



EVER GLORY
UNITED HOLDINGS
LIMITED



前程似锦
POSITIONED FOR
SUSTAINABLE GROWTH

2025 ANNUAL REPORT

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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**”) and successfully transferred to the Main Board on 29 December 2025, making a significant milestone in our corporate journey.

Our business traces its roots to the incorporation of Sunbeam M&E Pte. Ltd. (“**SBME**”) on 14 May 2018, founded by Mr. Xu Ruibing, Executive Director and Chief Executive Officer, and Mr. Sun Renwang, Non-Independent Non-Executive Chairman. Since inception, we have built a reputation in Singapore’s mechanical and electrical (“**M&E**”) engineering industry as a trusted, quality-driven contractor.

Mr. Xu Ruibing brings nearly 32 years of experience in M&E engineering services. Complementing his expertise, the core management team contributes an average of more than 23 years of industry knowledge, forming a leadership foundation that continues to drive the Group’s sustainable growth in revenue and market presence, while upholding its reputation for dependable project delivery and long-term client trust.

STRATEGIC ACQUISITIONS

To strengthen and diversify our capabilities, the Group has undertaken strategic acquisitions:

– **Fire-Guard Engineering Pte. Ltd. (“FG”), acquisition was completed on 7 February 2024.**

The Group strengthened its capabilities with the acquisition of FG, a company with over 45 years of proven track record in the M&E engineering industry. FG specializes in the design, supply, installation, testing and commissioning, and maintenance of the Fire Protection Systems, and holds a Building and Construction Authority (“BCA”) grading of L5 for Fire Prevention and Protection Systems (Workheads: ME06).

– **Guthrie Engineering (S) Pte Ltd (“GE”), acquisition was completed on 1 July 2025.**

The acquisition of GE marks a significant milestone in the Group’s roadmap. With over 70 years of operating history, GE has built a strong reputation in Singapore’s M&E engineering sector, contributing to landmark developments such as Marina Bay Sands, Jewel Changi Airport, the Thomson-East Coast MRT Line, commercial properties such as the Star Vista, Sky Habitat, Funan CapitaLand Mall, as well as the upcoming NS Square and Alexandra Hospital.

GE is principally engaged in mechanical engineering services, electrical engineering services, technology solutions, switchboard manufacturing, and sustainable power solutions. These comprehensive capabilities support the delivery of smart buildings, iconic landmarks, and nationwide infrastructure networks.

This strategic acquisition positions the Group to harness the opportunities arising from the steady pipeline of high value public infrastructure and government projects, as well as integrated developments which encompasses residential, commercial and public transportation facilities, while delivering greater value to stakeholders.

CORPORATE PROFILE

DIVERSIFICATION INTO PROPERTY

The Group has grown and expanded beyond its core business and successfully expanded the business into the property industry. By doing so, the Group can leverage on its existing core business, diversify and reduce the business risks and provide a new income streams to the Group. This diversification leverages our engineering expertise, mitigates business risks, and creates new income streams.

BUSINESS SEGMENTS

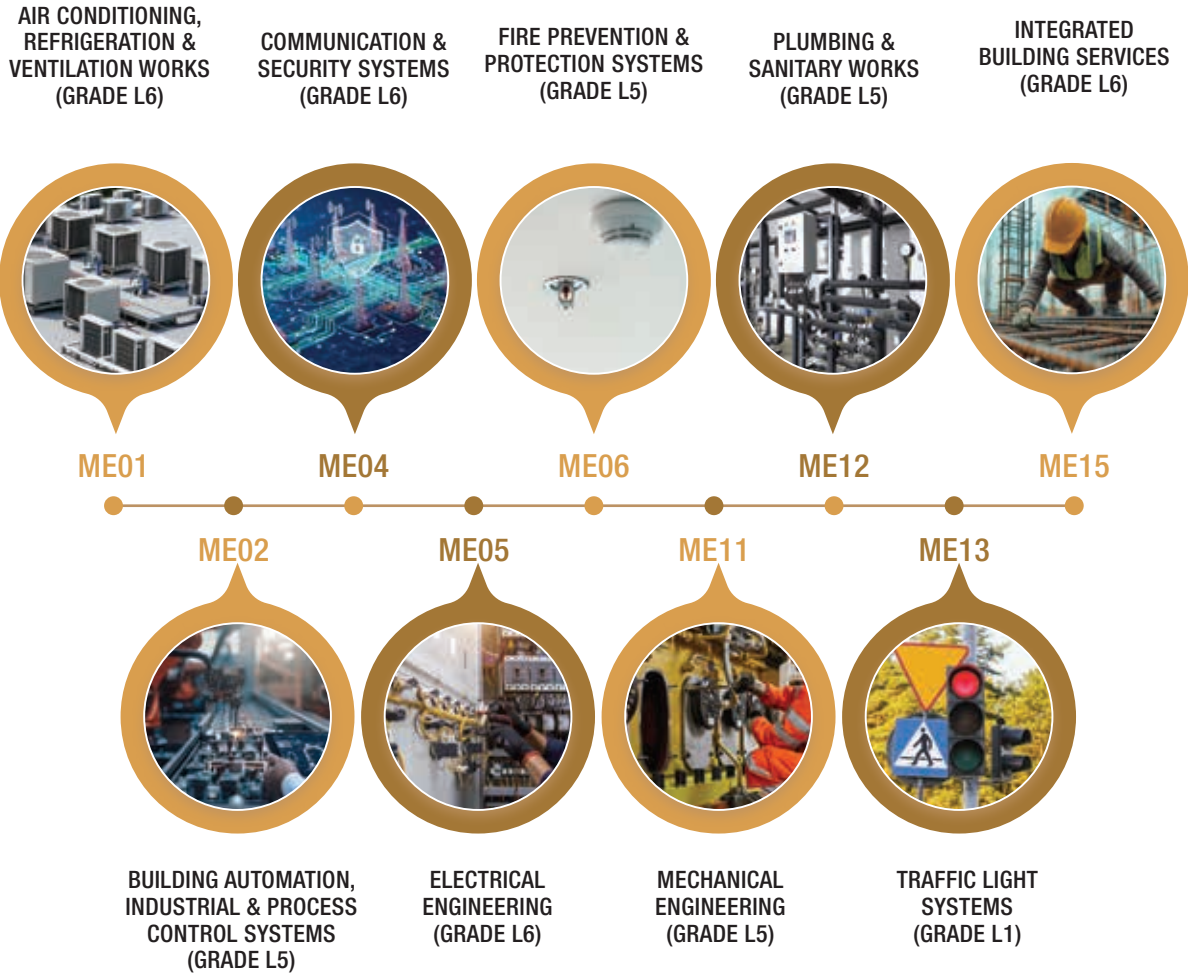
1. M&E ENGINEERING SERVICES

We operate through its wholly owned subsidiaries, SBME, FG and GE, which is Singapore based M&E engineering contractors, specializing in a wide range of M&E engineering services.

- **Building M&E Services**
 - Air Conditioning and Mechanical Ventilation Systems – Services including installation and maintenance of air conditioning and mechanical ventilation systems.
 - Electrical Engineering Systems – Complete electrical installations, electrical transmission and distribution networks, power supply equipment and airfield lighting systems.
 - Plumbing, Sanitary and Gas Systems – Installation of plumbing, sanitary and gas system for buildings.
 - Fire Prevention and Protection Systems – Installation of fire protection and fire alarm systems in infrastructure projects, including a S\$100m Asia's 1st Water Mist Fire Protection System.
- **Infrastructure Electrical Engineering Services**
 - Our expertise encompasses the design, installation, and maintenance of electrical systems. It primarily serves government agencies such as SP PowerGrid, Land Transport Authority, Housing and Development Board, and Changi Airport Group.
 - We specialise in High Tension Installation, Low Voltage System for MRT Lines, as well as installation and maintenance of Street Lighting Systems, Public Carpark System and Airfield Ground Lighting Systems. Its works involve High and Medium Voltage Systems (3.3KV to 230KV), Low Voltage Systems (230V/400V) and Extra Low Voltage Systems.
- **Infrastructure Fire Protection System**
 - Fire protection system for Tunnels – Asia's first water mist fire protection system.
- **Technology Solutions**
 - Provides technology solutions, such as Tailgating Detection Systems, Lift Monitoring System and Bus Stop Information Display. It also has a fully integrated command centre for the operation of HDB carparks in Bedok, Tampines, Jurong West and Punggol.
- **Switchboard Manufacturing**
 - Technical expertise and experience in designs, manufactures and manages low & medium voltage switchgear and switchboards that meet stringent standards for various industries, including public infrastructures by the Land Transport Authority and Public Utilities Board.
- **Sustainable Power Solutions**
 - As a key strategic partner for major brands such as Huawei and ABB, we provide critical power and smart infrastructure solutions to data centres, public infrastructures and other commercial installation projects. It also provides sustainable and smart energy solutions for electric vehicle charging systems and solar PV applications.

CORPORATE PROFILE

- **Registration of M&E workheads by BCA:**



2. PROPERTY DEVELOPMENT

The Group has expanded into the property 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 projects involved a 20 units freehold residential condominium project located at District 14 Geylang, Singapore, and a 69 units, food factory development at 2C Mandai Estate, Singapore.

AWARDS AND ACCREDITATIONS

Our dedication to excellence in quality management and workplace safety has been recognized through internationally and nationally accredited standards. We have attained ISO 9001:2015 certification for Quality Management System, ISO 45001:2018 certification for Occupational Health and Safety Management System, and Singapore's bizSAFE Level STAR accreditation, the pinnacle of recognition for workplace safety and health management under the WSHC framework.

CORPORATE MISSION

Our mission is to deliver innovative and sustainable M&E engineering solutions that power the building and construction sector, ensuring quality, efficiency, and customer satisfaction. By expanding strategically into property, construction, and engineering markets, and pursuing opportunities in acquisitions and development, we create enduring value for our stakeholders while driving growth that is both responsible and future-focused.

BUSINESS OUTLOOK

The outlook for Singapore's construction sector remains supportive. The BCA projects total construction demand in 2026 to remain steady at S\$47-S\$53 billion in nominal terms, broadly in line with 2025¹.

This sustained level of activity is expected to be underpinned by the award of additional construction packages for major developments, including Changi Airport Terminal 5 (T5), the Marina Bay Sands Integrated Resort expansion, the Downtown Line 2 Extension and the Thomson-East Coast Line Extension.

Over the medium term, construction demand is projected to average S\$39 – S\$46 billion per year from 2027 to 2030². This pipeline is expected to be supported by large-scale public and private sector developments, including the Changi T5 project and HDB's Build-To-Order programme, alongside major institutional projects such as the redevelopment of National University Hospital at Kent Ridge, various Junior Colleges, and the development of the new Singapore University of Social Sciences City Campus.

In addition, healthcare infrastructure investment is projected to remain a meaningful driver. The Ministry of Health plans to add 13,600 beds to Singapore's healthcare system between 2025 and 2030, including approximately 2,800 public acute and community hospital beds³. Together with ongoing public housing development and broader infrastructure modernisation, these initiatives create a multi-year pipeline of opportunity.

Against this backdrop, our strengthened ability to participate in this growth cycle bodes well for the Group. With increased scale, enhanced credentials and deeper technical capabilities, we are better positioned to pursue larger and more complex projects, supported by disciplined execution and selective growth.

1 <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2026/01/22/steady-construction-demand-in-2026-as-singapore-steps-up-support-for-built-environment-firms-through-collaboration-and-innovation>

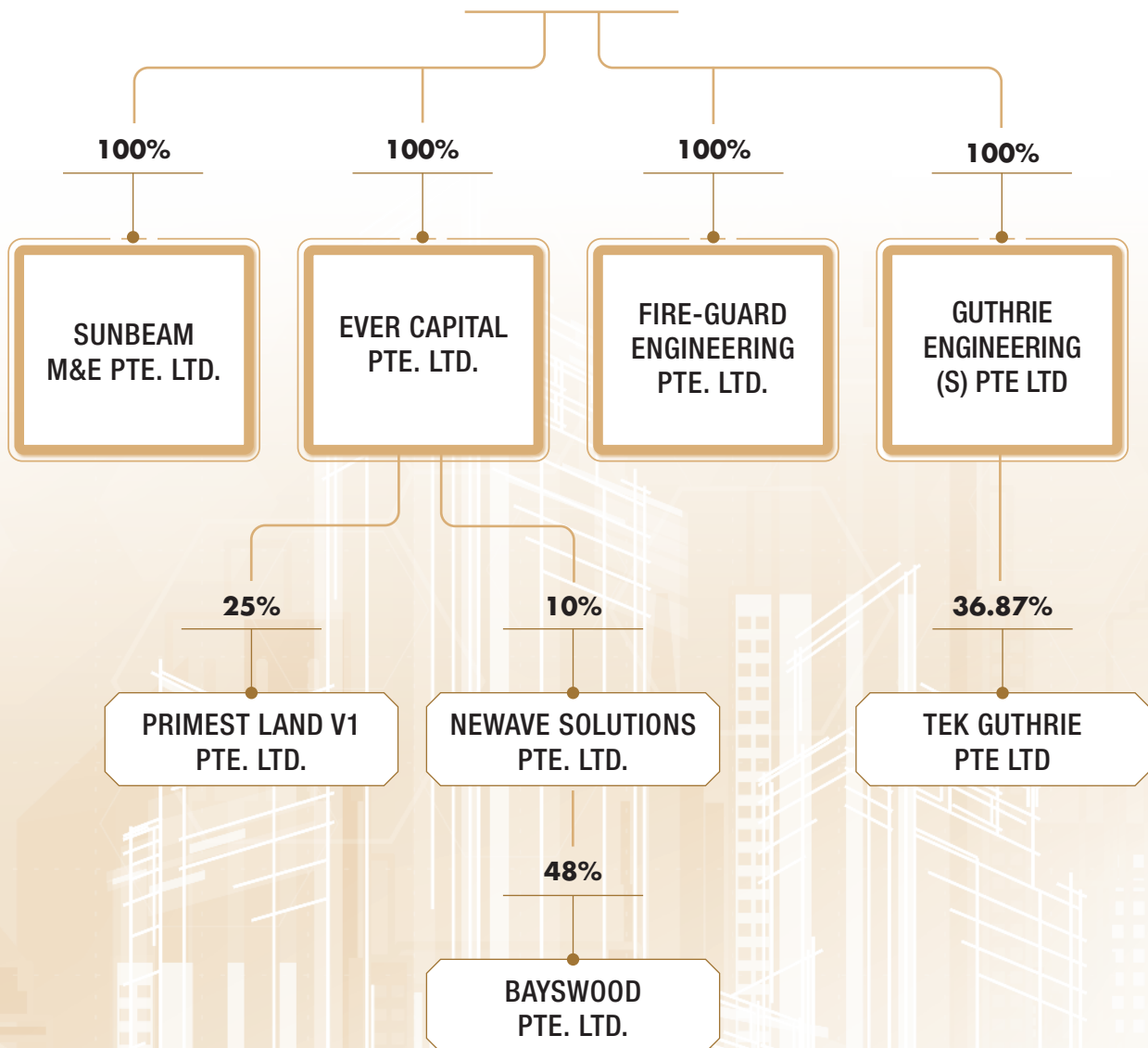
2 <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2026/01/22/steady-construction-demand-in-2026-as-singapore-steps-up-support-for-built-environment-firms-through-collaboration-and-innovation>

3 <https://www.moh.gov.sg/newsroom/expanding-healthcare-capacity-and-transforming-the-healthcare-workforce/>

GROUP STRUCTURE



EVER GLORY UNITED HOLDINGS LIMITED



CORPORATE MILESTONES

A summary of the Key Milestones of our Group since incorporation is set out below:

2018

- Incorporation of SBME to undertake M&E engineering projects in Singapore.

2019

- Marking a significant milestone, SBME secured its first major contract worth over S\$20 million to provide M&E engineering services as a subcontractor for PSA Tuas Terminal Maintenance Base project.

2021

- SBME completed the M&E engineering project for PSA Tuas Terminal Maintenance Base in Singapore.
- SBME has upgraded its BCA workheads classification, expanding its eligibility to tender for larger-scale projects.
- Incorporation of Holding Company – Ever Glory United Holdings Limited.

2022

- SBME was accredited with ISO 9001:2015 (Quality Management System) and ISO 45001:2018 (Occupational Health and Safety Management System).
- SBME secured two (2) major contracts, to provide M&E engineering services as a subcontractor with an aggregate contract value more than S\$65 million.

2023

- SBME obtained bizSAFE STAR certificate.
- Listed on the Catalist board of the SGX-ST.
- Issued 84,700,000 bonus shares, on the basis of 1-for-1 existing ordinary shares in the capital of the Company held by our shareholders.
- Incorporation of subsidiary, ECPL, which will focus on property development business.
- The Group expanded into the property development segment, pursuant to which ECPL has incorporated a joint venture with Primest Land Pte. Ltd. and Sunlit Venture Capital Pte. Ltd. in relation to a Geylang property development project.

2024

- The Group acquired the entire issued and paid-up share capital of FG.
- Issued 86,608,349 bonus shares, on the basis of 1-for-2 existing ordinary shares in the capital of the Company held by our shareholders.
- ECPL has incorporated a new joint venture with various investors, holding a 10% share in the venture. In turn, it invests in a developer company, where ECPL holds a 5% shareholding to jointly develop a food factory at 2C Mandai Estate, Singapore.
- SBME obtained L6 grading in Electrical Engineering (workheads: ME05) and obtained L6 in Integrated Building Services (workheads: ME15), and obtained L5 grading in Plumbing & Sanitary works (workheads: ME12).

2025

- SBME obtained L6 grading in Air-Conditioning and Mechanical Ventilation Systems (workheads: ME01).
- Issued 86,635,783 bonus shares, on the basis of 1-for-3 existing ordinary shares in the capital of the Company held by our shareholders.
- The Group acquired the entire issued and paid-up share capital of GE, thereby expanding its eligibility to pursue larger opportunities.
- Transferred from Catalist Board to Mainboard of SGX-ST.
- GE secured one (1) major contract, to provide Electrical Engineering Services to Alexandra Hospital, as a nominated subcontractor with an aggregate contract value more than S\$180 million.

2026

- Proposed bonus shares on the basis of 1-for-4 existing ordinary shares in the capital of the Company held by our shareholders.

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 to you our Annual Report for the financial year ended 31 December 2025 ("**FY2025**").

Milestone Achievement

On 29 December 2025, Ever Glory United Holdings Limited achieved a significant milestone with our successful transfer from the Catalist Board to the Main Board of Singapore Exchange Securities Trading Limited ("**SGX-ST**"), well ahead of the five-year timeframe we set at our listing in May 2023. This accomplishment demonstrates disciplined execution and the confidence the market has in our long-term strategy.

When we listed on SGX-ST Catalist on 18 May 2023, we pledged to attain this upgrade within five years. Achieving it in just two years exemplifies our guiding philosophy: under-promise, over-deliver. This principle continues to shape our commitments and the way we create value for shareholders.

Since listing, our journey has been defined by consistent delivery. We have issued bonus shares, maintained dependable dividend distributions, and pursued acquisitions that materially strengthened our business. The successful transfer validates our performance and provides a strong foundation for sustainable growth and long-term shareholder returns.

Building Capability Through Strategic Acquisitions

The transformation of our mechanical and electrical engineering business remains one of our most significant achievements, reflecting the cumulative impact of our acquisition strategy. After integrating FG on 7 February 2024, we further strengthened our business on 1 July 2025 through the acquisition of GE, combining our operations with a firm backed by a 70-year track record and a portfolio of iconic projects.

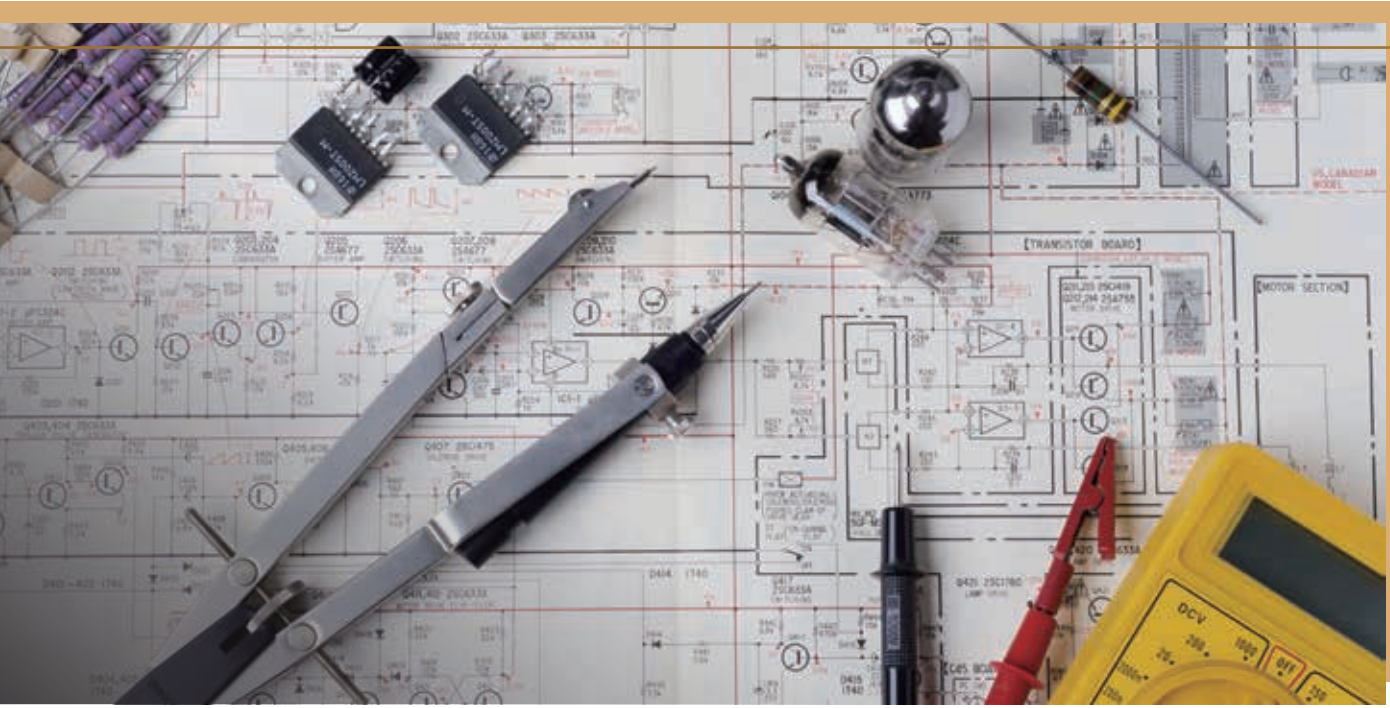
This latest acquisition has further bolstered our competitive position. With greater technical depth, project experience, and order book strength, we are better positioned to compete for substantially larger and more complex contracts. In parallel, our Main Board status enhances our profile with institutional investors and supports improved access to capital markets, enabling us to fund continued expansion through further acquisitions and geographical diversification.



Financial Performance and Operations

Throughout the year, our focus remained on execution excellence across our expanding project portfolio. We continue to benefit from strong relationships with customers, consultants, main contractors, suppliers, and subcontractors relationships that generate repeat business and referrals. Built on reliability and quality delivery, these partnerships remain central to our operating model and competitive advantage in the M&E engineering sector.

CHAIRMAN'S AND CEO'S MESSAGE



FY2025 has been a landmark year for the Group, delivering our strongest financial performance to date. Revenue rose by 55.93% to S\$116.43 million, driven significantly by the consolidation of GE's results in the second half of the year and steady progress in our ongoing projects under SBME and FG.

Crucially, our profitability grew even faster than our top line. Gross profit surged 109.14% to S\$23.34 million, while gross profit margin expanded to 20.05%, up from 14.95% in FY2024. This margin enhancement reflects the operational synergies we have unlocked through integrated project management and the inclusion of higher-margin specialist engineering works. Consequently, net profit attributable to owners jumped 124.70% to reach a record S\$20.12 million.

Our financial position remains robust, with cash and cash equivalents of S\$43.05 million as of 31 December 2025, providing us with a solid war chest to fund future growth initiatives.

Record Order Book and Strategic Wins

Our momentum is underpinned by a historic order book which stood at S\$723.86 million as of 31 December 2025, providing exceptional earnings visibility through 2027 and beyond. In FY2025 alone, we secured approximately S\$508 million in new contracts, demonstrating our dominance in capturing large-scale, high-complexity projects.

A defining achievement this year was securing a major contract to provide Electrical Engineering Services for Alexandra Hospital, a landmark healthcare infrastructure project with an aggregate value of more than S\$180 million. Secured as a nominated subcontractor, this win underscores our enhanced technical capabilities in mission-critical environments.

Our portfolio is now well-diversified across high-value sectors. Beyond healthcare, we have solidified our footprint in public infrastructure with critical upgrades for public utilities, including street lighting maintenance and transport facilities. Simultaneously, we have expanded into the luxury hospitality and mixed-development segments, securing prestigious awards that attest to our versatility.

CHAIRMAN'S AND CEO'S MESSAGE

Dividend

In appreciation of your ongoing support, we are pleased to announce that the Board has proposed a final dividend of 1.0 Singapore cents per share, subject to approval at the upcoming Annual General Meeting. The lower final cash dividend for FY2025, as compared to that of FY2024 final dividend, reflects our commitment to conserving cash resources for the Group's strategic development. To acknowledge and reward shareholders' continued loyalty and support, and to encourage trading liquidity and greater investor participation, the Company announced on 2 March 2026 a proposed issue of bonus shares 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 held by our shareholders. Bonus shares issued under this proposal will not be entitled to the FY2025 final dividend.

Looking Ahead

Our strategic direction centres on three priorities. First, we intend to grow the business while maintaining our commitment to attractive dividend returns. Second, we will continue to pursue acquisitions, including opportunities in adjacent industries or sectors where we can apply our operational strengths. Third, we are actively exploring expansion beyond Singapore, where we see potential to deploy capital at higher returns and access new markets.

Across this agenda, shareholder returns will remain our primary consideration. Every strategic decision will be evaluated against its contribution to sustainable, long-term value creation.

Our Commitment to You

Reaching the Main Board opens a new chapter, one that brings heightened expectations and greater scrutiny. Our commitment to prudent operations, disciplined capital allocation, and rigorous corporate governance has remained since listing, and will continue to guide us going forward.

Since our IPO, we have upheld a consistent dividend payout policy. This reflects our fundamental belief that management exists to serve shareholder interests. Our track record, and the decisions we make in the future, will continue to demonstrate that commitment.

Appreciation

On behalf of the Board, we extend our sincere appreciation to our management team and staff for their dedication and professionalism, which have been instrumental in driving the Group's success this year. We also thank our shareholders, clients, business partners, consultants, suppliers, and subcontractors for their continued trust and steadfast support. With this collective commitment, we look forward to achieving even greater success in FY2026 and beyond.

Mr Xu Ruibing

Executive Director & Chief Executive Officer

Mr Sun Renwang

Non-Independent Non-Executive Chairman

BOARD OF DIRECTORS

MR. XU RUIBING

Executive Director & Chief Executive Officer

Mr. Xu Ruibing was appointed to the Board of Ever Glory United Holdings Limited on 23 December 2021 and currently serves as Executive Director and Chief Executive Officer. As a co-founder of the Group, he brings nearly 32 years of experience in mechanical and electrical (“**M&E**”) engineering and project management.

Beyond his technical expertise, Mr. Xu provides strategic leadership, oversees corporate governance, and drives the Group’s long-term growth agenda. He is responsible for shaping business strategies, guiding operational effectiveness, and ensuring sustainable value creation for stakeholders.

Mr. Xu is primarily focused on steering the Group’s strategic direction by engaging with potential investors, identifying acquisition opportunities, and exploring new market prospects that align with the Group’s growth vision. Through active stakeholder engagement and corporate development initiatives, he works to elevate the Group’s profile and unlock value-creating opportunities that will propel the company forward.

Mr. Xu holds a Bachelor of Engineering degree in Electrical Engineering from Northwestern Polytechnical University in 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. He was appointed to the 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, our Executive Director and Chief Executive Officer. He brings more than 31 years of experience in the construction industry and contributes his entrepreneurial insight and industry knowledge to the Board.

Over the course of his career, Mr. Sun has founded several building construction companies, including Chan Rong Fen Building Construction Pte. Ltd. (2000), Century Building Construction Pte. Ltd. (2013), and SG United Construction Pte. Ltd. (2018). He also expanded into property development and investments through RWSun Pte. Ltd. (2012), CPF Land Pte. Ltd. (2018), and RWSun Development Pte. Ltd. (2021).

BOARD OF DIRECTORS

MR. CHUA SIONG KIAT

Lead Independent Non-Executive Director

Mr. Chua Siong Kiat is our Lead Independent Non-Executive Director. He 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 over 3 decades, 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 now in Singapore. He is a director of a Singapore-based boutique consulting firm. He also serves on the board of UMS Integration Limited and Olive Tree Estates Limited as non-executive independent director; and on the board of Memiontec Holdings Limited as a non-executive non-independent director.

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. He just completed his FlexiMasters on business AI and technology programme with Nanyang Technological University (NTU).

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 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 28 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, Ten-League International Holdings Limited, and SHS Holdings 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 an accredited 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 and has been practicing law in Singapore since 1991. He is currently a Consultant at Legis Point LLC. An early adopter of mediation since 2001, he has incorporated mediation techniques into his dispute resolution practice, weaving 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. He also serves as Chairman of the Advocacy Committee of the Law Society of Singapore and is a Fellow of both the Chartered Institute of Arbitrators and the Singapore Institute of Arbitrators. In addition, he is an Adjudicator at the Financial Industry Disputes Resolution Centre.

Beyond these roles, he sits on the mediation on the panel of many institutions including the Singapore Mediation Centre, the Singapore International Mediation Centre, the Law Society of Singapore Mediation Panel, the 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 recognized by both the Singapore International Mediation Institute and International Mediation Institute ("**IMI**"), which represents the highest level of mediator certification under Singapore Law. He is also an IMI Certified Mediation Advocate. In addition, he holds a Bachelor of Law from the National University of Singapore.

KEY MANAGEMENT TEAM

The Company's leadership team comprises experienced professionals who bring deep expertise in engineering services, operations, finance, and business development. Together, they provide strategic direction and operational oversight across the Group's subsidiaries, ensuring sustainable growth and excellence in project delivery.

MS. NG CHOU YUAN

Group Financial Controller

Ever Glory United Holdings Limited

Ms. Ng Chou Yuan is the Financial Controller of the Group, responsible for overseeing the Group's finance and accounting functions, including financial reporting, regulatory compliance, and internal controls. She plays a key role in supporting the Board and senior management by ensuring the accuracy, transparency, and integrity of the Group's financial information.

Ms. Ng began her career with SBME in September 2018 as Assistant Accounts Manager. In recognition of her contributions and capabilities, she was promoted to Financial Controller of the Group in 2022 and was appointed Executive Officer of EGU on 18 May 2023. She also serves as a Non-Executive Director of Primest Land V1 Pte. Ltd.

With more than 15 years of professional experience in audit and accounting, Ms. Ng brings extensive expertise in financial management and corporate governance.

She is a Chartered Accountant of Singapore and a member of the Institute of Singapore Chartered Accountants.

MS. LEI LEI

Managing Director

Sunbeam M&E Pte. Ltd.

Ms. Lei Lei is the Managing Director (effective 1 January 2026) of SBME, responsible for overseeing its business operations, including strategic planning, tender management, procurement, project execution, budget control, and profit and loss accountability. She joined SBME in October 2018 and was appointed Executive Officer of EGU on 18 May 2023.

With more than 20 years of experience in the mechanical and electrical (M&E) engineering services industry, Ms. Lei has a deep specialization in air-conditioning and mechanical ventilation (ACMV) trade.

She holds a Master of Science in Mechanical Engineering from Nanyang Technological University, Singapore, and a Bachelor of Engineering in Construction Environment and Equipment Engineering (HVAC) from Central South University, People's Republic of China.

KEY MANAGEMENT TEAM

MR. SU YAN PEI

Deputy Managing Director and Head of ACMV Department
Sunbeam M&E Pte. Ltd.

Mr. Su Yan Pei is the Deputy Managing Director (effective 1 January 2026) and Head of ACMV Department of SBME, responsible for the management and execution of projects relating to ACMV works undertaken by SBME. He joined SBME in May 2023, and on 2 December 2024, he was appointed Executive Officer of EGU.

With nearly 21 years of experience in the mechanical and electrical (M&E) engineering services industry, Mr. Su brings extensive expertise in ACMV works. Prior to joining SBME, he served as Assistant Managing Director of Great Resources M&E Contractor Pte. Ltd.

He holds a Master of Science in International Construction Management from Nanyang Technological University, Singapore, and a Bachelor of Engineering in Building Environment and Equipment Engineering from Dalian University of Technology, People's Republic of China.

MR. SU CHANG

Deputy Managing Director and Project Director
Sunbeam M&E Pte. Ltd.

Mr. Su Chang is the Deputy Managing Director (effective 1 January 2026) and Project Director of SBME, responsible for the management and execution of projects undertaken by SBME. He joined SBME in April 2020 as Project Director and, in recognition of his contributions, was promoted to Deputy General Manager and Project Director in 2023. On 18 May 2023, he was appointed Executive Officer of EGU.

With more than 20 years of experience in the mechanical and electrical (M&E) engineering services industry, Mr. Su brings extensive expertise in PSG and fire protection works. Prior to joining SBME, he co-founded Sintop M&E Pte. Ltd., which provided M&E engineering services.

He holds a Bachelor of Engineering degree from Tongji University, People's Republic of China, and is a licensed plumber with the Public Utilities Board of Singapore.

KEY MANAGEMENT TEAM

**MR. YANG WENBO***Head of Department (PSG and Fire Protection)***Sunbeam M&E Pte. Ltd.**

Mr. Yang Wenbo is the Head of Department (PSG and Fire Protection) of SBME, responsible for the management and execution of projects relating to PSG and fire protection works undertaken by SBME. He joined SBME in July 2019 as Senior Project Manager and was promoted to Head of Department (PSG and Fire Protection) in 2022. On 18 May 2023, he was appointed Executive Officer of EGU.

With more than 31 years of experience in the mechanical and electrical (M&E) engineering services industry, Mr. Yang brings extensive expertise in PSG works. Prior to joining SBME, he served as a Project Manager at Newcon Builders Pte. Ltd. and briefly as Senior Project Manager at AAL Engineering Pte. Ltd.

He holds a higher education qualification in Water Supply and Drainage from HuBei Radio and Television University, People's Republic of China.

**MS. HAU CHIU SI***Procurement Manager***Sunbeam M&E Pte. Ltd.**

Ms. Hau Chiu Si is the Procurement Manager of SBME, where she oversees the company's procurement operations. She joined SBME in July 2018 and on 18 May 2023, she was appointed Executive Officer of EGU.

Her responsibilities include managing procurement strategies, vendor engagement, cost control, and contract administration. With more than 20 years of experience in procurement, Ms. Hau has built a strong track record in sourcing, negotiation, and supply chain coordination.

She holds an Executive Diploma in Business Administration from the University of Technology, Sydney.

KEY MANAGEMENT TEAM

MR. CHEE TEOW SIONG

Business Development Director

Fire-Guard Engineering Pte. Ltd.

Mr. Chee Teow Siong is the Business Development Director of FG, responsible for driving business growth, cultivating strong client and consultant relationships, and developing new opportunities and strategic partnerships.

On 7 February 2024, FG was acquired by EGU. Following the acquisition, Mr. Chee continued to oversee FG's business development functions, and on 2 December 2024 was appointed Executive Officer of EGU.

With more than 41 years of experience in M&E engineering services industry and project management, Mr. Chee specializes in fire protection works. He began his career with FG in 1984 as a Project Manager and has since played a pivotal role in the company's expansion and success.

He holds a Technical Diploma in Mechanical Engineering from Singapore Polytechnic.

MR. LIM TECK SENG

General Manager

Fire-Guard Engineering Pte. Ltd.

Mr. Lim Teck Seng is the General Manager of FG. He oversees the tendering department and project management functions, ensuring the successful delivery of projects and the competitiveness of the company's bids.

On 7 February 2024, FG was acquired by EGU. Following the acquisition, Mr. Lim continued to manage FG's operations, and on 2 December 2024 was appointed Executive Officer of EGU.

With over 31 years of experience in M&E engineering services industry, Mr. Lim specializes in fire protection works. He joined FG in 1991 as a project manager and has since advanced through various leadership roles, contributing significantly to the company's growth and reputation.

He holds a Diploma in Mechanical Engineering from Singapore Polytechnic.

KEY MANAGEMENT TEAM



MS. CHEE YEN MING
Deputy General Manager
Fire-Guard Engineering Pte. Ltd.

Ms. Chee Yen Ming is the Deputy General Manager of FG, overseeing administration, accounts, procurement, and human resources.

On 7 February 2024, FG was acquired by EGU. Following the acquisition, she continued to manage FG's operations, and on 2 December 2024 was appointed Executive Officer of EGU.

With over 21 years of experience in human resources, accounts, and procurement, Ms. Chee began her career at FG in 2001 as an Accounts cum Admin Executive.

She holds a Bachelor of Arts from the National University of Singapore.



MR. TAY YEOW KEE
Chief Executive Officer
Guthrie Engineering (S) Pte Ltd

Mr. Tay Yeow Kee joined GE on 1 January 2021 as Chief Executive Officer, where he is responsible for managing the overall business and operations of the company and for defining and driving its strategic direction.

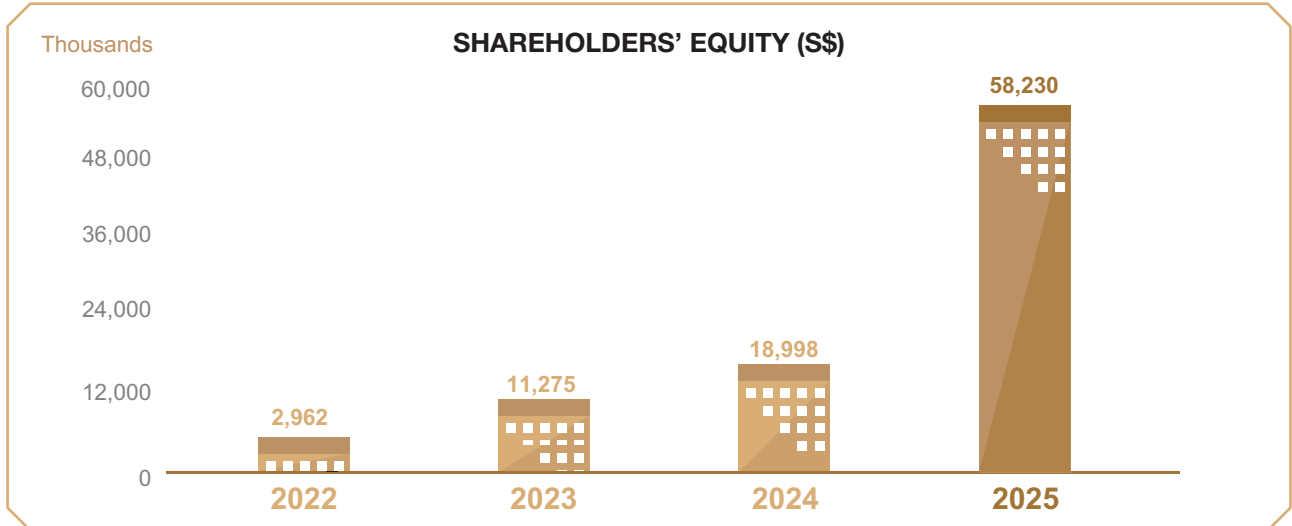
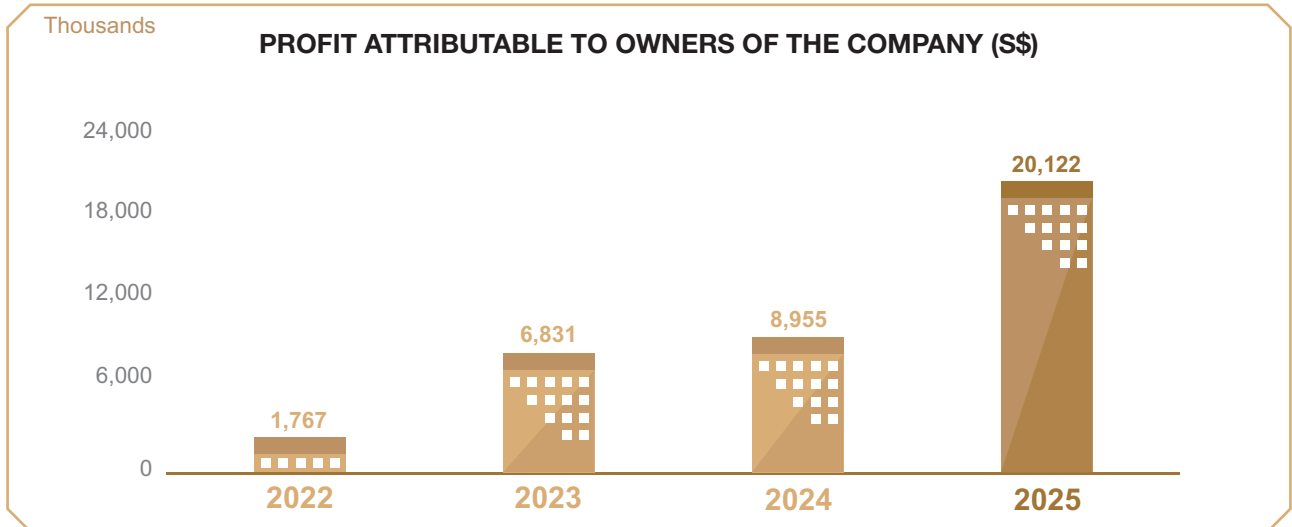
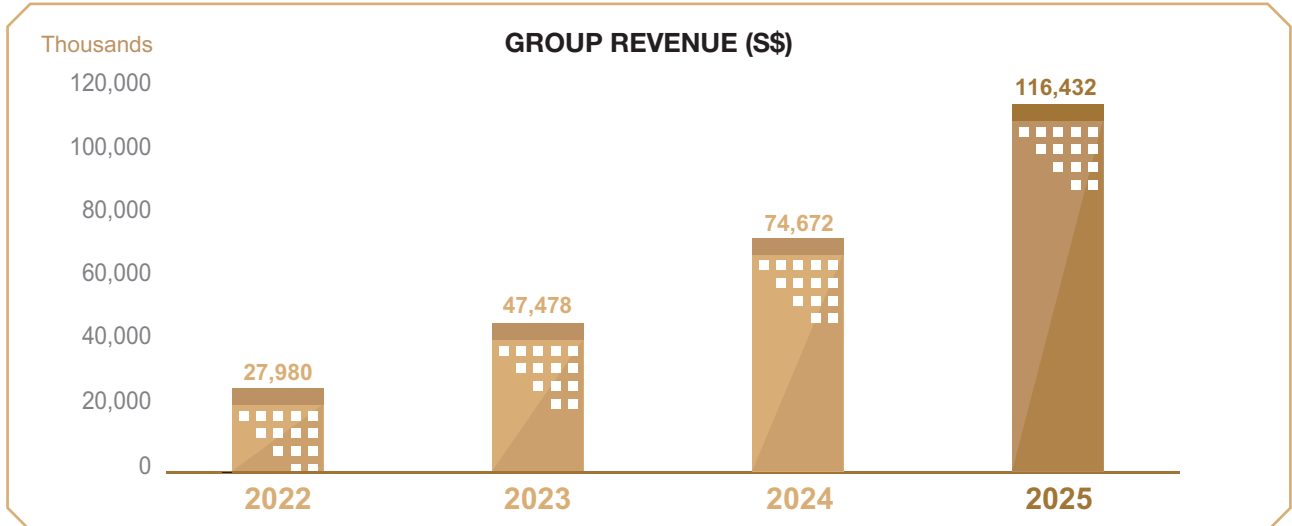
On 1 July 2025, GE was acquired by EGU. Following the acquisition, Mr. Tay continued to lead GE, and on 6 November 2025 he was appointed as Executive Officer of EGU while retaining his role as CEO of GE.

Prior to joining GE, Mr. Tay was a consultant with Guthrie GTS Pte. Ltd. from 2016. He began his career in investment banking, working with various international banks and specializing in mergers and acquisitions, IPOs, equity capital raising, and debt capital markets.

He graduated with a Bachelor of Commerce from the University of Melbourne in 1999, ranking in the top 5% of his cohort. In 2012, he was sponsored by CIMB Bank to attend INSEAD's Global Executive Leadership Programme.

FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE



FINANCIAL REVIEWS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | FY2025 | FY2024 | Increase/ (Decrease) | Increase/ (Decrease) |
|--|----------------|----------|-------------------------|-------------------------|
| | S\$'000 | S\$'000 | S\$'000 | % |
| Revenue | 116,432 | 74,672 | 41,760 | 55.9% |
| Cost of Sales | (93,086) | (63,511) | 29,575 | 46.6% |
| Gross profit | 23,346 | 11,161 | 12,185 | >100% |
| Write back on financial assets | 257 | – | 257 | NM* |
| Other income | 6,641 | 1,838 | 4,803 | >100% |
| General and administrative expenses | (8,800) | (3,461) | 5,339 | >100% |
| Other expenses | (2,087) | – | 2,087 | NM* |
| Finance costs | (1,134) | (146) | 988 | >100% |
| Share of results of associates, net of tax | 91 | (8) | 99 | >100% |
| Share of results of joint arrangement | – | 1,010 | (1,010) | NM* |
| Profit before income tax | 18,314 | 10,394 | 7,920 | 76.2% |
| Income tax credit/(expenses) | 1,808 | (1,439) | 3,247 | >100% |
| Profit for the financial year, representing total comprehensive income for the year | 20,122 | 8,955 | 11,167 | >100% |

* NM denotes “not meaningful”.

STATEMENTS OF FINANCIAL POSITION

| | FY2025 | FY2024 | Increase | Increase |
|-------------------------|---------|---------|----------|----------|
| | S\$'000 | S\$'000 | S\$'000 | % |
| Non-current assets | 46,117 | 4,593 | 41,524 | >100% |
| Current assets | 124,644 | 43,562 | 81,082 | >100% |
| Non-current liabilities | 32,391 | 469 | 31,922 | >100% |
| Current liabilities | 80,140 | 28,688 | 51,452 | >100% |
| Net asset value | 58,230 | 18,998 | 39,232 | >100% |

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | FY2025 | FY2024 |
|--|----------|---------|
| | S\$'000 | S\$'000 |
| Cash and cash equivalents at beginning of year | 9,091 | 5,156 |
| Net cash generated from operating activities | 10,386 | 9,430 |
| Net cash used in investing activities | (25,442) | (2,051) |
| Net cash from/(used in) financing activities | 44,788 | (3,756) |
| Cash and cash equivalents at the end of the year | 38,823 | 8,779 |

FINANCIAL REVIEWS

REVIEW OF INCOME STATEMENT

The Group's **revenue** increased by approximately S\$41.76 million or 55.93% from approximately S\$74.67 million in FY2024 to approximately S\$116.43 million in FY2025. The increase in revenue was mainly attributable to the consolidation of GE's results following its acquisition, with GE's contributing to Group's revenue from 2H2025 onwards.

The Group's **cost of sales** increased by approximately S\$29.58 million or 46.58% from approximately S\$63.51 million in FY2024 to approximately S\$93.09 million in FY2025. The increase in cost of sales was in line with the higher revenue base arising from GE's contribution for 2H2025.

The Group's **gross profit** increased by approximately S\$12.18 million from approximately S\$11.16 million in FY2024 to approximately S\$23.34 million in FY2025. Gross profit margin improved from approximately 14.95% in FY2024 to 20.05% in FY2025 reflecting the contribution from GE's M&E engineering projects and the enlarged scale of operations.

Other income increased by approximately S\$4.80 million from approximately S\$1.84 million in FY2024 to approximately S\$6.64 million in FY2025, mainly due to (i) the increase in bargain purchase of S\$4.45 million in relation to the acquisition of GE, (ii) the increase in sundry income of approximately S\$0.29 million consisting of administrative charge income, scrap metal income and foreign exchange gain, (iii) the increase in fixed deposit interest income of approximately S\$0.12 million, (iv) the increase in government grant of approximately S\$0.25 million, and (v) was partially offset by the decrease in gain on provision contingent consideration of approximately S\$0.18 million and (vi) the decrease in management fees of joint venture project of approximately S\$0.13 million.

Write back on financial assets increased by approximately S\$0.26 million from approximately nil in FY2024 to approximately S\$0.26 million in FY2025.

General and administrative expenses increased by approximately S\$5.33 million from approximately S\$3.46 million in FY2024 to approximately S\$8.79 million in FY2025. The increase was mainly due to (i) the increase in employee benefit expenses of approximately S\$2.66 million arising from

increased staff headcount, (ii) the increase in depreciation and amortisation expenses of approximately S\$1.65 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\$1.02 million consisting mainly professional fees, upkeep of computer and software, upkeep of motor vehicle and other office and general expenses.

Other expenses increased by approximately S\$2.09 million in FY2025 to nil in FY2024, due to one-off shares placement, transfer from Catalyst to Mainboard and acquisition expenses incurred in FY2025.

Finance costs increased by approximately S\$0.98 million from approximately S\$0.15 million in FY2024 to approximately S\$1.13 million in FY2025. The increase was mainly due to the increase in bank borrowing, the increase in lease liabilities and the increase in convertible bond interest.

Share of results of joint arrangement decreased by approximately S\$1.01 million, this relates to two of the Company's joint arrangement with Sunley M&E Engineering Pte Ltd. to jointly provide M&E engineering services for (i) a new hotel development project, (ii) erection of business park building and (iii) erection of media production building. The decrease was due to the Company reclassification of these agreements as a joint operation in FY 2025. This classification is based on the assessment that the partners are legally obliged to take the entire output produced by Sunley – Sunbeam and will be the only source of funding to settle its liabilities.

Share of results of associates increased by approximately S\$0.10 million, this arising from acquisition of GE's associate Tek Guthrie Pte Ltd share of profit of S\$0.11 million partially offset by the increased share of loss of S\$0.01 million from Primest Land V1 Pte Ltd.

Income tax credit increased by approximately S\$3.23 million in FY2025, mainly due to recognised deferred tax assets on unutilised tax losses based on the expectation of future taxable profits of a subsidiary.

As a result of the above, **profit after tax** increased by approximately S\$11.16 million, from approximately S\$8.96 million in FY2024 to approximately S\$20.12 million in FY2025.

FINANCIAL REVIEWS

REVIEW OF FINANCIAL POSITION

The Group's non-current assets increased by approximately S\$41.52 million, from approximately S\$4.59 million as at 31 December 2024 to approximately S\$46.11 million as at 31 December 2025. The increase was mainly due to increase in intangible assets arising from acquisition of a subsidiary of S\$2.65 million, increase in investment in an associate of S\$7.75 million, addition of right-of-use assets of S\$7.67 million, addition of plant and equipment of S\$19.41 million, increase in contract assets S\$4.40 million and partial offset by the decrease in loan receivables from investee of S\$0.03 million relating to the Group's investment in a property development project and decrease in investment in joint ventures of S\$0.33 million.

The Group's current assets increased by approximately S\$81.08 million, from approximately S\$43.56 million as at 31 December 2024 to approximately S\$124.64 million as at 31 December 2025. The increase was due to increases in cash and bank balances of S\$16.00 million, fixed deposits of S\$14.54 million, trade and other receivables of S\$17.36 million, contract assets of S\$24.87 million, inventories of S\$0.07 million and other current assets of S\$8.24 million.

The Group's current liabilities increased by approximately S\$51.45 million, from approximately S\$28.69 million as at 31 December 2024 to approximately S\$80.14 million as at 31 December 2025. This was mainly due to an increase in trade and other payables of S\$41.43 million, lease liabilities of S\$0.92 million, bank borrowings of S\$4.92 million, contract liabilities of S\$5.91 million and partial offset by decrease in income tax payables of S\$1.54 million due to the payment of income tax relating to the prior two financial years during the current year, resulting in a lower tax provision as at year end and provisions for contingent consideration of S\$0.19 million.

The Group's non-current liabilities increased by approximately S\$31.92 million, from approximately S\$0.47 million as at 31 December 2024 to approximately S\$32.39 million as at 31 December 2025, as a result of an increase in deferred tax liabilities S\$0.22 million, increase in lease liabilities of S\$7.43 million, increase in bank borrowings of S\$19.46 million and convertible bond of S\$4.81 million.

The Group's total equity increased by approximately S\$39.23 million, from approximately S\$19.00 million as at 31 December 2024 to approximately S\$58.23 million as at 31 December 2025. The increase was mainly due to the issue

of new ordinary shares for the partial consideration relating to acquisition of FG amounted to S\$0.12 million, issue of new ordinary shares for placement shares of S\$17.05 million, issue of new ordinary shares for initial public offering shares of S\$1.28 million, issue of award shares pursuant to PSP of S\$1.17 million, recognizing equity component of convertible bond of S\$0.24 million and the Group's profit of S\$20.12 million, partially offset by an increase in treasury shares of S\$0.10 million and dividend paid of S\$0.65 million.

The Group reported a positive net working capital position of S\$44.50 million as at 31 December 2025, as compared to S\$14.87 million as at 31 December 2024.

REVIEW OF CASH FLOWS

The Group's net cash generated from operating activities amounted to approximately S\$10.39 million in FY2025, mainly due to operating cash flows before movements in working capital of S\$16.85 million, partially offset net working capital outflow of S\$3.29 million, and income tax paid of S\$3.17 million.

The Group's net cash used in investing activities amounted to approximately S\$25.45 million in FY2025, mainly due to interest received of S\$0.20 million, partially offset by net cash outflow on acquisition of subsidiary of S\$25.09 million, acquisition of subsidiary, tranche C of S\$0.12 million, investment in an associate of S\$0.31 million, purchase of plant and equipment of S\$0.11 million and purchase of intangible assets of S\$0.02 million.

The Group's net cash from financing activities amounted to approximately S\$44.79 million in FY2025, mainly due to proceeds from bank borrowings of S\$38.17 million, proceeds from convertible bond of S\$5.00 million, proceeds from placement of S\$17.05 million and proceeds from public offer of S\$1.28 million, partially offset by fixed deposit pledged of S\$0.50 million, purchase of treasury shares of S\$0.43 million, dividends paid of S\$0.65 million and repayments of bank borrowings and lease liabilities (including interest) of S\$15.13 million.

As a result of the above, overall cash and cash equivalents increased by approximately S\$29.73 million, from approximately S\$9.09 million as at 31 December 2024 to approximately S\$38.82 million as at 31 December 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 2025 (“**FY2025**”) 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 Catalist (the “**Catalist Rules**”). As the Company has completed the transfer of its listing from Catalist Board to the Mainboard of the SGX-ST on 29 December 2025, the Company is now subject to the requirements of the Listing Manual of the SGX-ST (the “**Mainboard Rules**”). Accordingly, where relevant and applicable, the disclosures set out in this report have been updated for compliance with the Mainboard 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 | | |
|-----------------------------|---|---------------------------------|--------------------------------------|--|
| | | Audit Committee (“ AC ”) | Nominating Committee (“ NC ”) | Remuneration Committee (“ 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.

CORPORATE GOVERNANCE REPORT

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;
- 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.

CORPORATE GOVERNANCE REPORT

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. During FY2025, the Directors are also briefed on updates to the Catalist Rules, Mainboard 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 AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

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. As at the date of this Annual Report, all Directors (including the Directors with no prior experience as a director of a listed company in Singapore) have completed the mandatory training including LED 9 – Environmental, Social & Governance Essentials organised by Singapore Institute of Directors as prescribed by the SGX-ST in accordance with Rule 210(5)(a) of the Mainboard Rules and Rule 720(7) of the Mainboard Rules.

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 following:

- nomination of directors and appointment of key executives;
- appointment of the auditors and the company secretary;
- 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 Mainboard 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 NC and the 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.

CORPORATE GOVERNANCE REPORT

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.

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 meetings held during FY2025 is disclosed below:-

| Name of Director | Board Meeting | | AC Meeting | | NC Meeting | | RC Meeting | | Annual General Meeting | | Extraordinary General Meeting | |
|-----------------------------|---------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------------------|--------------|-------------------------------|--------------|
| | No. Held | No. Attended | No. Held | No. Attended | No. Held | No. Attended | No. Held | No. Attended | No. Held | No. Attended | No. Held | No. Attended |
| Mr. Sun Renwang | 3 | 1 | 3 | 1* | 1 | 0 | 2 | 0 | 1 | 1 | 2 | 2 |
| Mr. Xu Ruiqing | 3 | 3 | 3 | 3* | 1 | 1* | 2 | 2* | 1 | 1 | 2 | 2 |
| Mr. Chua Siong Kiat | 3 | 3 | 3 | 3 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 |
| Mr. Goh Siong Pheok Francis | 3 | 2 | 3 | 2 | 1 | 1 | 2 | 1 | 1 | 1 | 2 | 2 |
| Mr. Kong Chee Keong | 3 | 3 | 3 | 3 | 1 | 1 | 2 | 2 | 1 | 1 | 2 | 2 |

* 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.

CORPORATE GOVERNANCE REPORT

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.

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 Non-Executive 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 Non-Executive Directors, the NC has considered the guidelines for independence set out in Provision 2.1 of the Code as well as the Mainboard 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.

CORPORATE GOVERNANCE REPORT

Each Independent Non-Executive Director is required to complete an annual declaration to confirm his independence based on the applicable Mainboard 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 Mainboard Rules and the Code.

For the year under review, the NC has assessed and is satisfied that all three (3) Independent Non-Executive Directors are independent. Each such Director had abstained from the review and determination of their independence by the NC and the Board. The Board recognises that Independent Non-Executive 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 Non-Executive Directors must be based on the substance of their professionalism, integrity, and objectivity, and not merely based on form.

Pursuant to Rule 210(5)(d)(iv) of the Mainboard 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 Non-Executive 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 10 to 12 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.

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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.

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

The Independent Non-Executive Directors, led by the Lead Independent Non-Executive Directors (“**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 Non-Executive Directors were communicated by the LID to the Board and/or the Chairman, as appropriate.

During FY2025, the Independent Non-Executive 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 CEO

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 Non-Executive 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 Non-Executive 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.

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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 coordinate and to lead the Independent Non-Executive 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 FY2025, 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 Independent Non-Executive Directors 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;

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- 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.

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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. Sun Renwang
2. Mr. Goh Siong Pheck Francis

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 7.4.1 of the Mainboard Rules pursuant to Rule 720(6) of the Mainboard Rules are set out on pages 145 to 154 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 Non-Executive Directors 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 Non-Executive Directors. Having carried out its review, the NC is of the view that all Independent Non-Executive Directors have satisfied the criteria for independence.

During FY2025, 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.

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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 Board 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 FY2025. 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 pages 142 to 144 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, Board Committees' 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.

The Board is of the view that it has satisfactorily met its performance objectives for FY2025 and there was no external consultant involved in the evaluation process for each individual Director, Board and Board Committees for FY2025. Where relevant and when the need arises, the NC will consider such engagement.

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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 Non-Executive 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;

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- 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 Non-Executive 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 Non-Executive 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. Following the RC's deliberation, the Company has renewed the Service Agreement.

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 FY2025.

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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 fixed director's fee for the year.

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The structure of the fees payable to the Non-Executive Directors of the Company for FY2025 is disclosed under Principle 8 below.

Moving ahead, each of the Non-Executive Directors will receive a base director's fee, and for those who serve on the various Board Committees will also receive additional fees in respect of each Board Committee that they serve on with the Chairpersons of the Board Committees receiving a higher fee in respect of their service as Chairpersons of the respective Board Committees to reflect the expanded responsibilities.

The structure of the director's fee for the Board and Board Committees are set out below:

| Appointment | Structure of the fees per annum | |
|---------------------------|---------------------------------|-----------|
| | Chairman | Member |
| Board of Directors | S\$100,000 | S\$30,000 |
| Lead Independent Director | S\$10,000 | – |
| Audit Committee | S\$25,000 | S\$15,000 |
| Remuneration Committee | S\$15,000 | S\$5,000 |
| Nominating Committee | S\$15,000 | S\$5,000 |

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.

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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.

Disclosure of Remuneration

(i) Remuneration of Directors

The breakdown of the total remuneration of the Directors of the Company for FY2025 is set out below:

| Name of Directors | Salary & Allowance ⁽¹⁾ (S\$) | Bonus (S\$) | Directors' Fees ⁽²⁾ (S\$) | Benefits ⁽³⁾ (S\$) | Total (S\$) |
|-----------------------------|--|----------------|---|----------------------------------|----------------|
| Mr. Xu Ruibing | 341,676 | 450,000 | – | – | 791,676 |
| Mr. Sun Renwang | – | – | 65,000 | – | 65,000 |
| Mr. Chua Siong Kiat | – | – | 45,000 | – | 45,000 |
| Mr. Kong Chee Keong | – | – | 35,000 | – | 35,000 |
| Mr. Goh Siong Pheck Francis | – | – | 35,000 | – | 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.

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(ii) Remuneration of KMPs

The Group has ten (10) KMPs who are not Directors or the CEO during FY2025. The aggregate remuneration paid to these KMPs in FY2025 was S\$2,405,389. The details of the remuneration for FY2025 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 | 64 | – | 36 | – | 100 |
| Mr. Su Yanpei | 68 | – | 31 | 1 | 100 |
| Mr. Su Chang | 74 | – | 26 | – | 100 |
| Mr. Tay Yeow Kee ⁽³⁾ | 18 | 82 ⁽⁴⁾ | – | – | 100 |
| Below S\$250,000 | | | | | |
| Ms. Ng Chou Yuan | 72 | – | 28 | – | 100 |
| Ms. Hau Chiu Si | 67 | – | 33 | – | 100 |
| Mr. Yang Wenbo | 63 | – | 37 | – | 100 |
| Mr. Chee Teow Siong | 78 | 9 | 13 | – | 100 |
| Mr. Lim Teck Seng | 80 | 9 | 11 | – | 100 |
| Ms. Chee Yen Ming | 80 | 9 | 11 | – | 100 |

Notes:

- (1) Includes contributions made by the Company to the KMP's Central Provident Fund.
- (2) Benefits refers to annual leave encashment.
- (3) Mr. Tay Yeow Kee was appointed as Chief Executive Officer of Guthrie Engineering (S) Pte Ltd, an executive officer of the Company on 6 November 2025.
- (4) The bonus comprises (a) 10% of bonus and (b) 72% of sign-on bonus to Mr. Tay Yeow Kee as announced by the Company to the SGX-ST on 13 August 2025.

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 Non-Executive 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.

CORPORATE GOVERNANCE REPORT

(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 FY2025 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 Pheck Francis.

Ever Glory ESOS

| | |
|---|--|
| <p>Summary of Ever Glory ESOS</p> | <p>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 Non-Executive Directors) and Controlling Shareholders and foster a long term commitment and dedication to the business of the Group.</p> |
| <p>Participants of the Ever Glory ESOS</p> | <p>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.</p> |
| <p>Administration of the Ever Glory ESOS</p> | <p>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.</p> |
| <p>Awards Entitlement</p> | <p>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.</p> |
| <p>Size of Ever Glory ESOS</p> | <p>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.</p> |

CORPORATE GOVERNANCE REPORT

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| 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. |

No options have been granted or exercised under the Ever Glory ESOS since the commencement of the Ever Glory ESOS to 31 December 2025. 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 2025.

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

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| 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. |

CORPORATE GOVERNANCE REPORT

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| 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. |

During FY2025, the Company granted a total of up to 2,026,600 share awards under the Ever Glory PSP. As announced on 8 January 2025, 15 August 2025 and 26 December 2025, the Company has issued and allotted 493,600, 1,057,400 and 475,600 new ordinary shares in the capital of the Company respectively 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 2025.

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.

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The Board regularly reviews and improves its business and operational activities to identify areas of significant business risks including emerging risks arising from cybersecurity threats and the use of artificial intelligence (“AI”), 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 including evolving technology-related risks such as cybersecurity vulnerabilities and AI-related risks (e.g., data privacy and ethical use) 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 FY2025, 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.

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 2025 to address the risks that the Group considers relevant and material to its operations.

CORPORATE GOVERNANCE REPORT

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 Non-Executive 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)

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 FY2025. Details of the non-audit fees paid to the external auditors are set out further in this section.

The AC met three (3) times during FY2025. 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;

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- 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 Mainboard 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;
- 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 Mainboard 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;

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- 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 and RHB Bank Berhad 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;
- 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 Mainboard 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.

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A copy of the whistleblowing policy is also disseminated to all employees of the Group. During FY2025, there was no complaints, concerns of issues 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 FY2025 from pages 62 to 67 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.

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. Ernst & Young LLP ("**EY**"), 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 FY2025. Save for the fees paid for audit engagement, the non-audit services provided by the Company's external auditors, EY 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.

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| | S\$'000 | % of fees |
|-------------------|------------|------------|
| Audit fees | 399 | 100 |
| Non-audit fees | – | – |
| Total fees | 399 | 100 |

The consolidated financial statements of the Company and its subsidiaries for FY2025 are audited by EY. 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 Mainboard 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.

In reviewing the re-appointment of EY as the Group's external auditors for the financial year ending 31 December 2026, the AC has considered the independence, adequacy of the resources, experience and competence of EY, and has taken into account the Accounting and Corporate Regulatory Authority's ("ACRA") Audit Quality Indicators Disclosure Framework relating to EY 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 re-appointment of EY as the Group's external auditors, subject to the shareholders' approval at the forthcoming AGM to be held on 27 April 2026.

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.

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RSM SG Risk Advisory Pte Ltd, the Company's internal auditors ("IA"), report primarily to the Chairman of the 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 15 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 FY2025. 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.

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 1207(10) of the Mainboard 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 FY2025.

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 FY2025, 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.

CORPORATE GOVERNANCE REPORT

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

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.

CORPORATE GOVERNANCE REPORT

All Directors had attended the Company's AGM and Extraordinary General Meeting ("**EGM**") which were held during FY2025.

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.

The Company is not currently implementing voting in absentia 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 FY2025, the Company will publish the minutes of the AGM to be held on 27 April 2026 on SGXNet and/or the Company's website within one (1) month after the AGM. The forthcoming AGM to be held in respect of FY2025 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 recommended a final dividend (one-tier tax exempt) of S\$0.01 per ordinary share for FY2025 which is subject to the Shareholders' approval at the forthcoming AGM of the Company.

CORPORATE GOVERNANCE REPORT

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

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 Mainboard 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 Mainboard 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.

CORPORATE GOVERNANCE REPORT

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.

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 sustainability report for FY2024, pursuant to paragraph 6.3 of Practice Note 7.6 of the Mainboard Rules, has been released to the SGX-ST on 25 April 2025.

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 FY2025 which will be made available on the SGXNET by 30 April 2026.

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.

CORPORATE GOVERNANCE REPORT

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

1. DEALINGS IN SECURITIES

In compliance with Rule 1207(19) of the Mainboard 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 1207(19) of the Mainboard 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.

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. The appointment of Novus Corporate Finance Pte. Ltd. as the Company's continuing sponsor has ceased on 29 December 2025, the effective date of the Company's transfer from Catalist to the Mainboard. In accordance with Rule 1204(21) of the Catalist Rules, for the period from 1 January 2025 to 29 December 2025, non-sponsor fees of S\$135,500 (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 Mainboard 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**"), which renewed yearly at the 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.

CORPORATE GOVERNANCE REPORT

The aggregate value of the IPTs entered into during FY2025 is disclosed below:

| Name of interested person | Nature of relationship | Aggregate value of all IPTs during FY2025 (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. | 182 ⁽¹⁾ | 660 ⁽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 2025.
- (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.

4. USE OF PROCEEDS

The Company refers to the net cash proceeds amounting to S\$4,854,000 (excluding expenses of approximately S\$146,000) 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 been fully utilised to fund the purchase consideration for the acquisition of Guthrie Engineering (S) Pte Ltd ("**GE**").

On 2 September 2025, the Company announced the completion of a Placement pursuant to which 31,000,000 ordinary shares were allotted and issued at a placement price of S\$0.55 per share, raising gross proceeds of S\$17,050,000. After deducting related expenses, the net proceeds of S\$16,330,536 ("**Net Placement Proceeds**"). As stated in the announcement on 25 August 2025, the Company intended to utilise 50% of the Net Placement Proceeds for working capital purposes and the remaining 50% for partial payment of the balance purchase consideration for the acquisition of GE. As of the date of this annual report, approximately S\$4,037,564 of the Net Placement Proceeds had been utilised for working capital purposes, with the remaining balance of approximately S\$12,292,972 unutilised.

On 18 December 2025, the Company allotted and issued 2,000,000 ordinary shares at an issue price of S\$0.64 per share in relation to the Public Offer raising gross proceeds of S\$1,280,000. After deducting related expenses, the net proceeds amounted to S\$1,135,809 (the "**Net Public Offer Proceeds**"). As stated in the announcement on 10 December 2025 the Company intended to utilise the Net Public Offer Proceeds for working capital purposes. As of the date of this annual report, the Net Public Offer Proceeds had not been utilised.

CORPORATE GOVERNANCE REPORT

5. MATERIAL CONTRACTS

Pursuant to Rule 1207(8) of the Mainboard 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 FY2025 (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 7.6 of the Mainboard Rules. It is developed with reference to the Global Reporting Initiative (“**GRI**”) Standards and has made reference to the International Financial Reporting Standards (“**IFRS**”) Sustainability Disclosure Standards (“**SDS**”) ahead of Singapore Exchange Limited (“**SGX**”)’s regulatory timeline, specifically IFRS S1 (insofar as they relate to the disclosure of information on climate-related risks and opportunities) and IFRS S2.

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.

We have constantly 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 FY2025, we have begun to review our climate-related disclosures and processes for alignment against the IFRS SDS 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 2026.

DIRECTORS' STATEMENT

The Directors of Ever Glory United Holdings Limited (the “**Company**”) present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the financial year ended 31 December 2025 and the statement of financial position and statement of changes in equity of the Company as at 31 December 2025.

Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group, the statement of financial position and statement of changes in equity 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 2025, 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 2025; 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.

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) |

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.

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 beginning of financial year | At end of financial year |
| | Number of ordinary shares | |
| Company: | | |
| Sun Renwang | 98,400,000 | 131,200,000 |
| Xu Ruibing | 98,400,000 | 131,200,000 |

DIRECTORS' STATEMENT

Directors' interests in shares or debentures (continued)

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.

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 23 March 2026 in the shares of the Company have not changed from those disclosed as at 31 December 2025.

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 2025, 2,026,600 shares were granted to the employees (who were not directors or controlling shareholders of the Company) pursuant to the Performance Share Plan.

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 Pheck 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;

DIRECTORS' STATEMENT

Audit committee (continued)

- 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;
- 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 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 Mainboard Rules (if any);

DIRECTORS' STATEMENT

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 and RHB Bank Berhad 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 SGX-ST Listing Manual 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

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.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors

Sun Renwang
Director

Xu Ruibing
Director

Singapore
31 March 2026

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

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 2025;
- 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 2025, 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"**), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the financial statements of public interest entities in Singapore. We have also 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.

Accounting for revenue from construction contracts

The Group's principal revenue is derived from the construction contracts. Under SFRS(I) 15 *Revenue from Contracts with Customers*, revenue is recognised over time, either by reference to the proportion of contract costs incurred to date relative to the total estimated contract costs for each contract (the input method), or by reference to the value of services transferred to date relative to the remaining performance obligations promised under the contract (the output method).

For the financial year ended 31 December 2025, the Group recognised revenue of S\$116,432,000, of which S\$99,581,000 was attributable to the construction contracts.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

Key audit matters (continued)

Accounting for revenue from construction contracts (continued)

We determined that revenue recognition from construction contracts is a key audit matter because it involves significant judgement and estimation uncertainty in measuring progress towards performance obligations using the input or output method and in determining the existence and adequacy of onerous contract provisions.

Our audit procedures included, among others, the following:

- Obtained an understanding of the Group's policies and processes for recognising revenue from the construction contracts in accordance with SFRS(I) 15, including determining the transaction price, the identification of performance obligations and the use of the input or output methods to recognise revenue over time, as well as the policies and processes for identifying and recognising onerous contract provisions under SFRS(I) 1-37;
- Reviewed key contractual terms for a sample of contracts and approved variation orders, including total contract sums, scope of work and certification requirements, and checked that these were appropriately reflected in revenue recognition;
- Obtained an understanding of the progress of significant ongoing contracts through discussions with management, site visits and examination of project documentation;
- Assessed the appropriateness of management's application of the input or output methods to measure progress on customer contracts, evaluated the reasonableness of management's estimates of the stage of completion under these methods, and checked the arithmetical accuracy of revenue recognised;
- For contracts where revenue is recognised over time using the input method, we:
 - o Reviewed controls over the preparation, review and approval of budgeted contract costs and actual costs incurred;
 - o Assessed the reasonableness of budgeted contract costs that contribute towards satisfying a performance obligation by tracing, on a sample basis, to supporting documentation such as suppliers' quotations, labour cost computations and subcontractors' quotations;
 - o Reviewed revisions to budgeted contract costs and assessed the reasonableness of such revisions;
 - o Evaluated estimated costs to complete by tracing committed costs to subcontractor quotations or contracts for significant contracts; and
 - o Tested actual costs incurred by tracing, on a sample basis, to suppliers' invoices, subcontractors' progress billings and other supporting documentation.
- For contracts where revenue is recognised over time using the output method, we:
 - o Reviewed progress certifications issued by main contractors or customers as evidence of services transferred to date; and
 - o Compared management's assessment of work performed as at each reporting date with customer progress certifications and investigated significant variances identified, and further assessed progress using a cost-incurred-to-budgeted-cost approach as a corroborative procedure to evaluate the reasonableness of the customer certifications.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

Key audit matters (continued)

Accounting for revenue from construction contracts (continued)

- For the identification and recognising onerous contract, we:
 - o Made enquiries with management regarding ongoing and significant projects, including those with low, deteriorating or negative margins, delays against contractual milestones, or exposure to liquidated damages, to identify indicators of expected losses;
 - o Selected significant contracts with identified risk indicators and evaluated management's assessment of whether the unavoidable costs of fulfilling the contracts exceed the expected economic benefits; and
 - o Assessed the appropriateness and adequacy of management's recognition and measurement of onerous contract provisions.
- Assessed the adequacy of the related disclosure in Notes 2.3(q), 12 and 24 to the financial statements.

Acquisition of Guthrie Engineering (S) Pte Ltd

On 1 July 2025, the Group completed the acquisition of the entire equity interests in Guthrie Engineering (S) Pte Ltd ("**Guthrie**"), for a total purchase consideration of approximately S\$46,034,000, resulting in Guthrie becoming a wholly owned subsidiary. The transaction was accounted for as a business combination under SFRS(I) 3 Business Combinations and resulted in the recognition of gain from bargain purchase of approximately S\$5,522,000 for the year ended 31 December 2025.

Management engaged external valuer to assist with the purchase price allocation ("**PPA**") exercise for the business combination. This process involved measuring the fair value of the consideration transferred, identifying and valuing the identifiable assets acquired and the liabilities assumed of Guthrie at the acquisition date, and determining any resulting goodwill or gain from a bargain purchase.

Given the complexity, significant judgment, and inherent estimation uncertainty associated with these procedures, the accounting for this business combination has been identified as a key audit matter.

Our audit procedures included, among others, the following:

- Reviewed the sale and purchase agreement and PPA report prepared by the external valuers to evaluate whether the acquisition was appropriately accounted for in accordance with SFRS(I) 3 Business Combinations and SFRS(I) 10 Consolidated Financial Statements;
- Assessed the reasonableness and appropriateness of the measurement of the fair value of consideration transferred and the identification and valuation of Guthrie assets and liabilities, including separately identifiable intangible assets;
- Evaluated the competence, capabilities and objectivity of the external valuers engaged by management, including their experience and professional qualifications in performing valuations for business combinations and the types of identifiable assets involved;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

Key audit matters (continued)

Acquisition of Guthrie Engineering (S) Pte Ltd (continued)

- Discussed with management and the external valuers the valuation methodologies applied and key assumptions used in the PPA exercise, and, with the assistance of our internal valuation specialists, assessed the reasonableness and appropriateness of the valuation methodologies and key assumptions applied by performing analyses using relevant internal and external information;
- Reviewed the assessment and calculation of gain from bargain purchase resulting from the business combination; and
- Assessed the adequacy of the related disclosures in Notes 2 and 7 to 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.

Other matter

The financial statements of Ever Glory United Holdings Limited and its subsidiaries for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 28 March 2025.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

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.
- 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EVER GLORY UNITED HOLDINGS LIMITED AND ITS SUBSIDIARIES

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 those subsidiary corporations incorporated in Singapore have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Adrian Koh.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
31 March 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

| | Note | Group | | Company | |
|---|------|-----------------|-----------------|-----------------|-----------------|
| | | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Intangible assets | 4 | 3,392 | 743 | - | - |
| Property, plant and equipment | 5 | 19,655 | 251 | - | - |
| Right-of-use assets | 6 | 8,137 | 462 | - | - |
| Investment in subsidiaries | 7 | - | - | 54,331 | 6,456 |
| Investment in joint arrangements | 9 | - | 324 | - | - |
| Investment in associates | 8 | 9,216 | 1,462 | - | - |
| Loan receivables at fair value through profit or loss ("FVTPL") | 10 | 1,219 | 1,250 | - | - |
| Financial assets at fair value through other comprehensive income ("FVOCI") | 10 | 1 | 1 | - | - |
| Trade and other receivables | 13 | 100 | 100 | - | 2,221 |
| Contract assets | 12 | 4,397 | - | - | - |
| Total non-current assets | | 46,117 | 4,593 | 54,331 | 8,677 |
| Current assets | | | | | |
| Inventories | 11 | 147 | 75 | - | - |
| Contract assets | 12 | 35,370 | 10,509 | - | - |
| Trade and other receivables | 13 | 37,442 | 20,082 | 6,100 | 5,331 |
| Other current assets | 14 | 8,631 | 389 | 26 | 24 |
| Fixed deposits | 15 | 19,874 | 5,330 | 14,213 | 4,602 |
| Cash and bank balances | 15 | 23,180 | 7,177 | 6,667 | 195 |
| Total current assets | | 124,644 | 43,562 | 27,006 | 10,152 |
| Total assets | | 170,761 | 48,155 | 81,337 | 18,829 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| Share capital | 16 | 23,906 | 5,067 | 23,906 | 5,067 |
| Treasury shares | 17 | (166) | (513) | (166) | (513) |
| Other reserve | 18 | 1,574 | 1,000 | 1,574 | 1,000 |
| Retained earnings | | 32,916 | 13,444 | 8,906 | 8,904 |
| Total equity | | 58,230 | 18,998 | 34,220 | 14,458 |
| Non-current liabilities | | | | | |
| Lease liabilities | 19 | 7,644 | 218 | - | - |
| Bank borrowings | 20 | 19,594 | 130 | 19,550 | - |
| Convertible bond | 21 | 4,808 | - | 4,808 | - |
| Deferred tax liabilities | 28 | 345 | 121 | - | - |
| Total non-current liabilities | | 32,391 | 469 | 24,358 | - |
| Current liabilities | | | | | |
| Trade and other payables | 22 | 61,032 | 19,604 | 17,347 | 3,616 |
| Contract liabilities | 12 | 6,982 | 1,070 | - | - |
| Provisions | 23 | 375 | 565 | 363 | 555 |
| Bank borrowings | 20 | 8,784 | 3,865 | 4,675 | - |
| Lease liabilities | 19 | 1,171 | 247 | - | - |
| Income tax payables | | 1,796 | 3,337 | 374 | 200 |
| Total current liabilities | | 80,140 | 28,688 | 22,759 | 4,371 |
| Total liabilities | | 112,531 | 29,157 | 47,117 | 4,371 |
| Total equity and liabilities | | 170,761 | 48,155 | 81,337 | 18,829 |

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | Group | |
|---|------|-----------------|-----------------|
| | | 2025 S\$'000 | 2024 S\$'000 |
| Revenue | 24 | 116,432 | 74,672 |
| Cost of sales | | (93,086) | (63,511) |
| Gross profit | | 23,346 | 11,161 |
| Write back on financial assets | | 257 | – |
| Other income | 25 | 6,641 | 1,838 |
| General and administrative expenses | | (8,800) | (3,461) |
| Other expenses | 27 | (2,087) | – |
| Finance costs | 26 | (1,134) | (146) |
| Share of results of associates, net of tax | 8 | 91 | (8) |
| Share of results of joint arrangement | | – | 1,010 |
| Profit before income tax | 27 | 18,314 | 10,394 |
| Income tax credit/(expenses) | 28 | 1,808 | (1,439) |
| Profit for the financial year, representing total comprehensive income for the financial year | | 20,122 | 8,955 |
| Profit and total comprehensive income for the financial year attributable to owners of the Company | | 20,122 | 8,955 |
| Earnings per share | | | |
| – Basic (cents) | 29 | 5.63 | 2.62 |
| – Diluted (cents) | 29 | 5.52 | 2.62 |

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| Group | Note | Attributable to owners of the Company | | | | Total equity S\$'000 |
|--|------|---------------------------------------|----------------------------|---------------------------|------------------------------|-------------------------|
| | | Share capital S\$'000 | Treasury shares S\$'000 | Other reserves S\$'000 | Retained earnings S\$'000 | |
| Balance at 1 January 2025 | | 5,067 | (513) | 1,000 | 13,444 | 18,998 |
| Profit for the financial year representing total comprehensive income for the financial year | | - | - | - | 20,122 | 20,122 |
| Transactions with owners | | | | | | |
| Issuance of ordinary shares | 16 | 18,449 | - | - | - | 18,449 |
| Issuance of ordinary shares pursuant to performance share plan | 16 | 390 | - | - | - | 390 |
| Treasury shares reissued pursuant to performance share plan and employee sign on bonus | 17 | - | 778 | 325 | - | 1,103 |
| Purchase of treasury shares | 17 | - | (431) | - | - | (431) |
| Equity component of convertible bond | 21 | - | - | 249 | - | 249 |
| Dividend paid | 30 | - | - | - | (650) | (650) |
| Total transactions with owners | | 18,839 | 347 | 574 | (650) | 19,110 |
| Balance at 31 December 2025 | | 23,906 | (166) | 1,574 | 32,916 | 58,230 |
| 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 | 16 | 1,800 | - | - | - | 1,800 |
| Issuance of ordinary shares pursuant to performance share plan | 16 | 429 | - | - | - | 429 |
| Purchase of treasury shares | 17 | - | (427) | - | - | (427) |
| Dividend paid | 30 | - | - | - | (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 |

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| Company | Note | Attributable to owners of the Company | | | | Total equity S\$'000 |
|--|------|---------------------------------------|----------------------------|---------------------------|------------------------------|-------------------------|
| | | Share capital S\$'000 | Treasury shares S\$'000 | Other reserves S\$'000 | Retained earnings S\$'000 | |
| Balance at 1 January 2025 | | 5,067 | (513) | 1,000 | 8,904 | 14,458 |
| Profit for the financial year representing total comprehensive income for the financial year | | - | - | - | 652 | 652 |
| Transactions with owners | | | | | | |
| Issuance of ordinary shares | 16 | 18,449 | - | - | - | 18,449 |
| Issuance of ordinary shares pursuant to performance share plan | 16 | 390 | - | - | - | 390 |
| Treasury shares reissued pursuant to performance share plan and employee sign on bonus | 17 | - | 778 | 325 | - | 1,103 |
| Purchase of treasury shares | 17 | - | (431) | - | - | (431) |
| Convertible bonds | 21 | - | - | 249 | - | 249 |
| Dividend paid | 30 | - | - | - | (650) | (650) |
| Total transactions with owners | | 18,839 | 347 | 574 | (650) | 19,110 |
| Balance at 31 December 2025 | | 23,906 | (166) | 1,574 | 8,906 | 34,220 |
| 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 | 16 | 1,800 | - | - | - | 1,800 |
| Issuance of ordinary shares pursuant to performance share plan | 16 | 429 | - | - | - | 429 |
| Purchase of treasury shares | 17 | - | (427) | - | - | (427) |
| Dividend paid | 30 | - | - | - | (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 |

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | 2025 S\$'000 | 2024 S\$'000 |
|---|------|-----------------|-----------------|
| Operating activities | | | |
| Profit before income tax | | 18,314 | 10,394 |
| Adjustments for: | | | |
| Amortisation of intangible assets | 4 | 650 | 267 |
| Depreciation of property, plant and equipment | 5 | 839 | 55 |
| Depreciation of right-of-use assets | 6 | 787 | 287 |
| Property, plant and equipment written off | 5 | 7 | 16 |
| Write back of financial assets | | (257) | – |
| Remeasurement of contingent consideration | 25 | 45 | (176) |
| Fixed deposits interest income | 25 | (226) | (110) |
| Interest expense | 26 | 1,134 | 146 |
| Contract assets written off | 12 | – | 99 |
| Retention receivables written off | 13 | – | 64 |
| Increase in provisions | | | |
| – Provision for onerous contracts | 23 | – | 7 |
| – Provision for unutilised leave | 23 | 2 | – |
| Issuance of ordinary shares – Ever Glory Performance Share Plan (“PSP”) | 16 | 390 | 429 |
| Treasury shares reissuance – PSP and sign on bonus to employee | 17 | 778 | – |
| Share of results of joint arrangements | 9 | – | (1,010) |
| Share of results of associates, net of tax | 8 | (91) | 8 |
| Bargain purchase | 7 | (5,522) | (1,075) |
| Operating cash flows before working capital changes | | 16,850 | 9,401 |
| Working capital changes: | | | |
| Contract assets | | (22,675) | (71) |
| Trade and other receivables | | 26,271 | (7,866) |
| Inventories | | (58) | 61 |
| Prepayments | | (143) | – |
| Trade and other payables | | (6,930) | 7,833 |
| Contract liabilities | | 47 | 180 |
| Provisions | | 194 | (11) |
| Cash generated from operations | | 13,556 | 9,527 |
| Income tax paid | | (3,210) | (99) |
| Income tax refunded | | 40 | 2 |
| Net cash generated from operating activities | | 10,386 | 9,430 |
| Investing activities | | | |
| Interest received | | 207 | 114 |
| Investment in associates | 8 | (312) | (1,050) |
| Investment in joint arrangements | | – | (230) |
| Acquisition of subsidiary, tranche C | 16 | (119) | – |
| Net cash outflow on acquisition of a subsidiary | 7 | (25,086) | (641) |
| Investment in financial asset | 10 | – | (1,251) |
| Return of capital from joint arrangements | | – | 460 |
| Dividend received from joint arrangements | | – | 762 |
| Purchase of intangible assets | 4 | (23) | (20) |
| Purchase of property, plant and equipment | 5 | (109) | (195) |
| Net cash used in investing activities | | (25,442) | (2,051) |

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| | Note | 2025 S\$'000 | 2024 S\$'000 |
|---|------|-----------------|-----------------|
| Financing activities | | | |
| Repayment to director of newly acquired subsidiary | 7 | – | (400) |
| Repayment of principal portion of lease liabilities (Note A) | 19 | (732) | (281) |
| Repayment of interest portion of lease liabilities (Note A) | 19 | (191) | (27) |
| Proceeds from bank borrowings (Note A) | | 38,173 | 7,262 |
| Repayment of bank borrowings (Note A) | | (13,787) | (4,523) |
| Interest paid on bank borrowings (Note A) | | (421) | (98) |
| Increase in fixed deposits pledged | 15 | (503) | (2,228) |
| Purchase of treasury shares | 17 | (431) | (427) |
| Dividends paid | 30 | (650) | (3,034) |
| Proceeds from convertible bond (Note A) | 21 | 5,000 | – |
| Proceeds from placement of ordinary shares | 16 | 17,050 | – |
| Proceeds from public offering of shares | 16 | 1,280 | – |
| Net cash generated from/(used in) financing activities | | 44,788 | (3,756) |
| Net increase in cash and cash equivalents | | 29,732 | 3,623 |
| Cash and cash equivalents at beginning of financial year ⁽ⁱ⁾ | | 9,091 | 5,156 |
| Cash and cash equivalents at end of financial year | 15 | 38,823 | 8,779 |

(i) As disclosed in Note 9, the Group's interests in joint arrangements were previously accounted for as joint ventures using the equity method. Following a reassessment of the contractual arrangements, these interests are accounted for as joint operations prospectively from 1 January 2025 without restating comparatives.

As a result, the Group's share of cash and cash equivalents of the joint operations is included in the cash and cash equivalents balance as at 1 January 2025 and 31 December 2025, whereas the comparative figures do not include such balances. Accordingly, cash and cash equivalents at the beginning of the year as at 1 January 2025 does not reconcile directly to the closing balance as at 31 December 2024. The difference arising from this change is not significant.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note A: Reconciliation of liabilities arising from financing activities:

| | Non-cash changes | | | | | | | | | | |
|-----------------------------|--|------------------|---|--------------------------|--|----------------------------------|---|--|--|--------------------------|----------------------------------|
| | At beginning of financial year S\$'000 | Proceeds S\$'000 | Repayment of principal and interest S\$'000 | Interest expense S\$'000 | Arising from acquisition of a subsidiary S\$'000 | Addition during the year S\$'000 | Modification of lease liability S\$'000 | Derecognition of lease liability S\$'000 | Equity component of convertible bond S\$'000 | Accrued interest S\$'000 | At end of financial year S\$'000 |
| 2025 | | | | | | | | | | | |
| Bank borrowings | 3,995 | 38,173 | (14,208) | 587 | - | - | - | - | - | (169) | 28,378 |
| Lease liabilities (Note 19) | 465 | - | (923) | 191 | 7,367 | 245 | 1,540 | (70) | - | - | 8,815 |
| Convertible bond (Note 21) | - | 5,000 | - | 356 | - | - | - | - | (249) | (299) | 4,808 |
| 2024 | | | | | | | | | | | |
| Bank borrowings | 1,235 | 7,262 | (4,621) | 119 | - | - | - | - | - | - | 3,995 |
| Lease liabilities (Note 19) | 349 | - | (308) | 27 | 148 | - | 249 | - | - | - | 465 |

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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 and transferred to Mainboard of SGX-ST on 29 December 2025.

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

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company 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.

The consolidated financial statements have been prepared on a historical cost basis, except as disclosed in the material accounting policy information in the relevant notes to the financial statements. The consolidated financial statements are presented in Singapore dollar (“**S\$**”) and all values are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Basis of consolidation (continued)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.3 Summary of material accounting policies

(a) Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS (I) 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS (I) 9. Other contingent consideration that is not within the scope of SFRS (I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(b) Investment in subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(c) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate are accounted for using the equity method.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(c) Investment in associates (continued)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(d) Foreign currency transactions and balances

The Group's consolidated financial statements are presented in Singapore dollar, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are measured in the functional currency of the Group's entities and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(e) Intangible assets

Acquired computer software licenses

Acquired computer software licenses are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licenses are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 3 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(e) Intangible assets (continued)

Customer relationships and customer contracts

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. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives between 3 and 5 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(f) Property, plant and equipment

Property, plant and equipment is recognised at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

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:

| | <u>Years</u> |
|----------------------------|---------------|
| Computers | 3 |
| Furniture and fittings | 5 to 10 years |
| Plant and office equipment | 3 to 5 years |
| Renovation | 5 |
| Motor vehicles | 4 to 5 years |
| Building | 25 years |

(g) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(g) Impairment of non-financial assets (continued)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

(h) Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group's joint arrangements are joint operations whereby the parties (the joint operators) that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group recognises, in relation to its interest in the joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

When the Group sells or contributes assets to a joint operation, the Group recognises gains or losses on the sale or contribution of assets that is attributable to the interest of the other joint operators. The Group recognises the full amount of any loss when the sale or contribution of assets provides evidence of a reduction in the net realisable value, or an impairment loss, of those assets.

When the Group purchases assets from a joint operation, it does not recognise its share of the gains and losses until it resells the assets to a third party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of the assets to be purchased or an impairment loss.

The accounting policies of the assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(i) Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVTPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(i) Financial instruments (continued)

(a) Financial assets (continued)

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVTPL, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVTPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Convertible bond (compound financial instrument)

Convertible bond is separated into liability and equity component based on the terms of the contract.

Initial recognition and measurement

On initial recognition, the fair value of the liability component is determined by discounting the contractually determined future cash flows using the prevailing market interest rate for a similar debt instrument. The equity component is recognised as the residual amount, being the difference between the fair value of the convertible bond as a whole and the fair value of the liability component, and is included in equity.

Transaction costs that are directly attributable to the issuance of the convertible bond are allocated to the liability and equity components in proportion to their respective carrying amounts at initial recognition. Transaction costs allocated to the liability component are included in the initial carrying amount of the liability, while transaction costs allocated to the equity component are recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(i) Financial instruments (continued)

(c) Convertible bond (compound financial instrument) (continued)

Subsequent measurement

After initial recognition, the liability component of the convertible bond is subsequently measured at amortised cost using the effective interest method. Interest expense recognised in profit or loss reflects the effective interest rate applied to the carrying amount of the liability component.

The equity component is not remeasured after initial recognition and remains in equity until conversion, expiry or redemption of the convertible bond.

Upon conversion of the convertible bond into ordinary shares, the carrying amount of the liability component and the equity component are transferred to share capital. No gain or loss is recognised on conversion.

(j) Impairment of financial assets

The Group recognises allowance for expected credit losses (“**ECLs**”) for all debt instruments not held at FVTPL. ECLs represent the present value of the difference between the contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted using the original effective interest rate.

For purchased or originated credit-impaired (“**POCI**”) financial assets, the Group recognises an allowance equal to the cumulative changes in lifetime expected credit losses since initial recognition, discounted using the credit-adjusted effective interest rate determined at initial recognition.

The expected cash flows reflect the time value of money, are probability-weighted, and include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, retention receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors’ ability to pay.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(k) Inventories

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The Group provides assurance-type warranties for fixing defects arising from construction contracts within a one-year period, which relate directly to the underlying construction services and are therefore accounted for as part of the main performance obligation rather than as a separate service. Provisions for assurance-type warranty-related costs are recognised when the related product is sold or service is provided, with the initial estimate measured based on historical experience. The estimate of warranty-related costs is reviewed and revised annually to reflect updated expectations.

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.

Provision for onerous contracts

The Group has ongoing construction contracts. A provision for onerous contracts is recognised at the end of the reporting period when it is probable that the unavoidable costs of meeting the obligations under a construction contract will exceed the total construction contract revenue expected to be received from the contract.

The unavoidable costs of a contract represent the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil the contract. The cost of fulfilling a contract comprises costs that relate directly to the contract, including both incremental costs and an allocation of other direct costs incurred in fulfilling the contract. Accordingly, the provision for onerous contracts 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(m) Provisions (continued)

Provision for onerous contracts (continued)

The Group applies significant judgement in estimating the total construction contract costs and the total construction contract revenue. In making these estimates, the Group places reliance on historical experience and estimates provided by internal specialists, taking into account the circumstances and relevant events that were available at the end of the reporting period. Where it is determined that the unavoidable costs of a construction contract exceed the total construction contract revenue, a provision for onerous contracts is recognised immediately.

(n) Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

(o) Employee benefits

(a) Defined contribution plans

The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(p) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(p) Leases (continued)

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> |
|--------------------|---|
| Land | 25 |
| Office premises | 2 to 3 years, or the unexpired lease term, if shorter |
| Motor vehicles | 2 to 3 years, or the unexpired lease term, if shorter |
| Leasehold property | 25 |
| Office equipment | 5 |

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.3(f).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(q) Revenue

Construction contracts

Revenue from construction contracts is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. For these contracts, the Group's performance obligation typically comprises an integrated combination of design, procurement, installation and commissioning activities that together deliver the construction service promised to the customer. Revenue is recognised over time because the Group's performance creates or enhances an asset that the customer controls. In assessing when the performance obligation is satisfied, management considers the customer's rights to the work-in-progress, the fact that work is performed on customer-controlled premises, and the Group's enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(q) Revenue (continued)

Construction contracts (continued)

Management applies significant judgement in determining the measure of progress that best depicts the transfer of control of goods or services to the customer. Depending on the nature of the contract, the Group uses either an input method or an output method. In selecting the appropriate measure of progress, management considers factors including the reliability of cost information, the extent to which costs incurred correlate with the value of work performed, the availability and reliability of customer or quantity surveyor certifications, and whether such certifications faithfully represent the transfer of control to the customer. The selection of the measure of progress affects the timing and amount of revenue recognised, contract assets and contract liabilities, and the assessment of whether contracts are onerous.

Under the input method, revenue is recognised based on the proportion of contract costs incurred to date relative to the estimated total contract costs, as this method most faithfully reflects the Group's performance for construction activities where costs incurred correlate closely with value delivered. Significant judgement is required in estimating total contract costs, including assumptions about labour productivity, subcontractor performance, material pricing, variation orders and site conditions. Under the output method, progress is measured using customer or quantity surveyor certifications reflecting the value of work performed to date. Management exercises judgement in assessing whether such certifications reliably represent the value transferred to the customer for the relevant contract. The customer is invoiced according to milestone based billing schedules. Contract assets arise when revenue recognised exceeds billings to date, while contract liabilities arise when billings exceed revenue recognised. A significant financing component may exist in the Group's construction contracts depending on the length of time between customer payments and the transfer of promised services. The Group applies the practical expedient not to adjust the transaction price for the effects of a significant financing component for contracts where, at contract inception, the period between the transfer of the promised goods or services and customer payment is expected to be one year or less.

Variation orders

Variation orders are accounted for as modifications to the original contract and are recognised as part of the existing performance obligation. The transaction price is updated to reflect the approved variation orders and revenue is recognised on a cumulative catchup basis to the extent that it is highly probable that a significant reversal of revenue will not occur. The Group recognises revenue arising from variation orders only when it is highly probable that the customer will accept the variation orders, taking into consideration the contractual terms, the status of negotiations with the customer, and past experience with similar contracts.

Estimation of total contract costs

Significant judgement is required in estimating the total construction contract costs and the costs to complete construction contracts, which affect the determination of revenue recognised over time and the assessment of whether a contract is onerous. These estimates involve assumptions about, among others, labour costs, material costs, subcontractor performance, project timelines and variations in contract scope.

In making these estimates, management relies on historical experience, current contract terms and forecasts, as well as estimates and inputs from internal specialists, taking into account the circumstances and relevant information available at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(q) Revenue (continued)

Service income

Service revenue comprises revenue from maintenance and car park services.

Revenue from maintenance and car park services is recognised over time as the services are performed and the customer simultaneously receives and consumes the benefits of the Group's performance.

Sale of goods

The Group sells electrical component parts to the customers. Revenue from sale of goods is recognised at a point in time when the Group has delivered the products to the customer, the customer has accepted the products and the collectability of the related receivables is reasonably assured. No element of financing is deemed present as the sales are made with credit terms of 30 days, which is consistent with market practice.

(r) Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets (Note 28) are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(r) Taxes (continued)

(b) Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(c) Goods and services tax

Expenses and assets are recognised net of the amount of goods and services tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(s) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(t) Treasury payments

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

(u) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense (Note 27), together with a corresponding increase in equity, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Summary of material accounting policies (continued)

(u) Share-based payments (continued)

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(v) Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

(w) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

(x) Financial guarantee contracts

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee contract.

Subsequent to initial recognition, financial guarantee contracts are measured at the higher of the amount of expected credit loss and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Adoption of new and amended standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial years beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.5 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

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

Except for SFRS(I) 18, the Directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application. The nature of the impending changes in accounting policy on adoption of SFRS(I) 18 is described below.

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 Presentation and Disclosure in Financial Statements is a new standard that replaces SFRS(I) 1-1 Presentation of Financial Statements. It introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified roles of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of items in the Group's financial statements. The Group is in the process of analysing the new presentation and disclosure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements

In the process of applying the Group's accounting policies, management has made significant judgements in respect to the recognition of revenue (Note 2.3(q)) and deferred income tax (Note 2.3(r)), which have the most significant effect on the amounts recognised in the consolidated financial statements and they are disclosed within these mentioned notes.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Construction contracts

(a) Onerous contracts

The Group conducts critical review of all its long-term construction contracts regularly. Allowance is made where necessary to account for onerous contracts. To determine the total costs, the Group monitors and reviews the progress of all long-term construction contracts, taking into consideration inputs from internal project managers and external customers. Significant judgement has been exercised in estimating these total contract costs to complete as well as in the evaluation of any potential risks and factors which may affect contract price, cost and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

(b) Costs to fulfil construction contract

For construction contract with customers where revenue is recognised over time, the costs incurred during the construction phase are recognised as an asset (i.e. contract costs – fulfilment) only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately. Management has assessed that the contract costs incurred as at 31 December 2025 and 31 December 2024 do not meet the criteria to be capitalised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. INTANGIBLE ASSETS

| Group | Computer software S\$'000 | Customer contracts S\$'000 | Customer relationships S\$'000 | Total S\$'000 |
|--|------------------------------|-------------------------------|-----------------------------------|------------------|
| Cost | | | | |
| Balance at 1 January 2025 | 54 | 569 | 390 | 1,013 |
| Additions from acquisition of a subsidiary (Note 7) | – | 3,276 | – | 3,276 |
| Additions | 23 | – | – | 23 |
| Balance at 31 December 2025 | 77 | 3,845 | 390 | 4,312 |
| Accumulated amortisation | | | | |
| Balance at 1 January 2025 | 24 | 174 | 72 | 270 |
| Amortisation for the financial year | 18 | 554 | 78 | 650 |
| Balance at 31 December 2025 | 42 | 728 | 150 | 920 |
| Net carrying amount | | | | |
| Balance at 31 December 2025 | 35 | 3,117 | 240 | 3,392 |
| Cost | | | | |
| Balance at 1 January 2024 | 13 | – | – | 13 |
| Arising from acquisition of a subsidiary (Note 7) | 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 |

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 2025 and 31 December 2024, there was no such indication.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT

| Group | Computers S\$'000 | Furniture and fittings S\$'000 | Plant and office equipment S\$'000 | Renovation S\$'000 | Motor vehicles S\$'000 | Building S\$'000 | Total S\$'000 |
|--|----------------------|---|---|-----------------------|------------------------------|---------------------|------------------|
| Cost | | | | | | | |
| Balance at 1 January 2025 | 93 | 80 | 80 | 139 | 80 | - | 472 |
| Arising from acquisition of a subsidiary (Note 7) | 376 | 5 | 229 | - | 232 | 19,299 | 20,141 |
| Additions | 55 | - | 7 | 2 | 45 | - | 109 |
| Written off | (2) | - | (6) | (9) | - | - | (17) |
| Balance at 31 December 2025 | 522 | 85 | 310 | 132 | 357 | 19,299 | 20,705 |
| Accumulated depreciation | | | | | | | |
| Balance at 1 January 2025 | 55 | 58 | 32 | 69 | 7 | - | 221 |
| Depreciation for the financial year | 119 | 9 | 64 | 16 | 93 | 538 | 839 |
| Written off | (2) | - | (6) | (2) | - | - | (10) |
| Balance at 31 December 2025 | 172 | 67 | 90 | 83 | 100 | 538 | 1,050 |
| Net carrying amount | | | | | | | |
| Balance at 31 December 2025 | 350 | 18 | 220 | 49 | 257 | 18,761 | 19,655 |

| Group | Computers S\$'000 | Furniture and fittings S\$'000 | Office equipment S\$'000 | Renovation S\$'000 | Motor vehicles S\$'000 | Total S\$'000 |
|---|----------------------|---|--------------------------------|-----------------------|------------------------------|------------------|
| Cost | | | | | | |
| Balance at 1 January 2024 | 72 | 73 | 53 | 87 | - | 285 |
| Arising from acquisition of a subsidiary (Note 7) | - | 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 2025

6. RIGHT-OF-USE ASSETS

| Group | Land S\$'000 | Office premises S\$'000 | Motor vehicles S\$'000 | Leasehold property S\$'000 | Office equipment S\$'000 | Total S\$'000 |
|---|-----------------|-------------------------------|------------------------------|----------------------------------|--------------------------------|------------------|
| Cost | | | | | | |
| Balance at 1 January 2025 | - | 945 | 55 | - | - | 1,000 |
| Arising from acquisition of a subsidiary (Note 7) | 5,701 | - | 202 | 820 | 22 | 6,745 |
| Additions | - | 245 | - | - | - | 245 |
| Lease modification | 1,180 | 360 | - | - | - | 1,540 |
| Derecognition | - | - | - | (203) | - | (203) |
| Balance at 31 December 2025 | 6,881 | 1,550 | 257 | 617 | 22 | 9,327 |
| Accumulated depreciation | | | | | | |
| Balance at 1 January 2025 | - | 500 | 38 | - | - | 538 |
| Depreciation for the financial year | 179 | 291 | 78 | 234 | 5 | 787 |
| Derecognition | - | - | - | (135) | - | (135) |
| Balance at 31 December 2025 | 179 | 791 | 116 | 99 | 5 | 1,190 |
| Net carrying amount | | | | | | |
| Balance at 31 December 2025 | 6,702 | 759 | 141 | 518 | 17 | 8,137 |

| Group | Office premises S\$'000 | Motor vehicle S\$'000 | Office equipment S\$'000 | Total S\$'000 |
|---|-------------------------------|-----------------------------|--------------------------------|------------------|
| Cost | | | | |
| Balance at 1 January 2024 | 598 | - | - | 598 |
| Arising from acquisition of a subsidiary | 98 | 55 | 6 | 159 |
| Additions | 249 | - | - | 249 |
| Reclassification to plant, property and equipment | - | - | (6) | (6) |
| Balance at 31 December 2024 | 945 | 55 | - | 1,000 |
| Accumulated depreciation | | | | |
| Balance at 1 January 2024 | 257 | - | - | 257 |
| Depreciation for the financial year | 243 | 38 | 6 | 287 |
| Reclassification to plant, property and equipment | - | - | (6) | (6) |
| Balance at end of the financial year | 500 | 38 | - | 538 |
| Net carrying amount | | | | |
| Balance at end of the financial year | 445 | 17 | - | 462 |

7. INVESTMENT IN SUBSIDIARIES

| | Company | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Unquoted equity shares, at cost | 51,293 | 5,841 |
| Deemed investment in a subsidiary | 3,038 | 615 |
| | 54,331 | 6,456 |
| Movements in unquoted equity shares, at cost: | | |
| Balance at beginning of the financial year | 5,841 | 1,010 |
| Additions | - | 500 |
| Acquisition of a subsidiary | 45,452 | 4,331 |
| Balance at end of the financial year | 51,293 | 5,841 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The deemed investment in a subsidiary relates to the equity funding extended to the subsidiary where the repayment is based on the subsidiary's activities.

The details of subsidiaries are as follow:

| Name of subsidiaries | Principal place of business | Principal activities | Proportion of ownership interest held by the Company | |
|----------------------------------|-----------------------------|--|--|-----------|
| | | | 2025 % | 2024 % |
| Sunbeam M&E Pte. Ltd. | Singapore | Building construction (specialised in mechanical and electrical engineering) | 100 | 100 |
| Ever Capital Pte. Ltd. | Singapore | Real estate development | 100 | 100 |
| Fire-Guard Engineering Pte. Ltd. | Singapore | Building construction (specialised in fire protection) | 100 | 100 |
| Guthrie Engineering (S) Pte Ltd | Singapore | Building construction (specialised in mechanical and electrical engineering) | 100 | – |

Acquisition of subsidiary in 2025

On 8 April 2025, the Company entered into a sale and purchase agreement to acquire the entire equity interest of Guthrie Engineering (S) Pte Ltd (“**GE**”) for a consideration of approximately S\$46,034,000. The consideration shall be paid in 2 tranches as follows:

- (i) Tranche A: S\$32,534,000 cash consideration was settled during the financial year;
- (ii) Tranche B: Cash consideration of S\$13,500,000 that is payable on 15 April 2026;

The Company acquired GE to expand its mechanical and engineering (“M&E”) business operations. GE's track record enables the Group to undertake more infrastructure projects, and with the ancillary businesses serving as a gateway to allow the Company to expand into switchboard and other manufacturing, it further strengthens the Company's engineering and manufacturing capabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiary in 2025 (continued)

Accounting of the acquisition of GE

The fair value of the identifiable assets and liabilities of the subsidiary acquired as at the acquisition date were:

| | Fair value recognised on acquisition S\$'000 |
|---|---|
| Property, plant and equipment (Note 5) | 20,141 |
| Right-of-use assets (Note 6) | 6,745 |
| Investment in associate (Note 8) | 7,351 |
| Intangible assets (Note 4) | 3,276 |
| Inventories | 13 |
| Contract assets | 6,200 |
| Trade and other receivables | 40,391 |
| Cash and bank balances | 7,448 |
| Other current assets | 10,153 |
| | <hr/> |
| | 101,718 |
| | <hr/> |
| Contract liabilities | (5,629) |
| Trade and other payables | (31,702) |
| Lease liabilities | (7,367) |
| Provisions | (2,582) |
| Deferred tax liabilities | (3,464) |
| | <hr/> |
| | (50,744) |
| | <hr/> |
| Total identifiable net assets at fair value | 50,974 |
| Bargain purchase | (5,522) |
| | <hr/> |
| Total consideration at fair value | <u>45,452</u> |

At the acquisition date, the gross contractual amount of trade and other receivables (mainly trade receivables and retention receivables) amounted to S\$41,063,000 and a related expected credit loss of S\$672,000 was recorded for trade receivables.

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. The Group recognised a bargain purchase of S\$5,522,000 arising from the acquisition of GE.

The bargain purchase arose because the acquisition was concluded at a consideration below the fair value of the identifiable net assets acquired, primarily due to the previous owners' intention to exit the business expediently under prevailing market conditions at the acquisition date. In addition, certain identifiable assets were measured at fair value upon acquisition, resulting in an uplift compared to their carrying values prior to the acquisition. Management has reassessed the identification and measurement of the acquired assets and liabilities and confirmed that the resulting gain represents a bargain purchase in accordance with SFRS(I) 3.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiary in 2025 (continued)

Accounting of the acquisition of GE (continued)

The total consideration at fair value is derived from the cash paid during the year amounted to S\$32,534,000 (Tranche A) and the remaining payment of S\$13,500,000 (Tranche B) is discounted to its present value (S\$12,918,000) as at the acquisition date.

Transaction costs related to the acquisition of subsidiary amounting to S\$1,277,000 have been recognised in “general and administrative expenses” (Note 27) in the Group’s profit or loss.

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

| | |
|---------------------------------------|------------------------|
| | 2025 |
| | S\$'000 |
| Cash paid | (32,534) |
| Net cash acquired with the subsidiary | 7,448 |
| Net cash outflow on acquisition | <u>(25,086)</u> |

The fair value adjustments to contract assets and trade and other payables arose from discounting these balances to their present value as they are non-current in nature.

Impact of the acquisition on profit or loss

From the acquisition date on 1 July 2025, GE has contributed S\$54,467,000 of revenue and S\$5,222,000 to the Group’s profit after tax. If the business combination had taken place at the beginning of the year, the Group’s revenue would have been S\$180,758,000 and the Group’s profit after tax would have been S\$19,002,000.

Acquisition of subsidiary in 2024

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. (“**FG**”) for a consideration of approximately S\$4,331,000. The consideration shall be paid in 3 tranches as follows:

- (i) Tranche A: S\$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 S\$1,854,000;
- (iii) Tranche C: Cash and shares consideration with fair value of approximately S\$827,000, subject to achieving certain profit levels by FG 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Acquisition of subsidiary in 2024 (continued)

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

Transaction costs related to the acquisition of subsidiary amounting to S\$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 16) | 1,800 |
| Provision for contingent consideration assumed in business combination (Note 23) | 731 |
| Total purchase consideration | <u>4,331</u> |

The fair values of the identifiable assets and liabilities of FG 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 | <u>8,699</u> |
| Trade and other payables | (2,532) |
| Contract liabilities | (50) |
| Lease liabilities | (148) |
| Amount due to directors | (400) |
| Deferred tax liabilities | (163) |
| Total liabilities | <u>(3,293)</u> |
| Net identifiable assets at fair value | 5,406 |
| Less: Bargain purchase from the acquisition | (1,075) |
| Total purchase consideration | <u>4,331</u> |

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.

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

| | 2024 S\$'000 |
|---------------------------------------|-------------------------------|
| Cash paid | (1,800) |
| Net cash acquired with the subsidiary | 1,159 |
| Net cash outflow from acquisition | <u>(641)</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. INVESTMENT IN ASSOCIATES

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Equity investment at cost | 7,601 | 250 |
| Deemed investment in an associate | 1,532 | 1,220 |
| Share of results of associates, net of tax | 83 | (8) |
| | 9,216 | 1,462 |
| Balance at beginning of the financial year | 1,462 | 420 |
| Arising from acquisition of subsidiary (Note 7) | 7,351 | – |
| Deemed investment in an associate during the year | 312 | 1,050 |
| Share of results of associates, net of tax | 91 | (8) |
| Balance at end of the financial year | 9,216 | 1,462 |

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 | |
|---|-----------------------------|---|--|-----------|
| | | | 2025 % | 2024 % |
| Held through Ever Capital Pte. Ltd. | | | | |
| Primest Land V1 Pte. Ltd. ("PLV1") | Singapore | Other holding companies (Property development) | 25 | 25 |
| Held through Guthrie Engineering (S) Pte Ltd | | | | |
| Tek Guthrie Pte Ltd ("TG") | Singapore | Manufacturing of moulds, tools, and dies and metal stamping | 36.87 | – |

The results of PLV1 and TG 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 and TG.

As at 31 December 2024, the advances provided to PLV1 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. On 31 October 2025, the Group has agreed to waive the interest previously imposed on the advances to the associate.

Summarised financial information of PLV1

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 | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Share of loss before tax | (21) | (8) |
| Share of loss after tax | (21) | (8) |
| Share of total comprehensive income | (21) | (8) |
| Aggregate net carrying amount of the Group's interest in the associate | 1,753 | 1,462 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. INVESTMENT IN ASSOCIATES (CONTINUED)

The summarised financial information in respect of PLV1 and a reconciliation of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Current assets | 311 | 28 |
| Non-current assets | 19,954 | 19,034 |
| Current liabilities | (379) | – |
| Non-current liabilities | (19,001) | (18,097) |
| Proportion of the Group's ownership | 25% | 25% |
| Group's share of net assets | 221 | 242 |
| Deemed investment arising from advances to associate | 1,532 | 1,220 |
| Carrying value of Group's interest in an associate | <u>1,753</u> | <u>1,462</u> |

Summarised statement of comprehensive income

| | Group | |
|-------------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Revenue | – | – |
| Other income | – | * |
| Other expenses | (82) | (34) |
| Profit before tax | <u>(82)</u> | <u>(34)</u> |

* Amount is less than S\$1,000

Capital commitments

As at 31 December 2025, the Group has capital commitment of S\$1,218,000 (2024: S\$1,530,000) that has been contracted for but not provided for in the financial statements. The capital committed will serve as funds for PLV1 to develop the land acquired.

Summarised financial information of TG

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 2025 S\$'000 |
|--|--------------------------|
| Share of profit before tax | 112 |
| Share of profit after tax | 112 |
| Share of total comprehensive income | 112 |
| Aggregate net carrying amount of the Group's interest in the associate | <u>7,463</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. INVESTMENT IN ASSOCIATES (CONTINUED)

Capital commitments (continued)

Summarised financial information of TG (continued)

The summarised financial information in respect of TG and a reconciliation of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

| | Group 2025 S\$'000 |
|--|-----------------------------------|
| Current assets | 10,617 |
| Non-current assets | 11,300 |
| Current liabilities | (1,676) |
| Proportion of the Group's ownership | 36.87% |
| Group's share of net assets | 7,463 |
| Carrying value of Group's interest in an associate | 7,463 |

Summarised statement of comprehensive income

| | Group 2025 S\$'000 |
|-------------------|-----------------------------------|
| Revenue | 2,751 |
| Cost of sales | (2,076) |
| Other income | 137 |
| Other expenses | (507) |
| Profit before tax | 305 |

9. INVESTMENT IN JOINT ARRANGEMENTS

| | Group | |
|--|-------------------------|-------------------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Share of results of joint arrangements, net of tax | - | 1,086 |
| Dividend received | - | (762) |
| | - | 324 |

Sunley M&E Engineering Pte Ltd and Sunbeam M&E Pte Ltd formed joint arrangements for Orange Grove Hotel, IQuest and SoDrama projects to develop a hotel building, business park building and media production building in Singapore.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. INVESTMENT IN JOINT ARRANGEMENTS (CONTINUED)

The Group's interests in these joint arrangements were previously classified and accounted for as joint ventures using the equity method. Following a reassessment of the contractual arrangements, the Group has classified these arrangements as joint operations.

In determining the classification of these arrangements as joint operations, management exercised judgement, including an assessment of the structure of the arrangements, the legal form of the arrangements, and the terms of the contractual agreements. In particular, the arrangements are not structured through a separate vehicle, and based on the relevant agreements, the Group has direct rights to the assets and obligations for the liabilities relating to the construction projects of these joint arrangements. Accordingly, the Group recognises its share of the assets, liabilities, revenue and expenses arising from the joint operations.

The revised classification and accounting treatment have been applied prospectively from 1 January 2025 and the comparative information for the year ended 31 December 2024 has not been restated. The Group assessed that restating the comparative information would not have a material effect on the Group's financial statements for the current reporting period.

Joint operations

Set out below are the joint operations of the Group.

| Name of joint operation | Principal place of business | Principal activities | Proportion of ownership interest held by the Group | |
|--|-----------------------------|-----------------------|--|-----------|
| | | | 2025 % | 2024 % |
| Sunley M&E Engineering Pte Ltd and Sunbeam M&E Pte Ltd – Project Orange Grove Hotel (“ OGH ”) | Singapore | Building Construction | 50 | 50 |
| Sunley M&E Engineering Pte Ltd and Sunbeam M&E Pte Ltd – Project International Business Park (“ IQuest ”) | Singapore | Building Construction | 50 | 50 |
| Sunley M&E Engineering Pte Ltd and Sunbeam M&E Pte Ltd – Project Media Production (“ SoDrama ”) | Singapore | Building Construction | 50 | 50 |

The following amounts represent the Group's 50% share of the assets and liabilities and income and expenses of the joint operations.

| | 2025 S\$'000 | 2024 S\$'000 |
|--|-----------------|-----------------|
| Current assets | 1,626 | 1,486 |
| Current liabilities | (762) | (1,052) |
| Non-current liabilities | (135) | – |
| Net assets | 729 | 434 |
| Revenue | 9,026 | 5,302 |
| Cost of sales | (5,150) | (3,820) |
| Profit before tax | 3,876 | 1,482 |
| Profit after tax | 3,878 | 1,286 |
| Proportionate interest joint operations' capital commitments | 50% | 50% |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. FINANCIAL ASSETS AT FVOCI/LOAN RECEIVABLES AT FVTPL

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Unquoted equity shares – financial assets at FVOCI | 1 | 1 |
| Loan receivables at FVTPL | 1,250 | 1,250 |
| Fair value adjustment | (31) | – |
| | 1,219 | 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 Baywood 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.

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**"). As at 31 December 2025, management has assessed the fair value of the loan receivables based on method described in Note 34(d).

The financial assets are denominated in Singapore dollar.

11. INVENTORIES

| | Group | |
|---------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Raw materials | 147 | 75 |

The cost of inventories recognised as an expense and included in "Cost of sales" line item in profit or loss was approximately S\$398,918 (2024: S\$378,000).

12. CONTRACT ASSETS AND CONTRACT LIABILITIES

| | Group | | |
|---|-----------------|-----------------|---------------------------|
| | 2025 S\$'000 | 2024 S\$'000 | 1 January 2024 S\$'000 |
| Contract assets – construction contracts | 39,767 | 10,509 | 8,205 |
| Contract liabilities – construction contracts | 6,982 | 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

a) Significant changes in the contract assets are explained as follows:

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Contract assets reclassified to trade receivables | (10,509) | 8,205 |
| Excess of revenue recognised over cash (or rights to cash) | 30,570 | 11,737 |
| Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability | 2,996 | (1,168) |
| Arising from acquisition of a subsidiary | <u>6,200</u> | <u>–</u> |

b) Significant changes in the contract liabilities are explained as follows:

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Revenue recognised that was included in the contract liabilities balance at the beginning of the financial year | 1,070 | 840 |
| Increase due to cash received, excluding amounts recognised as revenue during the financial year | 717 | (159) |
| Cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability | (2,070) | (912) |
| Arising from acquisition of a subsidiary | <u>(5,629)</u> | <u>–</u> |

c) Remaining performance obligations

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December | | |
| – Arising from the subsidiaries | 712,071 | 101,154 |
| – Arising from joint arrangements (Note 9) | 11,791 | – [^] |
| | <u>723,862</u> | <u>101,154</u> |

[^] As explained in Note 9, the Group reassessed its interests in the joint arrangements during the current year and accounted for them as joint operations instead of joint ventures prospectively. Accordingly, the comparative amount relating to the joint arrangements as at 31 December 2024 is presented as S\$Nil and does not reflect the amount of \$20,817,000 that arose from the joint arrangements.

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 constrained and therefore is not included in the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. TRADE AND OTHER RECEIVABLES

Management expects that the aggregate amount of the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations as of 31 December 2025 will be recognised as revenue as the Group continue to fulfil the performance obligations over the remaining contract life up till the year 2043 (2024: 2028). The timing of revenue recognition varies across projects depending on the nature, complexity and duration of the works, and is influenced by project milestones, customer approvals and site conditions. The amount disclosed above does not include variable consideration which is subject to significant risk of reversal.

| | Group | | Company | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Non-current | | | | |
| Other receivables – subsidiary | – | – | – | 2,221 |
| Deposits | 100 | 100 | – | – |
| | 100 | 100 | – | 2,221 |
| Current | | | | |
| Trade receivables | | | | |
| – third parties | 15,469 | 8,044 | – | – |
| – related parties | 1,165 | 1,824 | – | – |
| Accrued receivables | 658 | 31 | – | – |
| | 17,292 | 9,899 | – | – |
| Less: Allowance for impairment of receivables | | | | |
| – third parties | (449) | (64) | – | – |
| | 16,843 | 9,835 | – | – |
| Retention receivables | | | | |
| – third parties | 18,133 | 8,668 | – | – |
| – related parties | 1,098 | 545 | – | – |
| | 19,231 | 9,213 | – | – |
| Other receivables | | | | |
| – third parties | 31 | – | – | – |
| – subsidiaries | – | – | 2,989 | – |
| – related party | 54 | 43 | – | – |
| Loan to a subsidiary | – | – | 2,000 | 2,000 |
| Interest receivables from fixed deposits | 54 | 35 | 54 | 31 |
| Dividend receivables | – | – | 1,056 | 3,300 |
| Deposits | 1,066 | 956 | 1 | – |
| Goods and services tax recoverable | 163 | – | – | – |
| | 1,368 | 1,034 | 6,100 | 5,331 |
| | 37,442 | 20,082 | 6,100 | 5,331 |
| Total current and non-current | 37,542 | 20,182 | 6,100 | 7,552 |

As at 31 December 2024, 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% per annum at the end of the reporting period. During the financial year ended 31 December 2025, the Company has agreed to not recall all non-current amount due from the subsidiary and treat it as an equity funding. Consequently, the Company has reclassified the amount to deemed investment in subsidiary as at 31 December 2025 (Note 7).

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Accrued trade receivables are additions and alteration works that have been performed but not yet billed by the Company. The accrued trade receivables will be reclassified to trade receivables once the rights to consideration become unconditional. The balances as at 31 December 2024 has been fully transferred to trade receivables during the financial year.

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.

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

Trade receivables are subject to the lifetime expected credit loss (ECL) model under the simplified approach in SFRS(I) 9. The Group assesses ECLs by applying historical loss rates to ageing brackets, adjusted for forward-looking information that may affect customers' ability to settle outstanding balances. In developing the loss rates, the Group considers past default patterns, current credit profiles of customers, and macroeconomic factors relevant to the industry.

The Group recognises lifetime ECL for:

- individually significant customers, based on specific credit assessments; and
- other customers on a collective basis, using an ageing-based provision matrix.

Balances are written off when there is no reasonable expectation of recovery, taking into account the customer's financial position, project status and past payment behaviour. Subsequent recoveries are recognised in profit or loss.

At the end of the reporting period, the ageing profile of trade receivables and the associated loss allowance are as follows:

| Group | Expected credit loss rate* | Gross carrying amount S\$'000 | Loss allowance on receivables S\$'000 | Net carrying amount S\$'000 |
|---------------------------|----------------------------------|--|--|--------------------------------------|
| 2025 | | | | |
| Not past due | 0% | 10,576 | - | 10,576 |
| Past due 1 – 30 days | 0% | 2,021 | - | 2,021 |
| Past due 31 – 60 days | 0% | 1,096 | - | 1,096 |
| Past due 61 – 90 days | 0% | 140 | - | 140 |
| Past due over 90 days | 13% | 2,709 | (357) | 2,352 |
| | | 16,542 | (357) | 16,185 |
| Credit impaired customers | | 92 | (92) | - |
| | | 16,634 | (449) | 16,185 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Loss allowance (continued)

Trade receivables (continued)

| Group | Expected credit loss rate* | Gross carrying amount S\$'000 | Loss allowance on receivables S\$'000 | Net carrying amount S\$'000 |
|---------------------------|----------------------------|-------------------------------|---------------------------------------|-----------------------------|
| 2024 | | | | |
| Not past due | 0% | 7,506 | – | 7,506 |
| Past due 1 – 30 days | 0% | 415 | – | 415 |
| Past due 31 – 60 days | 0% | 472 | – | 472 |
| Past due 61 – 90 days | 0% | 268 | – | 268 |
| Past due over 90 days | 0% | 1,143 | – | 1,143 |
| | | 9,804 | – | 9,804 |
| Credit impaired customers | | 64 | (64) | – |
| | | 9,868 | (64) | 9,804 |

* The credit loss rates disclosed have been rounded to the nearest percentage.

Retention receivables

Retention receivables arise from construction contracts and are measured using the lifetime expected credit loss (ECL) model under the simplified approach in SFRS(I) 9. The Group monitors key retention balances individually as part of its credit-risk management process and estimates ECLs using historical loss rates adjusted for forward-looking information relevant to the construction industry. The assessment considers historical recovery patterns, the credit quality of customers, and the status of the underlying projects, including any disputes or delays that may affect recoverability.

Retention amounts are typically recoverable only upon completion of project milestones or defect-liability periods, and this extended collection cycle is incorporated into the Group's ECL assessment. Based on this methodology, the loss allowance for retention receivables as at 31 December 2025 and 2024 was not material. Retention receivables of S\$Nil (2024: S\$64,000) were written off during the year due to no reasonable expectation of recovery.

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.

Movement in allowance for expected credit losses for trade receivables are set out as follows:

| | Group | | Company | |
|---|--------------|--------------|--------------|--------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Balance at beginning of the financial year | 64 | – | – | – |
| Arising from acquisition of subsidiary (Note 7) | 78 | – | – | – |
| Loss allowance recognised in profit or loss | 307 | 64 | – | – |
| Balance at end of the financial year | 449 | 64 | – | – |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Loss allowance (continued)

Non-trade receivables from subsidiaries and related parties (continued)

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.

14. OTHER CURRENT ASSETS

| | Group | | Company | |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Prepayments | 167 | 24 | 26 | 24 |
| Advance payments to suppliers | 8,464 | 365 | - | - |
| | 8,631 | 389 | 26 | 24 |

Advance payments to suppliers relate to the payments made in advance to subcontractors for the subcontractor works and payment for purchase of equipment for the project.

15. CASH, BANK BALANCES AND FIXED DEPOSITS

| | Group | | Company | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Cash on hand | 8 | * | - | - |
| Bank balances | 23,172 | 7,177 | 6,667 | 195 |
| Fixed deposits | 19,874 | 5,330 | 14,213 | 4,602 |
| | 43,054 | 12,507 | 20,880 | 4,797 |
| Less: deposits pledged to banks as security | (4,231) | (3,728) | | |
| Cash and cash equivalents for the consolidated statement of cash flows | 38,823 | 8,779 | | |

* Amount is less than S\$1,000

Fixed deposits are placed for a period of 12 months, with interest rate ranging from 0.34% to 3.10% (2024: 1.31% to 3.10%) 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 2025, the Company's fixed deposits amounting to approximately S\$4,231,000 (2024: S\$3,728,000) were pledged to the banks as security for banking facilities and guarantee for construction contract (Note 19).

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. SHARE CAPITAL

| | Group | | Company | |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Issued and fully-paid ordinary shares | 23,906 | 5,067 | 23,906 | 5,067 |

| | Group | | Company | |
|---|-----------------------------|---------------|-----------------------------|---------------|
| | Number of shares '000 | S\$'000 | Number of shares '000 | S\$'000 |
| 2025 | | | | |
| Issued and paid up: | | | | |
| Balance at 1 January 2025 | 261,580 | 5,067 | 261,580 | 5,067 |
| Issuance of new ordinary shares pursuant to the bonus issue ⁽ⁱ⁾ | 86,636 | – | 86,636 | – |
| Issuance of shares pursuant to the acquisition of a subsidiary ⁽ⁱⁱ⁾ | 297 | 119 | 297 | 119 |
| Issuance of ordinary shares pursuant to the placement ⁽ⁱⁱⁱ⁾ | 31,000 | 17,050 | 31,000 | 17,050 |
| Issuance of new ordinary shares pursuant to an initial public offering exercise ^(iv) | 2,000 | 1,280 | 2,000 | 1,280 |
| Issuance of shares pursuant to the performance share plan (“PSP”) ^(v) | 476 | 390 | 476 | 390 |
| Balance at 31 December 2025 | 381,989 | 23,906 | 381,989 | 23,906 |
| 2024 | | | | |
| Issued and paid up: | | | | |
| Balance at 1 January 2024 | 169,400 | 2,838 | 169,400 | 2,838 |
| Issuance of new ordinary shares pursuant to the bonus issue ^(vi) | 86,608 | – | 86,608 | – |
| Issuance of shares pursuant to the acquisition of subsidiary ⁽ⁱⁱ⁾ | 4,500 | 1,800 | 4,500 | 1,800 |
| Issuance of shares pursuant to the performance share plan (“PSP”) ^(v) | 1,072 | 429 | 1,072 | 429 |
| Balance at 31 December 2024 | 261,580 | 5,067 | 261,580 | 5,067 |

(i) On 10 April 2025, the Company allotted and issued 86,635,750 ordinary shares pursuant to a bonus issue exercise on the basis of one bonus share credited as fully paid for every three (3) existing ordinary shares held by the shareholders of the Company (the “**Bonus Issue**”).

(ii) On 4 June 2024, 19 August 2024 and 21 April 2025, the Company allotted and issued 4,125,000, 375,000 and 296,724 ordinary shares respectively as partial consideration for the acquisition of Fire-Guard Engineering Pte Ltd (“**FG**”).

(iii) On 2 September 2025, the Company allotted and issued 31,000,000 ordinary shares pursuant to Placement based on S\$0.55 per share.

(iv) On 18 December 2025, the Company allotted and issued 2,000,000 ordinary shares pursuant to the Public Offer at S\$0.64 per share.

(v) On 13 August 2024 and 26 December 2025, the Company allotted and issued 1,072,300 and 475,600 ordinary shares of the Company pursuant to the PSP at S\$0.40 and S\$0.82 per share respectively.

(vi) On 28 June 2024, the Company allotted and issued 86,608,349 ordinary shares pursuant to a bonus share issuance exercise on the basis of one bonus share credited as fully paid for every two (2) existing ordinary shares held by the shareholders of 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.

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17. TREASURY SHARES

| | Group and Company | | | |
|--|-----------------------|------------|-----------------------|---------|
| | 2025 | | 2024 | |
| | Number of shares '000 | S\$'000 | Number of shares '000 | S\$'000 |
| Balance at beginning of financial year | 1,334 | 513 | 242 | 86 |
| Repurchased during the financial year | 1,094 | 431 | 1,092 | 427 |
| Issuance of shares pursuant to PSP | (1,551) | (610) | – | – |
| Issuance sign on bonus to employee | (431) | (168) | – | – |
| Balance at end of financial year | 446 | 166 | 1,334 | 513 |

During the financial year, the Company acquired 1,094,000 (2024: 1,091,800) of its own shares through purchases in the open market. The total amount paid to repurchase the shares was approximately S\$431,000 (2024: S\$427,000) and has been presented as a component within shareholders' equity.

18. OTHER RESERVE

Group and Company

During the year ended 31 December 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.

On 2 April 2025, the Company issued convertible bond (Note 21). The equity component of S\$248,685 represents the value of the conversion option granted to bondholders to convert the bonds into ordinary shares of the Company. This amount is recognised in other reserve and will not be remeasured subsequently. Upon conversion of the convertible bonds, the related balance in the equity component of convertible bonds reserve will be transferred to share capital.

During the year ended 31 December 2025, the other reserves also included the difference arising from the purchase cost of treasury shares and reissuance price of treasury shares of S\$325,307.

19. LEASE LIABILITIES

(i) Lessee

Nature of the Group's leasing activities

Leasehold land, leasehold property and office premises

The Group makes monthly lease payments for the leasehold land, leasehold properties and office premises. The leasehold land is used for the purpose of the Group's operation.

Motor vehicles and equipment

The Company leases motor vehicles and equipment to render logistic services and plotting services for the Group's operation. The lease arrangements prohibit the Group from subleasing the equipment to third parties.

There are no externally imposed covenants on these lease arrangements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. LEASE LIABILITIES (CONTINUED)

(i) Lessee (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Balance at beginning of financial year | 465 | 349 |
| Arising from acquisition of a subsidiary | 7,367 | 148 |
| Additions | 245 | – |
| Lease modifications | 1,540 | 249 |
| Derecognition of lease liability | (70) | – |
| Interest expense | 191 | 27 |
| Lease payments | | |
| – Principal portion | (732) | (281) |
| – Interest portion | (191) | (27) |
| Balance at end of the financial year | 8,815 | 465 |

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

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Contractual undiscounted cash flows | | |
| Within one financial year | 1,513 | 262 |
| After one financial year but within five financial years | 10,347 | 227 |
| | 11,860 | 489 |
| Less: Future interest expense | (3,045) | (24) |
| Present value of lease liabilities | 8,815 | 465 |

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Presented in consolidated statement of financial position | | |
| Current | 1,171 | 247 |
| Non-current | 7,644 | 218 |
| | 8,815 | 465 |

The following are the amounts recognised in profit or loss:

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Depreciation expense of right-of-use assets (Note 6) | 787 | 287 |
| Interest expense on lease liabilities (Note 26) | 191 | 27 |
| Expense relating to short-term leases (included in cost of sales) (Note 27) | 606 | 588 |
| Total amount recognised in profit or loss | 1,584 | 902 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. LEASE LIABILITIES (CONTINUED)

(i) Lessee (continued)

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\$1,529,000 (2024: S\$896,000) for the financial year ended 31 December 2025.

As at 31 December 2025, the incremental borrowing rates applied were ranging from 4.25% to 5.50% (2024: 4.25% to 5.50%). All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The lease for a dormitory contains an extension period, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise the extension option. The Group negotiates extension options to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

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

(ii) Lessor

Nature of the Group's leasing activities – Group as an intermediate lessor

Sub-leases – classified as operating leases

The Group acts as an intermediate lessor under arrangements in which it sub-leases out part of its office spaces to its subsidiary and third parties for monthly lease payments. The sub-lease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as operating leases.

Income from sub-leasing the office spaces recognised during the financial year was S\$240,805.

Undiscounted lease payments to be received by the Group for its leases and sub-leases after the reporting date are as follows:

| | 2025 \$'000 |
|-----------------------------------|------------------------------|
| Less than one year | 277 |
| One to two years | 135 |
| Total undiscounted lease payments | 412 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. BANK BORROWINGS

| | Group | | Company | |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Non-current | | | | |
| Term loan | 19,550 | – | 19,550 | – |
| Temporary bridging loan II | 44 | 130 | – | – |
| | 19,594 | 130 | 19,550 | – |
| Current | | | | |
| Term loan | 4,675 | – | 4,675 | – |
| Temporary bridging loan I | – | 86 | – | – |
| Temporary bridging loan II | 85 | 82 | – | – |
| Trust receipts | 3,374 | 2,997 | – | – |
| Revolving credit facilities | 650 | 700 | – | – |
| | 8,784 | 3,865 | 4,675 | – |
| | 28,378 | 3,995 | 24,225 | – |

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% (2024: 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 utilises trust receipt facilities as part of a supplier finance arrangement, whereby a finance provider pays subcontractor invoices on behalf of the Group and the Group settles the resulting liability at a later date. These arrangements provide extended payment terms relative to normal subcontractor credit terms. Trust receipt liabilities are repayable within 120 days (2024: 120 days) and bear interest at 2.31% to 4.76% per annum (2024: 4.09% to 4.76%).

As at 31 December 2025, the carrying amount of financial liabilities arising from these arrangements was S\$3,374,000 (2024: S\$2,997,000), presented within bank borrowings. Of this amount, S\$3,374,000 (2024: S\$2,997,000) relates to invoices for which the finance provider had already made payment to subcontractors.

Payment due dates for these liabilities range from 92 to 122 days after invoice date, compared with 30 to 90 days for comparable trade payables that are not part of a supplier finance arrangement.

Non-cash movements during the year include interest accruals.

During the financial year, the Group entered into revolving credit facilities amounting to \$1,000,000 (2024: S\$1,000,000) 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\$1,500,000 (2024: S\$2,500,000) 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\$1,000,000. Both trusts receipts and revolving credit facilities are subject to financial covenants imposed by the banks, whereby the Group is required to meet certain key financial ratios. The covenants are tested at the end of each financial year until the maturity of the trusts receipts and revolving credit facilities. The Group has no indication that it will have difficulty complying with the covenants.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. BANK BORROWINGS (CONTINUED)

Trust receipts and revolving credit facilities (continued)

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 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. As at 31 December 2025, the subsidiary is in compliance with the covenants set out in the banking facility letter which comprise obtaining the bank's consent prior to dividend declaration to its shareholders and to maintain at least 50% utilisation rate for the facility.

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.

Term loan

The term loan is repayable within 60 months from the date of first drawn down and the average effective interest rate was 3.7% to 4.0% per annum.

The term loan of the Group is secured by corporate guarantees by GE and fixed deposits amounted to S\$1,500,000. The term loan is subject to financial covenants imposed by the bank, whereby the Group is required to meet certain key financial ratios, relating to tangible net assets, debt service coverage and leverage ratios. The covenants are tested at the end of each financial year until the maturity of the trusts receipts and revolving credit facilities. The Group has no indication that it will have difficulty complying with the covenants.

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

| | 2025 | 2024 |
|---------------------|----------------|----------------|
| | S\$'000 | S\$'000 |
| Facilities granted | 160,200 | 12,900 |
| Facilities utilised | 91,291 | 7,576 |

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

21. CONVERTIBLE BOND

On 2 April 2025, the Company issued 8% convertible bond of S\$5,000,000. The bonds are due for repayment three years from the issue date or conversion into 17,241,362 ordinary shares, at any time on or after the first anniversary of the issue date (the "Conversion Period Start Date") up to the close of business on the date falling seven calendar days after the Conversion Period Start Date (both days inclusive) at the bond holders option. The convertible bond bears interest commencing from issuance date at the rate of 8% per annum, payable semi-annually in arrears on 30 June and 31 December each year.

The convertible bond is classified as non-current liability because the equity conversion option has been classified as an equity instrument and recognised separately in other reserves (Note 19).

The fair value of the liability component, included in non-current liability, is calculated using a market interest rate 10% for an equivalent non-convertible bond at the date of issue. The residual amount, representing the value of the equity conversion component, is included in other reserves (Note 19).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. CONVERTIBLE BOND (CONTINUED)

The carrying amount of the liability component of the convertible bonds at the balance sheet date is derived as follows:

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Face value of convertible bonds at issuance | 5,000 | – |
| Equity conversion component on initial recognition | (249) | – |
| Liability component on initial recognition | 4,751 | – |
| Accumulated amortisation of interest expense (Note 26) | 356 | – |
| Accumulated interest payables (Note 22) | (299) | – |
| Liability component at end of financial period | 4,808 | – |

22. TRADE AND OTHER PAYABLES

| | Group | | Company | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Current | | | | |
| Trade payables | | | | |
| – third parties | 14,142 | 9,489 | – | – |
| – related parties | 54 | 21 | – | – |
| Accruals for project costs | 13,317 | 3,911 | – | – |
| | 27,513 | 13,421 | – | – |
| Retention payables | | | | |
| – third parties | 12,888 | 3,767 | – | – |
| | 40,401 | 17,188 | – | – |
| Other payables | | | | |
| – third parties | 590 | 172 | 410 | 125 |
| – subsidiary | – | – | 2,596 | 2,994 |
| Advance payments | 223 | 6 | – | – |
| Amounts collected on behalf of a customer | 1,508 | – | – | – |
| Accrued expenses | 4,734 | 1,433 | 639 | 420 |
| Interest payable for convertible bond (Note 21) | 299 | – | 299 | – |
| Deferred consideration (Note 7) | 13,277 | – | 13,277 | – |
| Goods and services tax payable | – | 805 | 126 | 77 |
| | 20,631 | 2,416 | 17,347 | 3,616 |
| | 61,032 | 19,604 | 17,347 | 3,616 |

Trade payables are unsecured, non-interest bearing and are normally settled within the credit terms of 30 days to 90 days (2024: 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 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 2025

23. PROVISIONS

| | Group | | | Total S\$'000 |
|--|--|--|--|------------------|
| | Provision for unutilised leave S\$'000 | Provision for onerous contracts S\$'000 | Provision for contingent consideration assumed in business combination S\$'000 | |
| 2025 | | | | |
| Balance at beginning of financial year | – | 10 | 555 | 565 |
| Provision made | 2 | – | – | 2 |
| Provision utilised | – | – | (237) | (237) |
| Remeasurement | – | – | 45 | 45 |
| Balance at end of financial year | <u>2</u> | <u>10</u> | <u>363</u> | <u>375</u> |
| 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 | <u>–</u> | <u>10</u> | <u>555</u> | <u>565</u> |
| | | | Company Provision for contingent consideration assumed in business combination S\$'000 | |
| 2025 | | | | |
| Balance at beginning of financial year | | | 555 | |
| Provision utilised | | | (237) | |
| Remeasurement (Note 25) | | | 45 | |
| Balance at end of financial year | | | <u>363</u> | |
| 2024 | | | | |
| Balance at beginning of financial year | | | – | |
| Provision made | | | 731 | |
| Remeasurement (Note 25) | | | (176) | |
| Balance at end of financial year | | | <u>555</u> | |

Provision for contingent consideration assumed in business combination

The Group recognised the provision of contingent consideration 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 loss amounted to S\$45,000 (FY2024: gain of S\$176,000) in statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. REVENUE

| | Group | |
|---------------------------------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Revenue recognised over time | | |
| Construction contracts | 99,581 | 73,420 |
| Services rendered | 16,826 | 1,252 |
| Revenue recognised at a point in time | | |
| Sale of goods | 25 | – |
| | 116,432 | 74,672 |

25. OTHER INCOME

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Government grants | 41 | 30 |
| Sundry income | 406 | 76 |
| Management fees – joint operations | 242 | 371 |
| Fixed deposits interest income | 226 | 110 |
| Remeasurement of contingent consideration (Note 23) | (45) | 176 |
| Rental income | 249 | – |
| Bargain purchase (Note 7) | 5,522 | 1,075 |
| | 6,641 | 1,838 |

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.

26. FINANCE COSTS

| | Group | |
|-------------------------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Interest expenses: | | |
| – Lease liabilities (Note 19) | 191 | 27 |
| – Bank borrowings | 587 | 119 |
| – Convertible bond (Note 21) | 356 | – |
| | 1,134 | 146 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

27. 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 | |
|--|---------|---------|
| | 2025 | 2024 |
| | S\$'000 | S\$'000 |
| <u>Cost of sales</u> | | |
| Employee benefits expenses ⁽ⁱ⁾ | | |
| – short-term employee benefits | 13,487 | 4,966 |
| – performance share plan | 923 | 343 |
| – defined contribution plan expenses | 2,206 | 787 |
| Depreciation of right-of-use assets (Note 6) | 130 | 117 |
| Short-term lease expenses (Note 19) | 606 | 588 |
| | | |
| <u>General and administrative expenses</u> | | |
| Audit fee | | |
| auditors of the Company and subsidiaries | 327 | 159 |
| Non-audit related services | | |
| auditors of the Company and subsidiaries | 52 | 9 |
| Employee benefits expenses ⁽ⁱ⁾ | | |
| – short-term employee benefits | 3,671 | 1,440 |
| – performance share plan | 320 | 86 |
| – defined contribution plan expenses | 291 | 137 |
| – other personal expenses | 97 | 41 |
| – directors fees | 180 | 180 |
| Amortisation of intangible assets (Note 4) | 650 | 267 |
| Depreciation of property, plant and equipment (Note 5) | 839 | 55 |
| Depreciation of right-of-use assets (Note 6) | 657 | 170 |
| Professional fees | 382 | 208 |
| Office refreshment expenses | 43 | 6 |
| Entertainment expenses | 85 | 36 |
| Upkeep of computer & software | 62 | 73 |
| | | |
| <u>Other expenses</u> | | |
| Acquisition fees | 1,277 | – |
| Placement fees | 658 | – |

(i) Employee compensation relating to key management personnel is disclosed in Note 32 of the financial statements

28. INCOME TAX EXPENSES

| | Group | |
|--|---------|---------|
| | 2025 | 2024 |
| | S\$'000 | S\$'000 |
| Current income tax expense | | |
| – Current financial year | 1,761 | 1,481 |
| – Under provision in respect of prior financial years | (329) | – |
| | 1,432 | 1,481 |
| | | |
| Deferred tax expense | | |
| – Origination and reversal of temporary differences | 160 | (42) |
| – Recognition of deferred tax asset from unused tax losses | (3,400) | – |
| Income tax (credit)/expense recognised in profit or loss | (1,808) | 1,439 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. INCOME TAX EXPENSES (CONTINUED)

Relationship between tax expense and accounting profit

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Profit before income tax | 18,314 | 10,394 |
| Share of results of joint arrangements | - | (1,010) |
| Share of results of an associate (Note 8) | (91) | 8 |
| | 18,223 | 9,392 |
| Tax at current income tax rate of 17% (2024: 17%) | 3,098 | 1,597 |
| Tax effect of expenses not deductible for income tax purposes | 1,077 | 134 |
| Tax effect of income not subject to tax | (1,406) | (184) |
| Tax effect of tax exemption | (52) | (52) |
| Utilisation of previously unrecognised: | | |
| – Tax losses | (457) | - |
| – Capital allowance | (447) | - |
| Recognition of deferred tax asset from unused tax losses in respect of prior financial years | (3,400) | - |
| Under provision in respect of prior financial years | (169) | - |
| Others | (52) | (56) |
| | (1,808) | 1,439 |

Deferred tax liabilities

Deferred tax as at 31 December relates to the following:

| | Group | | | |
|---|---------------------------------|-----------------|-----------------------------------|-----------------|
| | Statement of financial position | | Statement of comprehensive income | |
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Deferred tax liabilities: | | | | |
| Right-of-use assets | (1,750) | - | 247 | - |
| Fair value adjustments on acquisition of a subsidiary | (3,610) | (121) | 25 | (42) |
| Earnings from joint arrangements | (135) | - | 135 | - |
| | (5,495) | (121) | 407 | (42) |
| Deferred tax assets: | | | | |
| Differences in depreciation for tax purposes | 370 | - | (139) | - |
| Lease liabilities | 1,380 | - | (108) | - |
| Unutilised tax losses | 3,400 | - | (3,400) | - |
| | 5,150 | - | (3,647) | - |

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Balance at beginning of the financial year | 121 | - |
| Arising from acquisition of subsidiary (Note 7) | 3,464 | 163 |
| Credit to profit or loss | (3,240) | (42) |
| Balance at end of the financial year | 345 | 121 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. INCOME TAX EXPENSES (CONTINUED)

Deferred tax liabilities (continued)

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

29. EARNINGS PER SHARE

The calculation for earnings per share is based on:

| | Group | |
|---|----------------|---------|
| | 2025 | 2024 |
| Profit attributable to owners of the Company for basic earnings (S\$'000) | 20,122 | 8,955 |
| Interest on convertible bond (Note 26) (S\$'000) | 356 | – |
| Profit attributable to owners of the Company adjusted for the effect of dilution (S\$'000) | 20,478 | 8,955 |
| Weighted average number of ordinary shares for basis earnings per shares computation ('000) | 357,425 | 341,843 |
| Weighted average number of ordinary shares for diluted earnings per shares computation ('000) | 370,809 | 341,843 |
| Earnings per share (in cents) | | |
| – Basic | 5.63 | 2.62 |
| – Diluted | 5.52 | 2.62 |

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

30. DIVIDENDS

| | Group | |
|--|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| 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 |
| Final tax-exempt dividend of S\$0.0025 per ordinary share for financial year ended 31 December 2024 | 650 | – |
| | 650 | 3,034 |

The Board of Directors proposed that a final tax-exempt dividend of S\$0.01 (2024: S\$0.0025) per ordinary share amounting to approximately S\$3,815,430 (2024: S\$651,000) to be paid for the financial year ended 31 December 2025. 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 2025

31. PERFORMANCE SHARE PLAN

Under the Ever Glory Performance Share Plan (“PSP”), ordinary shares of the Company were granted to the employees who were not directors or controlling shareholders of the Company which serves to motivate the employees towards better performance through the award of shares to align themselves with the performance of the Company. The shares vest immediately upon issuance, which is considered the grant date, and the grant date fair value is determined based on the quoted market price of the shares.

The expense recognised for employee services received during the year is shown in the following table:

| | Group | |
|---|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 |
| Expense arising from equity-settled share-based payment transactions (Note 27) | <u>1,243</u> | <u>429</u> |

There were no cancellations or modifications to the awards in 2025 or 2024

32. 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, to exercise joint control over the party, or to 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. Related parties also include associates, joint arrangements, key management personnel of the Group and the Company or of its parent, close family members of such individuals, and entities that are controlled or jointly controlled by these individuals. Related parties may be individuals or other entities, and include entities in which the Company’s Directors have beneficial interests.

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 2025 and 31 December 2024:

| | Group | | Company | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| With subsidiaries | | | | |
| Management fee income | – | – | 3,852 | 1,155 |
| Loan interest income | – | – | 150 | 75 |
| Dividend income | – | – | <u>1,056</u> | <u>8,300</u> |
| With related parties | | | | |
| Rental expenses recharged from | 177 | 155 | – | – |
| Sales to | 8,609 | 2,766 | – | – |
| Purchases of project related expenses | <u>(363)</u> | <u>(70)</u> | <u>–</u> | <u>–</u> |
| With joint arrangements | | | | |
| Sales to | – | 177 | – | – |
| Management fee income | 242 | 371 | – | – |
| Management fee from | (242) | – | – | – |
| Worker dormitory expenses | <u>–</u> | <u>(43)</u> | <u>–</u> | <u>–</u> |
| With directors of the subsidiary | | | | |
| Rental expenses | <u>(103)</u> | <u>(94)</u> | <u>–</u> | <u>–</u> |

As at 31 December, the outstanding balance in respect of the above related party transactions are disclosed in Note 7,8,9,13 and 22.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. 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 2025 and 31 December 2024 were as follows:

| | 2025 S\$'000 | 2024 S\$'000 |
|---------------------------------------|-----------------|-----------------|
| Directors of the Company | | |
| – Short-term employee benefits | 775 | 637 |
| – Central provident fund contribution | 16 | 17 |
| – Directors' fees | 180 | 180 |
| | 971 | 834 |
| Directors of the Subsidiaries | | |
| – Short-term employee benefits | 1,016 | 534 |
| – Performance share plan | 67 | – |
| – Central provident fund contribution | 55 | 47 |
| – Sign on bonus | 250 | – |
| | 1,388 | 581 |
| Other key management personnel | | |
| – Short-term employee benefits | 959 | 767 |
| – Performance share plan | 493 | 249 |
| – Central provident fund contribution | 76 | 56 |
| | 1,528 | 1,072 |

33. 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:

- a) M&E engineering services encompassing construction contracts, maintenance and car park services; and
- b) Property development 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 2025 and 31 December 2024, 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 2025

33. SEGMENT INFORMATION (CONTINUED)

Major customers

The Group's revenue derived from 8 (2024: 5) customers who accounted for 77% (2024: 80%) or more of the Group's revenue for the financial year ended 31 December 2025.

34. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Group's exposure to foreign currency risk is assessed to be minimal, as substantially all financial assets and liabilities are denominated in Singapore dollars. Accordingly, the Group does not have significant foreign currency-denominated balances, and movements in exchange rates would not have a material impact on profit or loss or equity.

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 significant 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.

a. 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 (2024: 5) customers which represent 52% (2024: 84%) of total trade receivables balance for the financial year ended 31 December 2025.
- (b) The retention receivables from 10 (2024: 10) customers represent 88% (2024: 79%) of total retention receivables for the financial year ended 31 December 2025.
- (c) The contract assets from 6 (2024: 6) customers represent 64% (2024: 84%) of total contract assets for the financial year ended 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

a. 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, it does not expect any material loss allowance under 12-months expected credit loss model.

The Company estimates a loss allowance for financial guarantee contracts based on 12-month or lifetime expected credit losses, depending on whether there has been a significant increase in the credit risk of the guaranteed subsidiary. Expected credit losses represent the present value of expected payments required to settle the guarantee obligation, taking into account the credit risk of the subsidiary, its financial position and ability to meet its obligations, as well as any expected recoveries from the subsidiary.

Based on its assessment of the subsidiary's financial condition and forecast cash flows, the Company considers the risk of default to be low and does not expect a material loss allowance under the 12-month 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:

The Company has outstanding other receivables from 3 (2024: 2) subsidiaries which represent 99% (2024: 98%) of total other receivables balance for the financial year ended 31 December 2025.

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

As at 31 December 2025, the Group's and the Company's bank balances and fixed deposits are held with the financial institutions with minimum credit rating of "AA-" (2024: AA-) based on S&P's ratings.

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.

b. Liquidity risk

Liquidity risk refers to the risk that the Group and the Company may encounter difficulties in meeting obligations associated with financial liabilities. Liquidity risk is managed through maintaining a prudent level of cash and monitoring cash inflows and outflows to ensure that payment obligations are met as they fall due.

The Group and the Company manage this risk by forecasting and monitoring working capital requirements on an ongoing basis, reviewing the timing of customer receipts relative to supplier payments, and ensuring access to adequate funding and compliance with bank covenants. The Group also maintains undrawn committed credit facilities (Note 20) that are available to support short term liquidity needs. These facilities, together with existing cash resources, form part of the Group's strategy to manage liquidity risk.

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 2025

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

b. 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 | | | |
| 2025 | | | |
| Financial liabilities | | | |
| Trade and other payables (excluding goods and services tax payables) (Note 22) | 61,032 | – | 61,032 |
| Lease liabilities (Note 19) | 1,513 | 10,347 | 11,860 |
| Bank borrowings | 9,709 | 23,520 | 33,229 |
| Convertible bond (Note 21) | – | 6,200 | 6,200 |
| Total undiscounted financial liabilities | <u>72,254</u> | <u>40,067</u> | <u>112,321</u> |
| 2024 | | | |
| Financial liabilities | | | |
| Trade and other payables (excluding goods and services tax payables) (Note 22) | 18,799 | – | 18,799 |
| Lease liabilities (Note 19) | 262 | 227 | 489 |
| Bank borrowings | 3,874 | 135 | 4,009 |
| Total undiscounted financial liabilities | <u>22,935</u> | <u>362</u> | <u>23,297</u> |
| Company | | | |
| 2025 | | | |
| Financial liabilities | | | |
| Other payables, excluding goods and services tax payables | 17,221 | – | 17,221 |
| Bank borrowings | 5,610 | 23,460 | 29,070 |
| Convertible bond (Note 21) | – | 6,200 | 6,200 |
| Total undiscounted financial liabilities | <u>22,831</u> | <u>29,660</u> | <u>52,491</u> |
| Financial corporate guarantee | <u>4,024</u> | <u>–</u> | <u>4,024</u> |
| 2024 | | | |
| Financial liabilities | | | |
| Other payables, excluding goods and services tax payables | 3,539 | – | 3,539 |
| Financial corporate guarantee | <u>3,697</u> | <u>–</u> | <u>3,697</u> |

At the reporting date, the Group does not consider it probable that a claim will be made against the Group under the financial guarantees.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

c. 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 and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, obtain loans, issuance of new shares or convertible bonds.

Overall strategy remains unchanged during the financial years ended 31 December 2025 and 31 December 2024.

The Group and the Company monitor capital based on a gearing ratio, which is net debt divided by total equity plus net debt. The Group's net debt includes trade and other payables (excluding goods and services tax payables), bank borrowings, convertible bonds 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 | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| Trade and other payables (excluding goods and services tax payables) (Note 22) | 61,032 | 18,799 | 17,221 | 3,539 |
| Bank borrowings (Note 20) | 28,378 | 3,995 | 24,225 | – |
| Convertible bonds (Note 21) | 4,808 | – | 4,808 | – |
| Lease liabilities (Note 19) | 8,815 | 465 | – | – |
| Less: Fixed deposits (Note 14) | (19,874) | (5,330) | (14,213) | (4,602) |
| Less: Cash and bank balances (Note 14) | (23,180) | (7,177) | (6,667) | (195) |
| Net debt/(cash) | 59,979 | 10,752 | 25,374 | (1,258) |
| Total equity | 58,230 | 18,998 | 34,220 | 14,458 |
| Total capital | 118,209 | 29,750 | 59,594 | 13,200 |
| Gearing ratio | 51% | 36% | 43% | N/M |

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

The Group is also subject to externally imposed capital requirements arising from its banking facilities, including compliance with specified financial covenants. Compliance with these covenants forms part of the Group's capital management process. As disclosed in Note 20, one subsidiary did not comply with certain covenants for the financial year ended 31 December 2024. The Group complied with the applicable covenants for the financial year ended 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

d. 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 10 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 | Level 2 | Level 3 | Total |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 2025 | | | | |
| Financial assets | | | | |
| Financial assets, at FVOCI | | | | |
| – Unquoted equity shares (Note 10) | – | – | 1 | 1 |
| Financial assets, at FVTPL | | | | |
| – Loan receivables (Note 10) | – | – | 1,219 | 1,219 |
| 2024 | | | | |
| Financial assets | | | | |
| Financial assets, at FVOCI | | | | |
| – Unquoted equity shares (Note 10) | – | – | 1 | 1 |
| Financial assets, at FVTPL | | | | |
| – Loan receivables (Note 10) | – | – | 1,250 | 1,250 |

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

d. Fair value measurement (continued)

Fair value of financial instruments carried at fair value (continued)

The significant unobservable inputs used in the fair value measurements categorised within level 3 of the fair value hierarchy are shown below:

| Description | Valuation technique | Unobservable inputs | Range | Sensitivity of the input to fair value |
|--|----------------------------------|-----------------------|---------------------|---|
| At fair value through profit and loss – loan receivables | Discounted project profitability | Discount rate | 2025: 6.48% | 0.5% increase in discount rate results in an increase in fair value of the loan receivables by S\$14,801. |
| | | Assumed profitability | 2025: S\$25,600,000 | 5% decrease in profitability results in a decrease in fair value of the loan receivables by \$53,029. |

As at 31 December 2024 management has determined that the fair value of the above financial assets was assessed to their adjusted net assets which approximated their fair values.

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.

The carrying amount of lease liabilities are reasonable approximation of their fair value estimated by discounting expected future cash flows at market incremental borrowing rate for similar types of borrowing arrangements at the reporting date.

The carrying amount of the convertible bonds at its amortised cost computed using the effective interest rate method approximates its fair value because the historical effective interest rate is comparable to the market rate of interest at the reporting date.

e. 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 |
|--|------------------|--------------------|
| 2025 | | |
| Financial assets, at FVOCI | 1 | – |
| Financial assets, at FVTPL | 1,219 | – |
| Financial assets, at amortised cost | 80,433 | 26,980 |
| Financial liabilities, at amortised cost | 103,033 | 46,254 |
| 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 | 23,259 | 3,539 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

As at 31 December 2025 and 31 December 2024, the Group has capital commitments in relation to the equipment costs for a project of approximately S\$203,000 (2024: S\$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 operation project of S\$50,000 (Note 9) 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.

36. EVENTS AFTER REPORTING PERIOD

There are no known subsequent events which have led to adjustments to this set of financial statements.

37. COMPARATIVE INFORMATION

The financial statements for the financial year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 28 March 2025.

38. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 31 March 2026.

STATISTICS OF SHAREHOLDINGS

AS AT 23 MARCH 2026

| | |
|---|-----------------------------|
| Class of shares | : Ordinary share |
| Total number of ordinary shares (excluding treasury shares and subsidiary holdings) | : 381,542,857 |
| Voting rights | : 1 vote per ordinary share |
| Total number of treasury shares held and percentage | : 445,866 (0.12%) |
| Total number of subsidiary holdings held and percentage | : Nil |

DISTRIBUTION OF SHAREHOLDINGS

| SIZE OF SHAREHOLDINGS | NO. OF SHAREHOLDERS | % | NO. OF SHARES | % |
|-----------------------|---------------------|---------------|--------------------|---------------|
| 1 – 99 | 5 | 0.82 | 248 | 0.00 |
| 100 – 1,000 | 149 | 24.59 | 86,166 | 0.02 |
| 1,001 – 10,000 | 295 | 48.68 | 1,338,964 | 0.35 |
| 10,001 – 1,000,000 | 139 | 22.94 | 15,134,474 | 3.97 |
| 1,000,001 AND ABOVE | 18 | 2.97 | 364,983,005 | 95.66 |
| TOTAL | 606 | 100.00 | 381,542,857 | 100.00 |

TWENTY LARGEST SHAREHOLDERS

| NO. | NAME | NO. OF SHARES | % |
|-----|--------------------------------------|--------------------|--------------|
| 1 | SUN RENWANG | 131,200,000 | 34.39 |
| 2 | XU RUIBING | 131,200,000 | 34.39 |
| 3 | KGI SECURITIES (SINGAPORE) PTE. LTD. | 18,490,078 | 4.85 |
| 4 | DONG ZHAOYAN | 12,354,800 | 3.24 |
| 5 | MOOMOO FINANCIAL SINGAPORE PTE. LTD. | 12,303,375 | 3.22 |
| 6 | RAFFLES NOMINEES (PTE) LIMITED | 11,902,677 | 3.12 |
| 7 | BPSS NOMINEES SINGAPORE (PTE.) LTD. | 8,037,000 | 2.11 |
| 8 | MAYBANK SECURITIES PTE. LTD. | 7,408,400 | 1.94 |
| 9 | HSBC (SINGAPORE) NOMINEES PTE LTD | 5,902,300 | 1.55 |
| 10 | HONG LEONG FINANCE NOMINEES PTE LTD | 5,395,684 | 1.41 |
| 11 | DBS NOMINEES PTE LTD | 5,062,389 | 1.33 |
| 12 | ASDEW ACQUISITIONS PTE LTD | 3,679,800 | 0.96 |
| 13 | CGS INTL SECURITIES SINGAPORE PL | 2,729,694 | 0.72 |
| 14 | OCBC SECURITIES PRIVATE LTD | 2,404,600 | 0.63 |
| 15 | CHEE YEN MING (XU YANMING) | 2,233,546 | 0.59 |
| 16 | HEXACON CONSTRUCTION PTE LTD | 1,890,000 | 0.50 |
| 17 | CHEE TEOW SIONG | 1,401,117 | 0.37 |
| 18 | LOW CHIN BAN | 1,387,545 | 0.36 |
| 19 | IFAST FINANCIAL PTE LTD | 919,799 | 0.24 |
| 20 | HU ZHI GONG | 736,000 | 0.19 |
| | TOTAL | 366,638,804 | 96.11 |

STATISTICS OF SHAREHOLDINGS

AS AT 23 MARCH 2026

Substantial Shareholders as at 23 March 2026 (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 | 131,200,000 | 34.39 | – | – |
| 2. | Xu Ruibing | 131,200,000 | 34.39 | – | – |

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

As at 23 March 2026, 31.22% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual 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 Monday, 27 April 2026 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 2025 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To approve a final dividend (one-tier tax exempt) of 1.0 Singapore cent per ordinary share for the financial year ended 31 December 2025. **(Resolution 2)**
3. To approve the payment of Directors’ fees of S\$349,165 for the financial year ending 31 December 2026, payable quarterly in arrears. (2025: S\$180,000). **(Resolution 3)**
4. To re-elect the following Directors retiring pursuant to Regulation 97 of the Constitution of the Company:

Regulation 97

- (a) Mr. Sun Renwang **(Resolution 4)**
- (b) Mr. Goh Siong Pheck Francis **(Resolution 5)**

[See Explanatory note (i)]

5. To re-appoint Messrs Ernst & Young LLP as the Independent Auditors of the Company and to authorize the Directors of the Company to fix their remuneration. **(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 (“Listing 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 Listing Rules to:

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

NOTICES OF ANNUAL GENERAL MEETING

- (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 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), 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 twenty percent (20%) 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 Listing 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 Listing 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 Listing 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
- (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 (ii)]

(Resolution 7)

NOTICES OF ANNUAL GENERAL MEETING

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 (iii)]

(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 (iv)]

(Resolution 9)

10. Proposed Renewal of Share Buyback Mandate

That:

- (a) for the purposes of the Companies Act and the Listing 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
 - (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 Listing Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”);

NOTICES OF ANNUAL GENERAL MEETING

- (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

“**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

NOTICES OF ANNUAL GENERAL MEETING

- (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 (v)]

(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 Listing Rules, for the Company, its subsidiaries and associated companies which fall within the definition of “**entities at risk**” under Chapter 9 of the Listing 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 10 April 2026 (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 (vi)]

(Resolution 11)

By Order of the Board

Shirley Tan Sey Liy
Company Secretary
Singapore, 10 April 2026

NOTICES OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Mr. Sun Renwang will, upon re-election as a Director of the Company, remain as the Non-Independent Non-Executive Chairman of the Company. Please refer to pages 145 to 154 of the Company's annual report for the detailed information required pursuant to Rule 720(6) of the Listing Rules.

Mr. Goh Siong Pheok Francis will, upon re-election as a Director of the Company, remains as the Independent Non-Executive Director, Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. The Board of Directors considers him to be independent for the purpose of Rule 704(8) of the Listing Rules. Please refer to pages 145 to 154 of the Company's annual report for the detailed information required pursuant to Rule 720(6) of the Listing Rules.

- (ii) 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, fifty percent (50%) 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 twenty percent (20%) 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.

- (iii) 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.
- (iv) 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.
- (v) 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.
- (vi) 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.

Notes relating to conduct of Meeting:

- 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 17 April 2026:
 - via email to shareregistry@incorp.asia; or
 - via post to the Company's registered address at 3 Little Road, #03-01 CRF Building, Singapore 536982.
- Please bring along your NRIC/passport to the AGM so as to enable the Company to verify your identity.

NOTICES OF ANNUAL GENERAL MEETING

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 24 April 2026, 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.

*"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.

NOTICES OF ANNUAL GENERAL MEETING

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 **10.00 a.m. on 15 April 2026**, 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 17 April 2026**:
 - (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 17 April 2026, on or before 22 April 2026 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 17 April 2026 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.

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. Bayswood Pte. Ltd. Guthrie Engineering (S) 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 | 29 April 2025 | – | <ul style="list-style-type: none"> Sunbeam M&E Pte. Ltd. Ever Capital Pte. Ltd. Fire-Guard Engineering Pte. Ltd. Guthrie Engineering (S) 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 Member of Association of Chartered Certified Accountants (FCCA), Certified Internal Auditor (CIA), Chartered Accountant of Singapore (CA, Singapore), Chartered Valuer and Appraiser (CVA), and Senior Accredited Director conferred by Singapore Institute of Directors (SID) | 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 UMS Integration Limited Olive Trees Estates Limited Memiontec Holdings Ltd. | <ul style="list-style-type: none"> Lighthouse Business Consulting 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 |
|-------------------------|---|--|---|---------------------|--------------------------|---|--|
| 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 Fellow member of Chartered Accountant of Singapore (CA, Singapore) and an accredited 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 | 29 April 2025 | <ul style="list-style-type: none"> JEP Holdings Limited PC Partner Group Limited Ten-League International Holdings Ltd SHS Holdings Limited | <ul style="list-style-type: none"> Pervest Co. Pte. Ltd. ARC Energy Pte. Ltd. PIP Energy Pte Ltd Blue Tirta Pte Ltd Gascem Pte Ltd PT Puncak Bintang Perkasa |
| Goh Siong Pheok 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"> Harry Elias Partnership LLP Principal mediator at the Singapore Mediation Centre |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

Pursuant to Rule 720(6) of the Mainboard Rules, the information as set out in Appendix 7.4.1 to the Mainboard Rules relating to Mr. Sun Renwang and Mr. Goh Siong Pheck Francis, 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 | |
|--|--|--|
| | Sun Renwang | Goh Siong Pheck Francis |
| Date of Appointment | 23 December 2021 | 20 April 2023 |
| Date of last re-appointment (if applicable) | 29 April 2024 | 28 April 2023 |
| Age | 53 | 62 |
| 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. Sun Renwang 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>Having regard to the above, the Board of the Company has accepted the NC's recommendation, who has reviewed and considered that Mr. Sun Renwang is able to exercise judgement as the Non-Independent Non-Executive Chairman on the corporate affairs of the Group.</p> | <p>Mr. Goh Siong Pheck Francis 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 Non-Executive 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. Goh Siong Pheck Francis, is of the view that Mr. Goh Siong Pheck Francis has the requisite experience and capabilities to assume the duties and responsibilities as the Independent Non-Executive Director of the Company.</p> <p>The Board considers Mr. Goh Siong Pheck Francis to be independent for the purpose of Rule 704(8) of the Mainboard Rules.</p> |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | Name of Director | |
|---|---|--|
| | Sun Renwang | Goh Siong Pheck Francis |
| Whether appointment is executive, and if so, the area of responsibility | Non-Executive | Non-Executive |
| Job Title (e.g. Lead ID, AC Chairman, AC Member etc.) | Non-Independent Non-Executive Chairman | Independent Non-Executive Director, Chairman of Nominating Committee, a member of the Audit Committee and Remuneration Committee |
| Professional qualifications | Secondary school education | Bachelor of Law from the National University of Singapore |
| Working experience and occupation(s) during the past 10 years | <p>June 2021 to Present: Executive Director and CEO, RWSun Development Pte. Ltd.</p> <p>December 2020 to Present: Executive Director and CEO, Chan Rong Fen Building Construction Pte Ltd ("CRF")</p> <p>September 2018 to Present: Executive Director and CEO, CRF Land Pte. Ltd.</p> <p>March 2018 to Present: Executive Director, SG United Construction Pte. Ltd. ("SGUC")</p> <p>March 2013 to Present: Executive Director and CEO, Century Building Construction Pte. Ltd.</p> <p>April 2012 to Present: Executive Director and CEO, RWSun Pte. Ltd.</p> <p>June 2017 to Present: Director, Fantasia (Park) Pte. Ltd.</p> <p>March 2023 to Present: Director, Long Wang Development Pte. Ltd.</p> | <p>2009 to Present: Equity Partner of Harry Elias Partnership</p> <p>2001 to Present: Principal mediator at the Singapore Mediation Centre</p> |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | Name of Director | |
|--|---|-------------------------|
| | Sun Renwang | Goh Siong Pheck Francis |
| | <p>January 2019 to Present: Director, Rich Capital Realty Pte. Ltd.</p> <p>May 2025 to Present: Director, Bayswood Pte. Ltd.</p> <p>March 2023 to February 2025: Director, SYK Development Pte. Ltd.</p> | |
| Shareholding interest in the listed issuer and its subsidiaries | Mr. Sun Renwang holds a direct interest of 131,200,000 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 |
| Other Principal Commitments Including Directorships | <p>Past (for the last 5 years)</p> <ul style="list-style-type: none"> • Fantasia (West) Pte. Ltd • NSS Realty Pte. Ltd. • Ling Chuang M&E Pte. Ltd. • SYK Development Pte. Ltd. <p>Present</p> <p>Director of:</p> <ul style="list-style-type: none"> • Sunbeam M&E Pte. Ltd. • Ever Capital Pte. Ltd. • Guthrie Engineering (S) Pte Ltd • Century Building Construction Pte. Ltd. • CRF • CRF Land Pte. Ltd. | Nil |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | Name of Director | |
|---|--|-------------------------|
| | Sun Renwang | Goh Siong Pheck Francis |
| | <ul style="list-style-type: none"> • Fantasia (Park) Pte. Ltd. • Long Wang Development Pte. Ltd. • Rich Capital Realty Pte. Ltd. • RWSun Pte. Ltd. • RWSun Development Pte. Ltd. • SGUC • Bayswood Pte. Ltd. | |
| <p>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.</p> | | |
| a. | <p>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?</p> | <p>No</p> |
| | | <p>No</p> |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | Name of Director | |
|--|------------------|-------------------------|
| | Sun Renwang | Goh Siong Pheck Francis |
| 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? | No | No |
| 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 |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | | Name of Director | |
|---------|--|------------------|-------------------------|
| | | Sun Renwang | Goh Siong Pheck Francis |
| 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 |
| 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 |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | | Name of Director | |
|---------|--|---|-------------------------|
| | | Sun Renwang | Goh Siong Pheok Francis |
| 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 |
| 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 | <p>Yes</p> <p>Mr. Sun Renwang is the Executive Director of CRF. Between 2009 to 2022, the Ministry of Manpower (“MOM”) had investigated CRF in respect of its safety lapses pursuant to the Workplace Safety and Health Act 2006, and had on occasions imposed stop work orders, issued demerit points, debarred CRF from hiring new foreign workers for a period of three (3) months (the “Debarment”) and/or assigned an MOM officer to conduct regular checks on safety procedures (“Regular Inspections”). As at the date of this Annual Report, CRF has cleared all demerit points. CRF had dutifully rectified its safety breaches and has been cooperating with the MOM on their Regular Inspections. The Debarment on CRF has been lifted on 9 September 2021.</p> | No |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | Name of Director | |
|---------|--|-------------------------|
| | Sun Renwang | Goh Siong Pheok Francis |
| | <p>In addition, Mr Sun Renwang is the Executive Director of SGUC. In or around May 2022, the Public Utilities Board (“PUB”) brought a charge against SGUC for causing damage to the public sewerage system which was in breach of Section 20(1)(a) of the Sewerage and Drainage Act 1999 of Singapore (the “Sewerage and Drainage Act”) (the “PUB Charges”). The offence was classified as a criminal offence under the Sewerage and Drainage Act. The penalty prescribed under Section 20(1) (a) of the Sewerage and Drainage Act is a fine not exceeding S\$40,000 or imprisonment for a term not exceeding three (3) months or both. Following investigations, the PUB had, in August 2022, compounded SGUC’s offence for a sum of S\$5,000. SGUC had immediately taken action to rectify the situation upon notification from the PUB, and had since paid the fine of S\$5,000.</p> <p>The aforementioned investigations by MOM on safety lapses (the “MOM Investigations”), issuance of demerit points, Debarment, and PUB Charges were made against CRF and/or SGUC. For avoidance of doubt, Mr. Sun Renwang was not the subject of any of the aforementioned MOM Investigations, issuance of demerit points, the Debarment and PUB Charges.</p> | |

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION

| Details | Name of Director | |
|--|------------------|-------------------------|
| | Sun Renwang | Goh Siong Pheck Francis |
| 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 |
| 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 | |
|---|---|---|
| | Sun Renwang | Goh Siong Pheck Francis |
| 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> | <p>Not applicable. This is in relation to the re-appointment of a Director.</p> | <p>Not applicable. This is in relation to the re-appointment of a Director.</p> |

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:

1. 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.
2. 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 **10:00 a.m. on 15 April 2026**, being seven (7) working days before the Meeting in which case, the relevant SRS Investors shall be precluded from attending the Meeting.
3. 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 10 April 2026.

*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/them, 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 **Monday, 27 April 2026 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 2025 | | | |
| 2 | Approval of final dividend (one-tier tax exempt) of 1.0 Singapore cent per ordinary share for the financial year ended 31 December 2025 | | | |
| 3 | Approval of Directors' fees amounting to S\$349,165 for the financial year ending 31 December 2026, payable quarterly in arrears | | | |
| 4 | Re-election of Mr. Sun Renwang as a Director | | | |
| 5 | Re-election of Mr. Goh Siong Pheck Francis as a Director | | | |
| 6 | Re-appointment of Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration | | | |
| 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 _____ 2026

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

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

IMPORTANT: Please read notes overleaf

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 24 April 2026, 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 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 **10.00 a.m. on 15 April 2026**, 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 10 April 2026.

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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

AUDITORS

Ernst & Young LLP

One Raffles Quay

North Tower, Level 18

Singapore 048583

Partner-in-charge:

Mr. Adrian Koh

(Date of appointment:

since financial year ended 31 December 2025)

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

EVER GLORY UNITED HOLDINGS LIMITED

HQ Corporate Office

3 Little Road

#03-01 CRF Building

Singapore 536982

Tel: (65) 6283 0683

Fax: (65) 6283 0689

Email: enquiry@egu-holdings.com

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

SUNBEAM M&E PTE. LTD.

EVER CAPITAL PTE. LTD.

3 Little Road

#03-01 CRF Building

Singapore 536982

Tel: (65) 6283 0683

Fax: (65) 6283 0689

FIRE-GUARD ENGINEERING PTE. LTD.

32 Kallang Pudding Road

#07-06 Elite Industrial Building I,

Singapore 349313

Tel: (65) 6744 2142

Fax: (65) 6744 2406

GUTHRIE ENGINEERING (S) PTE LTD

6 Aljunied Ave 3, #04-00

Singapore 389932

Tel: (65) 6746 2222

Fax: (65) 6746 2300



EVER GLORY UNITED HOLDINGS LIMITED
恒荣集团

3 Little Road
#03-01 CRF Building
Singapore 536982
Tel: +65 6283 0683
Fax: +65 6283 0689
Email: enquiry@egu-holdings.com
Website: <https://egu-holdings.com/>