

EVER GLORY UNITED HOLDINGS LIMITED
(Company Registration Number 202144351H)
(Incorporated in the Republic of Singapore)

**PROPOSED PLACEMENT OF UP TO 31,000,000 NEW ORDINARY SHARES IN THE CAPITAL
OF EVER GLORY UNITED HOLDINGS LIMITED – ENTRY INTO PLACEMENT AGREEMENT**

1. INTRODUCTION

- 1.1. The Board of Directors of Ever Glory United Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") (the "**Board**" or the "**Directors**") wishes to announce that the Company has on 25 August 2025 entered into a placement agreement with CGS International Securities Singapore Pte. Ltd. (the "**Placement Agent**") (the "**Placement Agreement**").
- 1.2. Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscribers on a best efforts basis for, an aggregate of up to 31,000,000 fully paid-up ordinary shares in the capital of the Company (the "**New Shares**") at a placement price of S\$0.55 ("**Placement Price**") for each New Share, amounting to a maximum aggregate consideration of up to S\$17,050,000 (the "**Proposed Placement**").
- 1.3. The Proposed Placement is not underwritten and will be undertaken by way of an exempt offering in Singapore in accordance with Section 274 (institutional investors) and Section 275 (accredited investors and certain other persons) of the Securities and Futures Act 2001 of Singapore. Accordingly, no prospectus, offer document or offer information statement will be issued by the Company in connection with the Proposed Placement.

2. THE PROPOSED PLACEMENT

2.1. The New Shares

- 2.1.1. The New Shares represent approximately 8.92% of the existing issued and paid-up share capital of the Company comprising 347,636,223 fully paid-up ordinary shares in the capital of the Company ("**Shares**") (excluding 876,900 treasury shares) as at the date of this announcement and will represent approximately 8.19% of the enlarged issued and paid-up share capital of the Company of 378,636,223 Shares (excluding 876,900 treasury shares) (assuming that the maximum 31,000,000 New Shares have been placed).
- 2.1.2. The New Shares will be delivered to the subscribers freely transferable, free and clear of any pledge, lien, charge security interest, encumbrance, claim, equitable interest or other third party right whatsoever and shall rank *pari passu* with the existing Shares and carry all rights similar to the existing Shares at the time of the transfer.
- 2.1.3. The New Shares will not be placed to any person who is a director or a substantial shareholder of the Company, or any other person in the categories set out in Rule 812(1) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), unless such subscription is otherwise agreed to by the SGX-ST or specific shareholders' approval is obtained (as applicable).
- 2.1.4. The subscription of the New Shares will not result in the transfer of a "controlling interest" which would require specific shareholders' approval pursuant to Rule 803 of the Catalist Rules. The number of New Shares to be placed to any subscriber is

not expected to result in the subscriber becoming a substantial shareholder of the Company ("**Substantial Shareholder**").

- 2.2. The Placement Price of S\$0.55 per New Share represents a discount of 7.72% to the volume weighted average price of S\$0.596 for trades done on the SGX-ST for 22 August 2025, being the full market day immediately preceding the date on which the Placement Agreement is signed.

3. SALIENT TERMS OF THE PLACEMENT AGREEMENT

3.1. Placement Commission

Pursuant to the Placement Agreement, the Company has agreed to pay the Placement Agent a placement commission equal to 3.5% of the Placement Price multiplied by the aggregate number of New Shares for which the Placement Agent has procured the subscription for.

3.2. Placement Completion

Subject to the terms and conditions of the Placement Agreement, completion of the Proposed Placement ("**Completion**") shall take place on the date falling three (3) business days from the fulfilment or waiver (if capable of waiver) of all the conditions set out in the Placement Agreement (other than conditions to be fulfilled on the Completion Date or such other date and time as the parties to the Placement Agreement may mutually agree) (the "**Completion Date**").

3.3. Conditions

Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon, *inter alia*, the following conditions:

- 3.3.1. all representations and warranties and other statements of the Company made to the Placement Agent in the Placement Agreement being, at the date of the Placement Agreement and as of the Completion Date with references to the then existing circumstances, remaining true, accurate and complete in all respects and the Company having performed all of its undertakings or obligations to be performed on or before the Completion Date;
- 3.3.2. the transactions contemplated by the Placement Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority (including without limitation, the Monetary Authority of Singapore and the SGX-ST)) in Singapore or any other jurisdiction which is applicable to the Company or the Placement Agent;
- 3.3.3. the listing and quotation notice for the listing and quotation of the New Shares on the Catalist Board of the SGX-ST having been obtained from the SGX-ST and remaining in full force and effect and not having been revoked or amended and, where such approval is subject to conditions, such conditions being acceptable to the Placement Agent, and, to the extent that any conditions for the listing and quotation of the New Shares on the SGX-ST are required to be fulfilled on or before the Completion Date, they are so fulfilled;
- 3.3.4. the compliance with all applicable laws and regulations concerning (i) the Proposed Placement, (ii) the listing of the New Shares on the Catalist Board of the SGX-ST, (iii) the transactions contemplated in the Placement Agreement, and no new laws, regulations and directives having been promulgated, published and/or issued and/or having taken effect or any other similar matter having occurred which, in the opinion of the Placement Agent, has or may have an adverse effect on the Proposed Placement and the listing of the New Shares on the Catalist Board of the SGX-ST; and

- 3.3.5. the Company providing the Placement Agent with a certified true copy of the board resolution approving its entry into the Placement Agreement and the allotment and issuance of the New Shares.
- 3.4. The Company undertakes to use all best efforts to procure the fulfilment of the various conditions as set out in the Placement Agreement (including those set out in paragraph 3.3) and to notify the Placement Agent in writing as soon as possible after becoming aware of any potential non-fulfilment of any of the relevant conditions as specified in the Placement Agreement, any breach of the Company's obligations under the Placement Agreement or any matter which would allow the Placement Agent to terminate the Placement Agreement in accordance with the termination provisions therein.
- 3.5. The Placement Agent may, at its discretion and upon such terms as it thinks fit, waive compliance with any of the conditions set out in paragraph 3.3 and where specified in the Placement Agreement (other than the conditions in paragraphs 3.3.2 and 3.3.3) by written notice to the Company, provided always that any such waiver as aforesaid shall be without prejudice to its further right to terminate the Placement Agreement in accordance with the termination provisions therein.
- 3.6. If any of the conditions specified in the Placement Agreement shall not have been fulfilled and the Placement Agent elects not to provide a waiver where possible, the Placement Agent may by written notice to the Company terminate the Placement Agreement and such a termination shall be without liability of any party to any other party except for the Company's obligations with respect to costs and expenses to the Placement Agent. Such a termination shall be without prejudice to the validity and enforceability of the various surviving obligations set out in Placement Agreement.

4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS

4.1. Rationale

The Company has decided to undertake the Proposed Placement to strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The Proposed Placement will result in an injection of funds into the Company (a) for general working capital purposes, including meeting general overheads and other operating expenses of the Group, and (b) partial payment of the balance purchase consideration for the acquisition of Guthrie Engineering (S) Pte. Ltd. as announced on 8 April 2025.

4.2. Use of Proceeds

4.2.1. The estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses) of approximately S\$655,550, is approximately S\$16,394,450 (the "**Net Proceeds**"). The Company intends to apply such Net Proceeds in the following estimated proportions:

Proposed use of Net Proceeds	% of Net Proceeds from the Proposed Placement
(a) General working capital purposes (including meeting general overheads and other operating expenses of the Group)	50%
(b) Partial payment of the balance purchase consideration for the acquisition of Guthrie Engineering (S) Pte. Ltd. as announced on 8 April 2025	50%
Total	100%

- 4.2.2. Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.
- 4.2.3. The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements issued under Rule 705 of the Catalyst Rules and the Company's annual reports. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status reports. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

4.3. **Confirmations by the Directors**

- 4.3.1. The Directors are of the opinion that, as at the date of this announcement, after taking into consideration:
 - (a) the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements, and the Proposed Placement is being undertaken for reasons provided in Paragraph 4.1 above; and
 - (b) the present bank facilities available to the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.
- 4.3.2. Notwithstanding the above, the Company has decided to undertake the Proposed Placement to raise funds partially for general working capital purposes to strengthen the Company's financial position and flexibility to capitalise on growth opportunities.

5. **FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT**

- 5.1. The *pro forma* financial effects of the Proposed Placement on the Group are set forth below and have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2024 ("**FY2024**"). The financial effects of the Proposed Placement are based on the following assumptions:
 - 5.1.1. the maximum number of 31,000,000 New Shares are fully subscribed for by subscribers;
 - 5.1.2. the estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses) is approximately S\$655,550;
 - 5.1.3. the financial effect on the net tangible asset ("**NTA**") per Share is computed based on the assumption that the Proposed Placement was completed on 31 December 2024; and
 - 5.1.4. the financial effect on the earnings per Share ("**EPS**") is computed based on the assumption that the Proposed Placement was completed on 1 January 2024.
- 5.2. The *pro forma* financial effects of the Proposed Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual financial position of the Group after Completion.

5.3. Share Capital

	Before Completion of the Proposed Placement	After Completion of the Proposed Placement
Number of Shares (excluding 1,333,900 treasury shares) as at 31 December 2024	260,246,749	291,246,749

5.4. NTA

	Before Completion of the Proposed Placement	After Completion of the Proposed Placement
NTA as at 31 December 2024 (S\$'000)	18,255	35,305
Number of Shares	260,246,749	291,246,749
NTA per Share (Singapore cents)	7.01	12.12

5.5. EPS

	Before Completion of Proposed Placement	After Completion of Proposed Placement
Net earnings for FY2024 (S\$'000)	8,955	8,299
Weighted average number of Shares	257,544,531	304,044,531
EPS (Singapore cents)	3.48	2.73

6. MANDATE FOR THE ISSUANCE OF THE NEW SHARES

- 6.1. The New Shares will be allotted and issued pursuant to the general share issue mandate granted by the shareholders of the Company at the Company's annual general meeting convened on 29 April 2025 (the "**General Mandate**"). The General Mandate grants authority to the Directors to, *inter alia*, allot and issue new Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2025 AGM, 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 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2025 AGM.
- 6.2. As at the date of the 2025 AGM, the issued and paid-up share capital of the Company was 346,578,823 Shares (excluding 1,934,300 treasury shares) and the Company may issue up to 173,289,411 Shares other than on a *pro rata* basis.
- 6.3. As at the date of this announcement, there has not been any issue of Shares or instruments since the 2025 AGM. Accordingly, the issue of up to 31,000,000 New Shares falls within the limits of the General Mandate.
- 6.4. The Company will be making an application to the SGX-ST, through its continuing sponsor, for the listing of and quotation for the New Shares on the Catalist Board of the SGX-ST. The

Company will make the necessary announcements upon receipt of the listing and quotation notice from the SGX-ST.

7. THE PLACEMENT AGENT'S UNDERTAKING AND CONFIRMATION

The Placement Agent has undertaken and confirmed, *inter alia*, that:

- (a) the Placement Agent has obtained or will obtain (as the case may be) confirmations from the Placees that they will not enter into share borrowing arrangements to facilitate their subscription of the New Shares; and
- (b) the Placement Agent has obtained or will obtain (as the case may be) confirmations from the Placees that their subscription of the New Shares will not result in the transfer of a controlling interest of the Company as defined in Rule 803 of the Catalist Rules.

The Placement Agent has also represented and warranted to the Company that the Placement Agent will not offer the New Shares for sale to, or procure subscriptions of or make an invitation for the New Shares to or by, any person who is a director or a substantial shareholder of the Company or any other person in the categories set out in Rule 812(1) of the Catalist Rules, unless such subscription is otherwise agreed to by the SGX-ST or specific shareholder approval for such a placement has been obtained in accordance with Rule 812(2) of the Catalist Rules.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or Substantial Shareholders or any of their respective associates has any interest, direct or indirect, in the Proposed Placement, other than through their respective shareholding interests in the Company (if any).

As at the date of this announcement, Sun Renwang, the Non-Independent Non-Executive Chairman of the Company, holds a 37.74% interest in the share capital of the Company and Xu Ruibing, the Executive Director and the Chief Executive Officer of the Company holds a 37.74% interest in the share capital of the Company. Save as disclosed, there are no other substantial shareholders of the Company and the remaining Directors do not hold any interest in the share capital of the Company.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Placement Agreement will be available for inspection during normal business hours at the registered office of the Company at 3 Little Road, #03-01, CRF Building, Singapore 536982 for a period of three (3) months commencing from the date of this announcement.

10. FURTHER ANNOUNCEMENTS

The Company will continue to keep its shareholders updated and release announcements relating to the Proposed Placement (including any material developments and progress made) as may be appropriate from time to time.

11. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the Proposed Placement is subject to the fulfilment of, *inter alia*, the conditions set out above, and accordingly, should exercise caution when trading in the Shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board
EVER GLORY UNITED HOLDINGS LIMITED

Xu Ruibing
Executive Director and Chief Executive Officer

25 August 2025

*This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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