FEDERAL INTERNATIONAL (2000) LTD
Incorporated in the Republic of Singapore
Company Registration No. 199907113K

RESPONSE TO QUESTIONS RECEIVED FROM SHAREHOLDER FOR THE ANNUAL GENERAL MEETING TO BE HELD ON 28 APRIL 2022

The Board of Directors (the "**Board**" or "**Directors**") of Federal International (2000) Limited ("**Federal**" or the "**Company**", and together with its subsidiaries, the "**Group**") would like to provide responses to the questions raised by shareholder for the Company's Annual General Meeting to be held on 28 April 2022 as follows:

No.	Question	Response
1)	Revenue from China fell significantly for FY2021 - "scrubber trade in China slowed down significantly" - Is the slowdown in scrubber trade COVID related and expected to pick up in future?	The demand for scrubber trade in China slowed down significantly mainly due to ship-owners weighing the benefits and costs of scrubber installation against the cost of low sulphur compliant fuel rather than Covid-19 related.
2)	Note 2, page 84 - regard the service concession arrangement, what is the water volume treatment capacity (i.e., meter cube per month or year)?	The Chengdu water plant has a daily maximum capacity of 40,000 m³.
3)	Regarding the Chengdu water plant, how has the receivables/revenue collection been from the government? e.g., 70%, 90% etc.	The Group's Energy and Utilities segment contributed about $2.76m or 4.6% to Group revenue for FY2021 (FY2020: 2.6%). The Group's Chengdu water plant accounted for less than 50% of this segment. The water plant sells treated water to 3rd party customers and not the Xinjin government. In accordance with the concession agreement, the Group is entitled to receive a fixed minimum guarantee fees in the event treated water purchased by 3rd party customers fall short of the minimum quantity. Collection from its 3rd party customers have been within the credit period granted. There has been no collection from the Xinjin government during FY2021.

No.	Question	Response
4)	Note 14, page 112 - impairment loss on trade receivables is almost 10M SGD, about 20% of receivables from 3rd parties; does this concern the Group or it's business as usual?	The Group made an impairment provision of $9,955k as at 31 December 2021 (FY2020: $9,967k). These were accumulated over the years and the Group is working to recover through legal actions. Included in the amount is $4,955k impairment losses that are mainly related to Debtors who are new and/or non-regular customers in Indonesia that are not major customers of the Group. The Group did not continue to transact with these Debtors following their default or breach.
5)	Why was a customer advance billed a huge amount of 11.8M SGD (Note 14, page 112)?	The Group has secured a significant contract with PT Gunanusa. In accordance with the contract, billings are raised based on milestones achieved. Such billings are recognised as advances until deliveries are complete.
6)	Note 16, page 113 - what is being done regarding the "slow repayment from the receivable", presumably by the local government of Xinjin?	The Financial Receivable arises from Built-Operate-Transfer project with the Chengdu Xinjin People's Republic Authoirty. We are constantly working with the Xinjin authority on the receivables.
7)	Is the Group benefiting from higher oil and commodity prices?	A high and stable oil price attracts upstream investments that are beneficial to the Group's procurement business. Such investments require stable and sustainable oil price to justify viability of projects.

By order of the Board

Mr Koh Kian Kiong
Executive Chairman and Chief Executive Officer
Date: 22 April 2022

About Federal International (Bloomberg Code: FEDI SP)

Established in 1974 and listed on the mainboard of the Singapore Stock Exchange in 2000, Federal International (2000) Limited ("Federal" and together with its subsidiaries, the "Group"), is an integrated service provider and procurement specialist in the oil and gas and energy industries. The Group's main trading business contributes over 90% of total turnover.

The Group's strategy for sustainable growth of the trading business is through forming strategic partnerships. One such partnership is with PT Gunanusa Utama Fabricators ("PTG"). PTG is an established EPCIC contractor and its customers include oil majors such as TOTAL, Petronas, ONGC, Pertamina and PTTEP. The Group provides procurement services to PTG for the projects secured by PTG.

In addition, the Group has a design and manufacturing facility located in Scotland, the United Kingdom. The facility is American Petroleum Institute (API) Q1, Spec 6D, ISO 9001:2015 and Pressure Equipment Directive 97/23/EC (PED) certified. Products manufactured also meet the Safety Integrity Level (SIL) Qualification independently certified by Exida.

The Group also owns a floating, storage and offloading ("FSO") vessel through its 30% interest in an associate. The FSO is chartered to PT Pertamina Hulu Energi OSES. The Group has a 1,200 HP American built land drilling rig. The Group also operates an industrial tap water plant in the People's Republic of China under a 30-year Build, Operate and Transfer agreement with the local Xinjin District, Chengdu government.