



EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Registration No. 202144351H)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

Background

Ever Glory United Holdings Limited (the “**Company**”) 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 Company and its subsidiaries (the “**Group**”) is primarily engaged in the provision of mechanical and electrical (“**M&E**”) engineering services.

EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

Group	Note	6 months ended 31 December			12 months ended 31 December		
		2023 (unaudited)	2022 (unaudited)	Increase/ (Decrease)	2023 (unaudited)	2022 (audited)	Increase/ (Decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	20,919	17,894	17	47,478	27,980	70
Cost of sales		(18,213)	(16,001)	14	(36,524)	(25,090)	45
Gross profit		2,706	1,893	43	10,954	2,890	>100
Other income		105	65	61	405	131	>100
Other items of expenses							
General and administrative expenses		(671)	(587)	14	(1,525)	(879)	74
Other expenses		(62)	-	NM*	(1,268)	-	NM*
Finance costs		(21)	(18)	17	(39)	(28)	39
Share of results of an associate, net of tax		-**	-	NM*	-**	-	NM*
Share of results of a joint venture, net of tax		(17)	6	(>100)	62	14	>100
Profit before income tax	5	2,040	1,359	50	8,589	2,128	>100
Income tax expense	6	(695)	(227)	>100	(1,758)	(361)	>100
Profit for the financial period/year, representing total comprehensive income for the financial period/year		1,345	1,132	22	6,831	1,767	>100
Profit and total comprehensive income for the financial period/year attributable to owners of the Company		1,345	1,132		6,831	1,767	
Earnings per share							
Basic and diluted (cents)	7	0.79	0.86		4.35	1.35	

*NM denotes "not meaningful".

**Amount is less than \$1,000

EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		(unaudited) S\$'000	(audited) S\$'000	(unaudited) S\$'000	(audited) S\$'000
ASSETS					
Non-current assets					
Intangible assets	10	10	-	-	-
Plant and equipment	11	112	61	-	-
Right-of-use assets	12	340	137	-	-
Investment in subsidiaries	13	-	-	1,107	1,000
Investment in a joint venture		307	64	-	-
Investment in an associate	14	420	-	-	-
Other receivables	15	100	100	333	-
Total non-current assets		1,289	362	1,440	1,000
Current assets					
Contract assets		8,205	3,776	-	-
Trade and other receivables	15	8,728	7,734	1,876	-
Prepayment	15	24	450	24	450
Fixed deposit		2,500	-	2,500	-
Cash and bank balances		4,156	498	1,478	184
Total current assets		23,613	12,458	5,878	634
Total assets		24,902	12,820	7,318	1,634
EQUITY AND LIABILITIES					
Equity					
Share capital	17	2,838	-	2,838	-
Treasury shares		(86)	-	(86)	-
Other reserve		1,000	1,000	1,000	1,000
Retained earnings / (Accumulated loss)		7,523	1,962	3,114	(63)
Total equity		11,275	2,962	6,866	937
Non-current liabilities					
Lease liabilities		176	55	-	-
Bank borrowings	16	298	290	-	-
Total non-current liabilities		474	345	-	-
Current liabilities					
Trade and other payables	18	9,425	5,926	452	697
Contract liabilities		840	2,613	-	-
Provisions		14	111	-	-
Bank borrowings	16	937	447	-	-
Lease liabilities		173	88	-	-
Income tax payables		1,764	328	-	-
Total current liabilities		13,153	9,513	452	697
Total liabilities		13,627	9,858	452	697
Total equity and liabilities		24,902	12,820	7,318	1,634

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

<u>Group</u>	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 January 2023	-	-	1,000	1,962	2,962
Profit for the year representing total comprehensive income for the year	-	-	-	6,831	6,831
Transactions with owners					
Issuance of ordinary shares	3,152	-	-	-	3,152
Share issuance expenses	(314)	-	-	-	(314)
Purchase of shares	-	(86)	-	-	(86)
Dividend paid	-	-	-	(1,270)	(1,270)
Total transactions with owners	2,838	(86)	-	(1,270)	1,482
Balance at 31 December 2023 (unaudited)	2,838	(86)	1,000	7,523	11,275
Balance at 1 January 2022	1,000	-	-	195	1,195
Profit for the year, representing total comprehensive income for the year	-	-	-	1,767	1,767
Transactions with owners					
Adjustment pursuant to acquisition of a subsidiary	(1,000)	-	-	-	(1,000)
Effect of waiver of debts from shareholders/directors	-	-	1,000	-	1,000
Total transactions with owners	(1,000)	-	1,000	-	-
Balance at 31 December 2022	-	-	1,000	1,962	2,962

EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

<u>Company</u>	Share capital S\$'000	Treasure share S\$'000	Other reserves S\$'000	(Accumulated losses) / Retained earnings S\$'000	Total Equity / (Capital deficiency) S\$'000
Balance at 1 January 2023	-	-	1,000	(63)	937
Profit for the year representing total comprehensive income for the year	-	-	-	4,447	4,447
Transactions with owners					
Issuance of shares	3,152	-	-	-	3,152
Share issuance expenses	(314)	-	-	-	(314)
Purchase of shares	-	(86)	-	-	(86)
	-	-	-	(1,270)	(1,270)
Total transactions with owners	2,838	(86)	-	(1,270)	1,482
Balance at 31 December 2023 (unaudited)	2,838	(86)	1,000	3,114	6,866
Balance at 23 December 2021 (date of incorporation)	-	-	-	-	-
Loss for the period, representing total comprehensive income for the period	-	-	-	(63)	(63)
Transaction with owners					
Effect of waiver of debts from directors / shareholders, representing total transactions with owners	-	-	1,000	-	1,000
Balance at 31 December 2022	-	-	1,000	(63)	937

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>Note</u>	Group	
		12 months ended 31 December 2023 (unaudited) S\$'000	12 months ended 31 December 2022 (audited) S\$'000
Operating activities			
Profit before income tax		8,589	2,128
Adjustments for:			
Amortisation of intangible asset	5.1&10	3	-
Depreciation of plant and equipment	5.1&11	46	32
Depreciation of right-of-use assets	5.1&12	157	93
Interest income		(38)	-
Interest expense		39	28
Increase in provisions			
- Provision for onerous contract		12	73
- Provision for unutilised leave		2	15
Share of results of a joint venture, net of tax		(62)	(14)
Share of results of an associate, net of tax		-*	-
Initial public offering fee		1,268	-
Grant income pursuant to the listing		(246)	-
Operating cash flows before movements in working capital		9,770	2,355
Changes in working capital:			
Contract assets		(4,429)	(2,464)
Trade and other receivables		(956)	(2,648)
Prepayments		426	(450)
Trade and other payables		3,362	1,525
Contract liabilities		(1,773)	1,091
Provisions		(111)	(46)
Cash generated from / (used in) operations		6,289	(637)
Income tax paid		(323)	(126)
Net cash from / (used in) operating activities		5,966	(763)
Investing activities			
Investment in an associate		(420)	-
Investment in joint venture		(180)	(50)
Purchase of intangible asset		(13)	-
Purchase of plant and equipment		(97)	(35)
Net cash used in investing activities		(710)	(85)
Financing activities			
Advances from director		-	354
Repayment of principal portion of lease liabilities		(155)	(91)
Repayment of interest portion of lease liabilities		(12)	(8)
Proceeds from bank borrowings – trust receipts		711	400
Repayments of bank borrowings		(215)	(174)
Interest paid on bank borrowings		(23)	(20)
Fixed deposit – pledged		(1,500)	-
Proceeds from issuance of ordinary shares		1,952	-
Purchase of treasury shares		(86)	-
Dividends paid		(1,270)	(1,000)
Net cash used in financing activities		(598)	(539)
Net increase / (decrease) in cash and cash equivalents		4,658	(1,387)
Cash and cash equivalents at beginning of the financial year		498	1,885
Cash and cash equivalents at end of the financial year		5,156	498

*Amount is less than \$1,000

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	<u>Note</u>	<u>Group</u>	
		<u>31 December 2023 (unaudited) S\$'000</u>	<u>31 December 2022 (audited) S\$'000</u>
Cash and bank balances		4,156	498
Fixed deposit		2,500	-
Fixed deposit – pledged	16	(1,500)	-
Cash and cash equivalents per consolidated statement of cash flows		5,156	498

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATION INFORMATION

Ever Glory United Holdings Limited (the “**Company**”) (Registration No. 202144351H) is incorporated and domiciled in Singapore with its principal place of business and registered office at 3 Little Road #03-01 CRF Building Singapore 536982. The Company was listed on the Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 18 May 2023. These condensed interim consolidated financial statements for the second half and full year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

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

The principal activities of the subsidiaries are that of M&E engineering and property development.

2. BASIS OF PREPARATION

The condensed interim consolidated financial statements for the six months ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2023. The condensed interim consolidated financial statements should be read in conjunction with the accompanying explanatory notes attached to the condensed interim consolidated financial statements for the year ended 31 December 2023.

The accounting policies and methods of computation adopted are consistent with those adopted by the Group in its most recent audited consolidated financial statements for the year ended 31 December 2022, which were prepared in accordance with SFRS(I).

The condensed interim consolidated financial statements are presented in Singapore dollar (“**S\$**” or “**SGD**”) which is the Group’s functional currency. All values in the tables are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.2 Use of judgements and estimates (continued)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 4.2.1 – Construction contracts
- Note 15 – Trade and other receivables

3. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. SEGMENT AND REVENUE INFORMATION

4.1. Reportable segments

Business segments

The Group is organised into two business segments as follows:-

- a) The construction segment relating to M&E engineering; and
- b) Property development segment relating to developing of properties.

During the twelve months ended 31 December 2023 ("FY2023"), management does not monitor the operating results of the segment separately as the contribution of property development segment to the Group is less than 5%. Accordingly, the results of business segments are not presented separately.

Geographical segments

During FY2023, 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 as it is not meaningful.

4.2. Disaggregation of revenue

4.2.1. Construction contracts

The Group has significant ongoing construction contracts as at 31 December 2023 that are non-cancellable. For these construction contracts, revenue is recognised over time by reference to the Group's progress towards completing the performance of construction services. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs (the "**Input Method**").

Management has to estimate the total contract costs to complete, which are used in the Input Method to determine the Group's recognition of construction services revenue. When it is probable that the total contract costs will exceed the total construction services revenue, a provision for onerous contract is recognised immediately.

Significant assumptions are used to estimate the total contract sum and the total contract costs 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 specialists.

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

4.2. Disaggregation of revenue (continued)

4.2.2. Timing of revenue recognition

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Timing of revenue recognition				
Over time	20,919	17,894	47,478	27,980

5. PROFIT BEFORE TAXATION

5.1. Significant items

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Income				
Grant income	248	58	250	113
Management fee	60	-	60	-
Cost of Sales				
Employee benefits expenses				
-short term employee benefits (included defined contribution plan expenses)	2,314	1,701	4,388	2,859
Depreciation of right-of use assets	57	20	106	41
Short-term lease expenses	263	160	481	210
Onerous contracts	12	27	12	27
General and administrative expenses				
Employee benefits expenses				
-short term employee benefits (included defined contribution plan expenses)	313	281	863	494
-other personal expenses	2	17	9	21
-directors fees	85	-	111	-
Amortisation of intangible asset	2	-	3	-
Depreciation of plant and equipment	24	17	46	32
Depreciation of right-of-use assets	26	25	51	52
Professional fees	40	101	154	106
Office refreshment expenses	-	4	7	6
Entertainment expenses	-	45	19	52
Upkeep of computer & software	33	19	53	49

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

Other expenses

Initial public offering fee	62	-	1,268	-
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5.2 Related party transactions

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
With related parties				
Payment on behalf	-	509	41	624
Rental & cleaning expenses recharged from	65	30	125	60
Rebates recharged from	-	15	-	31
Sales to	734	3,154	1,560	6,102
Purchases of project related expenses	15	573	54	688
With joint venture				
Capital injection	180	-	180	50
Management fee income	60	-	60	-
Advances from	60	-	60	-
With associate				
Capital injection	250	-	250	-
Deemed investment arising from advances	170	-	170	-
With directors of the Company				
Advances from directors	-*	-	-*	354
Waiver of debts	-	1,000	-	1,000

*Amount is less than \$1,000

	Company			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
With subsidiaries				
Capital injection	10	-	10	-
Advances and payment on behalf	499	185	1,446	185
Dividend income	3,000	-	6,000	-

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

6. INCOME TAX EXPENSES

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax				
- Current income tax expense	602	216	1,665	350
- Under provision in respect of prior financial year	93	11	93	11
Income tax expense for the period/year	<u>695</u>	<u>227</u>	<u>1,758</u>	<u>361</u>

7. EARNINGS PER SHARE ("EPS")

The calculation of the EPS attributable to the owners of the Company is based on the following data:

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(audited)
Profit attributable to owners of the Company (S\$'000)	1,345	1,132	6,831	1,767
Weighted average number of ordinary shares for purpose of EPS ('000)	<u>150,210</u>	<u>131,200⁽¹⁾</u>	<u>157,064</u>	<u>131,200⁽¹⁾</u>
EPS – basis and diluted (cents)	<u>0.79</u>	<u>0.86</u>	<u>4.35</u>	<u>1.35</u>

Note:

- (1) Adjusted for the Bonus Issue retrospectively (as defined below) in accordance with SFRS(I) 1-33 Earnings per Share.

The diluted earnings per share and basic earnings per share for the respective financial periods are the same as the Group does not have any dilutive instruments.

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

8. DIVIDENDS

	Group and Company	
	31 December 2023 (unaudited) S\$'000	31 December 2022 (audited) S\$'000
Interim tax-exempt dividend of S\$0.015 per ordinary share for FY2023	1,270	-

9. NET ASSET VALUE ("NAV")

	Group		Company	
	31 December 2023 (unaudited)	31 December 2022 (audited)	31 December 2023 (unaudited)	31 December 2022 (audited)
Equity attributable to owners of the Company (S\$'000)	11,275	2,962	6,866	937
Number of ordinary shares (excluding treasury shares) (S\$'000)	169,158	84,700	169,158	84,700
NAV per ordinary share (cents)	6.67	3.50	4.06	1.11

For comparative and illustrative purposes, the NAV per ordinary shares as at 31 December 2022 has been computed based on the equity attributable to owners of the Company and the Company's post-Listing issued and paid-up share capital of 84,700,000 shares as at 17 May 2023.

10. INTANGIBLE ASSET

During the six months ended 31 December 2023, the Group acquired an intangible asset amounting to S\$4,500 (31 December 2022: S\$ Nil). There was no disposal of intangible asset during the six months ended 31 December 2023 and 2022.

11. PLANT AND EQUIPMENT

During the six months ended 31 December 2023, the Group acquired assets amounting to S\$19,222 (31 December 2022: S\$33,419). There was no disposal of assets during the six months ended 31 December 2023 and 2022.

12. RIGHT-OF-USE ASSETS

Right-of-use assets comprised the leases of the Company's office units and the workers' accommodation. During the six months ended 31 December 2023 and 2022, there were no additions to the Group's right-of-use assets.

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13. INVESTMENT IN SUBSIDIARIES

	Company	
	31 December 2023	31 December 2022
	(unaudited) S\$'000	(audited) S\$'000
Unquoted equity shares, at cost	1,010	1,000
Deemed investment arising from discount on non-current receivables from a subsidiary	97	-
	<u>1,107</u>	<u>1,000</u>

14. INVESTMENT IN AN ASSOCIATE

	Group	
	31 December 2023	31 December 2022
	(unaudited) S\$'000	(audited) S\$'000
Unquoted equity shares, at cost	250	-
Deemed investment arising from advances to associate	170	-
Share of results of an associate, net of tax	-*	-
	<u>420</u>	<u>-</u>

*Amount is less than \$1,000

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	(unaudited) S\$'000	(audited) S\$'000	(unaudited) S\$'000	(audited) S\$'000
Non-current				
Deposit	100	100	-	-
Other receivable - subsidiary	-	-	333	-
	<u>100</u>	<u>100</u>	<u>333</u>	<u>-</u>
Current				
Trade receivables				
- third parties	2,577	3,603	-	-
- related parties	650	190	-	-
	<u>3,227</u>	<u>3,793</u>	<u>-</u>	<u>-</u>
Retention receivables				
- third parties	3,828	1,871	-	-
- related parties	1,025	1,661	-	-
	<u>4,853</u>	<u>3,532</u>	<u>-</u>	<u>-</u>
Other receivables				
- related parties	-	102	-	-
- subsidiaries	-	-	1,836	-
Advances to staff	-	9	-	-
Advance payments to suppliers	216	65	-	-

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
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Deposits	392	214	-	-
Grant receivables	-	19	-	-
Fixed deposit interest income	39	-	39	-
Goods and services tax receivable, net	1	-	1	-
	<u>648</u>	<u>409</u>	<u>1,876</u>	<u>-</u>
	<u>8,728</u>	<u>7,734</u>	<u>1,876</u>	<u>-</u>
Total current and non-current	<u>8,828</u>	<u>7,834</u>	<u>2,209</u>	<u>-</u>
Prepayment	<u>24</u>	<u>450</u>	<u>24</u>	<u>450</u>

16. BANK BORROWINGS

	Group	
	31 December 2023 (unaudited) S\$'000	31 December 2022 (audited) S\$'000
Amount repayable after one year		
Temporary bridging loan 1	86	-
Temporary bridging loan 2	212	290
	<u>298</u>	<u>290</u>
Amount repayable in one year or less		
Temporary bridging loan 1	145	373
Temporary bridging loan 2	78	74
Trust receipts	714	-
	<u>937</u>	<u>447</u>
	<u>1,235</u>	<u>737</u>

Details of any collaterals

There are no unsecured loans for the financial year ended 31 December 2023 and 31 December 2022.

The temporary bridging loans of the Group are secured by joint and several personal guarantees from the Executive Director and Chief Executive Officer, and the Non-Independent Non-Executive Chairman of the Company.

The trust receipts are secured by a corporate guarantee provided by the Company and a charge on fixed deposit S\$1,500,000.

17. SHARE CAPITAL

	The Group and the Company			
	31 December 2023		31 December 2022	
	Number of shares '000	Amount (unaudited) S\$'000	Number of shares '000	Amount (audited) S\$'000
Beginning of interim period	84,700	2,928	-*	-*
Capitalisation of listing expenses to share capital	-	(90)	-	-
Issuance of ordinary shares pursuant to the bonus issue ^(a)	84,700	-	-	-
End of interim period	<u>169,400</u>	<u>2,838</u>	<u>-*</u>	<u>-*</u>

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

* Amount is less than \$1,000

Notes:

- (a) 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 (1) ordinary share held by the shareholders of the Company (the **"Bonus Issue"**).

The Company's issued and fully paid-up capital as at 31 December 2023 comprised 169,400,000 (31 December 2022: 2) ordinary shares, of which 242,100 (31 December 2022: Nil) were held by the Company as treasury shares. The number of issued ordinary shares, excluding treasury shares, was 169,157,900 as at 31 December 2023 (31 December 2022: 2).

The treasury shares held represent 0.14% (31 December 2022: Nil) of the total number of issued ordinary shares (excluding treasury shares) as at 31 December 2023 (31 December 2022: Nil).

There were no outstanding convertibles and no subsidiary holdings as at 31 December 2023 and 31 December 2022.

The Company did not sell, transfer, cancel and/or use any treasury shares or subsidiary holdings during and as at the end of the financial year ended 31 December 2023.

The Company had on 20 April 2023 adopted the Ever Glory Performance Share Plan and Ever Glory Share Option Scheme. No awards or options have been granted in FY2023.

18. TRADE AND OTHER PAYABLES

	Group		Company	
	31 December 2023 (unaudited) S\$'000	31 December 2022 (audited) S\$'000	31 December 2023 (unaudited) S\$'000	31 December 2022 (audited) S\$'000
Current				
Trade payables				
- third parties	4,087	1,793	-	-
- related parties	-*	214	-	-
	<u>4,087</u>	<u>2,007</u>	-	-
Retention payables				
- third parties	2,504	1,661	-	-
	<u>6,591</u>	<u>3,668</u>	-	-
Other payables				
- third parties	177	97	149	97
- directors	-	354	-	354
- subsidiaries	-	-	-	185
Advance payments	63	5	-	-
Accrued expenses	2,516	1,626	303	61
Goods and services tax payable, net	78	176	-	-
	<u>2,834</u>	<u>2,258</u>	<u>452</u>	<u>697</u>
	<u>9,425</u>	<u>5,926</u>	<u>452</u>	<u>697</u>

* Amount is less than \$1,000

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
FOR SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2023**

19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2023 and 31 December 2022.

	Group	Company
	S\$'000	S\$'000
31 December 2023 (unaudited)		
Financial assets, at amortised cost	15,267	6,185
Financial liabilities, at amortised cost	10,868	452
31 December 2022 (audited)		
Financial assets, at amortised cost	8,248	184
Financial liabilities, at amortised cost	6,625	697

20. SUBSEQUENT EVENTS

The Group announced its entry into a sale and purchase agreement to acquire the entire issued and paid-up share capital of Fire-Guard Engineering Pte Ltd on 18 January 2024 and the completion of the foregoing on 7 February 2024. Please refer to the Company's announcements dated 18 January 2024 and 7 February 2024 for more details.

The financial effects of the above transaction have not been included in this set of interim financial statements for the six months ended 31 December 2023. The operating results and assets and liabilities resulting from the acquisition will be reflected in the subsequent financial results for the six months ending 30 June 2024.

Save as disclosed above, there are no known other events which have led to adjustments to this set of financial statements.

**OTHER INFORMATION PURSUANT TO
APPENDIX 7C OF THE CATALIST RULES**

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
OTHER INFORMATION REQUIRED BY APPENDIX 7C
OF THE CATALIST RULES**

OTHER INFORMATION

1. (a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Please refer to note 17 – Share Capital.

- (b) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2023	As at 31 December 2022
Total number of issued shares excluding treasury shares	169,157,900	2

- (c) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

- (d) A statement showing all sales, transfers, cancellation and/or use of subsidiaries holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The condensed consolidated statement of financial position of Ever Glory United Holdings Limited and its subsidiaries as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the reporting year ended 31 December 2023 and explanatory notes have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

The condensed interim consolidated financial statements for the six months and full year ended 31 December 2023 have not been audited or reviewed by the Company's auditors.

4. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
OTHER INFORMATION REQUIRED BY APPENDIX 7C
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5. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited annual financial statements.

6. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

7. Review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

7.1 Review of the Group's Financial Performance

Income Statement Review – for FY2023 vs the financial year ended 31 December 2022 (“FY2022”)

The Group's revenue increased by approximately S\$19.50 million or 69.7% from approximately S\$27.98 million in FY2022 to approximately S\$47.48 million in FY2023. The increase in revenue was mainly due to an increased number of on-going M&E engineering projects and higher-margin M&E engineering projects undertaken in FY2023 compared to FY2022.

The Group's gross profit increased by approximately S\$8.06 million from approximately S\$2.89 million in FY2022 to approximately S\$10.95 million in FY2023. The increase in gross profit derived from M&E engineering was mainly due to higher-margin projects undertaken in FY2023.

Other income increased by approximately S\$0.27 million from approximately S\$0.13 million in FY2022 to approximately S\$0.40 million in FY2023, mainly due to (i) the increase in sales of scrap metal of approximately S\$0.04 million, (ii) the increase in government grant of approximately S\$0.17 million, and (iii) the increase in management fees of joint venture project of approximately S\$0.06 million.

General and administrative expenses increased by approximately S\$0.65 million or 73.5% from approximately S\$0.88 million in FY2022 to approximately S\$1.52 million in FY2023. The increase was mainly due to (i) the increase in employee benefit expenses of approximately S\$0.47 million arising from increased staff headcount, (ii) the increase in depreciation expenses of approximately S\$0.02 million mainly arising from additional right-of-use assets as well as plant and equipment, and (iii) the increase in other expenses of approximately S\$0.16 million consisting mainly professional fees, listing and application fees, and other office and general expenses.

Other expenses increased by approximately S\$1.27 million in FY2023, due to one-off listing expenses.

Finance costs increased by approximately S\$0.01 million in FY2023 or 39.3% from approximately S\$0.03 million in FY2022 to approximately S\$0.04 million in FY2023. The increase was mainly due to the increase in utilisation of trust receipts and the increase in lease liabilities.

Share of results of a joint venture, net of tax relates to the Company's joint arrangement with Sunley M&E Engineering Pte. Ltd. in FY2022 to jointly provide M&E engineering services for a new hotel development project. The Company's share of profit of a joint venture increased by approximately S\$0.05 million from approximately S\$0.01 million in FY2022 to approximately S\$0.06 million in FY2023. The increase was mainly due to higher revenue generated from the joint project in FY2023.

Income tax expense increased by approximately S\$1.40 million in FY2023, mainly due to higher estimated chargeable income, consistent with higher operating profit recorded during in FY2023.

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OTHER INFORMATION REQUIRED BY APPENDIX 7C
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As a result of the above, profit after tax for FY2023 increased by approximately S\$5.06 million, from approximately S\$1.77 million in FY2022 to approximately S\$6.83 million in FY2023.

7.2. Review of the Group's financial position

Non-current assets

Non-current assets increased by approximately S\$0.93 million, from approximately S\$0.36 million as at 31 December 2022 to approximately S\$1.29 million as at 31 December 2023. The increase was mainly due to increase in investment in an associate of S\$0.42 million, addition of right-of-use assets of S\$0.20 million, addition of plant and equipment and intangible assets of S\$0.07 million and increase in investment in a joint venture of S\$0.24 million.

Current assets

Current assets increased by approximately S\$11.15 million, from approximately S\$12.46 million as at 31 December 2022 to approximately S\$23.61 million as at 31 December 2023. The increase was due to the increases in cash and cash equivalents of S\$3.66 million, fixed deposit of S\$2.50 million, trade and other receivables of S\$0.99 million, and contract assets of S\$4.43 million, and partially offset by the decrease in prepayment of S\$0.43 million.

Current liabilities

Current liabilities increased by approximately S\$3.64 million, from approximately S\$9.51 million as at 31 December 2022 to approximately S\$13.15 million as at 31 December 2023. This was mainly due to an increase in trade and other payables of S\$3.50 million, lease liabilities of S\$0.08 million, bank borrowings of S\$0.49 million and income tax payables of S\$1.44 million, partially offset by decrease in contract liabilities of S\$1.77 million and provisions of S\$0.10 million.

Non-current liabilities

Non-current liabilities increased by approximately S\$0.13 million, from approximately S\$0.34 million as at 31 December 2022 to approximately S\$0.47 million as at 31 December 2023. The increase was mainly due to an increase in lease liabilities and utilisation of trust receipts in FY2023.

Total equity

Total equity increased by approximately S\$8.31 million, from approximately S\$2.96 million as at 31 December 2022 to approximately S\$11.27 million as at 31 December 2023. The increase was due to the issue of placement shares of S\$1.81 million pursuant to the Listing, initial public offering fee of S\$1.27 million, and the Group's profit of S\$5.56 million, partially offset by increase in treasury shares of S\$0.08 million and grant income pursuant to the Listing of S\$0.25 million.

Working capital position ⁽¹⁾

The Group reported a positive working capital position of S\$10.46 million as at 31 December 2023, as compared to S\$2.95 million as at 31 December 2022.

⁽¹⁾ Working capital is computed based on current assets minus current liabilities.

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7.3. Review of the Group's cash flow

Net cash generated from operating activities amounted to approximately S\$5.97 million in FY2023, comprising operating cash flows before movements in working capital of S\$9.77 million, net working capital outflow of S\$3.48 million and income tax paid of S\$0.32 million.

Net cash used in investing activities amounted to approximately S\$0.71 million in FY2023, mainly due to investment in an associate of S\$0.42 million, investment in joint venture of S\$0.18 million, purchase of plant and equipment of S\$0.10 million and purchase of intangible assets of S\$0.01 million.

Net cash used in financing activities amounted to approximately S\$0.60 million in FY2023, mainly due to proceeds from issuance of share capital of S\$1.95 million and proceeds from bank borrowings of S\$0.71 million, partially offset by fixed deposit pledged of S\$1.50 million, purchase of treasury shares of S\$0.08 million, dividends paid of S\$1.27 million, repayments of bank borrowings and lease liabilities (including interest) of S\$0.41 million.

Consequently, overall cash and cash equivalents increased by approximately S\$4.66 million, from approximately S\$0.50 million as at 31 December 2022 to approximately S\$5.16 million as at 31 December 2023.

8. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously made to shareholders.

9. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

According to a press release issued by Singapore's Ministry of Trade and Industry ("MTI") on 15 February 2024¹, The Singapore economy expanded by 1.1 per cent in 2023. MTI has maintained the GDP growth forecast for 2024 at 1.0 to 3.0 per cent.

According to MTI, the construction sector's growth was 5.2 per cent year-on-year, up from 3.7 per cent in the third quarter of 2023. On a quarter-on-quarter seasonally-adjusted basis, the sector expanded by 2.0 per cent, extending the 1.9 per cent growth in the preceding quarter. The increase in the quarter was sustained by growth in construction output in both the public and private sectors. However, in the present inflationary environment, the impact of the price pressures from general inflation has contributed to the escalation of construction costs. The anticipated costs pressure presents additional challenges for the Group's M&E engineering services business in the current economic landscape. The Group will continue to monitor the costs during the execution of existing projects. The Group will also follow up closely with its ongoing tenders to increase its orderbook to achieve sustainable revenue growth.

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

10. Dividend information

Whether an interim (final) ordinary dividend has been declared (recommended):

(a) Current Financial Period Reported on

The directors are recommending a final dividend of 1.0 Singapore cent per ordinary share.

¹ https://www.mti.gov.sg/Newsroom/Press-Releases/2024/02/MTI-Maintains-2024-GDP-Growth-Forecast-at-1_0-to-3_0-Per-Cent#:~:text=MTI%20Maintains%202024%20GDP%20Growth%20Forecast%20at%20%E2%80%9C1.0,for%202024%20at%201.0%20to%203.0%20per%20cent.

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(b) Corresponding Period of the Immediate Preceding Financial Year

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Tax-exempt.

(d) The date the dividend is payable.

The Directors are pleased to recommend a final dividend of 1.0 Singapore cent per ordinary share, for approval by the shareholders at the next annual general meeting to be convened on or before 30 April 2024. The date of payment of the proposed final dividend, if approved at the annual general meeting, will be announced at a later date.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

To be announced at a later date.

11. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

12. Interested person transactions

Details of the general mandate for interested person transactions are included in the Company's Offer Document. Save as disclosed below, there are no other IPTs equal to or above S\$100,000 in 2H2023.

Name of the interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under the shareholders' general mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under the Shareholders' general mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
		S\$'000	S\$'000
Chan Rong Fen Building Construction Pte Ltd ("CRF")	The Company's Non-Executive Director and Controlling Shareholder, Mr Sun Renwang, is the executive director and controlling shareholder of CRF.	144 ⁽¹⁾	15,994 ⁽²⁾

Notes:

- (1) Relates to a tenancy agreement entered into with CRF.
- (2) Relates to two (2) M&E engineering projects awarded to the Company's wholly-owned subsidiary, Sunbeam M&E Pte. Ltd., by CRF with a contract term of one (1) year and 3.5 years respectively.

**EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES
OTHER INFORMATION REQUIRED BY APPENDIX 7C
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13. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules

On 9 October 2023, the Company incorporated a wholly-owned subsidiary in Singapore known as Ever Capital Pte Ltd (“**ECPL**”) with an issued and paid-up share capital of S\$10,000 comprising 10,000 ordinary shares. The principal business of ECPL is property development business activity.

The incorporation of the subsidiary was funded through internal resources and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the financial year ended 31 December 2023.

Save for the above, there were no acquisitions (including incorporations) or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group in the six months and full year ended 31 December 2023.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

Part II Additional Information Required for Full Year Announcement

15. The segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding years.

Please refer to Note 4 of the condensed interim consolidated financial statements.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Note 7.1 of other information pursuant to Appendix 7C of the Catalist Rules.

17. A breakdown of sales as follows:

	Twelve Months Ended		
	31 December 2023 (unaudited) S\$'000	31 December 2022 (audited) S\$'000	Increase / (Decrease) %
Sales reported for first half year	26,559	10,086	38
Operating profit after income tax before deducting non-controlling interests reported for first half year	5,486	635	12
Sales reported for second half year	20,919	17,894	17
Operating profit after income tax before deducting non-controlling interests reported for second half year	1,345	1,132	19

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OTHER INFORMATION REQUIRED BY APPENDIX 7C
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- 18. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year as follows:**

	FY2023 (unaudited) S\$’000	FY2022 (audited) S\$’000
Ordinary shares (tax exempt first-tier)		
- Interim	1,270	-
- Final (Proposed) ⁽¹⁾	1,692	-
Total Annual Dividend	2,962	-

Note:

- (1) Computed based on 169,157,900 shares as at 31 December 2023, and is subject to shareholders’ approval at the Company’s upcoming annual general meeting.

- 19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

The Company confirms that there are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder.

BY ORDER OF THE BOARD

Xu Ruibing
Executive Director and Chief Executive Officer

29 February 2024