

Substantial Transaction Circular

Arindo Holdings (Mauritius) Limited

In relation to the proposed disposal of all of Adaro Capital Limited's 47.99% shares and warrants held in Kestrel Coal Group Pty Ltd to Yancoal Australia Limited

24 September 2026

IF YOU ARE A SHAREHOLDER OF ARINDO HOLDINGS (MAURITIUS) LIMITED, THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Arindo Holdings (Mauritius) Limited (“Arindo” or the “Company”) was incorporated on March 28, 2005 as a private company limited by shares, with registration number C55187. On 24 October 2017, the company converted from a private company limited by shares to a public company limited by shares. Arindo is domiciled in Mauritius, and the address of its registered office is Suite 4c, 4th Floor, Hennessy Court, Pope Hennessy Street, Port Louis, Republic of Mauritius.

This document is issued for the purpose of providing information to the shareholders of Arindo in relation to the proposed disposal by Adaro Capital Limited (“ACL”), an indirect wholly owned subsidiary of the Company, of all its 47.99% shares and warrants held in Kestrel Coal Group Pty Ltd (“KCG”) to Yancoal Australia Limited.

This Circular has been prepared in compliance with Chapter 13 of the SEM Listing Rules governing substantial transactions on the Stock Exchange of Mauritius (“SEM”).

For a full appreciation of this document, it should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, investment dealer, legal adviser or other professional adviser immediately.

This document is neither an invitation nor a Prospectus nor a statement in lieu of a Prospectus for the purpose of inviting subscriptions or applications for securities in Arindo.

This document is intended only for the use of the person to whom it is addressed and should not be reproduced, distributed or published in whole or in part for any purpose.

Disclaimer

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A copy of this document has been filed with the FSC.

DECLARATION OF DIRECTORS

This document to shareholders includes particulars given in the context of the sales and purchase agreement entered into by ACL, EMR Entities and a Buyer in relation to the proposed disposal of all of the sellers' shares and warrants held in Kestrel Coal Group Pty Ltd ("KCG") to Buyer, including all of ACL's 47.99% shares and warrants held in KCG. This Substantial Transaction Circular includes particulars given in compliance with the Stock Exchange of Mauritius Ltd Rules Governing the Official Listing of Securities for the purpose of giving information with regard to the issuer.

The directors of Arindo, whose names appear in Section 4.1, (the "Directors"), collectively and individually, accept full responsibility for the accuracy and/or completeness of the information contained in this document, and confirm, after having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

The Directors of Arindo hereby declare that in their opinion:

- (a) the working capital available to Arindo is sufficient for the Group's present requirements for a period of twelve (12) months from the date of this document; and
- (b) there has been no material adverse change in the financial or trading position of Arindo since their latest audited financial statements for the year ended 31 December 2025.

The consents given by the experts named in this document have not been withdrawn at the date of this document.

For and on behalf of the Board of Arindo.



Mr Low Wai Ing

Executive Director



Mr Fakr-ud-deen Ali Peerbux

Executive Director

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1. GLOSSARY OF DEFINITIONS AND ABBREVIATIONS

Term	Definition
ACL	Adaro Capital Limited
ACN	Australian Company Number
Arindo	Arindo Holdings (Mauritius) Limited
Board	The board of directors of Arindo Holdings (Mauritius) Limited
Buyer	Yancoal Australia Limited
EMR Entities	EMR Capital Advisors Pty Ltd, EMR Capital Management Limited, and Kestrel Coal (EMR) Limited
FSC	The Financial Services Commission
Group	Arindo Holdings (Mauritius) Limited together with its subsidiaries from time to time
KCG	Kestrel Coal Group Pty Ltd
Kestrel Mine	An underground longwall metallurgical coal mine located in the Bowen Basin of central Queensland, Australia
m	million
Mt	Metric tonnes
Substantial Transaction Circular or the Circular	This document prepared pursuant to the Listing Rules of the SEM for the purpose of the proposed Transaction
SEM	Stock Exchange of Mauritius
SPA	Sale and Purchase Agreement dated 14 April 2026
the Transaction	The potential disposal by ACL of all its shares amounting to 720,385,220 ordinary shares (representing 47.99% shareholding) and all warrants in KCG to Buyer
USD	United States Dollar
Yancoal	Yancoal Australia Limited

2. COMPANY BACKGROUND

2.1 History and principal activities

Arindo was incorporated on March 28, 2005 in Mauritius under the Mauritian Companies Act 2001 as a private company limited by shares. The Company converted from a private company limited by shares to a public company limited by shares on October 24, 2017 and was granted permission for the listing of its shares on the Stock Exchange of Mauritius on November 30, 2017. The address of the Company's registered office is Suite 4c, 4th Floor, Hennessy Court, Pope Hennessy Street, Port Louis, Republic of Mauritius.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are that of investment holding and to carry on business as a coal trader and marketing agent.

2.2 Subsidiaries

The following table sets out the principal subsidiaries of Arindo as at the date of this Circular:

Company	Place of incorporation	Effective shareholding	Main business
Vindoor Investments (Mauritius) Limited	Mauritius	100.00%	Investment Holding Company
Adaro International (Singapore) Pte Ltd	Singapore	100.00%	Coal trader, marketing agent and investment holding
Adaro Capital Limited	Malaysia	100.00%	Investment holding
Adaro Australia Pty Ltd	Australia	100.00%	Investment management, other advisory services.

2.3 Corporate information of Arindo

Name of company	Arindo Holdings (Mauritius) Limited
Date of incorporation	28 March 2005
Place of incorporation and registration	Mauritius
Business registration number	C55187
Registered office	Suite 4c, 4th Floor, Hennessy Court, Pope Hennessy Street, Port Louis, Republic of Mauritius
Administrator and secretary	Aurisse International Ltd, Citadelle Mall, Sir Virgil Naz Street, Port Louis, Republic of Mauritius
Sponsoring Broker	DTOS Registry Services Ltd, 10 th Floor, Standard Chartered Tower, 19 Cyberville, Ebene Republic of Mauritius
Auditor	AMG GLOBAL, Office Suite C312, Pinpoint Business Park, Calebasses 20201, Republic of Mauritius
Transaction advisors	BDO & Co 10 Frere Felix de Valois, Champs de Mars Port Louis Republic of Mauritius
Legal advisers	BOWMANS (MAURITIUS) 3 rd Floor, The Dot, Avenue De Telfair, Moka, 80829, Republic of Mauritius
Bank	Standard Chartered Bank (Mauritius) Limited, 6 th Floor, Standard Chartered Tower, Cyberville, Ebene 72201, Republic of Mauritius

3. Transaction

3.1 Overview

On 14 April 2026, Adaro Capital Limited (“ACL”), a Malaysia-incorporated company and an indirect wholly-owned subsidiary of Arindo Holdings (Mauritius) Limited, and EMR Entities as the sellers entered into a Sale and Purchase Agreement with Buyer, for the potential disposal of all of the sellers’ shares and warrants in KCG to Buyer, including all of ACL’s shares amounting to 720,385,220 ordinary shares (representing 47.99% shareholding interest) and warrants.

KCG is an Australian-incorporated company whose principal asset is its interest in the Kestrel Mine.

Following completion of the Transaction, ACL will cease to hold any direct or indirect interest in KCG or the Kestrel Mine. The Transaction therefore represents a full divestment of the Group’s investment in KCG or the Kestrel Mine.

The aggregate consideration to be received by the sellers for the transaction set out in SPA comprises an upfront cash consideration of approximately USD 1,850m, payable on completion date, subject to further adjustments pursuant to terms and conditions under the SPA, and a contingent cash consideration of up to a maximum of USD 550m in aggregate, payable annually over a five-year period following the completion date provided that the conditions for payment have been met. Therefore, the aggregate consideration to be received by ACL for the Transaction shall be calculated based on ACL’s share ownership proportion in KCG, which comprises an upfront cash consideration of approximately USD 887.8m and a contingent cash consideration of up to a maximum of USD 263.9m.

The contingent cash consideration is receivable on a deferred basis over a five-year period post-completion, with payments, if any, made annually. Such contingent cash consideration is subject to a condition that, in any given year, the average (mean) published daily prices for the Platts Premium Low Vol Hard Coking Coal FOB Australia (PLVHA00) Index in the assessment year exceeds a specified threshold.

The aggregate consideration for the Transaction, comprising the upfront cash consideration and contingent cash consideration components as mentioned above, will be assessed against the carrying value of the Group’s investment in KCG as at the completion date. The above-mentioned upfront cash consideration, which is subject to further adjustments pursuant to the terms and conditions under the SPA, will be offset against the book value of the Group’s investment in KCG as at the completion date to derive the financial result of the disposal. Any contingent cash consideration subsequently realised will be recognised as part of the overall financial result of the disposal. Accordingly, the final financial result of the Transaction is subject to the final or ultimate amount of both upfront cash consideration and contingent cash consideration.

3.2 Substantial Transaction

A substantial transaction is defined in Chapter 13 of the Listing Rules of the SEM as an acquisition or realisation of assets (including securities) by a listed issuer or any of its subsidiaries where:

- The value of the assets being acquired or realised represents 50 per cent or more of the net assets or consolidated net assets, as the case may be, of the acquiring or realising group; or
- The net profit (after deducting all charges except taxation) attributable to the assets being acquired or realised as disclosed in the latest published audited accounts represents 50 per cent or more of such net profit of the acquiring or realising group; or
- The aggregate value of the consideration given or received represents 50 per cent or more of the net assets or consolidated net assets, as the case may be, of the acquiring or realising group; or
- The value of the equity capital issued as consideration by the acquiring issuer represents 50 per cent or more of the value of the equity capital previously in issue.

The Transaction qualifies as a substantial transaction as follows:

- the value of the asset disposed represents more than 50% of the consolidated net assets of Arindo Group; and
- the aggregate value of the consideration receivable by ACL for the Transaction represents more than 50% of the consolidated net assets of Arindo Group.

Listing Rule 13.15 requires Arindo to inform the SEM and send a substantial transaction circular to its shareholders containing the items of information as regards to Arindo specified by Listing Rule 13.17.

No shareholder of the Company has a material interest in the Transaction and, accordingly, no shareholder is required to abstain from voting on the ordinary resolution to approve the Transaction.

3.3 Rationale of the Transaction

The purpose of the Transaction is to support the implementation of the Group's business and investment strategy.

3.4 Intended application of the disposal proceeds

The proceeds from the disposal are expected to be applied primarily towards the repayment of the outstanding intercompany loans, thereby reducing the Group's indebtedness and improving its overall capital structure.

3.5 Determination of the Transaction price

The transaction price comprises an upfront cash consideration and contingent cash consideration, reflecting the quality and value of the underlying asset. Kestrel Coal Mine is a large-scale, long-life underground coal mine that produces premium hard coking coal characterised by low ash content and high fluidity, a product that continues to enjoy strong demand from global steelmakers.

The agreed consideration was determined following a competitive bidding process, extensive due diligence and arm's length negotiation process. In assessing the value of Kestrel Coal Group Pty Ltd, the parties considered a range of factors, including its attributable coal reserves and resources, projected operational and financial performance, and prevailing market conditions.

The inclusion of a contingent cash consideration component provides a balanced approach to value sharing and reflects the inherent uncertainties associated with mining operations and commodity markets. This approach was common in mergers and acquisitions by reference to precedent transactions with price-linked contingent mechanisms. In addition, this structure helps align the interests of both parties considering the market uncertainties and volatility around commodity prices.

3.6 Timeline of the Transaction

The completion of the transaction will be subject to the fulfilment of the conditions precedent set out in SPA. According to SPA, the conditions precedent must be fulfilled no later than the conditions precedent end date below:

- 30 November 2026, as may be extended by the sellers pursuant to the terms and conditions under SPA, or any other date agreed between the sellers and the Buyer ("**First Conditions Precedent End Date**"); and
 - in respect to certain condition precedent, the date that is 5 business days after the First Conditions Precedent End Date, or any other date agreed between the sellers and the Buyer.
- (further, both point a and b are to be mentioned as "Conditions Precedent End Date").

However, according to the information received by the Company as of the date of this Circular, the Transaction are expected to be completed earlier provided that the conditions precedents are fulfilled sooner than the Conditions Precedent End Date.

3.7 Particulars of assets being disposed

The assets being disposed of by ACL pursuant to the SPA are:

- 720,385,220 ordinary shares in KCG, representing 47.99% of the total issued and paid-up ordinary share capital of KCG (ACN 624 655 518); and
- All warrants in KCG held by ACL.

KCG is a company incorporated in Australia with its primary asset being its interest in the Kestrel Mine. As at the date of the SPA, the shares and warrants in KCG collectively represent ACL's entire direct economic interest in KCG and, indirectly, in Kestrel Mine.

Key details of the Kestrel Mine are as follows:

- **Location:** 40 kilometres north of Emerald in the Bowen Basin coal fields, central Queensland, Australia.
- **Ownership:** ACL (together with EMR Entities) collectively holds 80% of the economic interest in the Kestrel Mine through KCG.
- **Coal type:** High-quality metallurgical coal.
- **Production:** Saleable coal production of 5.89 million tonnes in 2025.
- **Sales destinations:** India (largest market), Japan, and South Korea, among others.
- **Book value of investment (Group):** USD 746,268,943 as at 31 July 2026 .

The Kestrel Mine has been a significant contributor to the Group's financial performance, with the share of results of the joint venture contributing USD 8,678,568 to the Group's results in FY2025 and USD 15,149,979 in FY2024.

3.8 Value of assets being realised

The book value of the Group's investment in KCG in the Group's consolidated financial statements) as at 31 July 2026 was USD 746,268,943. This represents the carrying value of ACL's 47.99% interest in KCG as recorded in the unaudited consolidated financial statements of the Group for the financial year ended 31 July 2026.

3.9 Net profits attributable to assets

The net profits attributable to the assets being disposed of (i.e., the share of results of joint venture relating to ACL's interest in KCG) for the two preceding financial years were as follows:

Item	FY25 (USD)	FY24 (USD)
Net profit before taxation attributed to the asset	12,397,955	17,940,741
Net profit after taxation attributed to the asset	8,678,568	15,149,979

Book value of investment in joint venture	750,658,709	754,263,360
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Following the completion of the Transaction, the Group will cease to hold any direct or indirect interest in KCG and the Kestrel Mine. Accordingly, the carrying value of the investment in KCG will be derecognised from the Group's consolidated statement of financial position.

4. Director's information

4.1 List of directors

Name	Office held
Low Wai Ing	Executive Director
Fakr-ud-deen Ali Peerbux	Executive Director
Abdoos Samade Jhummun	Independent Director
Priscilla Chew Yen Ling	Independent Director
Pepen Handianto Danuatmadja	Non-Executive Director
Susanti	Non-Executive Director

4.2 Directors' interests

As at the date of this Circular, none of the Directors of Arindo held, directly or indirectly, any shares, warrants, or other securities in the Company or any of its subsidiaries.

4.3 Directors' remuneration

The remuneration paid to the Directors of Arindo for the financial year ended 31 December 2025 and the estimated remuneration for the current financial year are as follows:

Category	Paid FY25 (USD)	Estimated FY26 (USD)
Executive directors	60,000	60,000
Independent and non-executive directors	30,000	30,000

4.4 Service contracts

There are no service contracts in existence between the Company and any of its Directors in their personal capacity, nor are any such contracts proposed.

4.5 Material contracts

There were no significant contracts subsisting at the date of this Circular involving the Company and any Directors outside the ordinary course of business.

There were no material contracts, other than contracts entered into in the ordinary course of business, to which any member of the Group has been a party within the two years immediately preceding the publication of this Circular.

4.6 Statement of indebtedness

The analysis of consolidated borrowings as at 31 July 2026 is as follows:

USD	As at 31 July 2026	Security
Loan from related parties	783,378,241	Unsecured
Bank loans	13,669,054	(1) Unsecured loan; and (2) Secured loan for Office Premise
Total	797,047,295	

The total mortgages and charges of the Group were USD 8,872,330 as at 31 July 2026.

The total amount of contingent liabilities amounted to USD nil as at 31 July 2026.

4.7 Stated capital

Details	31 December 2025	31 July 2026
<u>Issued and fully paid</u>		
Number of shares	27,582,802	27,582,802
Stated capital (USD)	53,786,459	53,786,459

5. Financial and trading prospects

As at the date of this Circular, the Group's principal investment is its indirect interest in the Kestrel Mine through its joint venture investment in KCG.

Following completion of the Transaction, the Group will cease to hold this significant joint venture investment and sharpen its strategic focus on its remaining businesses and investment such as equity and private fund investments, alongside its established coal trading business.

While the Transaction marks a significant milestone in the Group's portfolio realignment, the Group expects its net profit for the remainder of the current financial year to be lower, as it will no longer contribute a share of results from the joint venture investment following the disposal. Nevertheless, the Group believes the Transaction will enhance its financial flexibility and support the execution of its longer-term business and investment strategy.

6. Legal proceedings

During the twelve (12) months period ended 31 July 2026, the Group has not been involved in any governmental, legal, administrative or arbitration proceedings which have had, or could reasonably be expected to have, a material or significant effect on the financial position, profitability or operations of Arindo.

As at the date of this Circular, the Group is not aware of any such proceedings pending or threatened against it which would be likely to give rise to a material adverse impact on its financial position or performance.

7. Documents for inspection

The following documents are available for inspection at the registered office of the Company (Suite 4c, 4th Floor, Hennessy Court, Pope Hennessy Street, Port Louis, Republic of Mauritius) during normal working hours for a period of not less than fourteen (14) days from the date of this Circular:

- The Constitution of Arindo Holdings (Mauritius) Limited;
- The Audited Consolidated Financial Statements of the Group for the financial year ended 31 December 2024;
- The Audited Consolidated Financial Statements of the Group for the financial year ended 31 December 2025; and
- This Circular.

APPENDIX
SHAREHOLDERS
WRITTEN RESOLUTION

Arindo Holdings (Mauritius) Limited
(the "Company")

**WRITTEN RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY PASSED IN
 ACCORDANCE WITH THE AUTHORITY GIVEN BY CONSTITUTION OF THE COMPANY**

**I. SHARE PURCHASE AGREEMENT - COMPLETION OF SALE TRANSACTION -
 ADARO CAPITAL LIMITED**

- A. It is **NOTED** that the Company is the sole shareholder of VINDOOR INVESTMENTS (MAURITIUS) LIMITED incorporated under the laws of Mauritius, which in turn is the sole shareholder of Adaro International (Singapore) Pte Ltd incorporated under the laws of Singapore and which in turn is the sole shareholder of Adaro Capital Limited ("ACL") incorporated under the laws of Malaysia.
- B. It is **ALSO NOTED** that on 14 April 2026 ACL entered into:
- i. a Share Purchase Agreement ("SPA") with Yancoal Australia Limited (the "Buyer"), EMR Capital Advisors Pty Ltd, EMR Capital Management Limited, and Kestrel Coal (EMR) Limited (collectively "EMR Entities") in which ACL agrees:
 1. to sell 720,385,220 ordinary shares, representing 47.99% of the issued and paid-up share capital of Kestrel Coal Group Pty Ltd (ACN 624 655 518) ("KCG") (the "Shares") to the Buyer;
 2. to sell all warrants held in KCG (the "Warrants") to the Buyer;
 - ii. a Contingent Consideration Deed between ACL and the Buyer; and
 - iii. a Side Letter between ACL and among others, the EMR Entities and Kestrel Coal (EMR II) Pty. Ltd.

The sale of Shares and the Warrants by ACL to the Buyer shall be referred to as the "Transaction" and the above-mentioned documents shall be referred to as the "Transaction Documents".

The completion of the Transaction will be carried out by the parties after the fulfillment of all conditions precedent agreed in the SPA.

- C. It is **NOW PROPOSED** for ACL to proceed with and complete the Transaction as defined under Clause B.
- D. It is **NOTED** that the Transaction constitutes a substantial transaction within the meaning of Rule 13.9 of the Listing Rules of the Stock Exchange of Mauritius Ltd (the "Listing Rules"), as the relevant percentage ratios on the bases set out in Rule 13.9(a) and Rule 13.9(c) each exceed 50 per cent of the consolidated net assets of the Company.
- E. It is **ALSO NOTED** that pursuant to Rule 13.10 of the Listing Rules, a substantial transaction must be made conditional on approval by shareholders, which approval may be obtained by means of the written approval of a shareholder who holds or shareholders who together hold more than 50 per cent in nominal value of the securities giving the right to attend and vote at a meeting of shareholders.
- F. It is **FURTHER NOTED** that a circular prepared in accordance with Rules 13.16 and 13.17 of the Listing Rules in relation to the Transaction (the "Chapter 13 Circular") is annexed hereto as **Annexure A** for the consideration of the shareholders.

It is hereby **RESOLVED THAT** after due consideration of the Chapter 13 Circular, the entry into of the Transaction Documents BE AND IS HEREBY APPROVED, CONFIRMED AND RATIFIED in all respects and the Transaction and the entry into and completion thereof BE AND ARE HEREBY APPROVED.

Signature page follows 

Arindo Holdings (Mauritius) Limited
(the "Company")

This written resolution may be executed in multiple counterparts such that all the parts when taken together shall constitute one (1) document only

Date: _____

SIGNATURE PAGE OF WRITTEN RESOLUTION
OF THE SHAREHOLDERS OF THE COMPANY

**Arindo Holdings (Mauritius) Limited
(the “Company”)**

**ANNEXURE A
CHAPTER 13 CIRCULAR**