

EVER GLORY UNITED HOLDINGS LIMITED
(Company Registration No.: 202144351H)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF GUTHRIE ENGINEERING (S) PTE LTD – (I) UPDATES ON CONDITION PRECEDENT AND AMENDMENT OF THE SPA; (II) COMPLETION OF THE PROPOSED ACQUISITION; AND (III) TRANSFER OF 1 ORDINARY SHARE IN TEK GUTHRIE FROM GESPL TO THE VENDOR

The Board of Directors of Ever Glory United Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") (the "**Board**") refers to the announcements of the Company dated 26 February 2025, 2 April 2025, 8 April 2025 and 27 May 2025 (the "**Previous Announcements**") and the circular to shareholders of the Company dated 11 April 2025 (the "**Circular**") in relation to the proposed acquisition of 100% of the issued and paid-up share capital of Guthrie Engineering (S) Pte Ltd ("**GESPL**") (the "**Proposed Acquisition**").

Unless otherwise defined, all capitalised terms shall have the meanings ascribed to them in the Previous Announcements and/or the Circular.

1. UPDATES ON CONDITION PRECEDENT AND AMENDMENT OF THE SPA

1.1. Further to the Previous Announcements and the Circular, the Board wishes to update that the following condition precedent set out in Clause 4.1(f) of the SPA (i.e. paragraph 4.4.1(f) of the Circular) (the "**JTC Condition Precedent**") has not been fully fulfilled as at the date of this announcement:

(f) The delivery to the Company of a written consent (on such terms satisfactory to the Company, acting reasonably) from JTC pursuant to clause 1(viii) of the JTC Lease consenting to the transfer of the Sale Shares under the SPA.

1.2. While JTC had informed the Vendor and GESPL via a written email on 27 June 2025 that "*JTC has no objection to the proposed change in majority shareholding from [the Vendor] to [the Company]*", JTC also clarified that the Vendor and/or GESPL "*will receive the cleared legal documents to reflect the consent for the change in majority shareholding by end July. There will be a Consent letter with revised terms and condition, and a Variation of lease to reflect these changes*" (collectively, the "**Cleared Legal Documents**").

1.3. In view of the above, the Parties have agreed, by way of a SPA amendment agreement entered between the Parties dated 1 July 2025 (the "**SPA Amendment Agreement**"), the following:

- (i) instead of the completion payment in the amount of S\$31,534,273 (or such other amount as adjusted pursuant to the SPA) ("**Total Completion Payment**") payable on the Completion Date, the Total Completion Payment shall be paid by the Company in two (2) tranches: (a) an amount of S\$2,000,000 on the Completion Date (the "**First Completion Payment**"); and (b) an amount of S\$29,534,273 (or such remaining amount, after deducting S\$2,000,000, arising from any adjustment to the Total Completion Payment pursuant to Clause 3.3 of the SPA) on or before 31 July 2025 or such other dates as the Parties may agree in writing (the "**Second Completion Payment**");

- (ii) pursuant to Clause 4.3(a) of the SPA (i.e. paragraph 4.4.3 of the Circular), the Purchaser agrees to waive the JTC Condition Precedent; and
- (iii) save as expressly amended by the SPA Amendment Agreement, all terms, conditions and provisions contained in the SPA shall remain in full force and effect.

Notwithstanding the above, the Vendor shall transfer all 46,798,493 ordinary shares in GESPL, representing 100% of the issued and paid-up share capital of GESPL, to the Company on the Completion Date.

1.4. On the basis of the foregoing and the below, the Company had waived the JTC Condition Precedent set out in paragraph 1.1 of this announcement following the Board's assessment and consideration of the following:

- (i) JTC had informed the Vendor and GESPL via a written email on 27 June 2025 that it has no objection to the proposed change in majority shareholder of GESPL from the Vendor to the Company;
- (ii) the SPA Amendment Agreement has allowed the Company to defer the Second Completion Payment, which constitutes a significant portion of the Total Completion Payment, until the end of July 2025, by which time JTC has indicated that the Cleared Legal Documents will be issued;
- (iii) the waiver of the JTC Condition Precedent and the SPA Amendment Agreement are not expected to have any material adverse impact on the Group; and
- (iv) it is in the interests of the Parties to proceed with Completion while waiting for the Cleared Legal Documents from JTC as significant time and costs have been expended by the Parties.

2. COMPLETION OF THE PROPOSED ACQUISITION

2.1. The Board wishes to announce that the Company has completed the Proposed Acquisition on 1 July 2025 (i.e., the Completion Date). Pursuant to the Completion, GESPL has become a wholly-owned subsidiary of the Company, and Tek Guthrie, an associated company of GESPL, has in turn become an associated company of the Company.

2.2. The Parties had confirmed that (i) no adjustment to the Total Completion Payment amounting to S\$31,534,273 is required, (ii) the Company had satisfied the First Completion Payment by way of cash, and (iii) the Company shall pay the Second Completion Payment on or before 31 July 2025 or such other dates as the Parties may agree in writing as mentioned in paragraph 1.3(i) of this announcement.

3. TRANSFER OF 1 ORDINARY SHARE IN TEK GUTHRIE FROM GESPL TO THE VENDOR

Background information

3.1. Tek Guthrie is the registered proprietor of the whole of Lot 2128C of Mukim 7 together with the building(s) erected thereon and known as 55 Joo Koon Circle, Singapore 629070 ("**Tek Guthrie Property**"), pursuant to lease no. I/84811Q between Tek Guthrie and JTC ("**Existing Lease**"), with the Certificate of Title (SUB) Volume 602 Folio 75, for a leasehold term of 30 years commencing from 16 February 1996, which has been extended for another 20 years commencing from 16 February 2026 (the "**Renewed Lease**", and collectively with the Existing Lease, the "**Lease**").

- 3.2. Pursuant to the Renewed Lease, the Vendor and Springdale Street Limited Partnership (“**SSLP**”) are required to collectively, directly or indirectly, hold no less than 50% of the shares in Tek Guthrie (“**Control Requirement**”). As SSLP holds exactly 50% of the shares in Tek Guthrie and the Vendor will no longer hold, indirectly, shares in Tek Guthrie post-Completion, in order to continue to comply with the Control Requirement post-Completion, GESPL had transferred 1 ordinary share in Tek Guthrie (“**Tek Guthrie Share**”) to the Vendor (“**Tek Guthrie Share Transfer**”) prior to Completion. Post the Tek Guthrie Share Transfer, GESPL continues to hold approximately 36.87% of the issued and paid-up share capital of Tek Guthrie.

Vendor’s undertaking in relation to the Tek Guthrie Share

- 3.3. With effect from Completion, the Vendor has, by way of a deed of waiver and undertaking entered into between the Vendor and the Company dated 1 July 2025 (the “**Deed of Waiver and Undertaking**”), undertaken to the Company that it will transfer the Tek Guthrie Share to the Company or GESPL (or any person nominated by the Company) for no consideration on the earlier of either:
- (i) the termination or expiry of the Lease;
 - (ii) as soon as practicable following Tek Guthrie’s receipt of approval of or consent to such a transfer from JTC, provided that if such consent or approval is subject to any condition, such condition shall not adversely affect the Vendor, GESPL or Tek Guthrie (including the imposition of any financial or other penalty by JTC); or
 - (iii) such date as may be mutually agreed between the Company and the Vendor.

Vendor Warranty not being fully complied with

- 3.4. As the aforementioned development (i.e. the Lease, the correspondence between Tek Guthrie and JTC and the Tek Guthrie Share Transfer) was disclosed to the Company only after the signing of the SPA, the following Vendor Warranty had not been fully complied with:

4.2 To the best of the Vendor’s knowledge, all factual information with respect to the Company (other than opinions, forecasts, projections and other forward-looking statements) disclosed to the Purchaser in the Disclosure Letter or the Data Room Documents is true and accurate in all material aspects and not misleading in any material aspect. To the best of the Vendor’s knowledge, there is no fact or matter or circumstances not disclosed in writing to the Purchaser which renders any information disclosed to the Purchaser in the Disclosure Letter or the Data Room Documents untrue or inaccurate in any material aspect or misleading in any material aspect.

Waiver of the Company’s rights, claims and entitlements (the “**Waiver**”)

- 3.5. By way of the Deed of Waiver and Undertaking, the Company has waived all rights, claims and entitlements (and releases and discharges the Vendor from any and all actions, proceedings, claims, demands, costs and expenses, and liability) of any nature whatsoever which the Company has or may have under or in connection with the SPA (whether now or in the future, whether known or unknown and whether in law or in equity) in relation to or in connection with:
- (i) the Tek Guthrie Share Transfer; and
 - (ii) documents and correspondence in relation to the Lease.

The Company agrees that it shall not, at any time, initiate, pursue, or enforce any claims, legal proceedings, or demands against the Vendor concerning the matters being waived and released as stipulated under this paragraph.

Rationale of the Waiver

- 3.6. The Company had provided the Waiver following the Board's assessment and consideration of the following:
- (i) as illustrated in paragraph 3.2 of this announcement, the Tek Guthrie Share Transfer does not materially impact the shareholding of the Company in Tek Guthrie (via GESPL) as SSLP remains the majority shareholder of Tek Guthrie and GESPL continues to hold approximately 36.87% of the issued and paid-up share capital of Tek Guthrie;
 - (ii) it is in all Parties' interests to comply with the Control Requirement at and from Completion as the costs and impact of a breach of the Control Requirement would outweigh that of having the Vendor hold the Tek Guthrie Share;
 - (iii) pursuant to the Deed of Waiver and Undertaking, the Vendor has undertaken to transfer the Tek Guthrie Share to the Company or GESPL (or any person nominated by the Company) on the earlier of either of the events set out in paragraph 3.3 of this announcement; and
 - (iv) the Group has not suffered, and the Board does not foresee the Group to suffer, material costs or adverse impact following the Tek Guthrie Share Transfer, with the Vendor holding the Tek Guthrie Share.

**By Order of the Board of Directors of
EVER GLORY UNITED HOLDINGS LIMITED**

Xu Ruibing
Executive Director and Chief Executive Officer

1 July 2025

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

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