

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

PROPOSED BONUS ISSUE

1. INTRODUCTION

- 1.1 The board of directors (the "**Directors**") of Ever Glory United Holdings Limited (the "**Company**") is pleased to announce that the Company is proposing a bonus issue of new ordinary shares in the capital of the Company ("**Bonus Shares**") to the shareholders of the Company ("**Shareholders**") on the basis of one (1) Bonus Share to be credited as fully paid for every four (4) existing ordinary shares in the capital of the Company ("**Shares**") held by Shareholders as at a date and time to be determined by the Directors for the purposes of determining Shareholders' entitlements to the Bonus Shares ("**Record Date**"), fractional entitlements to be disregarded (the "**Proposed Bonus Issue**").

2. TERMS OF THE PROPOSED BONUS ISSUE

- 2.1 The actual number of Bonus Shares to be allotted and issued by the Company will depend on the total issued share capital of the Company (excluding treasury shares) as at the Record Date. Purely for illustration purposes, based on the existing issued share capital of the Company comprising 381,542,857 Shares (excluding treasury shares) as at the date of this announcement ("**Announcement**") and assuming that there is no change in the issued share capital of the Company from the date of this Announcement to the Record Date, 95,385,714 Bonus Shares will be allotted and issued pursuant to the Proposed Bonus Issue. Fractional entitlements will be disregarded and disposed of in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.
- 2.2 The Bonus Shares will be allotted and issued as fully paid at nil consideration to entitled Shareholders without capitalisation of the Company's reserves. The Bonus Shares, when allotted and issued, will rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company and with each other, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls on a date before the date on which the Bonus Shares are allotted and issued. For the avoidance of doubt, the Bonus Shares when allotted and issued, SHALL NOT BE entitled to the proposed tax exempt (one-tier) final dividend of S\$0.01 per Share, announced by the Company on 26 February 2026 and to be approved by Shareholders at the upcoming annual general meeting to be held on 27 April 2026.
- 2.3 The Bonus Shares will be issued pursuant to the share issue mandate obtained from Shareholders at the extraordinary general meeting of the Company held on 22 December 2025 (the "**Mandate Date**") ("**General Mandate**") which authorises the Directors to, *inter alia*, allot and issue new shares in the Company, on a pro rata basis to existing Shareholders, aggregating up to 50% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of passing of the resolution approving the General Mandate, after adjusting for certain new share issuance as set out in Rule 806(3) of the Listing Manual of the SGX-ST (the "**Main Board Rules**") after the Mandate Date.
- 2.5 As at the Mandate Date, the Company had 381,067,257 Shares (excluding treasury shares and subsidiary holdings) in issue. The maximum number of Shares that the Company may allot and issue to existing Shareholders on a pro rata basis pursuant to the General Mandate is 190,533,628 Shares. The number of Bonus Shares proposed to be issued will fall within the maximum number authorised under the General Mandate.

- 2.6 The Bonus Shares will be allotted and issued to the Shareholders whose names appear in the Register of Members of the Company or who have Shares entered against their names in the Depository Register as at the Record Date on the basis of the number of such Shares registered in their names or standing to the credit of their securities accounts as at the Record Date. The Company will make a further announcement on the Record Date after obtaining all the necessary approvals in respect of the Proposed Bonus Issue.
- 2.7 For completeness, the Company also refers to its announcements dated 10 March 2025, 2 April 2025, 13 March 2025, 21 March 2025, 20 May 2025 and 2 September 2025 in relation to the issue of convertible bonds ("**Convertible Bonds**") of an aggregate principal amount of S\$5 million convertible into new Shares ("**CB Conversion Shares**") at a certain conversion price ("**Conversion Price**"), and the subsequent adjustments to the Conversion Price. As at the date of this Announcement, the Convertible Bonds may be convertible into up to 17,241,362 CB Conversion Shares at a Conversion Price of S\$0.29 per share, at any time on or after the first anniversary of the issue date, i.e. 2 April 2026, and up to 8 April 2026 ("**Conversion Period**"), pursuant to the terms of the Convertible Bonds. Accordingly, the actual number of Bonus Shares that may be issued may increase based on the number of CB Conversion Shares issued, and depending on the date of the Record Date. The Company will make further announcements as and when there are material developments.

3. RATIONALE FOR THE PROPOSED BONUS ISSUE

- 3.1 In light of the lower cash dividends announced by the Company on 26 February 2026 for the financial year ended 31 December 2025, the Company is proposing the Proposed Bonus Issue to acknowledge and reward shareholders' continued loyalty and support.

The Proposed Bonus Issue, if carried out, is also to encourage trading liquidity and greater participation by investors.

4. APPROVALS

- 4.1 The Proposed Bonus Issue is subject to, *inter alia*, the approval in principle from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Bonus Shares on the Official list of the Mainboard of the SGX-ST. An application will be made to the SGX-ST for the dealing in, listing of and quotation for the Bonus Shares on the Official List of the Main Board of the SGX-ST in due course. The Company will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST.

5. COMPLIANCE WITH THE LISTING MANUAL

- 5.1 Pursuant to Rule 838 of the Main Board Rules, an issuer must satisfy the SGX-ST that the daily weighted average price of its shares, adjusted for the bonus issue, will not be less than S\$0.50 ("**Minimum Price**"). The issuer should compute the adjusted price based on the proposed bonus issue ratio and the lowest daily weighted share price of the shares for the one-month period preceding the issuer's proposed bonus issue application.
- 5.2 For illustrative purposes only and assuming that the Proposed Bonus Issue application has been made on 2 March 2026, being the date of this Announcement, the lowest daily weighted average price of the Shares in the month preceding 2 March 2026 would be S\$0.622 and accordingly, the theoretical ex-bonus price ("**TEBP**") would be calculated as follows:

$$\begin{aligned}TEBP &= \frac{S\$0.777}{5} \times 4 \\ &= S\$0.622\end{aligned}$$

- 5.3 Accordingly, the TEBP will be above the Minimum Price. The Company confirms that there is no reason to believe that the TEBP is likely to fall below S\$0.50 for the month preceding the date of the application to the SGX-ST for the listing and quotation of the Bonus Shares on the Official list of the Mainboard of the SGX-ST.

6. MORATORIUM

In connection with the IPO, certain Shares of the Company held by certain individuals are presently under a moratorium. The moratorium will be extended to the Bonus Shares issued arising from the existing moratorium shares.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Bonus Issue other than through their respective shareholdings in the Company.

8. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Bonus Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

9. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the Proposed Bonus Issue is subject to, *inter alia*, the necessary approvals being obtained by the Company, and are therefore advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board
EVER GLORY UNITED HOLDINGS LIMITED

Xu Ruibing
Executive Director and Chief Executive Officer
2 March 2026