



FEDERAL INTERNATIONAL (2000) LTD

Incorporated in the Republic of Singapore

Registration No. 199907113K

**Unaudited Condensed Interim Financial Statements
For the Six Months and Full Year Ended
31 December 2024**

27 February 2025

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Readers are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

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Federal International (2000) Ltd and its Subsidiaries
Condensed Interim Consolidated Income Statement

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	Note	Group			Group		
		6 Months Ended		Changes	12 Months Ended		Changes
		31.12.2024	31.12.2023		31.12.2024	31.12.2023	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
INCOME STATEMENT							
Revenue	5	19,894	21,625	(8.0)	44,260	50,303	(12.0)
Cost of sales	6	(14,621)	(16,264)	(10.1)	(32,644)	(37,027)	(11.8)
Gross profit		5,273	5,361	(1.6)	11,616	13,276	(12.5)
Gross profit margin		26.5%	24.8%		26.2%	26.4%	
Other income	6	1,185	1,208	(1.9)	6,677	1,563	N.M.
Selling and distribution costs	6	(2,713)	(2,912)	(6.8)	(5,040)	(5,420)	(7.0)
Administrative and general costs	6	(3,484)	(3,827)	(9.0)	(7,383)	(7,545)	(2.1)
Other operating expenses	6	(1,364)	(2,251)	(39.4)	(1,476)	(2,065)	(28.5)
Net (impairment loss)/ writeback of impairment loss on financial assets	6	75	(111)	(167.6)	(1,041)	(79)	N.M.
Finance costs	6	(267)	(313)	(14.7)	(572)	(769)	(25.6)
Share of results of associates		3,187	(819)	N.M.	2,848	(638)	N.M.
Writeback of impairment loss on investment in associate		–	1,000	(100.0)	–	1,000	(100.0)
Profit/(loss) before tax	6	1,892	(2,664)	(171.0)	5,629	(677)	N.M.
Income tax expense	7	(1,267)	(357)	N.M.	(1,656)	(658)	151.7
Profit/(loss) net of tax		625	(3,021)	(120.7)	3,973	(1,335)	N.M.
Attributable to:							
Owners of the Company		639	(14,305)	(104.5)	3,886	(17,989)	(121.6)
Non-controlling interests		(14)	11,284	(100.1)	87	16,654	(99.5)
		625	(3,021)	(120.7)	3,973	(1,335)	N.M.
Earnings/(loss) per share attributable to owners of the Company (cents per share)	8						
Basic		0.45	(10.17)		2.76	(12.79)	
Diluted		0.45	(10.17)		2.76	(12.79)	

N.M. – Not Meaningful

Federal International (2000) Ltd and its Subsidiaries
Condensed Interim Consolidated Statement of Comprehensive Income

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	Group			Group		
	6 Months Ended		Changes	12 Months Ended		Changes
	31.12.2024	31.12.2023		31.12.2024	31.12.2023	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit/(loss) net of tax	625	(3,021)	(120.7)	3,973	(1,335)	N.M.
Other comprehensive income/ (loss):						
Items that will not be reclassified subsequently to profit or loss						
Foreign currency translation	(3)	(412)	(99.3)	(97)	(368)	(73.6)
Surplus on revaluation of leasehold building	355	360	(1.4)	355	360	(1.4)
Fair value (loss)/gain of equity investment – financial assets at fair value through other comprehensive income ("FVOCI") (Note 14)	546	(195)	N.M.	(3,026)	(195)	N.M.
Items that are or may be reclassified subsequently to profit or loss						
Foreign currency translation	(91)	305	(129.8)	86	482	(82.2)
Share of other comprehensive income/(loss) of associates	97	(214)	(145.3)	201	(256)	(178.5)
Foreign currency translation on loss of control of disposal group classified as held for sale and loss of control of subsidiaries	124	(301)	(141.2)	30	(301)	(110.0)
Other comprehensive (loss)/ income for the period/year, net of tax	1,028	(457)	N.M.	(2,451)	(278)	N.M.
Total comprehensive income/(loss) for the period/year	1,653	(3,478)	(147.5)	1,522	(1,613)	(194.4)
Total comprehensive income/(loss) attributable to:						
Owners of the Company	1,670	(14,350)	(111.6)	1,532	(17,899)	(108.6)
Non-controlling interests	(17)	10,872	(100.2)	(10)	16,286	(100.1)
	1,653	(3,478)	(147.5)	1,522	(1,613)	(194.4)

N.M. – Not Meaningful

	Note	Group		Company	
		As At 31.12.2024	As At 31.12.2023	As At 31.12.2024	As At 31.12.2023
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	10	9,714	9,768	4	7
Right-of-use assets		2,462	2,147	—	—
Investment in subsidiaries	11	—	—	56,167	57,282
Investment in associates	12	9,427	7,183	3,545	3,545
Intangible assets	13	136	272	—	—
Financial assets at FVOCI	14	5,830	8,708	5,830	8,708
Other receivables		900	—	900	—
Amount due from subsidiary		—	—	—	900
Amount due from associate	15	15,990	—	—	—
Deferred tax assets		34	982	—	—
		44,493	29,060	66,446	70,442
Current assets					
Inventories		11,084	12,948	—	—
Trade receivables	16	13,011	11,772	—	—
Other receivables		1,536	779	—	—
Advance payment to suppliers		2,287	65	—	—
Prepayments		119	174	15	12
Deposits		16	34	—	4
Amounts due from subsidiaries		—	—	2,418	3,764
Amounts due from associates	15	2,053	17,937	180	164
Fixed and bank deposits		7,210	7,000	—	—
Cash and bank balances		7,521	8,932	2,507	1,401
		44,837	59,641	5,120	5,345
Assets of disposal group and assets classified as held for sale		—	4,962	—	—
		44,837	64,603	5,120	5,345
Current liabilities					
Trade payables		6,951	6,429	—	—
Other payables		2,918	4,368	597	742
Contract liabilities		437	503	—	—
Amounts due to subsidiaries		—	—	—	853
Amounts due to banks	17	6,952	6,335	—	—
Term loans	17	482	1,133	—	—
Lease liabilities		171	175	—	—
Provision for taxation		616	20	—	—
		18,527	18,963	597	1,595
Liabilities directly associated with disposal group held for sale		—	6,913	—	—
		18,527	25,876	597	1,595
Net current assets		26,310	38,727	4,523	3,750
Non-current liabilities					
Amounts due to subsidiaries		—	—	2,005	3,550
Term loans	17	—	482	—	—
Provision for post-employment benefits		162	156	—	—
Lease liabilities		2,465	2,207	—	—
Deferred tax liabilities		1,260	1,300	116	118
		3,887	4,145	2,121	3,668
Net assets		66,916	63,642	68,848	70,524

	Note	Group		Company	
		As At 31.12.2024	As At 31.12.2023	As At 31.12.2024	As At 31.12.2023
		S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	18	144,099	144,099	144,099	144,099
Treasury shares	18	(25)	(25)	(25)	(25)
Foreign currency translation reserve		(1,643)	(2,058)	—	—
Capital reserve		5	5	—	—
Revaluation reserve		8,078	7,723	—	—
Reserves of disposal group classified as held for sale		—	385	—	—
Other reserves		(4,641)	(1,615)	(3,378)	(352)
Accumulated losses		(77,824)	(81,997)	(71,848)	(73,198)
Equity attributable to owners of the Company		68,049	66,517	68,848	70,524
Non-controlling interests		(1,133)	(2,875)	—	—
Total equity		66,916	63,642	68,848	70,524

Federal International (2000) Ltd and its Subsidiaries
Condensed Interim Statements of Changes in Equity

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GROUP	Attributable to owners of the Company										
	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Revaluation reserve S\$'000	Reserves of disposal group classified as held for sale S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 01.01.2024	144,099	(25)	(2,058)	5	7,723	385	(1,615)	(81,997)	66,517	(2,875)	63,642
Profit net of tax	—	—	—	—	—	—	—	3,247	3,247	101	3,348
Other comprehensive income/(loss):											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	—	—	—	—	—	—	—	(94)	(94)
Fair value loss of equity investment – financial assets at FVOCI	—	—	—	—	—	—	(3,572)	—	(3,572)	—	(3,572)
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	242	—	—	(65)	—	—	177	—	177
Share of other comprehensive income of associates	—	—	104	—	—	—	—	—	104	—	104
Foreign currency translation on loss of control of disposal group classified as held for sale and loss of control of a subsidiary	—	—	(61)	—	—	(33)	—	—	(94)	—	(94)
Total comprehensive income/(loss) for the period	—	—	285	—	—	(98)	(3,572)	3,247	(138)	7	(131)
Reserve transferred to accumulated losses on loss of control of disposal group classified as held for sale	—	—	—	—	—	(287)	—	287	—	—	—
Disposal of non-controlling interest in disposal group classified as held for sale	—	—	—	—	—	—	—	—	—	1,752	1,752
Balance at 30.06.2024	144,099	(25)	(1,773)	5	7,723	—	(5,187)	(78,463)	66,379	(1,116)	65,263
Loss net of tax	—	—	—	—	—	—	—	639	639	(14)	625
Other comprehensive income/(loss):											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	—	—	—	—	—	—	—	(3)	(3)
Surplus on revaluation of leasehold building	—	—	—	—	355	—	—	—	355	—	355
Fair value gain of equity investment – financial assets at FVOCI	—	—	—	—	—	—	546	—	546	—	546
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	(91)	—	—	—	—	—	(91)	—	(91)
Share of other comprehensive income of associates	—	—	97	—	—	—	—	—	97	—	97
Foreign currency translation on loss of control of a subsidiary	—	—	124	—	—	—	—	—	124	—	124
Total comprehensive income/(loss) for the period	—	—	130	—	355	—	546	639	1,670	(17)	1,653
Balance at 31.12.2024	144,099	(25)	(1,643)	5	8,078	—	(4,641)	(77,824)	68,049	(1,133)	66,916

Federal International (2000) Ltd and its Subsidiaries
Condensed Interim Statements of Changes in Equity (cont'd)

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GROUP	Attributable to owners of the Company										
	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Revaluation reserve S\$'000	Reserves of disposal group and assets classified as held for sale S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 01.01.2023	144,099	(25)	(1,885)	5	7,363	12,290	(1,133)	(76,298)	84,416	(19,161)	65,255
Loss net of tax	—	—	—	—	—	—	—	(3,684)	(3,684)	5,370	1,686
Other comprehensive income/(loss):											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	—	—	—	—	—	—	—	44	44
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	177	—	—	—	—	—	177	—	177
Share of other comprehensive loss of associates	—	—	(42)	—	—	—	—	—	(42)	—	(42)
Total comprehensive income/(loss) for the period	—	—	135	—	—	—	—	(3,684)	(3,549)	5,414	1,865
Reserve transferred to accumulated losses on disposal of assets classified as held for sale	—	—	—	—	—	(12,290)	—	12,290	—	—	—
Balance at 30.06.2023	144,099	(25)	(1,750)	5	7,363	—	(1,133)	(67,692)	80,867	(13,747)	67,120
Loss net of tax	—	—	—	—	—	—	—	(14,305)	(14,305)	11,284	(3,021)
Other comprehensive income/(loss):											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	—	—	—	—	—	—	—	(412)	(412)
Net surplus on revaluation of leasehold buildings	—	—	—	—	360	—	—	—	360	—	360
Fair value loss of equity investment – financial assets at FVOCI	—	—	—	—	—	—	(195)	—	(195)	—	(195)
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	—	—	305	—	—	—	—	—	305	—	305
Share of other comprehensive loss of associates	—	—	(214)	—	—	—	—	—	(214)	—	(214)
Foreign currency translation on loss of control of subsidiary	—	—	(301)	—	—	—	—	—	(301)	—	(301)
Total comprehensive income/(loss) for the period	—	—	(210)	—	360	—	(195)	(14,305)	(14,350)	10,872	(3,478)
Reserves attributable to disposal group classified as held for sale	—	—	(98)	—	—	385	(287)	—	—	—	—
Balance at 31.12.2023	144,099	(25)	(2,058)	5	7,723	385	(1,615)	(81,997)	66,517	(2,875)	63,642

Company	Share capital S\$'000	Treasury shares S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance at 01.01.2024	144,099	(25)	(352)	(73,198)	70,524
Profit net of tax	—	—	—	192	192
Other comprehensive loss: <i>Items that will not be reclassified subsequently to profit or loss:</i>					
Fair value loss of equity investment – financial assets at FVOCI	—	—	(3,572)	—	(3,572)
Total comprehensive income/(loss) for the period	—	—	(3,572)	192	(3,380)
Balance at 30.06.2024	144,099	(25)	(3,924)	(73,006)	67,144
Profit net of tax	—	—	—	1,158	1,158
Other comprehensive income: <i>Items that will not be reclassified subsequently to profit or loss:</i>					
Fair value gain of equity investment – financial assets at FVOCI	—	—	546	—	546
Total comprehensive income for the period	—	—	546	1,158	1,704
Balance at 31.12.2024	144,099	(25)	(3,378)	(71,848)	68,848
Balance at 01.01.2023	144,099	(25)	(157)	(72,013)	71,904
Loss net of tax	—	—	—	(134)	(134)
Total comprehensive loss for the period	—	—	—	(134)	(134)
Balance at 30.06.2023	144,099	(25)	(157)	(72,147)	71,770
Loss net of tax	—	—	—	(1,051)	(1,051)
Other comprehensive loss: <i>Items that will not be reclassified subsequently to profit or loss:</i>					
Fair value loss of equity investment – financial assets at FVOCI	—	—	(195)	—	(195)
Total comprehensive loss for the period	—	—	(195)	(1,051)	(1,246)
Balance at 31.12.2023	144,099	(25)	(352)	(73,198)	70,524

Federal International (2000) Ltd and its Subsidiaries
Condensed Interim Consolidated Statement of Cash Flows

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	Group		Group	
	For 6 Months Ended		For 12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit/(loss) before tax	1,892	(2,664)	5,629	(677)
<u>Adjustments for:</u>				
Allowance/(writeback of allowance) for slow moving inventories	1,185	(261)	1,291	(40)
Amortisation of intangible assets	68	69	136	137
Bad debts written off	—	8	—	8
Depreciation of property, plant and equipment	330	776	664	1,585
Depreciation of right-of-use assets	119	97	220	190
Dividend income	(776)	—	(945)	—
Gain on disposal of assets of disposal group and assets classified as held for sale	—	—	(4,520)	(64)
Loss/(gain) on disposal of subsidiaries, net	124	(430)	63	(430)
Loss/(gain) on disposal of property, plant and equipment, net	—	(7)	2	(8)
Gain on disposal of right-of-use assets	(6)	—	(6)	—
Impairment loss on trade and other receivables (current)	—	237	1,337	274
Interest expense	267	313	572	769
Implicit interest income	—	(2)	—	(4)
Interest income	(152)	(109)	(261)	(186)
Loss on settlement of loan to Azmil	—	1,710	—	1,710
Share of results of associates	(3,187)	819	(2,848)	638
Writeback of impairment loss on investment in associate	—	(1,000)	—	(1,000)
Writeback of impairment loss on trade receivables	(75)	(126)	(296)	(195)
Foreign currency exchange loss/(gain)	118	(52)	100	(75)
Operating cash flows before changes in working capital	(93)	(622)	1,138	2,632
<u>Decrease/(increase) in:</u>				
Inventories	(4,040)	(4,661)	450	1,159
Trade and other receivables	(2,119)	20,493	(3,191)	21,033
Advance payment to suppliers	(1,563)	841	(2,209)	926
Prepayments	134	(7)	52	(8)
Deposits	3	(16)	18	(21)
Amounts due from associates	52	(17,974)	(133)	(17,976)
<u>Increase/(decrease) in:</u>				
Trade and other payables	4,033	3,284	879	(2,146)
Contract liabilities	(151)	(190)	27	(1,443)
Amounts due to related parties	—	9	(8)	6
Provision for post-employment benefits	11	(15)	6	(18)
Cash flows (used in)/generated from operations	(3,733)	1,142	(2,971)	4,144
Income taxes paid	(8)	(126)	(16)	(358)
Interest income received	180	52	180	240
Net cash (used in)/generated from operating activities	(3,561)	1,068	(2,807)	4,026

	Group		Group	
	For 6 Months Ended		For 12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities:				
Dividend income received, net of tax	1,391	—	1,526	—
Interest income received	2	3	214	6
Net cash outflow on disposal of assets of disposal group classified as held for sale	—	—	(616)	—
Proceeds from disposal of assets classified as held for sale	—	—	—	20,830
Proceeds from disposal of property, plant and equipment	—	9	3	10
Purchase of property, plant and equipment	(154)	(40)	(185)	(82)
Purchase of quoted equity shares	(148)	—	(148)	—
Repayment of loan from an associate	—	1,134	—	2,530
Repayment of loan from an investee company	—	—	—	218
Settlement Amount received pursuant to Deed of Settlement ⁽¹⁾	900	—	1,400	—
Net cash generated from investing activities	1,991	1,106	2,194	23,512
Cash flows from financing activities:				
Interest expense paid	(103)	(145)	(404)	(652)
Interest expense paid to a related party	—	(49)	(31)	(68)
Additions to amount due to a related party	—	1,357	—	2,410
Repayments of amount due to a related party	—	(1,025)	(189)	(1,332)
Decrease/(increase) in pledged deposits	—	66	58	(7,062)
Repayments of bank overdrafts	—	—	—	(3,063)
Drawdown of term loans	—	94	—	152
Repayment of term loans	(571)	(1,802)	(1,133)	(6,168)
Drawdown of trust receipts	7,906	6,905	15,556	12,736
Repayments of trust receipts	(4,255)	(4,175)	(15,181)	(21,719)
Repayments of lease liabilities - principal	(195)	(86)	(276)	(158)
Repayments of lease liabilities - interest	(93)	(66)	(157)	(132)
Net cash (used in)/generated from financing activities	2,689	1,074	(1,757)	(25,056)
Net (decrease)/increase in cash and cash equivalents	1,119	3,248	(2,370)	2,482
Effect of exchange rate changes on cash and cash equivalents	6	(122)	142	(92)
Cash and cash equivalents at beginning of period	6,580	6,807	9,933	7,543
Cash and cash equivalents at end of the period	7,705	9,933	7,705	9,933

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at the end of financial period:

	Group	
	12 Months Ended	
	31.12.2024	31.12.2023
	S\$'000	S\$'000
Cash and cash equivalents at the end of the period:		
Cash and bank balances and fixed and bank deposits	14,731	15,932
Cash and bank balances of disposal group classified as held for sale	—	1,084
Less: Bank balances and deposits pledged	(7,026)	(7,083)
Cash and cash equivalents	7,705	9,933

Note:

(1) On 29 January 2024, the Company received S\$500,000 from George Deng ("GD") in relation to the first tranche of the Settlement Amount (refer to the Company's announcement dated 1 February 2024: Update on Federal Environmental & Energy Pte Ltd and Federal International (Shanghai) Co. Ltd). In December 2024, the Company received S\$900,000 from GD in relation to the second tranche of the Settlement Amount.

1. Corporate information

Federal International (2000) Ltd (the “**Company**”) is a limited liability company incorporated and domiciled in Singapore and is listed on the mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

2. Basis of preparation

The condensed interim financial statements for the six months and full year ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (“**S\$**”) which is the Company’s functional currency and all values in the tables are rounded to the nearest thousand (**S\$’000**) as indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group does not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The adoption of the new standards that are effective on 1 January 2024 did not result in any substantial change to the Group’s and the Company’s accounting policies or have any significant impact on the condensed interim financial statements.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The critical judgements made by management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has four (31 December 2023: six) reportable operating segments as follows:

- I. Trading segment is a supply of assembly and distribution of flowline control products, distribution of oilfield drilling equipment for use on onshore and offshore rigs and drilling platforms, provision of complete fire protection and detection systems, as well as electrical products for the marine, coal mining, oil and gas, petrochemical and pharmaceutical industries. In these respects, the Group offers products and related services in the areas of oil and gas, power, petrochemical and pharmaceutical industries.
- II. Manufacturing/Design/Research and Development segment is involved in research, development, design and manufacture of flowline control products, high pressure and temperature valves and related oilfield products.
- III. Marine Logistics segment is in the business of chartering of vessels to the offshore oil and gas and other related industries.
- IV. Corporate and Others segment is involved in Group level corporate services, treasury functions and others including:
 - (a) operating and maintenance of oil and gas facility services;
 - (b) procurement and construction projects of wastewater treatment facility and provision of wastewater treatment services to the end-users.

Geographical Information

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. Others include countries such as Malaysia, Philippines, United States of America, etc.

Non-current assets consist of property, plant and equipment, right-of-use assets, investment in associates and intangible asset as presented in the Group's statement of financial positions.

4.1 Business segments

[illegible]

4.1 Business segments (cont'd)

[illegible]

4.1 Business segments (cont'd)

[illegible]

Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

4. Segment information (cont'd)

4.2 Geographical segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

Analysis by Geographical Segments	Revenue 6 Months Ended		Revenue 12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Indonesia	2,065	1,963	3,529	6,301
Japan	—	13	—	29
People's Republic of China	307	6,680	1,061	12,248
Singapore	3,705	4,572	8,466	10,538
Thailand	10,039	6,105	21,431	16,602
United Kingdom	99	127	185	328
Vietnam	1,185	454	4,815	464
Others ⁽¹⁾	2,494	1,711	4,773	3,793
	19,894	21,625	44,260	50,303

Analysis by Geographical Segments	Non-current Assets	
	31.12.2024	31.12.2023
	S\$'000	S\$'000
Indonesia	7,392	5,890
Japan	2,190	1,336
Singapore	11,617	11,886
United Kingdom	540	258
	21,739	19,370

Note:

(1) Others include countries such as Malaysia, Philippines, United States of America, etc.

5. Revenue

	Group 6 Months Ended		Group 12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Point in time</u>				
Sale of products ⁽¹⁾	17,067	19,653	38,294	46,801
Provision of fire detection and protection service and maintenance	366	—	366	—
<u>Overtime</u>				
Charter income from land drilling rig	—	1,013	—	2,016
Rental of equipment ⁽²⁾	935	—	3,833	—
Supply of fire detection and protection systems products	1,413	—	1,413	—
Provision of fire detection and protection service and maintenance	113	—	113	—
Provision of wastewater treatment services	—	398	172	712
Service concession income	—	561	69	774
	19,894	21,625	44,260	50,303

5. Revenue (cont'd)

Notes:

(1) Sale of products include trading of flowline control products, fire detection and protection systems and environmental protection systems.

(2) Rental of equipment include sourcing of equipment for short duration onward rental to customers on similar terms.

A breakdown of sales as follows:

	FY2024	FY2023	Increase/ (decrease)
Group	S\$'000	S\$'000	%
Sales reported for first half year	24,366	28,678	(15.0)
Operating profit after tax before deducting non-controlling interests reported for first half year	3,348	1,686	98.6
Sales reported for second half year	19,894	21,625	(8.0)
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	625	(3,021)	(120.7)

6. Profit/(loss) before tax

The following items have been included in arriving at profit/(loss) before tax:

	Group		Group	
	6 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Other income				
Dividend income	776	—	945	—
Foreign currency exchange gain	62	—	427	—
Gain on disposal of assets of disposal group and assets classified as held for sale ⁽¹⁾	—	—	4,520	64
Gain on disposal of property, plant and equipment	—	8	—	9
Gain on disposal of right-of-use assets	6	—	6	—
Gain on disposal of a subsidiary	—	430	61	430
Implicit interest income	—	2	—	4
Interest income	111	109	220	186
Interest on trade overdue	41	—	41	—
Management fee income from an associate	50	175	101	175
Sundry income	139	484	356	695
	1,185	1,208	6,677	1,563

Note:

(1) As at 31 December 2024, amount of S\$4,520,000 consists of:

- (i) gain on disposal of assets, a land drilling rig, classified as held for sale, amounting to S\$1,857,000; and
- (ii) gain on disposal of assets of disposal group classified as held for sale, Federal Environmental & Energy Pte Ltd ("FEE") and Federal International (Shanghai) Co. Ltd ("FIS"), amounting to S\$2,663,000.

Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

6. Profit/(loss) before tax (cont'd)

	Group		Group	
	6 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Other operating expenses				
(Allowance)/write back of allowance for slow moving inventories	(1,185)	261	(1,291)	40
Bad debts written off	–	(8)	–	(8)
Foreign currency exchange loss	–	(752)	–	(301)
Inventories written off	(55)	(16)	(59)	(20)
Loss on disposal of property, plant and equipment	–	(1)	(2)	(1)
Loss on disposal of a subsidiary (Note 11.1)	(124)	–	(124)	–
Loss on settlement of loan to Azmil	–	(1,710)	–	(1,710)
Other expenses	–	(25)	–	(65)
	(1,364)	(2,251)	(1,476)	(2,065)
Cost of sales				
Depreciation of property, plant and equipment	–	(432)	–	(897)
Selling and distribution costs				
Depreciation of property, plant and equipment	(24)	(26)	(48)	(52)
Administrative and general costs				
Amortisation of intangible assets	(68)	(69)	(136)	(137)
Depreciation of property, plant and equipment	(306)	(318)	(616)	(636)
Depreciation of right-of-use assets	(119)	(97)	(220)	(190)
Net (impairment loss)/writeback of impairment loss on financial assets				
Impairment loss on trade and other receivables (current)	–	(237)	(1,337)	(274)
Write back of impairment loss on trade receivables	75	126	296	195
	75	(111)	(1,041)	(79)
Finance costs				
Interest expense on:				
- Bank overdrafts	–	(3)	–	(25)
- Term loans	(12)	(55)	(32)	(143)
- Trust receipts	(161)	(137)	(382)	(382)
- Lease liabilities	(94)	(66)	(158)	(132)
- Amount owing to a related party	–	(52)	–	(87)
	(267)	(313)	(572)	(769)

7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated income statement are:

	Group		Group	
	6 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax				
- Current income taxation	158	(281)	512	20
- Under/(over) provision in respect of previous years	100	(66)	100	(66)
- Withholding tax on dividend income	189	—	223	—
	447	(347)	835	(46)
Deferred income tax				
- Origination and reversal of temporary differences	841	803	842	803
- Overprovision in respect of previous years	(21)	(99)	(21)	(99)
	820	704	821	704
Income tax expense recognised in income statement	1,267	357	1,656	658

8. Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing profit/(loss) net of tax attributable to owners of the Company by the weighted average number of ordinary shares on issue (excluding treasury shares) during the financial period.

As at 31 December 2024 and 31 December 2023, diluted earnings/(loss) per share is similar to basic (loss)/earnings per share as there were no potential dilutive ordinary shares.

The following tables reflect the profit/(loss) and share data used in the computation of basic and diluted earnings/(loss) per share for the financial period ended 31 December:

	Group		Group	
	6 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Profit/(loss) net of tax attributable to owners of the Company used in the computation of earnings/(loss) per share	639	(14,305)	3,886	(17,989)
	Number of shares		Number of shares	
	'000	'000	'000	'000
Weighted average number of ordinary shares on issue (excluding treasury shares) for earnings/(loss) per share computation	140,667	140,667	140,667	140,667

9. Related party transactions

9.1 Other related party transactions

In addition to those related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group		Group	
	6 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Dividend income from associate	804	—	804	—
Purchases of goods and services from associate	—	—	(119)	—
Sales of goods and services to associate	116	—	200	2
Rental and related expenses paid to associate	(17)	—	(50)	—
Depreciation of right-of-use assets attributable to associate	(16)	—	(16)	—
Rental paid to a director of certain subsidiaries	—	(17)	(3)	(35)
Secretarial and professional fee paid to director-related firms ⁽¹⁾	—	(6)	(8)	(18)
Payment on behalf of associate	(11)	—	(11)	—
(Repayments of)/additions to amount due to a director of certain subsidiaries	—	333	(189)	1,078
Repayment of loan received from associate	—	1,134	—	2,530

Note:

(1) During the current financial period, secretarial and professional services were provided by entity which is controlled by one of the independent directors of the Company. There was no outstanding amount at the end of the current financial period (31 December 2023: S\$Nil).

9.2 Compensation of key management personnel (“KMP”)

	Group		Group	
	6 Months Ended		12 Months Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Directors' fees	90	95	180	190
Short-term employee benefits	1,196	1,106	2,086	2,022
Defined contributions	47	40	85	79
Other short-term benefits	33	33	67	66
Total compensation paid to KMP	1,366	1,274	2,418	2,357
Comprise of amounts paid to:				
Directors of the Company	722	653	1,292	1,227
Other KMP	644	621	1,126	1,130
	1,366	1,274	2,418	2,357

10. Property, plant and equipment

During the six months ended 31 December 2024, the Group acquired assets amounting to S\$154,000 (six months ended 31 December 2023: S\$40,000) and there were no assets disposed during the period (six months ended 31 December 2023: S\$1,000).

10.1. Revaluation of leasehold building

Leasehold building relates to a single-storey detached factory situated at 12 Chin Bee Drive on leasehold land of 7,146.3 square metres. The lease tenure of the leasehold land is 30 years effective October 2013.

The fair value of the Group's leasehold building was determined based on the property's highest and best use by an external valuer using direct comparison with recent transactions of comparable properties within the vicinity at 31 December 2024. Adjustments were made for differences in location, land area, land shape, floor area, floor loading, ceiling height, tenure, design and layout, age and condition of buildings, dates of transactions and the prevailing market conditions amongst other factors affecting its value. The fair value measurement is categorised under Level 3 of the fair value hierarchy.

The Group's leasehold building with carrying amount of S\$9,200,000 (31 December 2023: S\$9,100,000) is mortgaged to secure banking facilities and bank loans of the Group (Note 17).

11. Investment in subsidiaries

11.1 Disposal of a subsidiary

(a) Federal Energi Pte Ltd, a wholly-owned subsidiary of the Company, was struck off from the Register of Companies during the six months ended 31 December 2024. The effect of the disposal on the financial position of the Group is as follows:

	Group 31.12.2024 S\$'000
Net assets derecognised	—
Consideration received, satisfied in cash	—
Cash and bank balances disposed	—
Net cash inflow	—
Consideration received	—
Net assets derecognised	—
Cumulative foreign currency translation on loss of control of subsidiary	(124)
Loss on disposal (Note 6)	(124)

12. Investment in associates

12.1 Impairment review of investment in associates

As at 31 December 2024, management performed an impairment review for the Group's net carrying amount of PT Eastern Jason ("PTEJ") and assessed that there was no further writeback of provision of impairment loss required (31 December 2023: writeback of overprovision of S\$1,000,000) based on management's assessment of PTEJ's recoverable amount by reference to PTEJ's value in use using income approach.

The recoverable amount assessed using income approach has been determined based on discounted cash flow analysis from forecast covering a seven-year charter period of PTEJ's main operating asset of a floating, storage and offloading ("FSO") vessel. The weighted average cost of capital (pre-tax) applied to the cash flow projection is 10%.

As at 31 December 2024, management assessed that there was no objective evidence of impairment of PT Gunanusa Utama Fabricators ("PTG") with its improved financial position and performance. At the Company level, an impairment loss of S\$630,000, which was provided during the six months ended 30 June 2024, was written back during the six months ended 31 December 2024.

13. Intangible assets

	Group		
	Goodwill	Development costs	Total
	S\$'000	S\$'000	S\$'000
At 30 June 2024			
Cost	1,044	2,059	3,103
Accumulated amortisation and impairment loss	(1,044)	(1,855)	(2,899)
Net carrying amount	—	204	204
6 months ended 31 December 2024			
Opening net carrying amount	—	204	204
Amortisation charge	—	(68)	(68)
Closing net carrying amount	—	136	136
At 31 December 2024			
Cost	1,044	2,059	3,103
Accumulated amortisation and impairment loss	(1,044)	(1,923)	(2,967)
Net carrying amount	—	136	136

13.1 Impairment review of goodwill

Goodwill arising from business combinations that was allocated to Manufacturing/Design/Research and Development segment, a single cash-generating unit which is also a reportable operating segment, has been fully impaired.

13.2 Impairment review of development costs

Development costs relate to testing and design development projects/prototypes. Management has reviewed and was of the opinion that there was no further indication of impairment as at 31 December 2024.

14. Financial assets at FVOCI

	Group and Company		
	Quoted equity shares	Unquoted equity shares	Total
	S\$'000	S\$'000	S\$'000
6 months ended 31 December 2024			
At 30 June 2024	5,136	—	5,136
Additions	148	—	148
Fair value gain recognised in other comprehensive income	546	—	546
At 31 December 2024	5,830	—	5,830

As at 30 June 2024, the investments represented investment in quoted equity shares in PT Superkrane Mitra Utama Tbk. ("SK") and unquoted equity shares in a dormant company, both of which are incorporated in Indonesia. During the six months ended 31 December 2024, the investment in the unquoted equity shares was disposed.

It is the Group's strategy to hold these investments, which are not held for trading, for long-term purposes. Accordingly, management has elected to designate these investments in equity shares at fair value through other comprehensive income ("FVOCI").

During the six months ended 31 December 2024, the Company acquired another 5,000,000 SK shares at its fair value of S\$148,000 (or IDR 350 or S\$0.0296 per share). As at 31 December 2024, the Company held a total of 208,813,499 SK shares.

The fair value of the quoted equity shares was determined by reference to the market price per share of SK, which is categorised under Level 1 fair value hierarchy.

During the six months ended 31 December 2024, a fair value gain of S\$546,000 (six months ended 31 December 2023: fair value loss of S\$56,000) was recognised in other comprehensive income by reference to the fair value of quoted shares.

15. Amount due from associate (non-current)
Amounts due from associates (current)

	Group		Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-current</u>				
Trade receivables	15,990	—	—	—
<u>Current</u>				
Trade receivables	—	15,958	—	—
Non-trade receivables	2,053	1,979	180	164
	2,053	17,937	180	164

As at 31 December 2024, trade receivables due from an associate, PTG, to the Group amounting to S\$15,990,000 was reclassified from current to non-current receivables as the Group do not expect to receive payment within one year.

15. Amount due from associate (non-current) (cont'd)
Amounts due from associates (current) (cont'd)

Aging of trade amount due from PTG, as at 31 December 2024 and 31 December 2023 are as follows:

	Not Past Due (Current)	Past Due		Total
		1 – 120 days	More than 120 days	
Group <u>31 December 2024</u> <u>Non-current</u>	S\$'000	S\$'000	S\$'000	S\$'000
Trade amounts due from PTG	–	12	15,978	15,990
Group <u>31 December 2023</u> <u>Current</u>				
Trade amounts due from PTG	18	276	15,664	15,958

The Group continues to monitor PTG's financial position and performance on a periodic basis to manage the Group's overall exposure and its recoverability. PTG continues to pursue local and overseas Engineering, Procurement and Construction ("EPC") projects and these prospects coupled with its commitment to make repayments to the Group from cash generated from existing and upcoming potential projects are being assessed and monitored periodically.

16. Trade receivables

The Group's credit risk exposure in relation to trade receivables from third parties under SFRS(I) 9 *Financial Instruments* as at 31 December 2024 and 31 December 2023 are set out in the provision matrix below:

	Weighted average loss rate %	Gross carrying amount S\$'000	Credit loss allowance S\$'000	Net carrying amount S\$'000
Group <u>31 December 2024</u>				
Current (not past due)	–	7,046	–	7,046
1 – 120 days past due	–	4,146	–	4,146
More than 120 days past due	82.0	10,123	(8,304)	1,819 ⁽¹⁾
		21,315	(8,304)	13,011
Group <u>31 December 2023</u>				
Current (not past due)	0.3	6,612	(20)	6,592
1 – 120 days past due	–	1,728	–	1,728
More than 120 days past due	68.0	10,797	(7,345)	3,452
		19,137	(7,365)	11,772

Note:

- (1) Included in the net carrying amount that was more than 120 days past due as at 31 December 2024 was retention amount of S\$1.4 million (31 December 2023: S\$0.9 million) from customers in accordance with contract terms. These retention money are expected to be paid upon completion of final documentations.

17. Amounts due to banks
Term loans

	Group	
	31.12.2024	31.12.2023
	S\$'000	S\$'000
Amounts due to banks		
<u>Amount repayable within one year or less, or on demand</u>		
Trust receipts, secured	6,952	6,335
Term loans		
<u>Amount repayable within one year or less, or on demand</u>		
Term loans, secured	482	1,133
<u>Amount repayable after one year</u>		
Term loans, secured	—	482
Aggregate amounts of Group's borrowings		
<u>Amount repayable within one year or less, or on demand</u>		
Secured	7,434	7,468
<u>Amount repayable after one year</u>		
Secured	—	482

17.1 Securities

The Group's trust receipts and term loans are secured on:

- (i) legal mortgage on the Group's leasehold building (Note 10);
- (ii) corporate guarantee by the Company;
- (iii) bank balances and deposits pledged by subsidiaries.

18. Share capital
Treasury shares

	Group and Company			
	31.12.2024		31.12.2023	
	Number of shares	Amount	Number of shares	Amount
	'000	S\$'000	'000	S\$'000
<u>Share capital</u>				
<u>Issued and fully paid ordinary shares</u>				
Beginning and end of financial period	140,767	144,099	140,767	144,099
<u>Treasury shares</u>				
Beginning and end of financial period	(100)	(25)	(100)	(25)
Total number of issued shares excluding treasury shares as at end of financial period	140,667		140,667	

The Company did not issue any ordinary shares during the 12 months ended 31 December 2024. The Company did not have any convertible securities as at 31 December 2024 (31 December 2023: Nil).

There was a total of 100,000 treasury shares held as at 31 December 2024 (31 December 2023: 100,000). There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

18. Share capital (cont'd)
Treasury shares (cont'd)

There were no subsidiary holdings as at 31 December 2024 (31 December 2023: Nil). There were no sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

19. Fair value measurement

19.1 Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table shows an analysis of each class of assets measured at fair value at each reporting period:

	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2024				
<u>Group</u>				
<u>Non-financial assets</u>				
Property, plant and equipment				
- leasehold building	—	—	9,200	9,200
<u>Financial assets at FVOCI</u>				
Quoted equity shares	5,830	—	—	5,830
<u>Company</u>				
<u>Financial assets at FVOCI</u>				
Quoted equity shares	5,830	—	—	5,830
31 December 2023				
<u>Group</u>				
<u>Non-financial assets</u>				
Property, plant and equipment				
- leasehold building	—	—	9,100	9,100
<u>Financial assets at FVOCI</u>				
Quoted equity shares	8,708	—	—	8,708
<u>Company</u>				
<u>Financial assets at FVOCI</u>				
Quoted equity shares	8,708	—	—	8,708

20. Categories of financial assets and financial liabilities

Set out below are the carrying amounts of the Group's and Company's financial assets and financial liabilities as at 31 December 2024 and 31 December 2023:

	Group		Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
At FVOCI	5,830	8,708	5,830	8,708
At amortised cost	47,626	45,958	8,716	10,059
	53,456	54,666	14,546	18,767
Financial liabilities				
At amortised cost	19,654	20,821	2,445	4,997

21. Net asset value

	Group		Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	cents	cents	cents	cents
Net asset value per ordinary share	48.38	47.29	48.94	50.14

Net asset value per share is calculated based on the number of ordinary shares on issue (excluding treasury shares) of 140,667,484 as at 31 December 2024 (31 December 2023: 140,667,484).

22. Subsequent events

There are no other known subsequent events which have led to adjustments to this set of interim financial statements.

1. Review

The condensed consolidated statements of financial position of Federal International (2000) Ltd and its subsidiaries as at 31 December 2024 and the related condensed consolidated income statement and other comprehensive income, condensed statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditor.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is material uncertainty relating to going concern.

None.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

CONSOLIDATED INCOME STATEMENT

FY2024 versus FY2023

Revenue

Group revenue were mainly contributed by the distribution of flowline control products and fire detection and protection systems businesses. Overall revenue dropped to S\$44.3 million, which was 12.0% or S\$6.0 million lower than the revenue in FY2023 of S\$50.3 million, mainly attributable to:

- (a) lower sales revenue from the Group's Trading business in China after the completion of disposal of FIS in 1Q2024; and
- (b) absence of charter income from a land drilling rig in Indonesia during FY2024 (charter period ended in December 2023).

The above decrease was partially offset by higher revenue from rental of equipment in Vietnam and Trading business in Thailand.

Gross profit

Gross profit of S\$11.6 million was lower than FY2023 of S\$13.3 million, which was in line with the lower sales recorded in FY2024.

Other income

Other income of S\$6.7 million was higher than income in FY2023 of S\$1.6 million, mainly relating to gain on disposal of assets of disposal group and assets classified as held for sale amounting to S\$4.5 million, dividend income of S\$945,000 from SK and foreign currency exchange gain of S\$427,000.

Higher other income above is partially offset by lower gain on disposal of a subsidiary, PT Alton International Resources ("PTAIR"), of S\$430,000 and lower sundry income of S\$339,000.

CONSOLIDATED INCOME STATEMENT (cont'd)

FY2024 versus FY2023 (cont'd)

Selling and distribution costs

Selling and distribution costs declined by 7.0% or S\$380,000 to S\$5.0 million in FY2024 in line with lower sales revenue in FY2024.

Administrative and general costs

Administrative and general costs dropped by 2.1% or S\$162,000 to S\$7.4 million in FY2024 after the completion of disposal of FEE group of entities and FIS in 1Q2024.

Other operating expenses

Other operating expenses of S\$1.5 million consist of allowance for slow moving inventories of S\$1.3 million and loss on disposal of a subsidiary of S\$124,000 whereas the S\$2.1 million for FY2023 comprised mainly the loss on settlement of loan to Azmil of S\$1.7 million and foreign currency exchange loss of S\$301,000.

Net impairment loss on financial assets

The Group recorded a net impairment loss on financial assets of S\$1.0 million in FY2024 (FY2023: net impairment loss of S\$79,000), which mainly related to trade debtors in the Group's Indonesia Trading business.

Finance costs

Finance costs of S\$572,000 were lower than the costs in FY2023 of S\$769,000 mainly attributable to lower interest expenses on term loans and absence of interest expense on amount owing to a related party.

Share of results of associates

Share of associates' profits of S\$2.8 million in FY2024 (FY2023: losses of S\$638,000) were mainly attributable to share of results of PTG and KVC Co. Ltd ("**KVC Co**").

Income tax expense

The Group recorded an income tax expense of S\$1.7 million in FY2024 mainly arising from a reversal of deferred tax assets of S\$842,000 attributable to temporary difference arising from provision for impairment loss of trade receivables of a subsidiary in Indonesia, PT Fedstin Rekayasa Pratama ("**PTFRP**"), current income taxation of S\$512,000 and withholding tax on dividend income of S\$223,000.

The Group recorded an income tax expense of S\$658,000 in FY2023 mainly arising from a reversal of deferred tax assets of S\$803,000 largely attributable to temporary difference in depreciation for tax purposes of a subsidiary in Indonesia, PT Federal International ("**PTFI**").

2H2024 versus 2H2023

Revenue

Group revenue of S\$19.9 million in 2H2024 was 8.0% lower than the revenue in 2H2023 of S\$21.6 million, mainly attributable to:

- (a) lower sales revenue due to the disposal of the Group's Trading business in China in 1H2024; and
- (b) absence of charter income from a land drilling rig in Indonesia during 2H2024 (charter period ended in December 2023).

The above decrease was partially offset by higher revenue from rental of equipment in Vietnam and Trading business in Thailand.

Gross profit

Gross profit of S\$5.3 million in 2H2024 was comparable to S\$5.4 million in 2H2023 with an improvement in gross profit margin at 26.5% (2H2023: 24.8%).

CONSOLIDATED INCOME STATEMENT (cont'd)

2H2024 versus 2H2023 (cont'd)

Other income

Other income remained comparable at S\$1.2 million in 2H2024. The Group received dividend income of S\$776,000 from SK during 2H2024, partially offset by lower gain on disposal of PTAIR of S\$430,000 and lower sundry income of S\$345,000.

Selling and distribution costs

Selling and distribution costs declined by 6.8% or S\$199,000 to S\$2.7 million in 2H2024 in line with lower sales revenue in 2H2024.

Administrative and general costs

Administrative and general costs of S\$3.5 million (2H2023: S\$3.8 million) were lower after the completion of disposal of FEE group of entities and FIS in 1Q2024 and lower professional fee.

Other operating expenses

Other operating expenses of S\$1.4 million in 2H2024 consist of allowance for slow moving inventories of S\$1.2 million and loss on disposal of a subsidiary of S\$124,000 whereas the S\$2.3 million for 2H2023 comprised mainly the loss on settlement of loan to Azmil of S\$1.7 million and foreign currency exchange loss of S\$752,000.

Net (impairment loss)/writeback of impairment loss on financial assets

The Group recorded a net writeback of impairment loss on financial assets of S\$75,000 in 2H2024 (2H2023: net impairment loss of S\$111,000).

Finance costs

Lower finance costs of S\$267,000 in 2H2024 (2H2023: S\$313,000) was mainly attributable to absence of interest expense on amount owing to a related party and lower interest expense on term loans, partially offset by higher interest expense on trust receipts.

Share of results of associates

Share of associates' profits of S\$3.2 million in 2H2024 (2H2023: losses of S\$819,000) were mainly attributable to share of results of PTG and KVC Co.

Income tax expense

The Group recorded an income tax expense of S\$1.3 million in 2H2024 mainly arising from a reversal of deferred tax assets of S\$841,000 attributable to temporary difference arising from provision for impairment loss of trade receivables of PTFRP, current income taxation of S\$158,000 and withholding tax on dividend income of S\$189,000.

The Group recorded an income tax expense of S\$357,000 in 2H2023 mainly arising from a reversal of deferred tax assets of S\$803,000 largely attributable to temporary difference in depreciation for tax purposes of PTFI. This was partially offset by a reversal of current income provision of S\$281,000 in 2H2023.

STATEMENT OF FINANCIAL POSITION FOR THE GROUP

Equity attributable to owners of the Company

As at 31 December 2024, equity attributable to owners of the Company amounted to S\$68.0 million, which translated to a net asset value per ordinary share of 48.38 Singapore cents.

STATEMENT OF FINANCIAL POSITION FOR THE GROUP (cont'd)

Non-current assets

Non-current assets increased by S\$15.4 million to S\$44.5 million (31 December 2023: S\$29.1 million) mainly due to: -

- a) amount due from associate of S\$16.0 million relating to trade receivables due from PTG which was reclassified from current to non-current assets;
- b) increase in other receivables of S\$900,000 which related to Settlement Amount to be paid by GD (or FEE as directed by GD) to the Company within 24 months from 12 January 2024;
- c) higher investment in associates of S\$2.2 million attributable to share of associates' profits of S\$2.8 million and foreign currency translation gain of S\$201,000, partially offset by dividend income received of S\$804,000 during the period;
- d) increase in right-of-use assets of S\$315,000 due to additions of S\$552,000, partially offset by depreciation charges of S\$220,000 during the period;

The above increase was partially offset by: -

- e) drop in financial assets at FVOCI due to fair value loss of S\$3.0 million, partially offset by additions of S\$148,000; and
- f) lower deferred tax assets of S\$948,000 and intangible assets of S\$136,000.

Current assets

Current assets reduced by S\$19.8 million to S\$44.8 million (31 December 2023: S\$64.6 million) mainly due to: -

- a) drop in amounts due from associates of S\$15.9 million as a result of reclassification of trade receivables due from PTG from current to non-current assets;
- b) derecognition of assets of disposal group and assets classified as held for sale of S\$5.0 million after the completion of disposal during the period;
- c) lower inventories of S\$1.9 million due to allowance of slow moving inventories and delivery of goods to customers;
- d) decrease in cash and bank balances of S\$1.4 million;

The above decrease was partially offset by: -

- e) higher advance payment to suppliers in relation to on-going projects of S\$2.2 million;
- f) increase in trade receivables of S\$1.2 million;
- g) increase in other receivables of S\$757,000 mainly due to funds placed with bank for trade facilities; and
- h) higher fixed and bank deposits of S\$210,000 relating to interest income received for fixed deposits.

Current liabilities

Current liabilities decreased by S\$7.4 million to S\$18.5 million (31 December 2023: S\$25.9 million) mainly due to: -

- a) derecognition of liabilities directly associated with disposal group held for sale of S\$6.9 million after the completion of disposal during the period;
- b) lower other payables of S\$1.5 million mainly due to settlement of deposits received in relation to disposal of land drilling rig held for sale of S\$2.0 million, partially offset by higher accruals of costs and expenses;
- c) repayments of term loans of S\$651,000;

The above decrease was partially offset by: -

- d) increase in amounts due to banks of S\$617,000 due to net drawdown of trust receipts;
- e) increase in provision for taxation of S\$596,000 mainly relating to current income taxation; and
- f) higher trade payables of S\$522,000.

Non-current liabilities

Non-current liabilities decreased by S\$0.2 million to S\$3.9 million (31 December 2023: S\$4.1 million) mainly due to repayment of term loans.

STATEMENT OF FINANCIAL POSITION FOR THE COMPANY

Non-current assets

Non-current assets decreased by S\$4.0 million to S\$66.4 million (31 December 2023: S\$70.4 million) mainly due to:

- a) drop in financial assets at FVOCI due to fair value loss of S\$3.0 million, partially offset by additions of S\$148,000;
- b) partial repayment of quasi-equity loan, which is included as part of investment in subsidiaries, received from a subsidiary, resulting in a decrease in investment in subsidiaries of S\$1.1 million.

Amount due from subsidiary of S\$900,000 was reclassified to other receivables. This amount related to Settlement Amount to be paid by GD (or FEE as directed by GD) to the Company within 24 months from 12 January 2024.

Current assets

Current assets reduced by S\$0.2 million to S\$5.1 million (31 December 2023: S\$5.3 million) mainly attributable to partial settlements of amount due from subsidiaries of S\$1.4 million. This was partially offset by higher cash and bank balances of S\$1.1 million.

Current liabilities

Current liabilities decreased by S\$1.0 million to S\$597,000 (31 December 2023: S\$1.6 million) due to settlement of amounts due to subsidiaries of S\$853,000 and lower accruals of expenses.

Non-current liabilities

Non-current liabilities decreased by S\$1.6 million to S\$2.1 million (31 December 2023: S\$3.7 million) due to partial settlements of amounts due to subsidiaries.

CONSOLIDATED STATEMENT OF CASH FLOWS

As at 31 December 2024, the Group's cash and cash equivalents amounted to S\$7.7 million. Overall, the Group's cash and cash equivalents dropped by S\$2.4 million for the year ended 31 December 2024.

The Group generated a positive operating cash flow of S\$1.1 million before changes in working capital. However, the changes in working capital, which mainly include higher trade and other receivables of S\$3.2 million and advance payment to suppliers of S\$2.2 million, had lowered the operating cash flow generated. Overall, the net cash used in operating activities amounted to S\$2.8 million.

The net cash of S\$2.2 million generated from investing activities mainly related to dividend income (net of tax) of S\$1.5 million, Settlement Amount of S\$1.4 million and interest income of S\$214,000 received. This was partially offset by net cash outflow on disposal of assets of disposal group classified as held for sale of S\$616,000.

The net cash of S\$1.8 million used in financing activities was mainly attributable to repayment of term loans of S\$1.1 million, repayments of lease liabilities of S\$433,000, including principal and interest, and interest paid of S\$404,000. This was partially offset by net drawdown of trust receipts of S\$375,000.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was given.

5. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The outlook for the Group's businesses remains positive as oil and gas activities in the region continue to be resilient despite global geopolitical and macroeconomic uncertainties. While the Group continues to work with strategic partners in the region to secure procurement scope for Engineering, Procurement, Fabrication and Construction, Installation and Commissioning ("**EPCIC**") of offshore oil and gas platforms, its overall performance is dependent on the ability to manage costs and disruption of its supply chain that may arise due to the ongoing trade and tariff wars.

6. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of dividend	Tax-Exempt (One-Tier) First and Final Dividend
Dividend type	Cash
Dividend amount per share	S\$0.005 per ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Subject to shareholders' approval being obtained at the Annual General Meeting of the Company to be held at 12 Chin Bee Drive, Singapore 619868 on Wednesday, 30 April 2025 at 10:00 a.m., a Tax-Exempt (One-Tier) First and Final Dividend of S\$0.005 per ordinary share for the financial year ended 31 December 2024 will be paid on 23 May 2025 ("**Proposed First and Final Dividend**").

(d) Books closure date

The Share Transfer Book and Register of Members of the Company will be closed on 14 May 2025 at 5:00 p.m. for the preparation of payment for the Proposed First and Final Dividend. Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 up to 5:00 p.m. on 14 May 2025 will be registered to determine shareholders' entitlement to the Proposed First and Final Dividend.

Shareholders whose securities accounts maintained with The Central Depository (Pte) Limited are credited with ordinary shares of the Company at 5:00 p.m. on 14 May 2025 will be entitled to the Proposed First and Final Dividend.

7. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

8. Interested Person Transactions (“IPT”)

The Company does not have a shareholders’ mandate for IPTs.

The aggregate value of all IPTs during the financial period under review is less than S\$100,000.

9. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

10. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 3 of “Other information Required by Listing Rule Appendix 7.2”.

11. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year.

Total Annual Dividend	FY2024	FY2023
	S\$’000	S\$’000
Ordinary	703	—
Preference	—	—
Total	703	—

12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr. Koh Beng Guan, Don	50	(a) Son of Mr. Koh Kian Kiong, the Executive Chairman, Chief Executive Officer and substantial shareholder. (b) Brother of Ms. Maggie Koh, an Executive Director.	Position: Deputy Group Chief Executive Officer with effective from 1 January 2022. Duties: Mr. Don Koh assists the Group CEO in the formation of the Group’s corporate strategies and expansion plan. In addition, he oversees the trading segment for overseas markets as well as procurement scope for offshore oil and gas projects.	Not applicable

On behalf of the Board of Directors

Koh Kian Kiong
Executive Chairman & CEO

Maggie Koh
Executive Director

Singapore
27 February 2025