the Management has reviewed the risk management and internal control systems and there were no material weaknesses identified highlighted to the AC and the Board.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Company's risk management framework and internal control system covers financial, operational, compliance and information technology risks and internal controls. The AC oversees the Management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

CORPORATE GOVERNANCE REPORT

Provision 9.2 of the Code: Assurance from the Board and KMP

The AC reviewed and assessed the adequacy and effectiveness of the Group's internal controls that address the Group's financial, operational, compliance and information technology risks, with the assistance of the internal and external auditors and the Management.

For the financial year under review:

- (i) written assurance was received from the CEO and the FC that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (ii) written assurance was received from the CEO and the FC that the Group's risk management and internal controls systems in place were adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations.

The process of reviewing and strengthening the Group's control environment is an evolving process. Management will continue to devote resources and expertise towards improving its internal policies and procedures to maintain a high level of governance and internal controls.

Through these reports, the Board aims to provide shareholders with a balanced and understandable assessment of the Group's financial performance, position and prospects.

The Management provides all members of the Board with sufficient and timely information on its financial performance and potential issues prior to all scheduled Board and Board Committees meetings.

Based on the Group's framework of management controls in place, the internal control policies and procedures established and maintained by the Group, the reviews performed by the external auditors and internal auditors, as well as the written representation by the Management, the Board, with the concurrence of the AC, is of the opinion that the risk management systems and internal control systems of the Group, addressing the financial, operational, compliance and information technology controls are adequate and effective as at 31 December 2024 to address the risks that the Group considers relevant and material to its operations.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1 of the Code: Duties of Audit Committee

Provision 10.2 of the Code: Composition of Audit Committee

Provision 10.3 of the Code: Audit Committee does not comprise former partners or directors of the Company's auditing firm

The AC comprises the following three (3) members, all whom including the Chairman, are Independent Directors and the LID is the Chairman of the AC:-

- | | |
|-------------------------------|------------|
| - Mr. Chua Siong Kiat | (Chairman) |
| - Mr. Kong Chee Keong | (Member) |
| - Mr. Goh Siong Pheck Francis | (Member) |

CORPORATE GOVERNANCE REPORT

Mr. Chua Siong Kiat and Mr. Kong Chee Keong, the Chairman and a member of the AC respectively, possess recent and relevant accounting or related financial management knowledge, whilst Mr. Goh Siong Pheck Francis has a regulatory and governance background. With the current composition, the Board believes that the AC members are appropriately qualified to discharge their responsibilities as defined under the terms of reference, which have been approved by the Board.

The AC is authorised by the Board and has explicit authority to investigate any matter within its terms of reference. It has direct and unrestricted access to, and the co-operation of the Management and full discretion to invite any Executive Director or KMP to attend its meetings. The AC has adequate resources, including access to external consultants, lawyers or other professionals as it sees fit to provide independent counsel and advice, to assist in the review or investigation on such matters within its terms of reference as it deems appropriate at the Company's expense.

The internal auditors and external auditors were also invited to be present at AC meetings, as and when required, held during the year to, *inter alia*, answer or clarify any matter on accounting and auditing or internal controls. The AC is of the opinion that the independence and objectivity of the external auditors have not been affected based on the amount of non-audit fees paid in FY2024. Details of the non-audit fees paid to the external auditors are set out further in this section.

The AC met two (2) times during FY2024. The NINEC, Executive Director and FC were invited to attend the meetings.

The written terms of reference of the AC have been approved and adopted, and they include the following:–

- assist the Board in the discharge of its responsibilities on financial and reporting matters, including overseeing the integrity of the Group's system of accounting and financial reporting, and maintaining a high standard of transparency and reliability in the Group's corporate disclosure;
- review, with the external auditors and internal auditors (together, the "**Auditors**"), the audit plans, the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function, and review at regular intervals with the Management on the implementation by the Group of the internal control recommendations made by the Auditors;
- review and report to the Board, at least annually, the effectiveness, sufficiency and adequacy of the internal controls and risk management systems, addressing financial, operational, information technology and compliance risks and discuss issues and concerns, if any, arising from the internal audits may, if necessary, outsource internal audit function to ensure the effectiveness, sufficiency and adequacy of such procedures;
- review, with the Auditors, the Group's management letters and the Management's responses;
- review and ensure that the internal audit function has unfettered access to all the Group's documents, records, offices and personnel (including but not limited to the AC) and has appropriate standing within the Company;
- review and ensure that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by internationally recognised professional bodies, where applicable;
- review the periodic financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory or regulatory requirements, concerns and issues arising from their audits, including any matters which the Auditors may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;

CORPORATE GOVERNANCE REPORT

- review the significant financial reporting issues and judgement so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- review the Group's key financial risk areas, with a view to providing an independent oversight of the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, if the findings are material, to be immediately announced via SGXNET;
- review the assurance from the Company's CEO and FC on the financial records and financial statements;
- appraise the performance of the FC on an annual basis;
- review the independence and objectivity of the Auditors as well as consider and recommend to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the Auditors and the remuneration and terms of engagement of the Auditors;
- meet, at least annually, with the Auditors without the presence of the Management to review the cooperation given by Management to the Auditors, where applicable;
- review, discuss with the Auditors (including but not limited to any commissioned findings of internal investigations and the Management's response), and report to the Board on any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response;
- review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of Catalist Rules (if any);
- review any potential conflict of interests, including those with the Company's controlling shareholders and assess from time to time whether additional processes are required to be put in place to manage any potential conflict of interests and where appropriate, set out a framework to resolve or mitigate any potential conflict of interests (including monitoring, reviewing and exercising oversight over the Company's controlling shareholders compliance with the undertaking given by Mr. Xu Ruibing and Mr. Sun Renwang, the Executive Officer's compliance with the undertakings given by Mr. Su Chang and Sintop M&E Pte. Ltd., and any potential conflict of interests between the Group and Mr. Sun Renwang in respect of the Company's property development and investment business). The details of the undertakings have been set out in the Company's Offer Document;
- monitor and exercise oversight over the Group's compliance with the terms and conditions of its loan facilities (including loan covenants);
- review and approve all hedging policies and instruments (if any) to be implemented by the Group;
- monitor the Company's controlling shareholders' compliance with the minimum shareholder interest undertaking given to the Oversea-Chinese Banking Corporation Limited in relation to the Company's loan facility of which details have been set out in the Company's Offer Document;
- undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising therefrom and requiring the attention of the AC;
- review and establish procedures and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised (including but not limited to procedures for receipt, retention and treatment of complaints received by the Group, involving, amongst others, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group) and ensure that there are arrangements in place for independent investigation and appropriate follow-up action(s) and the Company publicly discloses, and clearly communicates to its employees, the existence of a whistle-blowing policy and the procedures for raising such concerns;

CORPORATE GOVERNANCE REPORT

- review, at least annually, and ensure that the procedures and policies in place are in compliance with all laws, rules and regulations (including but not limited to laws and regulations in respect of which the Group had contravened in the past) and commensurate with the Group's operations and expansion plans from time to time;
- review the risk profile of the Group (including but not limited to the monitoring and exercise of oversight over the Group's venture into the property development and investment businesses) and the appropriate steps to be taken to mitigate and manage risks at acceptable levels as determined by the Board; and
- in general, undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

Whistleblowing Policy

The Group has put in place a whistleblowing framework, endorsed by the AC, which provides the mechanisms where whistleblowers may, in confidence, raise concerns or observations about possible corporate malpractices and improprieties in financial reporting or other misconduct or wrongdoing relating to the Company and its officers directly to any member of the whistleblowing committee members at alexskchua@gmail.com, ckkong@penvest-co.com and/or francis@gohmediation.com. Details of the whistleblowing policy, together with the dedicated whistleblowing communication channels (such as email addresses) have been made available to all employees. It has a well-defined process which ensures independent investigation of the whistleblowing reports made in good faith with appropriate follow-up action, and provides assurance that the identity of the whistleblower will be kept confidential and the whistleblower will be protected against detrimental or unfair treatment. All reporting will be attended to and the identity of the whistleblower will be kept confidential.

The whistleblowing policy and procedures are reviewed by the AC from time to time to ensure that they remain relevant. The AC is responsible for oversight and monitoring of whistleblowing.

The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant government authorities for further investigation or action.

A copy of the whistleblowing policy is also disseminated to all employees of the Group. During FY2024, there was no complaint, concerns of issue and whistleblowing report received through the whistle-blowing channel.

Financial Reporting Matters

The AC reviews the financial statements, SGXNet announcements and all related disclosures to shareholders before submission to the Board for approval. In this process, the AC reviews the key areas of management judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have an impact on the Group's financial performance to ensure the integrity and fairness of the financial statements.

The AC considered the report from the external auditors ("EA"), including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the EA have been included as Key Audit Matters ("KAM") in the Independent Auditors' Report for FY2024 from pages 60 to 64 of this Annual Report. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of judgments, estimates and key assumptions used. The AC concluded that Management's accounting treatment, judgments and estimates in the KAM were appropriate.

CORPORATE GOVERNANCE REPORT

Internal Controls and Regulatory Compliance

The AC assists the Board in discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records and develop and maintain effective systems of internal control, with the overall objective of ensuring that the Management creates and maintains an effective control environment. The AC provides a channel of communication between the Board, the Management, and the internal and external auditors on audit matters.

The AC also has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management and full discretion to invite any Director to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

Any change to accounting standards and issues which has a direct impact on financial statements will be highlighted to the AC from time to time by the external auditors. The external auditors will work with the Management to ensure that the Group complies with the new accounting standards, if applicable.

The AC reviews the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems through discussion with Management and its auditors and report to the Board annually.

The AC reviews the assurance from the CEO and FC on the financial records and financial statements.

External Audit

The AC reviews the scope and results of the audit carried out by the EA, Messrs. BDO LLP, the cost effectiveness of the audit and the independence and objectivity of the external auditors. It always seeks to balance the maintenance of objectivity of the external auditors and their ability to provide value-for-money professional services.

The AC, in determining the independence and objectivity of the EA, reviewed all aspects of their relationships with them, including the processes, policies and safeguards adopted by the Group and EA relating to audit independence. The AC also considered the nature and volume of the provision of the non-audit services in FY2024. Save for the fees paid for audit engagement, the non-audit services provided by the Company's external auditors, Messrs. BDO LLP are immaterial and would not affect the independence of the auditors. The AC is of the opinion that the external auditors are independent and were adequate and effective in performing its audit.

	S\$'000	% of fees
Audit fees	159	94
Non-audit fees		
– Financial due diligence services on the proposed acquisition of a target company	9	6
Total fees	<u>168</u>	<u>100</u>

The consolidated financial statements of the Company and its subsidiaries for FY2024 are audited by Messrs. BDO LLP. The AC and the Board are of the view that the audit firm is adequately resourced, of appropriate standing within the international affiliation, have reviewed and are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the Company and that the Company has complied with Rule 712 and Rule 715 of the Catalist Rules of the SGX-ST. In addition, the AC had taken into consideration the experience of the EA, the audit engagement partner assigned to the audit, the EA's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit and its ability to provide audit services to the Group.

The AC recommends to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditors and approving the remuneration of the external auditors.

CORPORATE GOVERNANCE REPORT

In reviewing the appointment of Ernst & Young LLP in place of the retirement of the existing external auditors, BDO LLP as the Group's external auditors for the financial year ending 31 December 2025, the AC has considered the independence, adequacy of the resources, experience and competence of Ernst & Young LLP, and has taken into account the Accounting and Corporate Regulatory Authority's ("**ACRA**") Audit Quality Indicators Disclosure Framework relating to Ernst & Young LLP at the firm level and on the audit engagement level. Consideration was also given to the experience of the engagement partner and key team members in handling the audit. The AC also considered the audit team's ability to work in a co-operative manner with the Management whilst maintaining integrity and objectivity and its ability to deliver their services professionally and within agreed timelines.

The AC has recommended to the Board, and the Board has accepted the appointment of Ernst & Young LLP in place of the retirement of the existing external auditors, BDO LLP as the Group's external auditors, subject to the shareholders' approval at the forthcoming AGM to be held on 29 April 2025. Further information on the proposed change of external auditors is set out in the appendix to the notice of AGM dated 11 April 2025.

None of the AC members are former partners or directors of the Company's external firm within the last 24 months and none of the AC members hold any financial interest in the external audit firm.

Provision 10.4 of the Code: Internal Audit Function

The primary role of the internal audit is to assist the Board to evaluate the reliability, adequacy and effectiveness of the internal controls and risk management processes of the Group, review the internal controls of the Group to ensure prompt and accurate recording of transactions and proper safeguarding of assets, review whether the Group complies with the relevant laws, regulations and policies established, and highlight the areas where internal control weaknesses exist, if any.

The internal auditors independently plans its internal audit schedule in consultation with the Management. The AC examines the internal audit plan, determines the scope of audit examination and approves the internal audit budget. It also oversees the implementation of the improvements required on internal control weaknesses identified and ensures that the Management provides the necessary co-operation to enable the internal auditors to perform its function. In addition, the internal auditors may be involved in ad-hoc projects initiated by the AC which require the assistance or/and assurance of the internal auditors in specific areas of concerns.

The Board is overall responsible for the management of risk within the Group. It ensures that the Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets. It also determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic business objectives.

Messrs. RSM SG Risk Advisory Pte Ltd, the Company's internal auditors ("**IA**"), report primarily to the Chairman of the Audit Committee ("**AC**") and have unrestricted access to the Company's and the Group's documents, records, properties, and personnel, including members of the AC. The IA is a corporate member of the Institute of Internal Auditors Singapore and is staffed by qualified professionals. All Partners, Directors, and Managers at RSM hold professional qualifications, including Chartered Accountant, Certified Internal Auditor, and Certified Information Systems Auditor designations. The Engagement Partner, Mr. Keith Tan, is a Chartered Accountant of Singapore with over 14 years of experience in internal audit, risk management, assurance, compliance, and advisory services and is supported by an engagement team of approximately 5 staff. The AC works closely with the IA, who conducts its work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. Together, they identify relevant areas of focus to further enhance the robustness of the Company's internal controls and governance framework. The Management has adopted a risk management framework and the Enterprise Risk Management ("**ERM**") manual. The IA has facilitated an enterprise risk assessment with the Management and relevant employees to identify key risks that would impact the achievement of the Group's business objectives in FY2024. The risk assessment exercise shall cover pertinent risks in strategic, operational, financial, regulatory compliance and information technology areas. The effectiveness of the Group's system of internal controls in place to address the key financial, operational, compliance and information technology risks affecting the operations, are reviewed by the AC together with the Board.

CORPORATE GOVERNANCE REPORT

The Management is responsible for ensuring that the risks identified are relevant to the business environment, and that controls or mitigating factors are in place. The Board reviews and approves policies and procedures for managing the identified risks. The AC provides independent oversight to the effectiveness of the risk management process.

In compliance with Rule 1204(10) of the Catalist Rules, the Board, with the concurrence of the AC, is of the opinion that the Company has a robust and effective internal controls system. The Company's internal controls including financial, operational, compliance and information technology controls, and risk management systems are adequate and effective, based on the internal controls established and maintained by the Group, and reports from the internal auditors and external auditors. There were no material internal control weaknesses identified by the Board and the AC for FY2024.

The Board notes that the system of internal controls provides reasonable but not absolute assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

The engagement with the IA is free from any relationship or conflict of interest, which could potentially impair the objectivity and independence. The AC has reviewed the independence, adequacy and effectiveness of the internal audit function at least annually to ensure that it is adequately resourced and has appropriate standing within the Company. Based on the review, the AC was of the view that the internal audit function has appropriate standing within the Company, is independent, effective and adequately resourced.

The AC approves the hiring, removal, evaluation and compensation of the IA.

Code of Conduct and Ethics

The Company has established a Code of Conduct and Ethics that sets the principles of the code of conduct and ethics which applies to all employees of the Group. This code covers areas such as conduct in workplace, business conduct, protection of the Company's assets, confidentiality of information and conflict of interest. Directors, KMP and employees are expected to observe and uphold high standards of integrity which are in compliance with the Company's policies and the law and regulations of the countries in which it operates.

Provision 10.5 of the Code: Audit Committee meets the auditors without the presence of Management annually

The AC shall meet the EA and IA without the presence of the Management at least once a year so that any matter can be raised directly. For FY2024, the AC has met with the EA and IA without the presence of the Management. These meetings enable the auditors to raise any issues in the course of their work directly to the AC.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 of the Code: Shareholders' Voting Rights

CORPORATE GOVERNANCE REPORT

Provision 11.2 of the Code: Resolutions

The Board is committed to being open and transparent in the conduct of the Company's affairs, while preserving the commercial interests of the Company. The Board is mindful of its obligations to provide timely and fair disclosure of material information in accordance with the Corporate Disclosure Policy. Financial results, annual reports and other material information are released via SGXNet.

Notices of general meeting are despatched to Shareholders together with explanatory notes or a circular on items of special business (if necessary), at least fourteen (14) days (without special resolution) or twenty-one (21) days (with special resolution) prior to the meeting date.

All Shareholders are entitled to attend the general meetings of the Company and are afforded the opportunity to participate effectively at such meetings. All Shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company conducts poll voting for all resolutions tabled at the general meetings either through manual or electronic polling. The rules, including the voting procedures, will be clearly explained by the scrutineers at such general meetings. Announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentage to the audience at the general meeting will be released on SGX-ST on the same day.

If any Shareholders are unable to attend the general meetings of the Company, he/she is allowed to appoint up to two (2) proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance. The Company's current Constitution does not allow corporations which provide nominee or custodial services to appoint more than two (2) proxies. In line with the amendments to the Companies Act 1967, 'relevant intermediary' which provide nominee or custodial services to third parties are entitled to appoint more than two (2) proxies to attend and vote on their behalf at general meetings provided that each proxy is appointed to exercise the rights attached to different shares held by Shareholders.

The Company practices having separate resolutions tabled at general meetings on each substantially separate issue. "Bundling" of resolutions are kept to a minimum and are done only where the resolutions are interdependent so as to form one significant proposal. Where the resolutions are "bundled", the reasons and material implications will be explained in the notice of general meeting.

Provision 11.3 of the Code: Attendance at General Meetings

Shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay informed of the Company's strategy and goal. The Company encourages active Shareholders' participation. During the general meetings, Shareholders may raise questions or share their views regarding the proposed resolutions, and the Company's businesses and affairs. All Directors will endeavour to be present at the general meetings of the Company to interact with Shareholders. The respective Chairman of the AC, NC, RC and KMP will attend the general meetings of the Company to address questions relating to the progress and performance of the Group. The EA would also be present to assist the Directors in addressing any relevant queries by Shareholders about the conduct of the external audit and the preparation and content of the Independent Auditors' report.

All Directors had attended the Company's AGM which was held during FY2024.

Provision 11.4 of the Code: Voting procedures

Shareholders are encouraged to participate at the Company's general meetings. For those who hold their shares through nominee or custodial services, they are allowed, upon prior request through their nominee, to attend the general meetings as observers without being constrained by the two-proxy rule.

CORPORATE GOVERNANCE REPORT

The Company is not currently implementing voting in absentia voting method such as voting via mail, electronic mail or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of Shareholders through the web is not compromised.

Provision 11.5 of the Code: Minutes of general meeting

The Company Secretary prepares minutes of general meetings that include substantial and relevant comments or queries raised by the Shareholders relating to the agenda of the meeting during the meeting, and responses from the Board and the Management. These minutes are available to Shareholders on SGXNet as soon as practicable, and within one (1) month after the general meeting.

For FY2024, the Company will publish the minutes of the AGM to be held on 29 April 2025 on SGXNet and/or the Company's website within one (1) month after the AGM. The forthcoming AGM to be held in respect of FY2024 will be convened and held physically, the details of which are set out in the Notice of AGM. Shareholders will be able to raise questions and vote in person at the AGM.

Provision 11.6 of the Code: Dividend policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, operational and capital requirements, cash flow and financial conditions, as well as general business conditions and other factors which the Board may deem appropriate. The Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management. The Board will review the dividend payment from time to time and any dividend declaration will be communicated to shareholders via announcement through SGXNet.

As set out in the Company's Offer Document, the Board intends to recommend and distribute dividends (in the form of cash, additional Shares or a combination of both) of at least 50.0% of its net profits attributable to owners of the Company for each of FY2023, FY2024 and FY2025 ("**Proposed Dividends**"), as the Group wishes to reward Shareholders for participating in the Group's growth. The Company intends to repay all facilities which may restrict the declaration, payment and distribution of the Proposed Dividends in full prior to the declaration, payment and distribution of any dividends. Shareholders should note that the abovementioned statements, may be subject to modification (including reduction or non-declaration thereof) in the Directors' sole and absolute discretion, and are merely statements of the Company's present intention and shall not constitute legally binding obligations on the Company or legally binding statements in respect of the Company's future dividends. While the Directors intend to recommend and distribute the Proposed Dividends, the Company currently does not have a fixed dividend policy. Shareholders should also not treat the Proposed Dividends for FY2023, FY2024 and FY2025 as an indication of the Group's future dividend policy.

The Board has declared an interim dividend (one-tier tax exempt) of S\$0.005 per ordinary share in FY2024, which has been paid to the Shareholders on 11 November 2024, and the Board has also recommended a final dividend (one-tier tax exempt) of S\$0.0025 per ordinary share for FY2024 which is subject to the Shareholders' approval at the forthcoming AGM of the Company.

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provision 12.1 of the Code: Communication with shareholders

CORPORATE GOVERNANCE REPORT

Provision 12.2 and 12.3 of the Code: Investor relations policy

The Group is firmly committed to corporate governance and transparency by disclosing to its stakeholders, including its Shareholders, as much relevant information as is possible, in a timely, fair and transparent manner, as well as to hearing its shareholders' views and addressing their concerns. By supplying shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility.

Information is disseminated to Shareholders on a timely basis through:

- (a) announcements and press release announced via SGXNet; and
- (b) annual reports prepared and issued to all Shareholders.

The Company's website at <https://egu-holdings.com/> will serve as an additional channel of communication with Shareholders, where information disseminated on SGXNet will concurrently be posted on the website, and through which Shareholders may contact the Company via email at enquiry@egu-holdings.com.

The Board takes adequate steps to ensure compliance with legislative and statutory requirements, and observes obligations of continuing disclosure under the Catalist Rules. The Management reviews and provides relevant compliance reports for the Board's approval. For issues relating to the Group's business development, the Board also provides the Shareholders with periodic updates and reports through announcements where necessary. The Group's financial results and annual reports are announced or issued within the periods specified under the Catalist Rules.

Notwithstanding that the Company does not have in place an investor relations policy, the Board welcomes the view of Shareholders and gives the Shareholders an opportunity to pose questions to the Board or Management prior to and at the general meetings. Shareholders are informed of shareholders' general meetings through notices despatched to all Shareholders. The Board, the Management and the professional parties (if applicable) are available to address questions from shareholders at general meetings.

In addition, Shareholders and potential investors can also contact the Company via email at enquiry@egu-holdings.com ("IR Email") which has been designated as a channel to facilitate effective and fair communication with Shareholders. The Company endeavors to respond to Shareholders' queries via the IR Email within seven (7) working days.

Accordingly, the Board is of the view that, with the above-mentioned avenues for communication between the Board and all Shareholders, the Company allows for an ongoing exchange of views to actively engage and promote regular, effective and fair communication with Shareholders.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Provision 13.1 and 13.2 of the Code: Relationships with stakeholders

The Group has identified key stakeholders as those who are impacted by the Group's business and operation activities, and have a significant impact on the Group's sustainability. Such stakeholders include employees, shareholders and investors, workers, its customers, suppliers and business partners, communities, government and regulators, and its financiers. The Company engages its key stakeholders through the Company's announcements released via SGXNet, general meetings and the IR Email to ensure that business interests of the Group are balanced against the needs and interests of its stakeholders.

CORPORATE GOVERNANCE REPORT

The Group's policies, including the Board Diversity Policy, the IR Policy and the Whistleblowing Policy, facilitate the Group's engagement with its key stakeholders. The Group's first sustainability report for FY2023, pursuant to paragraph 6.3 of Practice Note 7F of the Catalist Rules, has been released to the SGX-ST on 30 August 2024.

The Company's approach (including the materiality assessment conducted in determining key stakeholders) to engaging with key stakeholders as well as key information on the Group's strategy and key areas of focus in managing stakeholder relationships will be set out in the sustainability report for FY2024 which will be made available on the SGXNET by 30 April 2025.

To promote regular, effective and fair communication with Shareholders, the Company maintains a corporate website at <https://egu-holdings.com/> through which Shareholders are able to access up-to-date information on the Group. The website provides annual reports, financial information, stock information, profiles of the Group, and contact details of the investor relations of the Group.

Stakeholders may contact the Company through email at enquiry@egu-holdings.com.

Provision 13.3 of the Code: Communication with stakeholders

Corporate Website

The Company does not practice selective disclosure of material information. All material information relating to the performance and development of the Group and of the Company is disclosed in a timely, accurate and comprehensive manner through SGXNet and the Company's corporate website <https://egu-holdings.com/>.

The Company's website, contains information on the Group and the Company and will serve as an important resource for investors and all stakeholders. It has a dedicated "Investor Relations" link which features the annual report, financial results, and related information.

ADDITIONAL INFORMATION REQUIRED BY THE CATALIST RULES OF THE SGX-ST

1. DEALINGS IN SECURITIES

In compliance with Rule 1204(19) of the Catalist Rules, the Company imposes a trading embargo on its Directors and employees from trading in its securities for the period of one (1) month prior to the announcement of the half-year and full-year financial results, or when they are in possession of unpublished material price-sensitive information.

An internal memorandum will be circulated prior to the start of the trading embargo, informing all persons covered by the policy that they are prohibited from dealing in the securities of the Company during the 'closed window' period until after the release of the results. The Company's internal memorandum further reminds all officers of the Company not to deal in the Company's securities on short-term considerations.

All Directors are required to seek Board's approval before trading in the Company's shares and are also required to notify the Company Secretary of any change in his interest in the Company's shares within two business days of the change.

In view of the policy in place, the Board is of the opinion that the Company has complied with the recommended best practices on dealings in securities under Rule 1204(19) of the Catalist Rules.

In addition, Directors, KMP and connected persons are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

CORPORATE GOVERNANCE REPORT

2. NON-SPONSOR FEES

The Company was listed on the Catalist Board of the SGX-ST on 18 May 2023, and Novus Corporate Finance Pte. Ltd. ("**Novus**") was the Full Sponsor and Issue Manager of the Company in respect of the IPO. In accordance with Rule 1204(21) of the Catalist Rules, in FY2024, non-sponsor fees of S\$12,000 (excluding GST) were paid to Novus.

3. INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has adopted an internal policy in respect of any transaction with interested persons and has set out the procedures for identification, monitoring, reviewing and approving the Company's IPTs to ensure that the relevant rules in Chapter 9 of the Catalist Rules are complied with. In the event that a member of the AC is involved in any IPTs, he will abstain from reviewing that particular transaction.

The Company has obtained a general mandate from Shareholders for IPTs at its IPO (the "**IPT General Mandate**"), of which has been renewed at FY2023 AGM of the Company. The Company has established procedures to ensure that all IPTs are reported in a timely manner to the AC, and that the IPTs are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The Company will seek renewal of the IPT General Mandate at the forthcoming AGM and further information is set out in the Appendix to this Annual Report.

The aggregate value of the IPTs entered into during FY2024 is disclosed below:

Name of interested person	Nature of relationship	Aggregate value of all IPTs during FY2024 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
Chan Rong Fen Building Construction Pte Ltd (" CRF ")	The Company's NINEC and controlling shareholder, Mr Sun Renwang, is the executive director and controlling shareholder of CRF.	252 ⁽¹⁾	805 ⁽²⁾

Notes:

- (1) Relates to the aggregate rental fee in relation to a tenancy agreement for a term of three (3) years entered into with CRF on 1 March 2024.
(2) Relates to an M&E engineering project awarded to the Company's wholly-owned subsidiary, Sunbeam M&E Pte. Ltd., by CRF with a contract term of one (1) year.

CORPORATE GOVERNANCE REPORT

4. USE OF PROCEEDS

The Company refers to the net cash proceeds amounting to S\$1.45 million (excluding listing expenses of approximately S\$1.63 million) raised from the IPO ("**IPO Proceeds**"). As announced on 18 January 2024, the IPO Proceeds which were originally allocated for general working capital requirements were reallocated for the expansion of the Group's M&E engineering business through joint ventures, mergers and acquisitions and strategic alliances instead, as the Company had no immediate and definite plans to utilise the IPO Proceeds allocated for the Group's working capital. As of the date of this Annual Report, the IPO Proceeds have been fully utilised. Please refer to the announcement dated 18 January 2024 for further information on the use of IPO Proceeds.

In addition, the Company refers to the net cash proceeds amounting to S\$4,850,000 (excluding expenses of approximately S\$150,000) in respect of the Company's issuance of the convertible bonds on 2 April 2025 ("**CB Net Proceeds**"). As at the date of this Annual Report, the CB Net Proceeds have not been utilised.

5. MATERIAL CONTRACTS

Pursuant to Rule 1204(8) of the Catalist Rules, the Company confirms that save as disclosed in the sections "Interested Person Transactions", "Directors' Statement" and "Notes to the Financial Statements" of this Annual Report, there were no material contracts and loans of the Company or its subsidiaries involving the interests of its Directors, the CEO or controlling shareholders which are either still subsisting as at the end of financial year or if not then subsisting, entered into since the end of the previous financial year.

6. SUMMARY OF SUSTAINABILITY REPORT

The Company is committed to driving sustainable growth and delivering long-term value for our stakeholders. Our sustainability report for FY2024 (the "**Sustainability Report**") outlines our progress and commitment to environmental, social, and governance ("**ESG**") principles.

The Sustainability Report has been prepared following Rules 711A and 711B and Practice Note 7F of the Catalist Rules. It is developed with reference to the Global Reporting Initiative ("**GRI**") Standards and aligns with the recommendations set forth by the Task Force on Climate-related Financial Disclosures ("**TCFD**").

Our Board of Directors remains dedicated to embedding ESG considerations into the Group's business strategy. The Sustainability Working Committee ("**SWC**"), led by the General Manager and comprised of senior executives, plays a pivotal role in implementing, managing, and monitoring sustainability initiatives across our operations.

Since our first sustainability report in FY2023, we have refreshed our materiality assessment and enhanced our disclosures to address emerging sustainability concerns and meet evolving stakeholder expectations. This reflects our dedication to transparency and accountability.

In preparation for the International Sustainability Standards Board ("**ISSB**") requirements, we plan to review our disclosures and processes for alignment against the ISSB standards in FY2025 and will enhance our reporting framework to align with upcoming regulatory changes and industry best practices. These efforts position the Company to stay ahead of evolving sustainability expectations and reinforce our commitment to responsible business practices.

The Sustainability Report will be made available to the Shareholders on the SGXNet and the Company's website by 30 April 2025.

DIRECTORS' STATEMENT

The Directors of Ever Glory United Holdings Limited (the **"Company"**) present their statement to the members together with the audited financial statements of the Company and its subsidiaries (the **"Group"**) for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company together with notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended and changes in equity of the Company for the financial year ended 31 December 2024; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are as follow:

Mr. Sun Renwang	(Non-Independent Non-Executive Chairman)
Mr. Xu Ruibing	(Executive Director and Chief Executive Officer)
Mr. Chua Siong Kiat	(Lead Independent Non-Executive Director)
Mr. Kong Chee Keong	(Independent Non-Executive Director)
Mr. Goh Siong Pheck Francis	(Independent Non-Executive Director)

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. Directors' interests in shares or debentures

The Directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the **"Act"**), except as follows:

	Shareholdings registered in the name of Directors	
	At the beginning of year	At the end of year
	Number of ordinary shares	
Company:		
Sun Renwang	65,600,000	98,400,000
Xu Ruibing	65,600,000	98,400,000

By virtue of Section 7 of the Act, Mr. Sun Renwang and Mr. Xu Ruibing are deemed to have interests in the shares of all related corporations of the Company at the beginning and end of the financial year.

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures (continued)

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the register of Directors' shareholdings, the Directors' interest as at 21 January 2025 in the shares of the Company have not changed from those disclosed as at 31 December 2024.

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

Employee Share Option Scheme

The Company has implemented an Employee Share Option Scheme known as the Ever Glory Employee Share Option Scheme ("**Share Option Scheme**"). The Share Option Scheme was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 20 April 2023. No options have been granted pursuant to the Share Option Scheme as at the date of this report.

Performance Share Plan

The Company has implemented a Performance Share Plan known as the Ever Glory Performance Share Plan ("**Performance Share Plan**"). The Performance Share Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 20 April 2023. During the financial year ended 31 December 2024, 1,072,300 shares were granted to the employees (who were not directors or controlling shareholders of the Company) pursuant to the Performance Share Plan.

6. Audit Committee

The Audit Committee of the Company is chaired by Mr. Chua Siong Kiat, the Lead Independent Non-executive Director, and includes Mr. Kong Chee Keong, an Independent Non-executive Director and Mr. Goh Siong Pheok Francis, an Independent Non-executive Director. The Audit Committee has carried out its functions in accordance with Section 201B(5) of the Act, including reviewing the following, where relevant, with the Executive Directors and external and internal auditors of the Company:

- a. assist the Board of Directors in the discharge of its responsibilities on financial and reporting matters, including overseeing the integrity of the Group's system of accounting and financial reporting, and maintaining a high standard of transparency and reliability in the Group's corporate disclosure;
- b. review, with the internal and external auditors, the audit plans, the adequacy, effectiveness and independence, scope and results of the external audit and the Company's internal audit function, and review at regular intervals with the management on the implementation by the Group of the internal control recommendations made by the internal and external auditors;
- c. review and ensure that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by internationally recognised professional bodies, where applicable;

DIRECTORS' STATEMENT

6. Audit Committee (continued)

- d. review and ensure that the internal audit function has unfettered access to all the Group's documents, records, offices and personnel, including the Audit Committee, and has appropriate standing within the Company;
- e. review the significant financial reporting issues and judgement so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- f. review the periodic financial statements and results announcements before submission to the Board of Directors for approval, focusing in particular, on changes in policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and any other statutory or regulatory requirements, concerns and issues arising from the audits, including any matters which the auditors may wish to discuss in the absence of the management, where necessary, before submission to the Board of Directors for approval;
- g. review the assurance from the Chief Executive Officer and the Financial Controller on the financial records and financial statements;
- h. review and report to the Board of Directors, at least annually, the effectiveness, sufficiency and adequacy of the internal controls and risk management systems, addressing financial, operational, information technology and compliance risks and discuss issues and concerns, if any, arising from the internal audits may, if necessary, outsource internal audit function to ensure the effectiveness, sufficiency and adequacy of such procedures;
- i. review, with the internal and external auditors, the Group's management letters and the management's responses;
- j. review the independence and objectivity of the internal and external auditors as well as consider and recommend to the Board of Directors on (i) the proposals to the shareholders on the re-appointment or removal of external auditors, (ii) the proposals on the re-appointment or removal of internal auditors, and (iii) the remuneration and terms of engagement of the internal and external auditors;
- k. review, discuss with the internal and external auditors (including any commissioned findings of internal investigations and management's response), and report to the Board of Directors on any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- l. review the Group's key financial risk areas, with a view to providing an independent oversight of the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, if the findings are material, to be immediately announced via SGXNET;
- m. meet, at least annually, with the internal and external auditors without the presence of the Group's management to review the cooperation given by the management to the internal and external auditors, where applicable;
- n. review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

DIRECTORS' STATEMENT

6. Audit Committee (continued)

- o. review any potential conflict of interests, including those with the Company's controlling shareholders and assess from time to time whether additional processes are required to be put in place to manage any potential conflict of interests and where appropriate, set out a framework to resolve or mitigate any potential conflict of interests (including monitoring, reviewing and exercising oversight over the Company's controlling shareholders compliance with the undertaking given by Mr. Xu Ruibing and Mr. Sun Renwang, the Executive Officer's compliance with the undertakings given by Mr. Su Chang and Sintop M&E Pte. Ltd., and any potential conflict of interests between the Group and Mr. Sun Renwang in respect of the Company's property development and investment business);
- p. monitor and exercise oversight over the Group's compliance with the terms and conditions of its loan facilities (including loan covenants);
- q. monitor the Company's controlling shareholders' compliance with the minimum shareholding interest undertaking given to the Oversea-Chinese Banking Corporation Limited in relation to the Company's loan facility;
- r. review and approve all hedging policies and instruments (if any) to be implemented by the Group;
- s. review and establish procedures and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised (such as procedures for receipt, retention and treatment of complaints received by the Group, amongst others, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group) and ensure that there are arrangements in place for independent investigation and appropriate follow-up action(s), and to ensure that the Company publicly discloses, and clearly communicates to its employees the existence of a whistle-blowing policy and the procedures for raising such concerns;
- t. review, at least annually, and ensure the procedures and policies put in place are in compliance with various laws and regulations (including laws and regulations in respect of which the Group had contravened in the past) and commensurate with the Group's operations and expansion plans from time to time;
- u. review the risk profile of the Group (including the monitoring and exercise of oversight over the Group's venture into the property development and investment businesses) and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by the Board of Directors;
- v. appraise the performance of the Financial Controller on an annual basis;
- w. generally to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time; and
- x. undertake such other reviews and projects as may be requested by the Board of Directors, and report to the Board of Directors its findings from time to time on matters arising therefrom and which require the attention of the Audit Committee.

DIRECTORS' STATEMENT

6. Audit Committee (continued)

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditors.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any Director and Executive Officer of the Group to attend its meetings. The external auditors and internal auditors have unrestricted access to the Audit Committee.

On behalf of the Board of Directors

Sun Renwang

Director

28 March 2025

Xu Ruibing

Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ever Glory United Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprise:

- the consolidated statement of financial position of the Group, the statement of financial position and statement of changes in equity of the Company as at 31 December 2024;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and
- notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED

KEY AUDIT MATTER

Accounting for construction contracts

The Group's main revenue is from construction contracts arising from the provision of mechanical and electrical engineering services. The Group recognises revenue over time, whereby revenue is recognised by reference to the proportion of contract costs incurred to-date to the satisfaction of a performance obligation ("input method").

During the financial year ended 31 December 2024, the Group's revenue from construction services amounted to S\$74,672,000 (2023: S\$47,478,000).

We have determined accounting for construction contracts to be a key audit matter as significant judgements and estimates are used to estimate the total budgeted contract costs which affect the accuracy of revenue recognition based on the input method, as well as in the assessment of adequacy of provision for onerous contracts recognised. The Group relies on past experience in determining estimates.

Refer to Notes 11 and 21 to the accompanying financial statements.

AUDIT RESPONSE

We performed the following audit procedures, amongst others:

- In relation to revenue and variation orders, we:
 - Obtained an understanding of the progress of significant ongoing construction contracts through discussions with management, conducting site visits and examination of project documentation;
 - Traced, on a sample basis, total contract sums to contracts and variation orders entered with customers; and
 - Checked the arithmetical accuracy of revenue recognised based on input method computations.
- In relation to construction costs, we:
 - Reviewed controls surrounding the preparation and approval of budgeted contract costs and actual costs charged to respective projects;
 - Reviewed, on a sample basis, the revisions made to budgeted costs and assessed reasonableness of such revisions;
 - Traced estimated costs to complete by validating costs that have been committed to sub-contractor quotations or contracts entered for significant contract; and
 - Traced, on a sample basis, the actual costs incurred to suppliers' invoices, subcontractors' progress billings and other supporting documents.
- Review management's assessment of the adequacy of the provision of onerous contracts in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*; and
- Assessed the adequacy of disclosure in the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED

KEY AUDIT MATTER

Acquisition of Fire-Guard Engineering Pte. Ltd.

On 7 February 2024, the Company has completed the acquisition of the entire equity interests in Fire-Guard Engineering Pte. Ltd. ("FGE") for a total purchase consideration of approximately \$4,331,000, comprising cash consideration, shares consideration and contingent consideration.

Management has carried out its assessment on the above acquisition and determined it has significant control from the date of acquisition.

The management has engaged an external valuer to prepare the purchase price allocation ("PPA") to determine the fair value of identifiable assets acquired and the liabilities assumed on date of acquisition in accordance with SFRS (I) 3 *Business Combination*.

We have determined the acquisition of FGE to be key audit matter as it involved significant judgements and estimates with regard to the valuation process.

Refer to Note 6 to the accompanying financial statements.

AUDIT RESPONSE

We performed the following audit procedures, amongst others:

- Reviewed the sales and purchase agreement ("SPA") to determine if the accounting for the acquisition is in accordance with SFRS(I) 3 *Business Combination* and SFRS(I) 10 *Consolidated Financial Statements*;
- Assessed the independence and competency of the external valuer, which included considering their experiences and qualification in performing valuations for business combination;
- Discussed with external valuer on the valuation methodologies used, key assumptions used and the results of their work;
- Reviewed the PPA report issued by the external valuer and, with the assistance of our internal valuation specialists; assessed the reasonableness of the key assumptions and valuation methods used in the identification of assets and liabilities and purchase consideration; and
- Assessed the adequacy of disclosure in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company, and by the subsidiary corporations in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Yeo Siok Yong.

BDO LLP

Public Accountants and
Chartered Accountants

Singapore
28 March 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
ASSETS					
Non-current assets					
Intangible assets	3	743	10	–	–
Plant and equipment	4	251	112	–	–
Right-of-use assets	5	462	341	–	–
Investment in subsidiaries	6	–	–	6,456	1,107
Investment in joint ventures	7	324	306	–	–
Investment in an associate	8	1,462	420	–	–
Loan receivables at fair value through profit or loss (“FVTPL”)	9	1,250	–	–	–
Financial assets at fair value through other comprehensive income (“FVOCI”)	9	1	–	–	–
Trade and other receivables	12	100	100	2,221	333
Total non-current assets		4,593	1,289	8,677	1,440
Current assets					
Inventories	10	75	–	–	–
Contract assets	11	10,509	8,205	–	–
Trade and other receivables	12	20,447	8,727	5,331	1,876
Prepayment	12	24	24	24	24
Fixed deposits	13	5,330	2,500	4,602	2,500
Cash and bank balances	13	7,177	4,156	195	1,478
Total current assets		43,562	23,612	10,152	5,878
Total assets		48,155	24,901	18,829	7,318
EQUITY AND LIABILITIES					
Equity					
Share capital	14	5,067	2,838	5,067	2,838
Treasury shares	15	(513)	(86)	(513)	(86)
Other reserve	16	1,000	1,000	1,000	1,000
Retained earnings		13,444	7,523	8,904	3,114
Total equity		18,998	11,275	14,458	6,866
Non-current liabilities					
Lease liabilities	17	218	176	–	–
Bank borrowings	18	130	298	–	–
Deferred tax liabilities	25	121	–	–	–
Total non-current liabilities		469	474	–	–
Current liabilities					
Trade and other payables	19	19,604	9,425	3,616	452
Contract liabilities	11	1,070	840	–	–
Provisions	20	565	14	555	–
Bank borrowings	18	3,865	937	–	–
Lease liabilities	17	247	173	–	–
Income tax payables		3,337	1,763	200	–
Total current liabilities		28,688	13,152	4,371	452
Total liabilities		29,157	13,626	4,371	452
Total equity and liabilities		48,155	24,901	18,829	7,318

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group	
	Note	2024 S\$'000	2023 S\$'000
Revenue	21	74,672	47,478
Cost of sales		(63,511)	(36,524)
Gross profit		11,161	10,954
Other items of income			
Other income	22	1,838	405
Other items of expense			
General and administrative expenses		(3,461)	(1,525)
Other expenses	24	–	(1,268)
Finance costs	23	(146)	(39)
Share of results of an associate, net of tax	8	(8)	*
Share of results of joint ventures, net of tax	7	1,010	62
Profit before income tax	24	10,394	8,589
Income tax expenses	25	(1,439)	(1,758)
Profit for the financial year, representing total comprehensive income for the financial year		8,955	6,831
Profit and total comprehensive income for the financial year attributable to owners of the Company		8,955	6,831
Earnings per share (cents)			
– Basic and diluted	26	3.47	2.69

* Amount is less than S\$1000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Total equity S\$'000
Group						
Balance at 1 January 2024		2,838	(86)	1,000	7,523	11,275
Profit for the financial year representing total comprehensive income for the financial year		-	-	-	8,955	8,955
Transactions with owners						
Issuance of ordinary shares pursuant to acquisition of subsidiary	14	1,800	-	-	-	1,800
Issuance of ordinary shares pursuant to performance share plan	14	429	-	-	-	429
Purchase of treasury shares	15	-	(427)	-	-	(427)
Dividend paid	27	-	-	-	(3,034)	(3,034)
Total transactions with owners		2,229	(427)	-	(3,034)	(1,232)
Balance at 31 December 2024		5,067	(513)	1,000	13,444	18,998
Balance at 1 January 2023		*	-	1,000	1,962	2,962
Profit for the financial year representing total comprehensive income for the financial year		-	-	-	6,831	6,831
Transactions with owners						
Issuance of ordinary shares	14	3,152	-	-	-	3,152
Share issuance expenses	14	(314)	-	-	-	(314)
Purchase of treasury shares	15	-	(86)	-	-	(86)
Dividend paid	27	-	-	-	(1,270)	(1,270)
Total transactions with owners		2,838	(86)	-	(1,270)	1,482
Balance at 31 December 2023		2,838	(86)	1,000	7,523	11,275

* Amount is less than S\$1,000

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained earnings/ (Accumulated losses) S\$'000	Total equity S\$'000
Company						
Balance at 1 January 2024		2,838	(86)	1,000	3,114	6,866
Profit for the financial year representing total comprehensive income for the financial year		–	–	–	8,824	8,824
Transactions with owners						
Issuance of ordinary shares pursuant to acquisition of subsidiary	14	1,800	–	–	–	1,800
Issuance of ordinary shares pursuant to performance share plan	14	429	–	–	–	429
Purchase of treasury shares	15	–	(427)	–	–	(427)
Dividend paid	27	–	–	–	(3,034)	(3,034)
Total transactions with owners		2,229	(427)	–	(3,034)	(1,232)
Balance at 31 December 2024		5,067	(513)	1,000	8,904	14,458
Balance at 1 January 2023		*	–	1,000	(63)	937
Profit for the financial year representing total comprehensive income for the financial year		–	–	–	4,447	4,447
Transactions with owners						
Issuance of ordinary shares	14	3,152	–	–	–	3,152
Share issuance expenses	14	(314)	–	–	–	(314)
Purchase of treasury shares	15	–	(86)	–	–	(86)
Dividend paid	27	–	–	–	(1,270)	(1,270)
Total transactions with owners		2,838	(86)	–	(1,270)	1,482
Balance at 31 December 2023		2,838	(86)	1,000	3,114	6,866

* Amount is less than S\$1,000

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 S\$'000	2023 S\$'000
Operating activities			
Profit before income tax		10,394	8,589
Adjustments for:			
Amortisation of intangible assets	3	267	3
Depreciation of plant and equipment	4	55	46
Depreciation of right-of-use assets	5	287	157
Plant and equipment written off	4	16	–
Remeasurement of contingent consideration	22	(176)	–
Fixed deposits interest income	22	(110)	(38)
Interest expense	23	146	39
Contract assets written off	11	99	–
Retention receivables written off	12	64	–
Increase in provisions			
– Provision for onerous contracts	20	7	12
– Provision for unutilised leave	20	–	2
Share-based payments expenses – employee benefits expenses	14	429	–
Share of results of joint ventures, net of tax	7	(1,010)	(62)
Share of results of an associate, net of tax	8	8	*
Bargain purchase	22	(1,075)	–
Initial public offering fee		–	1,268
Grant income pursuant to the listing	22	–	(246)
Operating cash flows before working capital changes		9,401	9,770
Working capital changes:			
Contract assets		(71)	(4,429)
Trade and other receivables		(7,866)	(956)
Inventories		61	–
Prepayment		–	426
Trade and other payables		7,833	3,362
Contract liabilities		180	(1,773)
Provisions		(11)	(111)
Cash generated from operations		9,527	6,289
Income tax paid		(99)	(323)
Income tax refunded		2	–
Net cash from operating activities		9,430	5,966
Investing activities			
Interest received		114	–
Investment in an associate	8	(1,050)	(420)
Investment in joint ventures	7	(230)	(180)
Acquisition of subsidiary, net of cash acquired	6	(641)	–
Investment in financial asset	9	(1,251)	–
Return on capital from joint ventures	7	460	–
Dividend received from joint venture	7	762	–
Purchase of intangible assets	3	(20)	(13)
Purchase of plant and equipment	4	(195)	(97)
Net cash used in investing activities		(2,051)	(710)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 S\$'000	2023 S\$'000
Financing activities			
Repayment to director of newly acquired subsidiary	6	(400)	–
Repayment of principal portion of lease liabilities	17	(281)	(155)
Repayment of interest portion of lease liabilities	17	(27)	(12)
Proceeds from bank borrowings (Note A)		7,262	711
Repayment of bank borrowings (Note A)		(4,523)	(215)
Interest paid on bank borrowings		(98)	(23)
Increase in fixed deposits pledged	13	(2,228)	(1,500)
Proceeds from issuance of ordinary shares		–	1,952
Purchase of treasury shares	15	(427)	(86)
Dividends paid	27	(3,034)	(1,270)
Net cash used in financing activities		(3,756)	(598)
Net increase in cash and cash equivalents		3,623	4,658
Cash and cash equivalents at beginning of financial year		5,156	498
Cash and cash equivalents at end of financial year	13	8,779	5,156

* Amount is less than S\$1,000

Note A: Reconciliation of liabilities arising from financing activities:

	At beginning of financial year S\$'000	Proceeds S\$'000	Repayment S\$'000	Non-cash changes Accrued interest S\$'000	At end of financial year S\$'000
2024					
Bank borrowings	1,235	7,262	(4,523)	21	3,995
2023					
Bank borrowings	735	711	(215)	4	1,235

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL CORPORATE INFORMATION

Ever Glory United Holdings Limited (the “Company”) is a public limited company, which is incorporated in the Republic of Singapore and has its registered office at 3 Little Road #03-01 CRF Building Singapore 536982. The registration number of the Company is 202144351H. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 18 May 2023.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

The statement of financial position of the Company and statement of changes in equity as at 31 December 2024 and the consolidated financial statements of the Company and its subsidiaries (the “Group”) for the financial year ended 31 December 2024 were authorised for issue in accordance with a Directors’ resolution dated 28 March 2025.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) under the historical cost convention, except as disclosed in the material accounting policy information in the relevant notes to the financial statements.

All accounting policies have been consistently applied to the current financial year and comparative period, unless otherwise stated.

Where an accounting policy information is not disclosed in the financial statements, it is considered as not material and mainly standardised accounting requirements.

Items included in the individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar (“S\$”), which is the functional currency of the Company and the presentation currency of the financial statements. The financial statements are expressed in Singapore dollar (“S\$”) and rounded to nearest thousand (S\$’000), unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires the management to exercise judgement in the process of applying the Group’s and the Company’s accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management’s best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of revision and future years if the revision affects both current and future financial years.

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below and detailed disclosures are included in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

Significant accounting estimates and assumptions used:

- (i) Estimation of total contract costs for revenue from construction contracts and provisions for onerous contracts (Notes 11 and 21).
- (ii) Loss allowance on trade receivables, retention receivables and contract assets (Notes 11 and 12).
- (iii) Acquisition of subsidiary (Note 6).

New standards, amendments and interpretations effective from 1 January 2024

During the current financial year, the Group and the Company have adopted all the new and revised SFRS(I) that are relevant to their operations and effective for the current financial year. The adoption of these new or revised SFRS(I) did not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

SFRS(I) issued but not yet effective

As at the date of authorisation of these financial statements, the Group and the Company have not adopted the following SFRS(I) that have been issued but not yet effective:

		Effective date (annual periods beginning on or after)
SFRS(I) 1-21, SFRS(I) 1 (Amendments)	: Lack of Exchangeability	1 January 2025
SFRS(I) 9, SFRS(I) 7	: Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 9, SFRS(I) 7	: Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Various	: Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
SFRS(I) 18	: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	: Subsidiaries without Public Accountability: Disclosures	1 January 2027
SFRS(I) 10 and SFRS(I) 1-28 (Amendments)	: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Consequential amendments were also made to various standards as a result of these new or revised standards.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

SFRS(I) issued but not yet effective (continued)

The Group and the Company expect that the adoption of the above SFRS(I)s, if applicable, will have no material impact on the financial statements in the period of initial application, except as disclosed as below:

SFRS(I)18 Presentation and Disclosure in Financial Statements

The SFRS(I) 18 replaces SFRS(I)1-1 *Presentation of Financial Statements* and provides guidance on presentation and disclosure in financial statements, focus on the statement of profit or loss.

SFRS(I) 18 introduces:

- New structure on statement of profit or loss with defined subtotals;
- Disclosure related to management-defined performance measures (MPMs), which are measures of financial performance based on total or sub-total required by accounting standards with adjustments made (e.g. “adjusted profit or loss”). A reconciliation of MPMs to the nearest total or subtotal calculated in accordance with accounting standards; and
- Enhanced principles on aggregation and disaggregation of financial information which apply to primary financial statements and notes in general.

SFRS(I) 18 will take effect on 1 January 2027 and management anticipates that the new requirements will change the current presentation and disclosure in the financial statements. An impact assessment regarding the adoption of SFRS(I) 18 is still underway and as not yet been completed.

3. INTANGIBLE ASSETS

	Computer software S\$'000	Customer contracts S\$'000	Customer relationships S\$'000	Total S\$'000
Group Cost				
Balance at 1 January 2024	13	–	–	13
Arising from acquisition of a subsidiary	21	569	390	980
Additions	20	–	–	20
Balance at 31 December 2024	54	569	390	1,013
Accumulated amortisation				
Balance at 1 January 2024	3	–	–	3
Amortisation for the financial year	21	174	72	267
Balance at 31 December 2024	24	174	72	270
Net carrying amount				
Balance at 31 December 2024	30	395	318	743
Useful life	3 years	3 years	5 years	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. INTANGIBLE ASSETS (CONTINUED)

	Computer software S\$'000	Customer contracts S\$'000	Customer relationships S\$'000	Total S\$'000
Group Cost				
Balance at 1 January 2023	–	–	–	–
Additions	13	–	–	13
Balance at 31 December 2023	13	–	–	13
Accumulated amortisation				
Balance at 1 January 2023	–	–	–	–
Amortisation for the financial year	3	–	–	3
Balance at 31 December 2023	3	–	–	3
Net carrying amount				
Balance at 31 December 2023	10	–	–	10
Useful life	3 years	–	–	

Customer relationships and customer contracts arising from business combinations are identified and recognised at their fair value as at the acquisition date. Subsequent to initial recognition, the customer relationships and customer contracts are reported at cost less accumulated amortisation and accumulated impairment losses.

Amortisation expense was included in “general and administrative expenses” line item of profit or loss.

Impairment test

Intangible assets are subject to impairment tests whenever whether there is any indication that their carrying amount may not be recoverable. As at 31 December 2024, there was no such indication.

4. PLANT AND EQUIPMENT

	Computers S\$'000	Furniture and fittings S\$'000	Office equipment S\$'000	Renovation S\$'000	Motor Vehicle S\$'000	Total S\$'000
Group Cost						
Balance at 1 January 2024	72	73	53	87	–	285
Arising from acquisition of a subsidiary	–	1	8	6	–	15
Additions	21	6	21	67	80	195
Written off	–	–	(2)	(21)	–	(23)
Balance at 31 December 2024	93	80	80	139	80	472
Accumulated depreciation						
Balance at 1 January 2024	33	53	18	69	–	173
Depreciation for the financial year	22	5	15	6	7	55
Written off	–	–	(1)	(6)	–	(7)
Balance at 31 December 2024	55	58	32	69	7	221
Net carrying amount						
Balance at 31 December 2024	38	22	48	70	73	251

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. PLANT AND EQUIPMENT (CONTINUED)

	Computers S\$'000	Furniture and fittings S\$'000	Office equipment S\$'000	Renovation S\$'000	Total S\$'000
Group Cost					
Balance at 1 January 2023	44	51	28	65	188
Additions	28	22	25	22	97
Balance at 31 December 2023	72	73	53	87	285
Accumulated depreciation					
Balance at 1 January 2023	19	43	10	55	127
Depreciation for the financial year	14	10	8	14	46
Balance at 31 December 2023	33	53	18	69	173
Net carrying amount					
Balance at 31 December 2023	39	20	35	18	112

Plant and equipment is recognised at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate the depreciable amounts of the plant and equipment over their estimated useful life as follows:

	Years
Computers	3
Furniture and fittings	5
Office equipment	5
Renovation	5
Motor vehicle	5

5. RIGHT-OF-USE ASSETS

	Group 2024 S\$'000	2023 S\$'000
Premises Cost		
Balance at beginning of the financial year	598	237
Arising from acquisition of a subsidiary	159	–
Additions	249	203
Lease modifications	–	158
Reclassification to plant and equipment	(6)	–
Balance at end of the financial year	1,000	598
Accumulated depreciation		
Balance at beginning of the financial year	257	100
Depreciation for the financial year	287	157
Reclassification to plant and equipment	(6)	–
Balance at end of the financial year	538	257
Net carrying amount		
Balance at end of the financial year	462	341

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. RIGHT-OF-USE ASSETS (CONTINUED)

The right-of-use assets are recognised at cost and depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets as follow:

	<u>Years</u>
Premises	2-3

As at 31 December 2024, the Group has approximately S\$77,200 (2023: S\$108,000) of aggregate undiscounted commitments for short-term leases.

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	2023
	S\$'000	S\$'000
Unquoted equity shares, at cost	5,841	1,010
Deemed investment arising from the discounting impact of non-current receivables from a subsidiary (Note 12)	615	97
	6,456	1,107
Movements in unquoted equity shares, at cost:		
Balance at beginning of the financial year	1,010	1,000
Additions	500	10
Acquisition of a subsidiary	4,331	–
Balance at end of the financial year	5,841	1,010

The deemed investment arising from the discounting impact of non-current receivables from a subsidiary represents the difference between the advances provided and the fair value of the non-current receivables was which was determined using market borrowing rate of 5.25% (2023: 5.25%).

The details of subsidiaries are as follow:

Name of subsidiaries	Principal place of business	Principal activities	Proportion of ownership interest held by the Company	
			2024 %	2023 %
Sunbeam M&E Pte. Ltd. ⁽¹⁾	Singapore	Building construction (specialised in mechanical and electrical engineering)	100	100
Ever Capital Pte. Ltd. ⁽¹⁾	Singapore	Real estate development	100	100
Fire-Guard Engineering Pte. Ltd. ⁽¹⁾	Singapore	Building construction (specialised in fire protection)	100	–

(1) Audited by BDO LLP, Singapore

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Incorporation of subsidiary

On 12 October 2023, the Company incorporated a wholly owned subsidiary company, Ever Capital Pte Ltd. ("EC"), a company incorporated in Singapore with a cash consideration of S\$10,000.

Acquisition of subsidiary

On February 7, 2024, the Company entered into a sale and purchase agreement to acquire the entire equity interest of Fire-Guard Engineering Pte. Ltd. ("FGE") for a consideration of approximately \$4,331,000. The consideration shall be paid in 3 tranches as follows:

- (i) Tranche A: \$1,650,000 cash consideration was settled during the financial year;
- (ii) Tranche B: Issuance of 4,125,000 ordinary shares of the Company and additional shares if the share price drops below certain level, with a fair value of approximately \$1,854,000;
- (iii) Tranche C: Cash and shares consideration with fair value of approximately \$827,000, subject to achieving certain profit levels by FGE for each of the financial period ended from 1 April 2023 to 31 December 2023, financial year ended 2024 and financial year ending 2025. The consideration will be proportional to the extent that the cumulative minimum aggregate profit before tax is achieved.

The Company acquired FGE in order to expand its existing fire protection systems engineering services as the services provided by FGE are complementary to the Group's existing offerings of M&E engineering services.

Transaction costs related to the acquisition of subsidiary amounting to \$35,000 have been recognised in the "general and administrative expenses" line item in the Group's profit or loss.

	2024 S\$'000
Cash paid	1,800
Issuance of ordinary shares (Note 14)	1,800
Provision for contingent liabilities assumed in business combination (Note 20)	731
Total purchase consideration	4,331

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiary (continued)

The fair values of the identifiable assets and liabilities of FGE as at the date of acquisition during the financial year were:

	2024 S\$'000
Plant and equipment	15
Right-of-use assets	159
Intangible assets	980
Inventories	137
Contract assets	2,331
Trade and other receivables	3,918
Cash and cash equivalents	1,159
Total assets	8,699
Trade and other payables	2,532
Contract liabilities	50
Lease liabilities	148
Amount due to directors	400
Deferred tax liabilities	163
Total liabilities	3,293
Net identifiable assets at fair value	5,406
Less: Bargain purchase from the acquisition	(1,075)
Total purchase consideration	4,331

Bargain purchase is measured as the excess of fair value of identifiable net assets over aggregate of consideration transferred and was included in "other income" line item of profit or loss.

From the date of acquisition, FGE has contributed approximately S\$10,423,000 to the Group's revenue and generated a profit after tax of approximately S\$838,000 for the financial year ended 31 December 2024. If the combination had taken place at the beginning of the financial year, the Group's revenue for the financial year would have been S\$75,986,000 and profit before income tax would have been S\$10,490,000.

The effect of acquisition of subsidiary on the consolidated statement of cash flows was as follows:

	S\$'000
2024	
Cash paid	1,800
Less: cash and cash equivalents of subsidiary acquired	(1,159)
Net cash outflow from acquisition	641

Increase in cost of investment

On 5 March 2024, the Company has increased its cost of investment in one of its subsidiaries, Sunbeam M&E Pte. Ltd. for 499,998 ordinary shares with total consideration of approximately \$500,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN JOINT VENTURES

	Group	
	2024 S\$'000	2023 S\$'000
Capital contribution	–	230
Share of results of joint ventures, net of tax	1,086	76
Dividend received	(762)	–
	324	306
Movements in investment in joint ventures were as follows:		
Balance at the beginning of financial year	230	50
Additions during the financial year	230	180
Return on capital during the financial year	(460)	–
Balance at the end of financial year	–	230

Joint venture arrangement	Principal place of business	Principal activities	Interest held by the Group	
			2024 %	2023 %
Sunley M&E Engineering Pte. Ltd. and Sunbeam M&E Pte. Ltd. – Project Orange Groove Hotel (“OGH”)	Singapore	Building construction	*50	*50
Sunley M&E Engineering Pte. Ltd. and Sunbeam M&E Pte. Ltd. – Project International business park	Singapore	Building construction	*50	–

* The Group’s participating interests in the joint ventures is based on the capital contribution percentage and job scope to the project.

Joint ventures

In FY2022, the Group entered into a joint venture agreement with Sunley M&E Engineering Pte. Ltd. (“Sunley”) to develop a hotel erection building in Singapore. During the financial year, the Group entered into another joint venture agreement with Sunley to develop a business park building.

The parties agreed to jointly complete the projects and undertake distribution of the profits accrued from the projects subsequent to the issuance of temporary occupation permit by the relevant governmental authority.

The Group has considered that it has joint control over the joint ventures as unanimous consent is required by both parties in all decisions making. The Group has classified these arrangements as joint ventures as the Group only has rights to the joint arrangements’ net assets.

The Group had no contingent liability and capital commitment to the joint ventures as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN JOINT VENTURES (CONTINUED)

Capital injection and return on capital during the financial year

During the financial year, the Group injected capital of S\$230,000 (FY2023: S\$180,000) into the joint ventures for the projects. Additionally, there was a return on capital amounting to S\$460,000 (FY2023: Nil) from the joint ventures during the financial year.

The Group has one material joint venture, OGH, and table below is the summarised financial information of this joint venture:

Summarised statement of financial position

	2024 S\$'000	2023 S\$'000
Current assets	817	888
Current liabilities	(749)	(275)
Net assets	68	613

Included in the above amounts are cash and cash equivalents of S\$61,000 (2023: S\$113,000) and current liabilities excluding trade and other payables and provisions of S\$Nil (2023: S\$155,000).

Summarised statement of comprehensive income

	2024 S\$'000	2023 S\$'000
Revenue	8,089	434
Income tax expense	275	–
Profit for the financial year representing profit from continuing operations and total comprehensive income for the financial year	1,443	126
Dividend received from joint venture	762	–

The following table summarises, in aggregate, the Group's share of profit and other comprehensive income of the Group's joint ventures accounted for using the equity method.

	Group	
	2024 S\$'000	2023 S\$'000
Share of profit before tax	1,205	62
Share of profit after tax	1,010	62
Share of total comprehensive income	1,010	62
Aggregate net carrying amount of the Group's interest in the joint venture	1,086	76

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN JOINT VENTURES (CONTINUED)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in a joint venture at the end of reporting period, is as follows:

	2024 S\$'000	2023 S\$'000
Proportion of ownership	50%	50%
Net assets of the joint venture	648	613
Interest in joint venture	324	306
Carrying value of Group's interest in a joint venture	324	306

8. INVESTMENT IN AN ASSOCIATE

	Group	
	2024 S\$'000	2023 S\$'000
Unquoted equity shares, at cost	250	250
Deemed investment arising from advances to associate	1,220	170
Share of results of an associate, net of tax	(8)	*
	1,462	420

* Amount is less than S\$1,000

The details of the associate are as follows:

Name of entity	Principal place of business	Principal activities	Proportion of ownership interest held by the Group	
			2024 %	2023 %
Held through Ever Capital Pte. Ltd.				
Primest Land V1 Pte. Ltd.	Singapore	Other holding companies (Property development)	25	25

On 29 November 2023, the Group has entered into an agreement with third parties to incorporate Primest Land V1 Pte. Ltd. ("PLV1"). The principal activity of the associate is in line with the Group's strategy to diversify into property development.

The results of PLV1 were accounted for using the equity method in the consolidated financial statements. The Group is deemed to have significant influence by virtue of its representation on the board of PLV1.

The non-trade amount due from associate of S\$1,220,000 (FY2023: S\$170,000) is unsecured and bears interest at the rate of 0.50% per annum above the average prevailing prime lending rates of the banks. The repayment of this amount is dependent on the approval of the Directors of PLV1.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Summarised financial information of associate

The following table summarises, in aggregate, the Group's share of profit and other comprehensive income of the Group's associate accounted for using the equity method.

	Group	
	2024 S\$'000	2023 S\$'000
Share of profit before tax	(8)	*
Share of profit after tax	(8)	*
Share of total comprehensive income	(8)	*
Aggregate net carrying amount of the Group's interest in the associate	1,462	420

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented, to the carrying amount of the Group's interest in an associate, is as follows:

	Group	
	2024 S\$'000	2023 S\$'000
Proportion of Group's ownership	25%	25%
Net assets of the associate	968	999
Interest in associate	242	250
Deemed investment arising from advances to associate	1,220	170
Carrying value of Group's interest in an associate	1,462	420

Capital commitments

As at 31 December 2024, the Group has capital commitment of S\$1,530,000 (2023: S\$2,590,000) that has been contracted for but not provided for in the financial statements. The capital committed will serve as funds for the associate to develop the land acquired.

9. FINANCIAL ASSETS AT FVOCI/LOAN RECEIVABLES AT FVTPL

	Group	
	2024 S\$'000	2023 S\$'000
Unquoted equity shares – financial assets at FVOCI	1	–
Loan receivables at FVTPL	1,250	–

In August 2024, the Group entered into a shareholders' agreement with various parties to invest in Bayswood Pte Ltd ("Bayswood") via a special purpose vehicle – Newave Solutions Pte. Ltd. ("Newave"). The Group invested S\$1,250 into Bayswood via Newave, which represents 5% equity interests. The Group intends to hold these investments for long-term for appreciation in value as well as strategic investments purposes and therefore was classified as fair value through other comprehensive income ("FVOCI") as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. FINANCIAL ASSETS AT FVOCI/LOAN RECEIVABLES AT FVTPL (CONTINUED)

The Group has made shareholders' loan of S\$1,250,000 to the investee and designated it as financial assets at fair value through profit or loss ("FVTPL").

The fair value of the above financial assets was assessed to their adjusted net assets which approximated their fair values and is considered as level 3 fair value measurement.

The financial assets are denominated in Singapore dollar.

10. INVENTORIES

	Group	
	2024 S\$'000	2023 S\$'000
Raw materials	75	—

Inventories cost is determined on a first-in first-out method and includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price at which inventories can be realised in the ordinary course of business, less estimated costs to be incurred to make the sale. Where necessary, allowance is made for obsolete, slow-moving and defective inventories to adjust the carrying value of those inventories to the lower of cost and net realisable value.

The cost of inventories recognised as an expense and included in "Cost of sales" line item in profit or loss was approximately S\$378,000 (2023: S\$Nil).

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group	
	2024 S\$'000	2023 S\$'000
Contract assets – construction contracts	10,509	8,205
Contract liabilities – construction contracts	1,070	840

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for construction contracts. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts. Contract liabilities are recognised as revenue as the Group fulfils its performance obligations under the contract.

The Group assessed and determined expected credit loss rates for contract assets, by reference to past default experience and expected credit losses, which incorporate forward looking estimate. Contract assets are written off when there is no reasonable expectation of recovery.

As at 31 December 2024, contract assets of \$99,000 (2023: S\$Nil) was written off during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

- a) Significant changes in the Group's contract assets and the contract liabilities balances during the financial years are as follow:

	Contract assets		Contract liabilities	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Excess of revenue recognised over cash (or rights to cash)	11,737	7,908	–	–
Revenue recognised that was included in the contract liabilities balance at the beginning of the financial year	–	–	966	2,613
Increase due to cash received, excluding amounts recognised as revenue during the financial year	–	–	(159)	(1,225)
Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability	(1,168)	297	(912)	385
Contract assets reclassified to trade receivables	10,266	(3,776)	–	–

- b) Remaining performance obligations

The aggregate amount of transaction price allocated to the unsatisfied (or partially satisfied) performance obligations as at 31 December 2024 was S\$101,154,000 (2023: S\$104,088,000). The above amounts excluded the following:

- Performance obligation for which the Group has applied the practical expedient not to disclose information about its remaining performance obligations if:
 - The performance obligation is part of a contract that has an original expected duration for one year or less, or
 - The Group recognises revenue to which the Group has a right to invoice customers in amounts that correspond directly with the value to the customer of the Group's performance completed to-date.
- Variable consideration that is not constrained and therefore is not included in the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

(b) Remaining performance obligations (continued)

The amount of Group's revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follow:

	2024 S\$'000	2025 S\$'000	2026 S\$'000	2027 S\$'000	2028 S\$'000	Total S\$'000
As at 31 December 2024						
Construction contracts	–	54,351	27,512	13,300	5,991	101,154
As at 31 December 2023						
Construction contracts	74,980	24,030	5,078	–	–	104,088

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Non-current				
Other receivables – subsidiary	–	–	2,221	333
Deposits	100	100	–	–
	100	100	2,221	333
Current				
Trade receivables				
– third parties	7,980	2,577	–	–
– related parties	1,663	650	–	–
– joint ventures	161	–	–	–
	9,804	3,227	–	–
Retention receivables				
– third parties	8,668	3,828	–	–
– related parties	545	1,025	–	–
	9,213	4,853	–	–
Other receivables				
– subsidiaries	–	–	3,300	1,837
– related party	43	–	–	–
Loan to a subsidiary	–	–	2,000	–
Advance payments to suppliers	365	215	–	–
Interest receivables from fixed deposits	35	38	31	38
Deposits	956	393	–	–
Accrued receivables	31	–	–	–
Goods and services tax recoverable	–	1	–	1
	1,430	647	5,331	1,876
	20,447	8,727	5,331	1,876
Total current and non-current	20,547	8,827	7,552	2,209
Prepayment	24	24	24	24

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables are non-interest bearing and the average credit term granted by the Group is 35 (2023: 35) days.

The non-current amounts due from a subsidiary are non-trade in nature, unsecured, non-interest bearing, repayable after 12 months subsequent to the reporting date and are expected to be settled in cash. The fair value of the non-current amounts due from subsidiary which approximates its carrying amounts are within Level 3 of the fair value hierarchy. The management estimates the fair value of the non-current amounts due from subsidiary using the market borrowing rate at 5.25% (2023: 5.25%) per annum at the end of the reporting period.

The current receivables due from subsidiaries and a related party are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash. Other current receivables due from subsidiaries are mainly relate to dividend receivable.

The loan to a subsidiary is unsecured, repayable on demand and is expected to be settled in cash. The loan bears interest of 7.5% per annum.

Retention receivables are due for settlement after more than 12 months. They have been classified as current assets because they are expected to be realised in the normal operating cycle of the Group.

Advance payments to suppliers relate to the payments made in advance to subcontractors for the subcontractor works.

Deposits mainly relate to deposits made for collateral for projects, rental of premises and utilities. Included in the deposits, there are insurance guarantees or performance bonds by the insurance companies to the customers in respect of projects undertaken by the Group, which the Directors have jointly provided indemnities for all liabilities that the insurance companies may incur in connection with the issuance of the insurance guarantees or performance bonds.

Loss allowance

Trade receivables

The Group determined, by reference to past default experience and expected credit losses ("ECL"), which incorporate forward looking estimates. In calculating the ECL rates, the Group considers historical loss rates for each aging bracket of customers and adjusts forward-looking macroeconomic data that may affect the ability of the debtors to settle the outstanding balance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

Loss allowance (continued)

Trade receivables (continued)

The Group recognises lifetime ECL for trade receivables based on individually significant customers and customers with individually insignificant balances that are collectively assessed based on ageing profile. At the end of the reporting period, the analysis of trade receivables and the allowances for impairment loss are as follows:

	ECL weightage	Gross carrying amount S\$'000	Loss allowance on receivables S\$'000	Net carrying amount S\$'000
Group				
2024				
Not past due	–	7,506	–	7,506
Past due 1 – 30 days	–	415	–	415
Past due 31 – 60 days	–	472	–	472
Past due 61 – 90 days	–	268	–	268
Past due over 90 days	–	1,143	–	1,143
		9,804	–	9,804
2023				
Not past due	–	2,379	–	2,379
Past due 1 – 30 days	–	389	–	389
Past due 31 – 60 days	–	74	–	74
Past due 61 – 90 days	–	241	–	241
Past due over 90 days	–	144	–	144
		3,227	–	3,227

Retention receivables

The Group assessed and determined expected credit loss for retention receivables by reference to the past default experience and expected credit losses. As at 31 December 2024, retention receivables of S\$64,000 (2023: S\$Nil) was written off during the financial year there is no reasonable expectation of recovery from the debtor.

Non-trade receivables from subsidiaries and related parties

The Group and the Company have taken into account information that they have available internally about the past and current operating performance and cash flow position of its subsidiaries and a related party. At the end of the reporting period, the Group and the Company have assessed their financial performance and is of the view that no expected credit loss allowance is required. The other receivables from subsidiaries and a related party are considered to be of low credit risk and subject to immaterial credit loss. Credit risk for these assets has not increased significantly since their initial recognition.

The Group's and the Company's financial assets measured at amortised cost comprise trade and other receivables excluding advance payments to suppliers and goods and services tax recoverable.

The currency profile of trade and other receivables as at the end of the reporting period is Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. CASH, BANK BALANCES AND FIXED DEPOSITS

	Group		Company	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Cash on hand	*	*	–	*
Bank balances	7,177	4,156	195	1,478
Fixed deposits	5,330	2,500	4,602	2,500
	12,507	6,656	4,797	3,978
Less: deposits pledged to banks as security	(3,728)	(1,500)		
Cash and cash equivalents for the consolidated statement of cash flows	8,779	5,156		

* Amount is less than S\$1,000

Fixed deposits are placed for a period of 12 months, with interest rate ranging from 1.31% to 3.10% (2023: 3.75% to 4.28%) per annum. For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents include deposits with maturity of more than 3 months, as there is no significant cost or penalty in converting these deposits into a known amount of cash before maturity.

As at 31 December 2024, the Company's fixed deposits amounting to approximately S\$3,728,000 (2023: S\$1,500,000) were pledged to the banks as security for banking facilities and guarantee for construction contract.

The currency profile of cash and cash equivalents as at the end of the reporting period is Singapore dollar.

14. SHARE CAPITAL

	Group		Company	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Issued and fully-paid ordinary shares	5,067	2,838	5,067	2,838

	Group		Company	
	Number of shares '000	S\$'000	Number of shares '000	S\$'000
2024				
Issued and paid up:				
Balance at 1 January 2024	169,400	2,838	169,400	2,838
Issuance of shares pursuant to the acquisition of subsidiary ⁽ⁱ⁾	4,500	1,800	4,500	1,800
Issuance of bonus issue ⁽ⁱⁱ⁾	86,608	–	86,608	–
Issuance of shares pursuant to the performance share plan ⁽ⁱⁱⁱ⁾	1,072	429	1,072	429
Balance at 31 December 2024	261,580	5,067	261,580	5,067

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. SHARE CAPITAL (CONTINUED)

	Group		Company	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
2023				
Issued and paid up:				
Balance at 1 January 2023	*	*	*	*
Share split pursuant to the Restructuring Exercise ^(iv)	65,600	*	65,600	*
Issuance of new ordinary shares pursuant to the Restructuring Exercise ^(v)	5,100	72	5,100	72
Issuance of new ordinary shares pursuant to an initial public offering exercise ^(vi)	14,000	3,080	14,000	3,080
Capitalisation of listing expenses to share capital ^(vii)	—	(314)	—	(314)
Issuance of bonus issue ^(viii)	84,700	—	84,700	—
Balance at 31 December 2023	169,400	2,838	169,400	2,838

* Amount is less than S\$1,000

- (i) The Company increased its issued and fully paid-up share capital by way of allotment and issuance of 4,500,000 new ordinary shares. The total consideration of \$1,800,000 was a partial payment made for acquisition of a subsidiary.
- (ii) On 28 June 2024, the Company allotted and issued 86,608,349 ordinary shares pursuant to a bonus issue exercise on the basis of one bonus share credited as fully paid for every two ordinary shares held by the shareholders in the Company.
- (iii) On 13 August 2024, the Company issued and allotted 1,072,300 new ordinary shares to certain employees of the Company pursuant to the performance share plan ("PSP") for the aggregate consideration of approximately S\$429,000.
- (iv) On 9 March 2023, the Company completed the sub-division of every one ordinary share in the capital of the Company into 32,800,000 ordinary shares.
- (v) On 10 March 2023, the Company issued and allotted an aggregate of 5,100,000 new ordinary shares to certain employees of the Company for the aggregate consideration of S\$72,000.
- (vi) On 17 May 2023, the Company issued 14,000,000 ordinary shares for a total cash consideration of approximately S\$3,080,000.
- (vii) Share issuance expenses consist of, among others, an allocation portion of professional fees paid to the sponsor and auditors of the Company in respect of professional services rendered as professional service and independent reporting accountants respectively in connection with the Company's initial public offering. The allocation portion of professional fees paid to the sponsor and auditors of the Company amounted to S\$141,000 and S\$36,000 respectively.
- (viii) On 29 August 2023, the Company allotted and issued 84,700,000 ordinary shares pursuant to a bonus issue exercise on the basis of one bonus share credited as fully paid for every one ordinary share held by the shareholders in the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per ordinary share without restriction.

15. TREASURY SHARES

	Group and Company			
	2024 Number of ordinary shares ('000)	2023	2024 S\$'000	2023 S\$'000
Balance at beginning of financial year	242	—	86	—
Repurchased during the financial year	1,092	242	427	86
Balance at end of financial year	1,334	242	513	86

During the financial year, the Company acquired 1,091,800 (2023: 242,000) of its own shares through purchases in the open market. The total amount paid to repurchase the shares was approximately S\$427,000 (2023: S\$86,000) and has been presented as a component within shareholders' equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. OTHER RESERVE

Group and Company

During 2022, the shareholders, who are also the Directors of the Company, entered into a settlement agreement with the Company and waived S\$999,998 of the outstanding balances due from the Company. Other reserve is not available for dividend distribution to shareholders.

17. LEASE LIABILITIES

	Group	
	2024 S\$'000	2023 S\$'000
Balance at beginning of financial year	349	143
Arising from acquisition of a subsidiary	148	–
Additions	–	203
Lease modifications	249	158
Interest expense	27	12
Lease payments		
– Principal portion	(281)	(155)
– Interest portion	(27)	(12)
Balance at end of the financial year	465	349

The maturity analysis of lease liabilities as of the reporting date are as follows:

	Group	
	2024 S\$'000	2023 S\$'000
Contractual undiscounted cash flows		
Within one financial year	262	185
After one financial year but within five financial years	227	181
	489	366
Less: Future interest expense	(24)	(17)
Present value of lease liabilities	465	349
Presented in consolidated statement of financial position		
Current	247	173
Non-current	218	176
	465	349

Rental of foreign worker dormitory, machineries and office equipment of the Group qualifies as low value assets or short-term leases. The election of short-term leases is made by class of underlying assets with similar nature and use in the Group's operations whereas the low-value lease exemption is made on lease-by-lease basis.

The total cash outflows for all leases including low value and short-term leases were S\$896,000 (2023: S\$648,000) for the financial year ended 31 December 2024.

As at 31 December 2024, the incremental borrowing rates applied were ranging from 4.25% to 5.50% (2022: 4.25% to 4.68%). All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The currency profile of the lease liabilities as at the end of reporting period is Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. BANK BORROWINGS

	Group	
	2024 S\$'000	2023 S\$'000
Non-current		
Temporary bridging loan I	–	86
Temporary bridging loan II	130	212
	130	298
Current		
Temporary bridging loan I	86	145
Temporary bridging loan II	82	78
Trust receipts	2,997	714
Revolving credit facilities	700	–
	3,865	937
	3,995	1,235

Temporary bridging loan I and Temporary bridging loan II

The Temporary bridging loans are repayable within 60 months from the date of first drawn down and the average effective interest rate was 3.6% (2023: 3.6%) per annum.

The Temporary bridging loans of the Group are secured by joint and several personal guarantees from the controlling shareholders of the Company.

Trust receipts and revolving credit facilities

The Group entered into trust receipts facilities to finance the subcontractors' invoices. Trust receipts are repayable within 120 (2023: 120) days and bear interest ranging from 4.09% to 4.76% (2023: 4.83% to 5.75%) per annum.

During the financial year, the Group entered into revolving credit facilities amounting to \$1,000,000 (2023: S\$Nil) which can be drawn down to finance short term operating expenses and for business expansion. The revolving credit facilities are repayable within 1 to 3 months and bear interest ranging from 4.44% to 4.54%.

The trust receipts are secured by the corporate guarantee provided by the Company and fixed deposits of S\$3,500,000 (2023: S\$1,500,000) were pledged with financial institutions.

The revolving credit facilities are secured by the corporate guarantee provided by the Company and fixed deposits amounted to S\$1,500,000. Both trusts receipts and revolving credit facilities are subject to financial covenants imposed by the banks.

As at 31 December 2024, one of the subsidiaries of the Group was not in compliance with the covenants set out in the banking facilities letter, as the Group did not obtain the bank's consent prior to the dividend declaration to its shareholders in FY2024 and the Group failed to maintain the required utilisation rate and security margin for one of the trade facilities.

The above breaches do not affect the classification of related borrowings as these borrowings are due for repayment within 12 months from the end of the reporting period and classified as current liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. BANK BORROWINGS (CONTINUED)

Trust receipts and revolving credit facilities (continued)

As at the end of the reporting period, the Group had facilities as follow:

	2024 S\$'000	2023 S\$'000
Facilities granted	12,900	4,600
Facilities utilised	7,576	1,811

The currency profile of bank borrowings as at the end of the reporting period is Singapore dollar.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Current				
Trade payables				
– third parties	9,489	4,087	–	–
– related parties	21	*	–	–
	9,510	4,087	–	–
Retention payables				
– third parties	3,767	2,504	–	–
	13,277	6,591	–	–
Other payables				
– third parties	172	177	125	149
– subsidiary	–	–	2,994	–
Advance payments	6	63	–	–
Accrued expenses	5,344	2,516	420	303
Goods and services tax payable	805	78	77	–
	6,327	2,834	3,616	452
	19,604	9,425	3,616	452

* Amount is less than S\$1,000

Trade payables are unsecured, non-interest bearing and are normally settled within the credit terms of 30 days to 90 days (2023: 30 days to 90 days).

Retention payables to third parties are due for settlement after more than 12 months. They have been classified as current liabilities because they are expected to be realised in the normal operating cycle of the Group.

Amount due to subsidiary is unsecured, non-interest bearing, repayable on demand.

The Group's and the Company's financial liabilities measured at amortised cost comprise trade and other payables excluding advance payments and goods and services tax payable.

The currency profile of trade and other payables as at the end of the reporting period is Singapore dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. PROVISIONS

	Provision for unutilised leave S\$'000	Provision for onerous contracts S\$'000	Group Provision for contingent liabilities assumed in business combination S\$'000	Total S\$'000
2024				
Balance at beginning of financial year	2	12	–	14
Provision made	–	7	731	738
Provision utilised	(2)	(9)	–	(11)
Remeasurement	–	–	(176)	(176)
Balance at end of financial year	–	10	555	565

	Provision for unutilised leave S\$'000	Group Provision for onerous contracts S\$'000	Total S\$'000
2023			
Balance at beginning of financial year	38	73	111
Provision made	2	12	14
Provision utilised	(38)	(73)	(111)
Balance at end of financial year	2	12	14

	Company Provision for contingent liabilities assumed in business combination S\$'000
2024	
Balance at beginning of financial year	–
Provision made	731
Remeasurement	(176)
Balance at end of financial year	555

Provision for unutilised leave

Provision for unutilised leave is computed based on the outstanding annual leave balance for the employees and the salary rate of those employees. This unutilised leave is expected to be utilised within 12 months from the end of reporting period.

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20. PROVISIONS (CONTINUED)

Provision for onerous contracts

The Group has ongoing construction contracts. The provision for onerous contracts is recognised at the end of the reporting period as it is probable that the total construction contract costs will exceed the total construction contract revenue for certain projects. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

The Group exercised significant assumptions and judgements in estimating the total construction contract costs. The Group evaluated and placed reliance on past experience and estimates from internal specialists. These estimates were made with due consideration of the circumstances and relevant events that were available at end of each of the reporting period. When it is probable that the total contract costs will exceed the total revenue from construction contracts, a provision for onerous contracts is recognised immediately.

Provision for contingent liabilities assumed in business combination

The Group recognised the provision of contingent liabilities assumed in a business combination as of acquisition date as there is a present obligation arising from the forecasted profits of the acquired subsidiary and forecasted share price of the Company. As of the reporting date, management remeasured the provision based on the profit forecast of the acquired subsidiary and share price level recognising a gain amounted to \$176,000 (Note 22) in profit or loss.

21. REVENUE

	Group	
	2024 S\$'000	2023 S\$'000
<u>Revenue recognised over time</u>		
Construction contracts	73,420	47,478
Services rendered	1,252	—
	74,672	47,478

Material accounting policy information

Construction contracts

The Group provides construction services to customers through fixed-price contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The Group has only one performance obligation under the construction contract.

For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to-date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In some circumstances such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. REVENUE (CONTINUED)

Material accounting policy information (continued)

Construction contracts (continued)

Revenue comprises the initial amount of revenue agreed in contract and variations in contract work to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequent resolved, and the amount can be measured reliably.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

The customer is invoiced on a milestone payment schedule. If the value of the services transferred by the Group exceed payments, a contract asset is recognised. If payments exceed the value of the services transferred, a contract liability is recognised. The carrying amount of contract assets and contract liabilities is disclosed under Note 11.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money. The carrying amount of retention receivables is disclosed under Note 12.

Estimation of total contract costs

Significant assumptions are used to estimate the total contract costs and the extent of progress toward completion which affect the accuracy of revenue recognition based on the percentage-of-completion and completeness of provision for onerous contracts recognised. In making these estimates, management has relied on past experience and the work of internal specialist.

If the remaining estimated contract costs are increased by 3% from management's estimates, the Group's profit or loss before income tax will decrease by approximately S\$565,000 (2023: S\$496,000).

Service income

The Group provides services including additions and alternation works and maintenance services. Revenue from rendering of services is recognised when the services are performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

22. OTHER INCOME

	Group	
	2024 S\$'000	2023 S\$'000
Government grant		
– Grant income pursuant to the listing	–	246
– Others	30	13
Sundry income	76	48
Management fees – joint ventures	371	60
Fixed deposits interest income	110	38
Remeasurement of contingent consideration (Note 20)	176	–
Bargain purchase	1,075	–
	1,838	405

Government grants relating to costs are recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

23. FINANCE COSTS

	Group	
	2024 S\$'000	2023 S\$'000
Interest expenses:		
– Lease liabilities	27	12
– Bank borrowings	119	27
	146	39

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. PROFIT BEFORE INCOME TAX

In addition to the charges and credits as disclosed elsewhere in the notes to the statement of comprehensive income, profit before tax includes the following charges:

	Group	
	2024 S\$'000	2023 S\$'000
<u>Cost of sales</u>		
Employee benefits expenses ⁽¹⁾		
– short-term employee benefits	5,309	3,806
– defined contribution plan expenses	787	582
Depreciation of right-of-use assets	117	106
Short-term lease expenses	588	481
Provision for onerous contracts	–	12
<u>General and administrative expenses</u>		
Audit fee		
– Auditors of the Company and subsidiaries	159	98
Non-audit related services		
– Auditors of the Company and subsidiaries	9	4
Employee benefits expenses ⁽¹⁾		
– short-term employee benefits	1,526	793
– defined contribution plan expenses	137	70
– other personal expenses	41	9
– directors fees	180	111
Amortisation of intangible assets	267	3
Depreciation of plant and equipment	55	46
Depreciation of right-of-use assets	170	51
Professional fees	208	56
Office refreshment expenses	6	7
Entertainment expenses	36	19
Upkeep of computer & software	73	53
Subscription fees	–	53
<u>Other expenses</u>		
Initial public offering fee ⁽²⁾	–	1,089
Non-audit fee		
– Audit related services fee paid to auditors of the Company and subsidiaries	–	179

(1) Employee compensation relating to key management personnel is disclosed in Note 28 to the financial statements.

(2) The initial public offering fee excluded the amount paid to auditors of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

25. INCOME TAX EXPENSES

	Group	
	2024 S\$'000	2023 S\$'000
Current income tax expense		
– Current financial year	1,481	1,665
– Under provision in respect of prior financial years	–	93
Deferred tax expense		
– Current financial year	(42)	–
	121	1,758

Reconciliation of effective income tax rate

	Group	
	2024 S\$'000	2023 S\$'000
Profit before income tax	10,394	8,589
Share of results of joint ventures	(1,010)	(62)
Share of results of an associate	8	*
	9,392	8,527
Tax at current income tax rate of 17% (2023: 17%)	1,597	1,450
Tax effect of expenses not deductible for income tax purposes	134	306
Tax effect of income not subject to tax	(184)	(37)
Tax effect of tax exemption	(52)	(17)
Under provision in respect of prior financial years	–	93
Others	(56)	(37)
	1,439	1,758

* Amount is less than S\$1,000

Deferred tax liabilities

	Group	
	2024 S\$'000	2023 S\$'000
Balance at beginning of the financial year	–	–
Arising from acquisition of subsidiary	163	–
Credit to profit or loss	(42)	–
Balance at end of the financial year	141	–

Deferred tax liabilities are attributable to temporary differences arising from accelerated tax depreciation computed at Singapore's income tax rate of 17%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

26. EARNINGS PER SHARE

The calculation for earnings per share is based on:

	Group	
	2024	2023
Profit attributable to owners of the Company (S\$'000)	8,955	6,831
Weighted average number of ordinary shares ('000)	257,544	253,967
Earnings per share (in cents)		
– Basic and diluted	3.47	2.69

The calculation of basic earnings per share for financial year ended 31 December 2024 is based on profit attributable to owners of the Company for the financial year divided by weighted average number of ordinary shares in issue of for the financial year. The weighted average number of ordinary shares in issues for the financial year which amounted to 257,544,094 ordinary shares included a bonus issue on 28 June 2024, of one bonus share for two shares held.

The calculations of basic earnings per ordinary share for financial year ended 31 December 2023 is based on profit attributable to owners of the Group for the financial year ended 2023 divided by weighted average number of ordinary shares in issue of 253,966,837 ordinary shares. The weighted average number of ordinary shares in issue is computed based on 2 issued and paid-up shares as at incorporation, adjusted for the issue of (i) 65,599,998 new ordinary shares pursuant to the share split exercise of sub-dividing 2 existing ordinary shares into 65,600,000 shares ("Share Split"); (ii) 5,100,000 new ordinary shares to certain employees of the Group on 10 March 2023 pursuant to the share subscription agreement dated 9 March 2023; (iii) 14,000,000 new ordinary shares (post-Share Split) pursuant to the placement exercise in connection with the listing of the Company; and (iv) 84,700,000 new ordinary shares (post-Share Split) pursuant to bonus issue exercise ("Bonus issue") of one bonus share issued for every one existing share. (v) The above ordinary shares were retrospectively adjusted for the bonus issue of 1 bonus share for 2 shares held on 28 June 2024.

The diluted earnings per share for financial year ended 31 December 2024 are same as the basic earnings per share as the dilutive potential ordinary shares amounting to 266,645 ordinary shares do not have a material impact on the diluted earnings per share. The diluted earnings per share for financial year ended 31 December 2023 are the same as the basic earnings per share as there were no dilutive potential ordinary shares.

27. DIVIDENDS

	Group	
	2024 S\$'000	2023 S\$'000
Interim tax-exempt dividend of S\$0.015 per ordinary share for financial year ended 31 December 2023	–	1,270
Final tax-exempt dividend of S\$0.010 per ordinary share for financial year ended 31 December 2023	1,732	–
Interim tax-exempt dividend of S\$0.005 per ordinary share for financial year ended 31 December 2024	1,302	–
	3,034	1,270

The Board of Directors proposed that a final tax-exempt dividend of S\$0.0025 (2023: S\$0.01) per ordinary share amounting to approximately S\$651,000 (2023: S\$1,694,000) to be paid for the financial year ended 31 December 2024. These dividends have not been recognised as a liability at the end of the reporting period as it is subject to the approval of the shareholders at the Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

28. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or *vice versa*, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the information disclosed elsewhere in the financial statements, the following were significant related party transaction at rates and terms agreed between Group and the Company and its related parties during the financial years ended 31 December 2024 and 31 December 2023:

	Group		Company	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
With subsidiaries				
Capital injection	–	–	500	10
Management fee income	–	–	1,155	–
Payment on behalf of and advances to	–	–	2,724	430
Payment on behalf by and advances from	–	–	5,826	1,016
Loan interest income	–	–	75	–
Dividend income	–	–	8,300	6,000
With related parties*				
Payment on behalf of	–	41	–	–
Rental expenses recharged from	155	125	–	–
Sales to	2,766	1,560	–	–
Purchases of project related expenses	70	54	–	–
Retention withheld by	138	–	–	–
With joint ventures				
Capital injection	230	180	–	–
Sales to	177	–	–	–
Management fee income	371	60	–	–
Worker dormitory expenses	43	–	–	–
Advances from	–	60	–	–
Retention withheld by	18	–	–	–
Return on capital	460	–	–	–
With associate				
Capital injection	–	250	–	–
Deemed investment arising from advances	1,050	170	–	–
With directors of the Company				
Receipts on behalf of	–	615	–	–
With directors of the Subsidiary				
Rental expenses	94	–	–	–

* Related parties refer to entities where the Company's Directors have beneficial interests.

As at 31 December, the outstanding balances in respect of the above related party transactions are disclosed in Notes 6, 7, 8, 12, 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

28. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation of key management personnel

Key management personnel are Directors of the Company and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly and indirectly.

The remuneration of key management personnel of the Group during the financial years ended 31 December 2024 and 31 December 2023 were as follows:

	2024 S\$'000	2023 S\$'000
Directors of the Company		
– Short-term employee benefits	637	680
– Central provident fund contribution	17	22
– Directors' fees	180	111
	834	813
Directors of the Subsidiaries		
– Short-term employee benefits	534	–
– Central provident fund contribution	47	–
	581	–
Other key management personnel		
– Short-term employee benefits	1,016	773
– Central provident fund contribution	56	60
	1,072	833

29. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief executive officer who makes strategic decisions on resource allocation and performance review of the Group.

Business segment

The Group is organised into two business segments as follows:

- The construction segment relating to M&E engineering; and
- Property development and investment segment relating to development of properties.

Management does not monitor the operating results of the segment separately as property development segment remains inactive throughout the financial year and its contribution is less than 10% of the Group. Accordingly, the results of business segments are not presented separately.

Geographical information

During the financial years ended 31 December 2024 and 31 December 2023, the Group operated mainly in Singapore and all non-current assets were located in Singapore. Accordingly, an analysis of non-current assets and revenue of the Group by geographical distribution has not been presented.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. SEGMENT INFORMATION (CONTINUED)

Major customers

The Group's revenue derived from 5 (2023: 5) customers who accounted for 80% (2023: 75%) or more of the Group's revenue for the financial year ended 31 December 2024.

30. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Group's and the Company's activities expose them to credit risk and liquidity risk arising in the ordinary course of business. The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's and the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The Group's and the Company's management then establishes the detailed process as risk identification and measurement, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which the risks are managed and measured. The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchanges rates.

30.1 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require collaterals. As the Group and the Company do not hold any collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that financial instruments presented in the respective statements of financial position, except for the financial corporate guarantees issued to the financial institutions for loans provided to subsidiaries.

Trade receivables, retention receivables and contract assets

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except as follows:

- (a) The Group has outstanding trade receivables from 5 (2023: 5) customers which represent 84% (2023: 87%) of total trade receivables balance for the financial year ended 31 December 2024.
- (b) The retention receivables from 10 (2023: 5) customers represent 79% (2023: 72%) of total retention receivables for the financial year ended 31 December 2024.
- (c) The contract assets from 6 (2023: 2) customers represent 84% (2023: 72%) of total contract assets for the financial year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

30.1 Credit risk (continued)

Financial guarantee contracts

For the financial guarantee issued, the Company has assessed that the subsidiary has sufficient financial capabilities to meet its contractual cash flows obligation in the near future hence, does not expect any material loss allowance under 12-months expected credit loss model.

Other receivables

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except as follows:

- (a) The Company has outstanding other receivables from 3 (2023: 2) subsidiaries which represent 100% (2023: 98%) of total other receivables balance for the financial year ended 31 December 2024.

The Group's major classes of financial assets are cash and bank balances, fixed deposits, trade and other receivables.

As at 31 December 2024, the Group's and the Company's bank balances and fixed deposits are held with the financial institutions with minimum credit rating of "AA-" (2023: AA-) based on S&P's ratings.

The Board of Directors monitors the credit rating on regular basis and considers that its bank balances and fixed deposits have low credit risk based on the external credit ratings of the counterparties. The cash and bank balances and fixed deposits are measured based on 12-month credit loss model and subject to immaterial credit loss.

30.2 Liquidity risk

Liquidity risk refers to the risk in which the Group and the Company encounter difficulties in meeting short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Group and the Company actively manage operating cash flows so as to ensure that all payment needs are met. As part of overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet the working capital requirements.

The following tables detail the Group's and the Company's remaining contractual maturity for non-derivative financial instruments. The tables have been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to pay.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

30.2 Liquidity risk (continued)

Contractual maturity analysis

	Within one financial year S\$'000	After one financial year but within five financial years S\$'000	Total S\$'000
Group			
2024			
Financial liabilities			
Trade and other payables (excluding advance payments and goods and services tax payables)	18,793	–	18,793
Lease liabilities	262	227	489
Bank borrowings	3,874	135	4,009
Total undiscounted financial liabilities	<u>22,929</u>	<u>362</u>	<u>23,291</u>
2023			
Financial liabilities			
Trade and other payables (excluding advance payments and goods and services tax payables)	9,284	–	9,284
Lease liabilities	185	181	366
Bank borrowings	953	312	1,265
Total undiscounted financial liabilities	<u>10,422</u>	<u>493</u>	<u>10,915</u>
			Within one financial year S\$'000
Company			
2024			
Other payables, excluding goods and services tax payables			<u>3,539</u>
Financial corporate guarantee			<u>3,697</u>
2023			
Other payables, representing total undiscounted financial liabilities			<u>452</u>
Financial corporate guarantee			<u>711</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

30.3 Capital management policies and objectives

The Group and the Company manage capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

Management reviews the capital structure to ensure that the Group is able to service any debt obligations (including principal repayment and interest) based on operating cash flows.

Overall strategy remains unchanged during the financial years ended 31 December 2024 and 31 December 2023.

The Group and the Company monitor capital based on a gearing ratio, which is net debt divided by total equity plus net debts. The Group's net debt includes trade and other payables (excluding advance payments and goods and services tax payables), bank borrowings and lease liabilities less cash and bank balances and fixed deposits. Equity attributable to the owners of the Group comprises share capital, other reserve and retained earnings.

	Group		Company	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Trade and other payables (excluding advance payments and goods and services tax payables)	18,793	9,284	3,539	452
Bank borrowings	3,995	1,235	–	–
Lease liabilities	465	349	–	–
Less: Fixed deposits	(5,330)	(2,500)	(4,602)	(2,500)
Less: Cash and bank balances	(7,177)	(4,156)	(195)	(1,478)
Net debt/(cash)	10,746	4,212	(1,258)	(3,526)
Total equity	18,998	11,275	11,458	6,866
Total capital	29,744	15,487	10,200	3,340
Gearing ratio	36%	27%	N/M	N/M

N/M: Not meaningful as the Company is in net cash position.

As disclosed in Note 18 to the financial statements, one of the subsidiaries of the Group is not in compliance with the covenants set out in banking facilities letters for the financial year ended 31 December 2024.

The Company did not have externally imposed capital requirements for the financial years ended 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

30.4 Fair value measurement

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments carried at fair value

The fair value of financial assets at FVTPL and FVOCI is disclosed in Note 9 to the financial statements.

The table below classified financial instruments carried at fair value by level of fair value hierarchy as at the end of reporting period:

	Group			
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024				
Financial assets				
Financial assets, at FVOCI				
– Unquoted equity shares	–	–	1	1
Financial assets, at FVTPL				
– Loan receivables	–	–	1,250	1,250

There were no transfers between levels of the fair value hierarchy during the financial year.

Fair values of financial instruments that are not carried at fair value

The carrying amounts of the current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at each reporting date due to the relatively short-term maturity of these financial instruments.

The carrying amount of non-current bank borrowings approximates its fair value because it is charged at the market lending rate for similar types of lending or borrowing at the end of the reporting period. The fair value of non-current deposits approximates its fair value due to the insignificant effect of discounting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

30.5 Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group S\$'000	Company S\$'000
2024		
Financial assets, at FVOCI	1	-
Financial assets, at FVTPL	1,250	-
Financial assets, at amortised cost	32,689	12,349
Financial liabilities, at amortised cost	23,253	3,539
2023		
Financial assets, at amortised cost	15,267	6,186
Financial liabilities, at amortised cost	10,868	452

31. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

As at 31 December 2024, the Group has capital commitments in relation to the equipment costs for a project of approximately \$203,000 that have been contracted for but not provided for in the financial statements.

In prior financial year, the Group has initial startup costs for a joint venture project of S\$50,000 that have been contracted for but not provided for in the financial statements.

Contingent liabilities

At each reporting period, the Company has undertaken to provide continued financial support to a subsidiary which is in a net current liability position.

In the opinion of Directors, no significant actual losses are expected to arise from the contingent liability as at end of financial year.

32. EVENTS AFTER REPORTING PERIOD

32.1 On 8 January 2025, the Company announced that it had granted 493,600 share awards with value at approximately S\$197,000 pursuant to PSP to certain employees of the Group. The shares granted were transferred from treasury shares.

32.2 On 26 February 2025, the Company announced that it had entered into a letter of offer with the shareholder of a target company to acquire 100% of the issued and paid-up capital of the target company. The Company paid the deposit of \$1,000,000 to the vendor on 27 February 2025.

32.3 On 10 March 2025, the Company announced that it had entered into a subscription agreement with various subscribers for the subscription of convertible bonds of an aggregate principal of S\$5 million.

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2025

Class of shares	: Ordinary share
Total number of ordinary shares (excluding treasury shares and subsidiary holdings)	: 259,907,349
Voting rights	: 1 vote per ordinary share
Total number of treasury shares held and percentage	: 1,673,300 (0.64%)
Total number of subsidiary holdings held and percentage	: Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	1	1.20	50	0.00
100 – 1,000	9	10.84	2,750	0.00
1,001 – 10,000	22	26.51	119,850	0.04
10,001 – 1,000,000	41	49.40	5,864,237	2.26
1,000,001 AND ABOVE	10	12.05	253,920,462	97.70
TOTAL	83	100.00	259,907,349	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	SUN RENWANG	98,400,000	37.86
2	XU RUIBING	98,400,000	37.86
3	KGI SECURITIES (SINGAPORE) PTE. LTD.	28,640,450	11.02
4	DONG ZHAOYAN	9,266,100	3.57
5	ZHIWEI LIN	6,468,450	2.49
6	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	5,967,600	2.30
7	CHEE TEOW SIONG	1,968,750	0.76
8	HEXACON CONSTRUCTION PTE LTD	1,888,800	0.73
9	CHEE YEN MING (XU YANMING)	1,607,812	0.62
10	LOW CHIN BAN	1,312,500	0.50
11	LIM TECK SENG	740,337	0.28
12	HU ZHI GONG	552,000	0.21
13	ZHANG XIULI	455,900	0.18
14	IFAST FINANCIAL PTE. LTD.	400,400	0.15
15	JIN CHANGSHENG	355,000	0.14
16	ZHENG ZHANGFEI	300,000	0.12
17	SITHU HTET	280,000	0.11
18	JI ZHE	276,000	0.11
19	LUI YUEN CHEN	276,000	0.11
20	TAY KOK HWEE	150,000	0.06
TOTAL		257,706,099	99.18

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2025

Substantial Shareholders as at 19 March 2025 (As recorded in the Register of Substantial Shareholders)

No.	Name	Direct Interest		Deemed Interests	
		No. of shares held	%	No. of shares held	%
1.	Sun Renwang	98,400,000	37.86	—	—
2.	Xu Ruibing	98,400,000	37.86	—	—

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

As at 19 March 2025, 24.28% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited which requires at least 10% of the total number of issued shares (excluding preference shares, convertible equity securities and treasury shares) in a class that is listed at all times held by the public.

NOTICES OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of **EVER GLORY UNITED HOLDINGS LIMITED** (“**Company**”) will be convened and held at 3 Little Road, #02-02, CRF Building, Singapore 536982 on Tuesday, 29 April 2025 at 10.00 a.m. for the following purposes.

ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2024 together with the Auditors’ Report thereon.
(Resolution 1)
2. To approve a final dividend (one-tier tax exempt) of 0.25 Singapore cent per ordinary share for the financial year ended 31 December 2024.
(Resolution 2)
3. To approve the payment of Directors’ fees of S\$180,000 for the financial year ending 31 December 2025, payable quarterly in arrears. (2024: S\$180,000).
(Resolution 3)
4. To re-elect the following Directors retiring pursuant to Regulation 97 of the Constitution of the Company:

Regulation 91

- (a) Mr. Xu Ruibing **(Resolution 4)**
- (b) Mr. Kong Chee Keong **(Resolution 5)**

[See Explanatory note (i)]

5. To appoint Messrs Ernst & Young LLP as auditors of the Company in place of the retiring auditors of the Company, Messrs BDO LLP (“**Proposed Change of Auditors**”), to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration and take such steps and exercise such discretion and do all such acts and things (including, without limitation, executing all such documents as may be required) as any Director of the Company may deem desirable, necessary, advisable or expedient to give effect to this Resolution.

[See Explanatory note (ii)]

(Resolution 6)

6. To transact any other ordinary business which may properly be transacted at an AGM.

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as ordinary resolutions, with or without modifications:

7. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act 1967 (“Companies Act”) and Rule 806 of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalyst (“Catalist Rules”)**

That the Directors be and are hereby authorised pursuant to the provisions of Section 161 of the Companies Act and Rule 806 of the Catalyst Rules to:

- (a) (i) allot and issue shares in the capital of the Company (“**Shares**”) by way of rights, bonus or otherwise; and/or

NOTICES OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares
- (iii) (notwithstanding that such authority conferred by this Resolution may have ceased to be in force) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus, or capitalisation issues, provided that the adjustments do not give the holder a benefit that a shareholder does not receive,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of the Instruments made or granted by the Directors while this Resolution was in force.

PROVIDED ALWAYS THAT:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to existing shareholders of the Company shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below) or such other limit as may be prescribed by the Catalist Rules as at the date of this resolution in force;
- (2) (subject to the manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (1) above, the percentage of the total issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from exercising of share options or vesting of share awards, provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with sub paragraphs 7(2)(a) or 7(2)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Companies Act and the Constitution for the time being of the Company; and

NOTICES OF ANNUAL GENERAL MEETING

- (4) the authority conferred by this Resolution shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the Company's next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory note (iii)]

(Resolution 7)

8. **Authority to issue shares under the Ever Glory Employee Share Option Scheme**

That pursuant to Section 161 of the Companies Act and the provisions of the Ever Glory Employee Share Option Scheme ("**Ever Glory ESOS**"), the Directors of the Company be authorised and empowered to offer and grant share options under the Ever Glory ESOS and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of share options granted by the Company under the Ever Glory ESOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary Shares to be allotted and issued pursuant to the Ever Glory ESOS and the Ever Glory PSP (as defined herein) shall not exceed fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day immediately preceding the date of offer of the employee share options and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory note (iv)]

(Resolution 8)

9. **Authority to issue shares under the Ever Glory Performance Share Plan**

That pursuant to Section 161 of the Companies Act and the provisions of the Ever Glory Performance Share Plan ("**Ever Glory PSP**"), the Directors of the Company be authorised and empowered to offer and grant share awards under the Ever Glory PSP and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the vesting of share awards under the Ever Glory PSP, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary Shares to be issued pursuant to the Ever Glory PSP and the Ever Glory ESOS shall not exceed fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of the award and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory note (v)]

(Resolution 9)

10. **Proposed Renewal of Share Buyback Mandate**

That:

- (a) for the purposes of the Companies Act and the Catalist Rules of the SGX-ST, the Directors of the Company be authorised to exercise all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Maximum Percentage (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), and such purchases and acquisitions of the Shares may be effected by way of:—
- (i) an on-market purchase, transacted through the SGX-ST's trading system or any other stock exchange on which the Shares may for the time being be listed and quoted (as the case may be), through one or more duly licensed stockbrokers appointed by the Company for such purpose ("**Market Purchase**"); and/or

NOTICES OF ANNUAL GENERAL MEETING

- (ii) an off-market purchase (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s), as defined in Section 76C of the Companies Act ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act, the Constitution of the Company and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors of the Company, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the AGM, at which the Share Buyback Mandate is approved, and expiring on the earliest of:
 - (i) the conclusion of the next AGM or the date by which such AGM is required by the applicable law in Singapore or the Constitution to be held; or
 - (ii) the date on which the purchases or acquisitions of Shares under the Share Buyback Mandate are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by Shareholders in a general meeting,

(the "**SBB Relevant Period**");

- (d) for the purposes of this Resolution:

"**Average Closing Price**" means the average of the closing market prices of the shares over the last five (5) days on which the SGX-ST is open for trading in securities ("**Market Days**"), on which transactions in the Shares were recorded, (a) (in the case of a Market Purchase) immediately preceding the day of the Market Purchase, or (b) (in the case of an Off-Market Purchase) immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase, and in either case, deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases or acquisitions are made;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**Maximum Percentage**" means no more than ten percent (10%) of the issued Shares of the Company as at the date of the AGM at which the Share Buyback Mandate is approved, unless the Company has effected a reduction of its share capital in accordance with the Companies Act at any time during the SBB Relevant Period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered. For purposes of calculating the Maximum Percentage, any of the Shares which are held as treasury shares or subsidiary holdings will be disregarded; and

NOTICES OF ANNUAL GENERAL MEETING

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price of the Shares (excluding brokerage, commissions, stamp duties, applicable goods and services tax, clearance fees and other related expenses of Share Buyback) which in any case cannot exceed, in respect of each Share: (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares; and

- (e) the Directors of the Company and/or any of them be and are hereby authorised to complete and do and execute all such things and acts (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution.

[See Explanatory note (vi)]

(Resolution 10)

11. The Proposed Renewal of the General Mandate for Interested Person Transactions

That:

- (a) approval be and is hereby given for the purposes of Chapter 9 of the Catalist Rules, for the Company, its subsidiaries and associated companies which fall within the definition of “**entities at risk**” under Chapter 9 of the Catalist Rules, or any of them to enter into any transaction falling within the categories of the Mandated Interested Person Transactions described in the Annex A to the Appendix to this Notice of AGM dated 11 April 2025 (the “**Appendix**”), with any Mandated Interested Persons as described in the Annex A to the Appendix, provided that such transactions are made on normal commercial terms and are not prejudicial to the Company and its minority Shareholders, and are entered into in accordance with the review procedures for such interested person transactions as set out in the Annex A to the Appendix;
- (b) the approval given in paragraph (a) above shall, unless revoked or varied by the Company in a general meeting, continue in force until the earlier of the following: (i) the conclusion of the next AGM or (ii) the expiration of the period within which the next AGM is required by law to be held; and
- (c) the Directors and each of them be and are hereby authorised and empowered to complete and do all such things and acts (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution.

[See Explanatory note (vii)]

(Resolution 11)

By Order of the Board

Shirley Tan Sey Liy
Company Secretary
Singapore, 11 April 2025

NOTICES OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Mr. Xu Ruibing will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Executive Officer of the Company. Please refer to pages 120 to 128 of the Company's annual report for the detailed information required pursuant to Rule 720(5) of the Catalyst Rules.

Mr. Kong Chee Keong will, upon re-election as a Director of the Company, remains as the Independent Non-Executive Director, Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. The Board of Directors considers him to be independent for the purpose of Rule 704(7) of the Catalyst Rules. Please refer to pages 120 to 128 of the Company's annual report for the detailed information required pursuant to Rule 720(5) of the Catalyst Rules.

- (ii) An Appendix is annexed to this notice of AGM to provide shareholders with information and the specific reasons relating to the Proposed Change of Auditors.

In accordance with the requirements of Rule 712(3) of the Catalyst Rules:

- (a) The retiring auditors of the Company, Messrs BDO LLP ("**BDO**"), have given their professional clearance to Messrs Ernst & Young LLP ("**EY**") and confirmed that they are not aware of any, professional or otherwise, reasons why EY should not accept appointment as the new auditors of the Company and its subsidiaries;
 - (b) the Company confirms that there were no disagreements with the retiring auditors, BDO on accounting treatments within the last 12 months and up to the date of the Appendix;
 - (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Shareholders which has not been disclosed in the Appendix;
 - (d) the Company confirms that the specific reasons for the Proposed Change of Auditors are as disclosed in paragraph 4.1 of the Appendix. The Proposed Change of Auditors is neither due to any disagreement with BDO nor the dismissal of BDO or any direction by SGX-ST for BDO to be replaced under Rule 305(1)(eb) of the Catalyst Rules; and
 - (e) the Company has confirmed that it is in compliance with Rules 712 and 715 of the Catalyst Rules in relation to the appointment of EY as the new Auditors of the Company. The Company will be engaging EY as the auditors for its Singapore-incorporated subsidiaries.
- (iii) Ordinary Resolution 7 above, if passed, will authorise the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments. The aggregate number of Shares (including Shares to be made in pursuance of Instruments made or granted pursuant to this Resolution) which the Directors may allot and issue, shall not exceed, in total, one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which the total number of Shares issued other than on a pro rata basis to existing shareholders of the Company, shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

For determining the aggregate number of Shares that may be allotted and issued, the percentage of total issued Shares will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Ordinary Resolution 7 is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities, the exercise of share options or vesting of share awards outstanding or subsisting at the time when this Ordinary Resolution 7 is passed and any subsequent consolidation or subdivision of Shares.

- (iv) Ordinary Resolution 8 above, if passed, will authorise the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares pursuant to the exercise of share options granted or to be granted under the Ever Glory ESOS provided that the aggregate additional Shares to be allotted and issued pursuant to the Ever Glory ESOS and Ever Glory PSP do not exceed in total fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.
- (v) Ordinary Resolution 9 above, if passed, will authorise the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares pursuant to the vesting of share awards under the Ever Glory PSP provided that the aggregate additional Shares to be allotted and issued pursuant to the Ever Glory PSP and Ever Glory ESOS do not exceed in total fifteen per centum (15.0%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.
- (vi) Ordinary Resolution 10 above, if passed, will authorise the Directors of the Company to purchase up to 10% of the total number of issued Shares in the share capital of the Company (excluding treasury shares and any subsidiary holdings) during the SBB Relevant Period. Please refer to the Appendix for further details.
- (vii) Ordinary Resolution 11 above, if passed, will authorise the Mandated Interested Person Transactions as described in the Annex A to the Appendix recurring in the year, and will authorise the Directors to do all acts necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution 11. Such authority shall, unless revoked or varied by the Company in general meeting, continue in force until the earlier of the following: (i) the conclusion of the next AGM or (ii) the expiration of the period within which the next AGM is required by law to be held. Please refer to the Appendix and Annex A to the Appendix for further details.

NOTICES OF ANNUAL GENERAL MEETING

Notes relating to conduct of Meeting:

1. The members of the Company are invited to **attend physically** at the AGM. **There will be no option for the members to participate virtually.** This Notice of AGM, Proxy Form, Request Form (to request for printed copy of the Annual Report) and the Annual Report (including the Appendix) have been made available to members by electronic means via publication on SGXNET at <https://www.sgx.com/securities/company-announcements>. Printed copies of this Notice of AGM, Proxy Form and the Request Form will also be sent by post to members. Members who wish to receive a printed copy of the Annual Report and the Appendix are required to complete the Request Form and return it to the Company by 18 April 2025:
 - (i) via email to shareregistry@incorp.asia; or
 - (ii) via post to the Company's registered address at 3 Little Road, #03-01 CRF Building, Singapore 536982.
2. Please bring along your NRIC/passport to the AGM so as to enable the Company to verify your identity.

Voting by proxy

3. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
4. A proxy need not be a member of the Company.
5. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instruction as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal, (or otherwise in accordance with its constitution) or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument appointing a proxy or proxies may be treated as invalid.
7. The instrument appointing a proxy, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:
 - (a) if sent personally or by post, the proxy form must be lodged at the Company's registered office at 3 Little Road, #03-01 CRF Building, Singapore 536982; or
 - (b) if by email, the proxy form must be received at shareregistry@incorp.asia;

in either case, **by no later than 26 April 2025, 10.00 a.m., being seventy-two (72) hours before the time appointed for holding the Meeting.**

A member who wishes to submit an instrument of proxy can either use the printed copy of the instrument of proxy which is sent to him/her/it by post or download a copy of the proxy form the SGXNet which may be accessed at the URL <https://www.sgx.com/securities/company-announcements>, and subsequently, to complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

In appointing the Chairman of the Meeting as proxy, the Shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

In appointing such other person(s) as proxy, if no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matters arising at the Meeting.

The proxy must bring along his/her NRIC/passport so as to enable the Company to verify his/her identity.

8.
 - (a) A member who is not a relevant intermediary* is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies. If no proportion is specified, the Company shall be entitled to treat the first named proxy as presenting the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat the proxy form as invalid.
 - (b) A member who is a relevant intermediary* is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

NOTICES OF ANNUAL GENERAL MEETING

*“**Relevant Intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act 1967, as set out below:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
9. SRS Investors (a) may attend, speak and vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or (b) must appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM if they are not able to attend the AGM, in which case they should approach their respective SRS Operators to submit their voting instructions by **11.00 a.m. on 17 April 2025**, being seven (7) working days before the AGM, in which case, the SRS Investors shall be precluded from attending the AGM.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument.

Submission of questions prior to the AGM

11. Shareholders may submit questions relating to the resolutions to be tabled for approval at the AGM or in advance of the AGM no later than **10.00 a.m. on 18 April 2025**:
- (a) by email to enquiry@egu-holdings.com; or
 - (b) in physical copy by depositing the same at the registered office of the Company at 3 Little Road, #03-01 CRF Building, Singapore 536982.

Shareholders submitting questions are required to state: (a) full name, (b) identification/registration number, (c) current address, (d) contact number, (e) email address, (f) number of shares held and (g) the manner in which his/her/its shares in the Company are held (eg: CDP, SRS and/or scrip), failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

All questions submitted in advance of the AGM must be received by the Company by the time and date stated above to be treated as valid.

12. The Company will address all relevant and substantial questions relating to the resolutions to be tabled and received by 10:00 a.m. on 18 April 2025, on or before 23 April 2025 via SGXNet. This is to allow Shareholders sufficient time and opportunity to consider the Company's responses before the deadline for the submission of instruments appointing proxies. Any subsequent clarification sought, or substantive and relevant questions which are submitted after 10.00 a.m. on 18 April 2025 will be consolidated and addressed at the AGM.

PERSONAL DATA PRIVACY

“**Personal data**” has the same meaning ascribed to it pursuant to the Personal Data Protection Act 2012 of Singapore, which includes the name, address and NRIC/Passport number.

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, and/or submitting any questions to the Company in advance of the AGM in accordance with this Notice of AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines and (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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

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.

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Date of Appointment	Date of Last Re-election	Listed company directorships	Other principal commitments
Sun Renwang	<ul style="list-style-type: none"> Secondary school education 	Non-Independent Non-Executive Chairman	Chairman of the Board	23 December 2021	29 April 2024	–	<ul style="list-style-type: none"> Sunbeam M&E Pte. Ltd. Ever Capital Pte. Ltd. Century Building Construction Pte. Ltd. Chan Rong Fen Building Construction Pte Ltd CRF Land Pte. Ltd. Fantasia (Park) Pte. Ltd. Long Wang Development Pte. Ltd. Rich Capital Realty Pte. Ltd. SG United Construction Pte Ltd RWSun Pte. Ltd. RWSun Development Pte. Ltd. SYK Development Pte. Ltd.
Xu Ruibing	<ul style="list-style-type: none"> Bachelor of Engineering specialising in Electrical Engineering from Northwestern Polytechnical University, PRC 	Executive Director and Chief Executive Officer	Board Member	23 December 2021	28 April 2023	–	<ul style="list-style-type: none"> Sunbeam M&E Pte. Ltd. Ever Capital Pte. Ltd. Fire-Guard Engineering Pte. Ltd.

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Date of Appointment	Date of Last Re-election	Listed company directorships	Other principal commitments
Chua Siong Kiat	<ul style="list-style-type: none"> Master of Business Administration and Diploma of the Imperial College in Management (MBA, DIC) from Imperial College London Business School, University of London Fellow Chartered Certified Accountants (FCCA), Certified Internal Auditor (CIA), Fellow Chartered Accountant of Singapore (FCA, Singapore), Chartered Valuer and Appraiser (CVA), and Senior Accredited Director by Singapore Institute of Directors (SID-SRAD) 	Lead Independent Non-Executive Director	Board Member and Chairman of the Audit Committee, and Member of Nominating Committee and Remuneration Committee	20 April 2023	29 April 2024	<ul style="list-style-type: none"> VCI Global Limited Coolan Group Limited (fka New Silkroutes Group Limited) UMS Integration Limited 	<ul style="list-style-type: none"> Lighthouse Business Consulting Pte Ltd Starwork Vision Pte. Ltd. Robotic Vision Inc. Pte. Ltd. MIT Investment Pte. Ltd. CFO of Memiontec Holdings Ltd.
Kong Chee Keong	<ul style="list-style-type: none"> Bachelor of Accountancy from the National University of Singapore and an MBA from the University of Manchester Member of the institute of Chartered Accountant of Singapore (CA, Singapore) and fellow member of the Singapore Institute of Directors (SID) 	Independent Non-Executive Director	Board Member, Chairman of the Remuneration Committee and Member of the Audit Committee and Nominating Committee	20 April 2023	28 April 2023	<ul style="list-style-type: none"> JEP Holdings Limited PC Partner Group Limited 	<ul style="list-style-type: none"> Penvest Co. Pte. Ltd. ARC Energy Pte. Ltd. PIP Energy Pte Ltd Blue Tirta Pte Ltd Gascem Pte Ltd PT Puncak Bintang Perkasa
Goh Siong Pheck Francis	<ul style="list-style-type: none"> Bachelor of Law from the National University of Singapore 	Independent Non-Executive Director	Board Member, Chairman of the Nominating Committee and Member of the Audit Committee and Remuneration Committee	20 April 2023	28 April 2023	–	<ul style="list-style-type: none"> Legis Point LLC Independent mediator at the Singapore Mediation Centre

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to Mr. Xu Ruibing and Mr. Kong Chee Keong, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Details	Name of Director	
	Xu Ruibing	Kong Chee Keong
Date of Appointment	23 December 2021	20 April 2023
Date of last re-appointment (if applicable)	28 April 2023	28 April 2023
Age	54	58
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	<p>Mr. Xu Ruibing was nominated for re-election as Director at the forthcoming AGM pursuant to the Company's Constitution.</p> <p>The NC's process in recommending the nomination for re-election of Director and the assessment of the contribution of the Director has been disclosed under Principle 4 and Principle 5 of the Corporate Governance Report.</p> <p>The Board of the Company, having considered the NC's recommendation and assessed the qualifications and experience of Mr. Xu Ruibing, is of the view that Mr. Xu Ruibing has the requisite experience and capabilities to assume the duties and responsibilities as the Executive Director and Chief Executive Officer of the Group.</p>	<p>Mr. Kong Chee Keong was nominated for re-election as Director at the forthcoming AGM pursuant to the Company's Constitution.</p> <p>The NC's process in recommending the nomination for re-election of Director, review of the independence of the Independent Director and the assessment of the contribution of the Director has been disclosed under Principle 4 and Principle 5 of the Corporate Governance Report.</p> <p>The Board of the Company, having considered the NC's recommendation and assessed the qualifications and experience of Mr. Kong Chee Keong, is of the view that Mr. Kong Chee Keong has the requisite experience and capabilities to assume the duties and responsibilities as the Independent Director of the Company.</p> <p>The Board considers Mr. Kong Chee Keong to be independent for the purpose of Rule 704(7) of the Catalist Rules.</p>
Whether appointment is executive, and if so, the area of responsibility	<p>Executive</p> <p>Mr. Xu is primarily responsible for the overall management and formulation of business strategies of the Group.</p>	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Chief Executive Officer	Independent Non-Executive Director, Chairman of Remuneration Committee, a member of the Audit Committee and Nominating Committee

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details	Name of Director	
	Xu Ruibing	Kong Chee Keong
Professional qualifications	Bachelor of Engineering specialising in Electrical Engineering from Northwestern Polytechnical University, PRC	Bachelor of Accountancy from the National University of Singapore and an MBA from the University of Manchester Member of the institute of Chartered Accountant of Singapore (CA, Singapore) and fellow member of the Singapore Institute of Directors (SID)
Working experience and occupation(s) during the past 10 years	August 2015 to April 2018: Executive Director of Libra Group Limited June 2015 to May 2018: Executive Director of Kin Xin Engineering Pte Ltd	January 2011 to August 2021: Managing Director of Penvest Co Pte Ltd September 2021 to October 2022: Executive Director and Chief Executive Officer of Darco Water Technologies Limited September 2021 to December 2022: Executive Director of various subsidiaries of Darco Water Technologies Limited
Shareholding interest in the listed issuer and its subsidiaries	Mr. Xu Ruibing holds a direct interest of 98,400,000 shares in the capital of the Company.	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details	Name of Director	
	Xu Ruibing	Kong Chee Keong
Other Principal Commitments Including Directorships	<p><u>Past (for the last 5 years)</u></p> <ul style="list-style-type: none"> • Nil <p><u>Present</u></p> <p>Director of:</p> <ul style="list-style-type: none"> • Sunbeam M&E Pte. Ltd. • Ever Capital Pte. Ltd. • Fire-Guard Engineering Pte. Ltd. 	<p><u>Past (for the last 5 years)</u></p> <p>Director of:</p> <ul style="list-style-type: none"> • Biolidics Limited • Darco Ba Lai Water Supply Co., Ltd • Darco Engineering Pte Ltd • Darco Ha Tinh Co., Ltd • Darco Industrial Water Sdn Bhd • Darco Infracore Vietnam Water Pte. Ltd. • Darco Nghe An Co., Ltd • Darco Water Systems Sdn Bhd • Darco Water Technologies Limited (“DWT”) • Darco Viet Water Co., Ltd • Puzer Asia Pte Ltd • PV Vacuum Engineering Pte Ltd • Vietnam Darco Environment Co., Ltd • Wuhan Kaidi Water Service Co., Ltd <p><u>Present</u></p> <p>Director of:</p> <ul style="list-style-type: none"> • JEP Holdings Ltd. • PC Partner Group Limited • ARC Energy Pte. Ltd. • Blue Tirta Pte. Ltd. • Gascem Pte. Ltd. • Penvest Co. Pte. Ltd. • PIP Energy Pte. Ltd. • PT Puncak Bintang Perkasa

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details	Name of Director	
	Xu Ruibing	Kong Chee Keong
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.		
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	<p>No</p> <p>Mr. Xu was the Executive Director of Libra Group Limited (“LGL”) from August 2015 to April 2018, and the Executive Director of Kin Xin Engineering Pte Ltd (“Kin Xin”), a subsidiary of LGL, from June 2015 to May 2018. LGL was listed on the SGX-ST from 15 November 2011 to 19 May 2022. Following letters of demand made against LGL and certain subsidiaries of LGL, provisional liquidators were first appointed for Libra Building Construction Pte. Ltd., another subsidiary of LGL, in November 2019. A winding up petition or application was subsequently filed against Kin Xin in November 2021 and a winding up order was granted by the Singapore Court against Kin Xin in December 2021. A winding up petition or application was filed against LGL in June 2022 and a winding up order was granted by the Singapore Court against LGL in July 2022. Both Kin Xin and LGL are currently in liquidation (compulsory winding up) on grounds of insolvency.</p> <p>Save for being a director of LGL and Kin Xin, Mr. Xu was not a director of the other subsidiaries of LGL.</p>

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details		Name of Director	
		Xu Ruibing	Kong Chee Keong
c.	Whether there is any unsatisfied judgment against him?	No	No
d.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details		Name of Director	
		Xu Ruibing	Kong Chee Keong
f.	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g.	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h.	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details		Name of Director	
		Xu Ruibing	Kong Chee Keong
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Mr. Kong was the independent director of DWT from July 2020 to August 2021 and subsequently re-designated as the executive director and chief executive officer from September 2021 to October 2022. The SGX-ST had issued a Notice of Compliance to DWT in September 2021 and directed DWT to disclose via SGXNet by a certain timeframe, a detailed report, with inputs from its legal advisers, on the status of a proposed investment in a project (the “ DWT Investment ”), which was first announced by DWT in November 2018 prior to Mr. Kong Chee Keong’s involvement in DWT. DWT had subsequently complied with the SGX-ST’s directives within the stipulated timeframe. The DWT Investment was subsequently rejected by the board of DWT after due deliberation, and no further action was taken by the SGX-ST.
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details		Name of Director	
		Xu Ruibing	Kong Chee Keong
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Details	Name of Director	
	Xu Ruibing	Kong Chee Keong
Information required		
Disclosure applicable to the appointment of Director only.		
<p>Any prior experience as a director of an issuer listed on the Exchange?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</p> <p>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	Not applicable. This is in relation to the re-appointment of a Director.	Not applicable. This is in relation to the re-appointment of a Director.

EVER GLORY UNITED HOLDINGS LIMITED

(Company Registration No. 202144351H)
(Incorporated In the Republic of Singapore)

ANNUAL GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

- Relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) may appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting.
- Investors who holds shares under the Supplementary Retirement Scheme ("SRS Investor") may attend and cast their votes at the Meeting if they are appointed as proxies and should contact their SRS Operators if they have any queries regarding the appointment as proxy. For SRS Investor who wishes to appoint the Chairman of the Meeting to act as their proxies, they should approach their respective SRS Operators to submit their voting instructions by **11:00 a.m. on 17 April 2025**, being seven (7) working days before the Meeting in which case, the relevant SRS Investors shall be precluded from attending the Meeting.
- This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 April 2025.

*I/We, _____ (Name)

_____ (NRIC/Passport No./Company Registration No.*)

of _____ (Address)

being a *member/members of **EVER GLORY UNITED HOLDINGS LIMITED ("Company")**, hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or* (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her/they, the Chairman of the Annual General Meeting (the "AGM" or "Meeting") or such other person the Chairman may designate, as my/our* proxy/proxies to vote for me/us* on my/our* behalf at the Meeting of the Company, to be held at 3 Little Road, #02-02, CRF Building, Singapore 536982 on **Tuesday, 29 April 2025 at 10.00 a.m.** and at any adjournment thereof. I/We* direct my/our* proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the Meeting as indicated hereunder. In appointing the Chairman of the Meeting as proxy, the Shareholder (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. In appointing such other person(s) as proxy, if no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matters arising at the Meeting.

No.	Resolutions relating to:	No. of Votes 'For'***	No. of Votes 'Against'***	No. of Votes 'Abstain'***
Ordinary Business				
1	Adoption of the Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2024			
2	Approval of final dividend (one-tier tax exempt) of 0.25 Singapore cent per ordinary share for the financial year ended 31 December 2024			
3	Approval of Directors' fees amounting to S\$180,000 for the financial year ending 31 December 2025, payable quarterly in arrears			
4	Re-election of Mr. Xu Ruibing as a Director			
5	Re-election of Mr. Kong Chee Keong as a Director			
6	Appointment of Messrs Ernst & Young LLP as auditors of the Company in place of the retiring auditors of the Company, Messrs BDO LLP and to authorise the Directors of the Company to fix the remuneration of Messrs Ernst & Young LLP			
Special Business				
7	Authority for Directors to allot and issue new shares			
8	Authority to allot and issue shares under the Ever Glory Employee Share Option Scheme			
9	Authority to allot and issue shares under the Ever Glory Performance Share Plan			
10	Approval of the Proposed Renewal of Share Buyback Mandate			
11	Approval of the Proposed Renewal of the General Mandate for Interested Person Transactions			

* Delete where inapplicable

** If you wish to exercise all your votes 'For' or 'Against' or 'Abstain', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____ day of _____ 2025

Signature(s) of Shareholder(s)
and/or, Common Seal of Corporate Shareholder

IMPORTANT: Please read notes overleaf

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Notes:

1. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
2. A proxy need not be a member of the Company.
3. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
4. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal, (or otherwise in accordance with its constitution) or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument appointing a proxy or proxies may be treated as invalid.
6. The instrument appointing a proxy, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:
 - (a) if sent personally or by post, the proxy form must be lodged at the Company's registered office at 3 Little Road, #03-01, CRF Building, Singapore 536982; or
 - (b) if by email, the proxy form must be received at shareregistry@incorp.asia;

in either case, **no later than 26 April 2025, 10.00 a.m., being seventy-two (72) hours before the time appointed for holding the Meeting.**

A member who wishes to submit an instrument of proxy can either use the printed copy of the instrument of proxy which is sent to him/her/it by post or download a copy of the proxy form from the SGXNet which may be accessed at the URL <https://www.sgx.com/securities/company-announcements>, and subsequently, to complete and sign the instrument of proxy before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

The proxy must bring along his/her NRIC/passport so as to enable the Company to verify his/her identity.

7.
 - (a) A member who is not a relevant intermediary* is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies. If no proportion is specified, the Company shall be entitled to treat the first named proxy as presenting the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat the proxy form as invalid.
 - (b) A member who is a relevant intermediary* is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

*"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967, as set out below:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
8. SRS Investors (a) may attend, speak and vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or (b) must appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting if they are not able to attend the Meeting, in which case they should approach their respective SRS Operators to submit their voting instructions by **11.00 a.m. on 17 April 2025**, being seven (7) working days before the Meeting, in which case, the SRS Investors shall be precluded from attending the Meeting.

GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of Meeting dated 11 April 2025.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sun Renwang

Non-Independent Non-Executive Chairman

Mr. Xu Ruibing

Executive Director and Chief Executive Officer

Mr. Chua Siong Kiat

Lead Independent Non-Executive Director

Mr. Kong Chee Keong

Independent Non-Executive Director

Mr. Goh Siong Pheok Francis

Independent Non-Executive Director

AUDIT COMMITTEE

Mr. Chua Siong Kiat, Chairman

Mr. Kong Chee Keong

Mr. Goh Siong Pheok Francis

NOMINATING COMMITTEE

Mr. Goh Siong Pheok Francis, Chairman

Mr. Chua Siong Kiat

Mr. Kong Chee Keong

REMUNERATION COMMITTEE

Mr. Kong Chee Keong, Chairman

Mr. Goh Siong Pheok Francis

Mr. Chua Siong Kiat

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

3 Little Road

#03-01 CRF Building

Singapore 536982

Tel: (65) 6283 0683

Fax: (65) 9283 0689

Email: enquiry@egu-holdings.com

Website: <https://egu-holdings.com/>

SPONSOR

NOVUS CORPORATE FINANCE PTE. LTD.

7 Temasek Boulevard

#04-02 Suntec Tower 1

Singapore 038987

COMPANY SECRETARY

Ms. Shirley Tan Sey Liy

(Msc Mgmt (Hons) (UCD), FCS, FCG)

SHARE REGISTRAR

IN.CORP CORPORATE SERVICES PTE. LTD.

36 Robinson Road

#20-01 City House

Singapore 068877

AUDITOR

BDO LLP

600 North Bridge Road

#23-01 Parkview Square

Singapore 188778

AUDIT-PARTNER-IN-CHARGE

Mr. Yeo Siok Yong

A member of the Institute of Singapore Chartered Accountants

(appointed since financial year ended 31 December 2022)



EVER GLORY UNITED HOLDINGS LIMITED

3 Little Road
#03-01 CRF Building
Singapore 536982
Tel: 6283 0683
Fax: 6283 0689
Email: enquiry@egu-holdings.com
Website: <https://egu-holdings.com/>