Far East Group Limited
(Company Registration No. 196400096C)
(Incorporated in the Republic of Singapore on 18 March 1964)

ACQUISITION OF 7.05% OF THE ISSUED AND PAID-UP ORDINARY SHARES IN EDEN REFRIGERATION MANUFACTURING (JIANGSU) CO., LTD.

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1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Far East Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has, on 17 June 2026, entered into a sale and purchase agreement (the "**SPA**") with Mr Fuco Rudyanto Chandra (the "**Vendor**"). Pursuant to the SPA, the Company will acquire 705,000 ordinary shares in Eden Refrigeration Manufacturing (Jiangsu) Co., Ltd ("**ERM**"), representing 7.05% of the total issued and paid-up share capital of ERM (the "**Sale Shares**") from the Vendor for a total consideration of RMB 4,739,842 (the "**Purchase Consideration**") (the "**Acquisition**"). Following the completion of the Acquisition, the Company will hold a 91.3% equity interest in ERM.

2. INFORMATION ON THE VENDOR

2.1 Mr Fuco Rudyanto Chandra is the majority shareholder and president director of PT Aneka Citra Refrigeratama ("**PTAC**"). He is a non-substantial shareholder of the Company. PTAC is a customer of P.T. Far East Refrigeration Indonesia ("**FERI**"), a wholly-owned subsidiary of the Group.

2.2 Save as disclosed, the Vendor is an unrelated third party to the Company, its Directors, and its controlling shareholders, as well as their respective associates.

3. INFORMATION ON ERM

3.1 ERM was incorporated on 1 June 2010 under the laws of People's Republic of China. As at the date of this announcement, ERM has an issued and paid-up capital of RMB 64,030,291 (equivalent to USD 10,000,000), comprising of 10,000,000 ordinary shares. ERM holds 51% equity interest in its subsidiary, Elite Envirotech Co., Ltd (collectively, "**ERM Group**"). ERM Group is principally engaged in the business of manufacturing and trading of electrical, refrigeration and air conditioning equipment and parts. Prior to the Acquisition, ERM was an 84.25%-owned subsidiary of the Group.

3.2 Based on the latest audited financial statements of ERM Group for the financial year ended 31 December 2025 ("**FY2025**"), ERM Group recorded a net profit before tax of approximately RMB 622,000 (approximately S$113,000[1]), net assets and net tangible assets ("**NTA**") of RMB 45,718,000 (approximately S$8,403,000[2]) and RMB 42,523,000 (approximately S$7,816,000[2]), respectively.

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[1] Based on the exchange rate of RMB 1.0000 : S$0.1822 extracted from www.businesstimes.com.sg/wealth, being the average exchange rate for FY2025.
[2] Based on the exchange rate of RMB 1.0000 : S$0.1838 extracted from www.businesstimes.com.sg/wealth, being the exchange rate as at 31 December 2025.

3.3 An independent valuation on ERM Group was prepared by Chang Zhou Pu Hua Kai Rui Asset Appraisal Real Estate Valuation Co., Ltd. (常州普华开瑞资产评估房地产估价有限公司) for the purpose of the Acquisition. Based on the valuation report dated 8 April 2026, the estimated market value of ERM Group is RMB 72,539,589 (equivalent to S$13,737,000[3]) as at 28 February 2026. The valuation was derived using asset-based approach.

4. SALIENT TERMS OF THE ACQUISITION

4.1 Sale Shares

Subject to the terms and conditions of the SPA, the Vendor agrees to sell, and the Company agrees to purchase the Sale Shares at the Completion Date (as defined below) for the Purchase Consideration.

4.2 Purchase Consideration

The aggregate consideration for the Sale Shares is RMB 4,739,842 (equivalent to S$898,000[3]) which shall be satisfied as follows:

(a) cash payment of RMB 121,014.08 prior to the signing of the SPA to the First Tax Service Branch, State Taxation Administration, Wujin District, Changzhou City (国家税务总局常州市武进区税务局第一税务分局) as the withheld capital gains tax of the Vendor;

(b) payment of RMB 1,744,509.66, being equivalent to IDR 4,584,606,279, by way of set-off against the total outstanding amounts owing from PT Aneka Citra Refrigeratama ("**PTAC**") to FERI (the "**Outstanding Receivables**") on the Completion Date;

(c) cash payment of RMB 2,874,318.26 to be made in the following tranches:

   (i) RMB 1,437,159.13 payable on the Completion Date; and

   (ii) RMB 1,437,159.13 payable on or prior to the date falling two (2) months from the date of the SPA.

As at the date of this announcement, save for the final tranche of cash payment of RMB 1,437,159.13 payable within two (2) months from the date of the SPA pursuant to paragraph 4.2(c)(ii) above, the Company has satisfied the Purchase Consideration in the manner set out in paragraph 4.2 above.

The Purchase Consideration was arrived at following arm's length negotiations between the Vendor and on a "willing seller-willing buyer" basis, after taking into account, *inter alia*, the rationale for the Acquisition set out in paragraph 5 of this announcement, ERM's historical earnings and its growth potential. The Purchase Consideration payable in cash by the Company will be funded through internal resources of the Group and/or bank borrowings.

4.3 Vendor's Acknowledgments on the Outstanding Receivables

The Vendor acknowledges, warrants and undertakes with the Company, among others, that:

(a) as at the date of the SPA, the Outstanding Receivables owing from PTAC to FERI amounts to IDR 4,584,606,279, being equivalent to RMB 1,744,509.66; and

[3] Based on the exchange rate of RMB 1.0000 : S$0.1894 on 16 June 2026, being the full market day preceding the date of signing of the SPA, extracted from Oanda.

(b) the Outstanding Receivables shall be paid by way of set-off against an equivalent amount which forms part of the Purchase Consideration payable by the Company to the Vendor as described at Paragraph 4.2 of this announcement.

4.4 Conditions Precedent

The completion of the Acquisition (the "**Completion**") is conditional upon the following conditions precedent ("**Conditions**"), among others, being fulfilled:

(a) the Company being satisfied in its sole and absolute discretion with the results of the due diligence investigation (whether legal, financial, contractual, tax or otherwise) carried out by a professional service firm engaged by the Company in respect of ERM, including but not limited to the affairs, business, assets, liabilities, operations, records, financial position, financial performance, tax liabilities, accounts, results and prospects of ERM;

(b) all consents, approvals and authorisations of bankers, financial institutions, relevant third parties, government or regulatory authorities required to be obtained by ERM and/or the Vendor in connection with the transfer of the Sale Shares from the Vendor to the Company and the Company having obtained legal and beneficial title to the Sale Shares (including without limitation, waivers of pre-emption rights by the existing shareholders of ERM and consents from existing bankers) being obtained by ERM and/or the Vendor, and if subject to conditions, on such conditions reasonably acceptable to the Company, prior to the Completion Date, and such consents and approvals remaining in full force and effect and not being revoked as at Completion;

(c) the approval of the shareholders of the Company in an extraordinary general meeting (if required), and the approval and consents of any regulatory authorities (where necessary), in relation to the following:

    (i) the acquisition of the Sale Shares by the Company on the terms and conditions set out in the SPA; and

    (ii) such other corporate action(s) in connection with the transactions contemplated by the SPA.

Other Conditions relate to customary representations and warranties for transactions of this nature as agreed between the parties.

If any of the Conditions set out in the SPA is not fulfilled or otherwise specifically waived by 5.00 p.m. (Singapore time) on the date failing three (3) months from the date of the SPA ("**Long-stop Date**"), the SPA shall *ipso facto* cease and determine with immediate effect and the parties shall have no claims against each other, provided that if the only outstanding condition as at the initial Long-stop Date is the condition set out in paragraph 4.4(c) of this announcement, the Long-stop Date shall be automatically extended by a further three (3) months.

4.5 Completion

Subject to the fulfilment or waiver of the Conditions set out in paragraph 4.4 of this announcement, the Completion shall take place on the completion date, being (i) the date falling three (3) business days after the fulfilment and/or waiver of the Conditions; (ii) other date as may be agreed in writing between the parties ("**Completion Date**").

As at the date of this announcement, all Conditions have been fulfilled and the Acquisition has been completed, in accordance with the terms and conditions of the SPA. Accordingly, ERM is a 91.30%-owned subsidiary of the Group.

5. RATIONALE AND BENEFITS OF THE ACQUISITION

The rationale for and benefits of the Acquisition are, *inter alia*, as follows:

(a) the Vendor expressed his intention to reduce his shareholding in ERM, thereby providing the Company with an opportunity to increase its equity interest in ERM;

(b) the Acquisition will increase the Company's equity interest in ERM, thereby strengthening the Group's ownership position in ERM and increasing its participation in ERM Group's future growth and performance. In turn, this allows the Group to boost its share of ERM Group's future earnings and net assets; and

(c) the Purchase Consideration is structured in a cost-efficient manner, including through the set-off of the Outstanding Receivables, thereby optimising the Group's capital deployment.

Given the foregoing, the Board believes that the Acquisition will enhance shareholder value for the Company.

6. FINANCIAL EFFECTS OF THE ACQUISITION

6.1 Bases and Assumptions

The pro forma financial effects of the Acquisition on the Group set out below have been presented based on the latest audited financial statements of the Group and the ERM Group for FY2025. The pro forma financial effects are purely for illustrative purposes only and do not reflect the actual future financial position and performance of the Group after Completion. The following are the bases and key assumptions used:

(a) the financial effects on the NTA attributable to the equity holders of the Group and the NTA per share are computed assuming that the Acquisition was completed on 31 December 2025;

(b) the financial effects on the profit attributable to the equity holders of the Group and the earnings per share ("**EPS**") are computed assuming that the Acquisition was completed on 1 January 2025; and

(c) the expenses incurred in connection with the Acquisition have not been included in the computation of the financial effects.

6.2 NTA per Share

	Before the Acquisition	**After the Acquisition**
NTA attributable to owners of the Company(1) (S$'000)	46,140	47,182
Number of ordinary shares (excluding treasury shares and subsidiary holdings) ('000)	111,462	111,462
NTA per Share (S$ cents)	41.40	42.33

Note:

(1) NTA attributable to owners of the Company refers to total assets less the sum of total liabilities, non-controlling interests, intangible assets and land use rights.

6.3 EPS

	Before the Acquisition	After the Acquisition
Profit attributable to owners of the Company(1) (S$'000)	2,234	2,237
Weighted average number of issued Shares (excluding treasury shares and subsidiary holdings) ('000)	111,462	111,462
EPS (S$ cents)	2.00	2.01

Note:

(1) Profit attributable to owners of the Company refers to the profit after income tax after deducting non-controlling interests.

7. RELATIVE FIGURES BASED ON RULE 1006 OF THE CATALIST RULES

The relative figures for the Acquisition computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**") based on the Group's latest announced audited consolidated financial statements for FY2025 are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable(1)
(b)	The net profits attributable to the assets acquired, compared with the Group's net profits	0.3(2)
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the 7.9(4) total number of issued shares excluding treasury shares	6.9(3)
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable(4)
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable(5)

Notes:

(1) Not applicable as this relates to an acquisition.

(2) Based on the net profit of the ERM Group attributable to 7.05% equity interest in ERM for FY2025 of approximately RMB 44,000 or approximately S$8,000[1] and the Group's profit before tax for FY2025 of approximately S$3,037,000.

(3) Based on the Purchase Consideration of RMB 4,739,842 or approximately S$898,000[3] (including the offset against the Outstanding Receivables) and the Company's market capitalisation of approximately S$12,941,000 which is determined by multiplying the volume

weighted average price of S$0.1161 per Share on 9 June 2026, being the last market day on which the Shares were traded on SGX-ST preceding the date of the signing of the SPA, with the Company's total number of issued ordinary shares (excluding treasury shares) of 111,462,000 Shares.

(4) Not applicable as no equity securities are issued by the Company as consideration for the Acquisition.

(5) Not applicable as the Company is not a mineral, oil or gas company.

As the relative figure computed on the basis set out in Rule 1006 (c) of the Catalist Rules exceeds 5% but does not exceed 75%, the Acquisition is classified as a discloseable transaction under Rule 1010 of the Catalist Rules. Accordingly, the Acquisition is not subject to the approval of the Company's shareholders at a general meeting.

8. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Acquisition, other than through their respective shareholdings (if any) in the Company.

10. DOCUMENT FOR INSPECTION

A copy of the SPA is available for inspection during normal office hours at the Company's registered office at 51 Ubi Avenue 3, Singapore 408858 for three (3) months from the date of this announcement.

11. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company as the Acquisition is subject to certain conditions. There is no certainty or assurance that the Acquisition will be completed or that no changes will be made to the terms thereof. The Company will keep shareholders updated on material developments on the Acquisition as and when appropriate. In the meantime, shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Loh Mun Yew
Executive Chairman and Chief Executive Officer
17 June 2026

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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.*

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