



Incorporated in the Republic of Singapore
Company Registration No. 199907113K

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Federal joins hands with China Merchants subsidiary on Indonesian oil and gas projects

- **The Group signs a Memorandum of Understanding (“MOU”) with China Merchants Industry Holdings Co., Ltd (“CMIH”)**
- **Under the MOU, the Group and CMIH will co-operate exclusively on certain identified oil and gas projects in Indonesia**
- **CMIH and the Group are currently in talks with various Indonesian parties on a number of identified projects**

Singapore, 20 April 2017 – Federal International (2000) Limited (“Federal” or the “Group”), an integrated service provider and procurement specialist in the oil and gas, energy, utilities and infrastructure industries, is pleased to announced the signing of an MOU between CMIH and the Group. Under the MOU, the Group and CMIH will co-operate exclusively on certain identified oil and gas projects in Indonesia.

CMIH is a wholly-owned subsidiary of the China Merchants Group, a leading state-owned China conglomerate headquartered in Hong Kong engaged in businesses encompassing energy, transportation, marine engineering, finance, and real estate. CMIH is a well-established engineering, procurement, construction, installation and commissioning (“**EPCIC**”) contractor, and its capabilities include the design and construction of offshore drilling vessels, specialised vessels, and vessel conversions. Its track record¹ includes newbuild 400ft jack-up drilling rig Haiheng CJ50-1 for Tianjin Haiheng Shipbuilding & Offshore Engineering Service, and the conversion of the FPSO Cyrus Overall.

Commenting on the signing of the MOU with CMIH, Mr. Koh Kian Kiang, Executive Chairman and CEO of Federal, said, ***“The Group is pleased that CMIH has chosen it as its partner as CMIH seeks to expand its presence in Indonesia. Through the Group’s strong business ties and network in Indonesia, the Group and CMIH expect to secure oil and gas projects in the country.*”**

¹ For more information, please refer to <http://web.cmindustry.com.hk/track/16/1.aspx>



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Although the offshore and marine industry continues to experience uncertainty, the Group is pleased to note that the MOU with CMIH is recognition of both the Group's expansive business ties in Indonesia, and its established capabilities in procurement, supply, design, manufacture, assembly, distribution and provision of flowline control products, other equipment and services for the oil and gas industry. The Group will strive to strengthen its partnerships with established industry players such as CMIH.

This is an exciting time for the Group, and we look forward to updating shareholders as details of our work become available."

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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" or the "Group"), is an integrated service provider and procurement specialist in the oil and gas, energy, utilities and infrastructure industries. The Group's main trading business contributes 97% 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 EPC contractor and counts major oil companies such as TOTAL, Chevron, ONGC, Pertamina and PTTEP as its customers. The Group provides procurement services to PTG for the EPC 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 and a 1,200 HP American built land drilling rig. The FSO is chartered to the China National Offshore Oil Corporation. The Group also operates an industrial water plant in the People's Republic of China under a 30-year Build, Operate and Transfer agreement with the local Xinjin County government.

Issued for and on behalf of Federal International (2000) Ltd

By Financial PR Pte Ltd

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