

FEDERAL INTERNATIONAL (2000) LTD

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

ACQUISITION OF 60% STAKE IN CORNERSTONE OFFSHORE PTE. LTD.

The board of directors (the “**Board**”) of Federal International (2000) Limited (the “**Company**” and its subsidiaries, the “**Group**”), wishes to announce that the Company has on 11 September 2019 subscribed for 205,000 ordinary shares, representing 60% of the total issued and paid-up share capital of Cornerstone Offshore Pte. Ltd. (“**Cornerstone**”), a company incorporated in Singapore and whose business activities are engineering design and consultancy (the “**Transaction**”). The remaining 40% of the total number of issued shares of Cornerstone is held by Mr. Sim Wai Han Philip, the sole director and existing shareholder of Cornerstone. Mr. Sim is unrelated to any of the Company’s directors or controlling shareholders.

The total purchase consideration paid by the Company to Cornerstone is S\$45,000 (“**Consideration**”) which was satisfied in cash. Cornerstone has on 11 September 2019 issued and allotted an aggregate of 205,000 ordinary shares at S\$0.2195 per share to the Company. The Consideration was arrived at on a willing buyer-willing seller basis between the Company and Cornerstone. The book value and the net tangible assets of Cornerstone as at 31 July 2019 was S\$30,000. After completion of the Transaction, Cornerstone will become a 60%-owned subsidiary of the Company.

The above transaction was funded through the Company’s internal resources and is not expected to have any material impact on the earnings per share or net tangible assets per share of the Company and the Group for the financial year ending 31 December 2019.

Save as disclosed above, none of the Directors or controlling shareholders of the Company has any interest directly or indirectly in the above Transaction.

By Order of the Board

Mr Koh Kian Kiong
Executive Chairman and Chief Executive Officer
12 September 2019