

EVER GLORY UNITED HOLDINGS LIMITED

(Company Registration Number: 202144351H)
(Incorporated in the Republic of Singapore)

ENTRY INTO A JOINT VENTURE AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Ever Glory United Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that Ever Capital Pte Ltd (“**EC**”), a wholly owned subsidiary of the Company, has on 6 December 2023 entered into a joint venture agreement (“**JVA**”) with Primest Land Pte. Ltd. (“**PL**”) and Sunlit Venture Capital Pte. Ltd. (“**SC**”) and Primest Land V1 Pte. Ltd. (“**JV Co**”), which sets out the rights of each of PL, SC and EC (collectively, the “**Parties**”) as shareholders of the JV Co. The JV Co shall carry on the business of development of the Property.

2. INFORMATION ON THE PARTIES

PL is a private company limited by shares incorporated in Singapore on 2 November 2023 and has an issued and paid-up capital of S\$100,000 comprising 1,000,000 ordinary shares. PL is wholly owned by a private investor who was introduced to the Company by the SC Shareholder (as defined below). The principal activity of PL is property investment.

SC is a private company limited by shares incorporated in Singapore on 6 November 2023 and has a paid-up capital of S\$10,000 comprising 100,000 ordinary shares. SC is wholly owned by a private investor (“**SC Shareholder**”) who is a business associate of the Company’s Executive Director and Chief Executive Officer, Mr. Xu Ruibing. The principal activity of SC is property investment.

The SC Shareholder is a shareholder of the Company. For the avoidance of doubt, the SC Shareholder is not a substantial shareholder of the Company and is not an interested person as defined under Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

To the best knowledge of the Board and save as disclosed above, prior to the JV Co and JVA, PL, SC, their directors and PL’s shareholder are independent and unrelated parties to the Group, the Company, its Directors, substantial shareholders and their respective associates, and have had no prior business, commercial or trade dealings with the Group.

3. SALIENT TERMS OF THE JVA

3.1 Formation and Share Capital of the JV Co

SC, EC and PL incorporated the JV Co under the name 'Prime Land V1 Pte Ltd'. The JV Co has an initial issued and paid-up capital of S\$1,000,000 comprising 2,000,000 ordinary shares and information on each of the Parties' interest in the JV Co is as follows:

Shareholders	Number of Shares	Shareholding Percentage	Capital contribution
PL	1,000,000	50%	S\$500,000
EC	500,000	25%	S\$250,000
SC	500,000	25%	S\$250,000
Total	2,000,000	100%	S\$1,000,000

As the JV Co was only incorporated on 29 November 2023 and has not commenced any commercial operations, the net book value of the JV Co is S\$1,000,000 as at the date of this announcement.

3.2 Business of the JV Co

The JV Co is currently in the process of purchasing a land in Singapore (the "**Property**") which will involve the development and construction of residential flats at district 14. The JV Co is established for the purposes of and will be principally engaged in the business of acquisition, development, marketing, holding, leasing, sale and disposal of the Property (the "**Project**").

3.3 Shareholders' Undertakings

The JV Co, acting through the directors appointed by it, shall be responsible for and shall in consultation with the directors appointed by the other shareholders, be entitled to:-

- (i) appoint on behalf of the JV Co, the architect, quantity surveyor, engineers, and consultants for design, submission and supervision of the development of Property contractors for the development of the Property;
- (ii) appoint on behalf of the JV Co, contractors for development of the Property;
- (iii) appoint on behalf of the JV Co, marketing agents, property consultants, public relation consultants and/or appraisers for the marketing, sale and/or valuation of the Property;
- (iv) name the Property and the project relating to its acquisition, development and/or disposition; and
- (v) The JV Co shall provide the manpower and resources to fulfil the legal, finance, marketing and project management requirement of the JV Co.

3.4 Aggregate Value of Consideration

The estimated costs and expenses incurred or to be incurred by the JV Co in carrying out the Project to its full completion (including but not limited to the sale of all units in the Property and legal completion in respect thereof) (the “**Total Development Costs**”) amounts to approximately S\$30 million, of which 40% (amounting to S\$12 million) will be funded by PL, SC and EC proportionate to their respective shareholding interests in the JV Co, while the balance 60% (amounting to S\$18 million) will be funded by bank loans.

As such, EC’s estimated aggregate value of the consideration, as at the date of this announcement, for the JV Co amounts to approximately S\$3 million (the “**Consideration**”). The Company intends to finance the Consideration through internal resources.

3.5 Shareholders’ Loans

A schedule for the funding of shareholders’ loans will be agreed and approved by the directors of the JV Co at a board meeting. Such schedule shall take into consideration the timing and conditions for the bank loans. The Parties undertake that they shall each grant shareholders’ loans to the JV Co in accordance with the schedule. The JV Co shall give notice in writing to each of the Parties not less than fourteen (14) days prior to each requisite funding of shareholders’ loans in accordance with the schedule.

3.6 Board Composition

The board of directors of the JV Co shall comprise four (4) directors, two (2) directors appointed by PL and SC and EC shall be entitled to appoint one (1) director each. Each director shall be entitled to appoint one (1) or more alternates. Three (3) alternate directors have been appointed as at the date of this announcement. In the case of an equality of votes for Board proceedings, the Chairman of the Board shall not have a casting vote.

4. RATIONALE FOR THE JOINT VENTURE

The Group’s entry into the JVA is in line with the Group’s strategy to expand into the property development business. It represents an opportunity for an additional stream of the Company’s revenue.

5. FINANCIAL IMPACT

The JV Co is not expected to have any material impact on the Company’s net tangible assets or earnings per share based on the Company’s accounts for the current financial year.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the date of this announcement, none of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the joint venture, JVA and the JV Co, other than by reason of their respective shareholding interests in the Company, where applicable.

7. DOCUMENTS AVAILABLE FOR INSPECTION

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

By Order of the Board
EVER GLORY UNITED HOLDINGS LIMITED

Xu Ruibing
Executive Director and Chief Executive Officer
06 December 2023

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

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

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

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