



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

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## FEDERAL ENVIRONMENTAL & ENERGY PTE. LTD.

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The Board of Directors (the “**Board**”) of Federal International (2000) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements made on 7 July 2017, 11 January 2018 (as clarified on 17 January 2018), 19 April 2018 and 29 May 2019 (the “**Announcements**”). Further to the Announcements, the Board wishes to provide an update to the New Proceedings. Capitalized terms used in this announcement shall have the same meanings as defined in the Announcements unless the context requires otherwise.

The Board wishes to announce that it has been informed of the arbitral award issued by the China International Economic and Trade Arbitration Commission (the “**CIETAC**”) in respect of the FEE Claims (the “**Award**”). In the Award, CIETAC rejected the FEE Claims on the grounds that FEE, being the ultimate investor under the BOO Agreement, could only realize its investor rights and interests through its previous shareholding interests in FEPZH, and therefore, FEE did not have standing to bring claims against the Management Committee under the BOO Agreement.

The CIETAC further held that FEPZH, as the project operator, was the rightful party to claim damages against the Management Committee under the BOO Agreement. However, as FEPZH did not pay its share of the relevant arbitration fees, the CIETAC did not rule or comment on FEPZH’s claims against the Management Committee.

The CIETAC ordered that FEE shall bear the costs of the arbitration in the amount of RMB 1,413,058. The Board notes that pursuant to the Litigation Funding Agreement, GD had agreed to be fully responsible for all costs and expenses arising from the New Proceedings, as well as provided a corresponding indemnity for the same. The Board further notes that GD had already paid for the relevant costs of the arbitration by way of a deposit made prior to the start of the arbitration proceedings in respect of the FEE Claims, and accordingly, FEE is not required to make any further payments pursuant to the Award.

The Award is not expected to have any material financial impact to the Group.

Shareholders are advised to exercise caution when dealing in the shares of the Company in relation to this announcement.

By order of the Board  
Mr Koh Kian Kiong  
Executive Chairman and Chief Executive Officer  
Date: 3 March 2020

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### **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 waster plant in the People’s Republic of China under a 30-year Build, Operate and Transfer agreement with the local Xinjin county government.

