



UNLOCKING FRONTIERS ENGAGING GROWTH



2025
ANNUAL REPORT

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CORPORATE PROFILE

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 substantially to total turnover. The Group's strategy for sustainable growth of the trading business is through forming strategic partnerships with regional/EPCIC contractors.

The Group also specializes in turnkey fire detection, control and suppression projects which includes the design, engineering, supply, installation and testing & commissioning, servicing and maintenance. Over the years, strategic partnerships with leading global fire detection and suppression manufacturers attest to the Group's professionalism and integrity as a reliable fire suppression solution provider.

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.

Over the years, Federal is proud to have been awarded ISO certification, an internationally recognised standard that ensures we meet the needs of our clients through an Integrated Management System.



OUR MOTTO

We are committed to providing quality products and reliable services to our customers at competitive prices.

We adopt new mindsets and innovative ideas.

We focus on continuous process improvements and the alignment of our strategies with our vision and mission so as to deliver value to our customers, shareholders and employees.



OUR MISSION

To be the preferred business partner and one-stop solutions provider, delivering quality and innovative products and services to our customers.



OUR VISION

We aim to be a growth-driven company supporting the oil and gas, energy and marine industries globally.



LETTER TO SHAREHOLDERS

The Group remains cautiously positive about the outlook of our businesses as regional oil and gas activities stays resilient despite global geopolitical and macroeconomic uncertainties. The Group will continue to forge strategic collaborations in the region to build up the order book for Engineering, Procurement, Fabrication and Construction, Installation and Commissioning ("EPCIC") of offshore oil and gas platforms.

DEAR SHAREHOLDERS,

On behalf of the Board of Federal International (2000) Ltd ("Federal", or together with its subsidiaries, the "Group"), I am pleased to present our Annual Report 2025 for the financial year ended 31 December 2025 ("FY2025").

FY2025 IN REVIEW

Singapore's economy reported strong growth of 5% in 2025, which was above official expectations of 4.8% though slightly below 5.3% recorded for 2024, having been boosted by 6.9% year-on-year expansion in 4Q2025. Growth was driven by robust performance in manufacturing, finance, and wholesale trade, particularly within the AI-linked electronics sector. According to Ministry of Trade and Industry (MTI), Singapore's projected nominal Gross Domestic Product (GDP) stood at about US\$574 billion.

FY2025 was characterised by a series of broad-based trade tariffs implemented by the US, causing a drag on the global economy but have now been struck down by the US Supreme Court. Additionally, there has been intensifying geopolitical tension in the global stage with the latest casualty being the Iran war following the Russia-Ukraine conflict, leading to price of oil surging past US\$100 per barrel and injecting uncertainty. A prolonged war would pose further implications for the macroeconomy.

The ongoing trade competition between China and US had a ripple effect around the world giving rise to increasing protectionism policies, supply chain disruptions, and the rapid adoption of artificial intelligence in security, with a strong focus on energy security and climate policies.

As the geopolitical landscape becomes increasingly complex, businesses need to adapt and innovate strategically to navigate risks and headwinds that arise along with it. Towards this end, the Group has been divesting our stakes in entities which were no longer aligned with our business direction, including Federal Energi Pte. Ltd. ("FEG") in the second half of FY2024, PT Mega Federal Energy ("PT Mega") and PT Gunanusa Utama Fabricators ("PTG") by way of share sale. This would enable the Group to recycle funds available for investing in other more strategic businesses with higher growth potential.

In the same year, we also acquired a stake in SRE Holdings Investment and Development Joint Stock Company ("SRE HoldCo"), a steel processing and fabrication company incorporated in Vietnam specifically serving the onshore and offshore wind towers in Vietnam. This acquisition would allow us to form a strategic partnership with SRE HoldCo and benefit from their industry experience to partake in the booming renewable energy in Vietnam.

Where the Group's fire and protection system business were concerned, it has been stable as this segment is relatively small compared with the flowline control products and procurement for Engineering, Procurement, Fabrication and Construction, Installation and Commissioning ("EPCIC") projects.

KEY DEVELOPMENTS IN FY2025

In FY2025, the Group further consolidated our position by streamlining our operations as we divested a number of businesses that were no longer aligned with our overall direction and acquired growing ones with higher potential to generate more revenue for the Group.



LETTER TO SHAREHOLDERS



On 9 December 2025, the Group entered into a binding term sheet with Mr. Yafin Tandiono Tan to sell our 30% interest which we held in PTG for an aggregate consideration of US\$18.9 million and recover the debt of US\$13.3 million owed by PTG to the Group. The Group opined that there are limited benefits of retaining this investment in PTG as its participation in PTG's future projects will likely be limited. With this disposal, the Group is equipped with more funds to explore ventures in other markets when opportunities arise. In addition, its holdings in PT Superkrane Mitra Utama Tbk. ("SK") will increase from 208 million to 408 million shares. SK is a listed company on the Indonesian Stock Exchange and has distributed dividends over the years.

In August 2025, we acquired a 8.82% stake in SRE HoldCo through a share subscription agreement for a consideration of S\$1.3 million.

SRE HoldCo is in the business of steel processing and fabrication of onshore and offshore components for wind towers in Vietnam with a key advantage in low-cost fabrication model and high-level quality management system which has been approved by wind turbine manufacturers. The Group is of the view that SRE HoldCo is a distinctly competitive company with efficient operations, and internationally recognised certifications and industry-specific standards, giving the Group access to the thriving energy market in Vietnam. The Group is working closely with SRE HoldCo in oil and gas as well as wind farm projects.

Going forward, the Group will continue to streamline our operations to refine our focus towards our purposed direction and better align our resources to strengthen the Group's fundamentals.

OIL & GAS OUTLOOK

According to the International Energy Agency (IEA) report, the war in the Middle East is creating the largest supply disruption in the history of the global oil market with the closure of the Strait of Hormuz. As such, global oil supply is projected to plunge with the extent of losses dependent on the duration of the conflict.

Global product markets are expected to be significantly impacted with exports through the Strait at a near standstill, while widespread flight cancellations in the Middle East and large-scale disruptions to LPG supplies are expected to curb global oil demand. Higher oil prices and a more precarious

outlook for the global economy pose further risks to the global oil consumption forecast with oil prices experience extreme volatility since the joint air strikes against Iran by the US and Israel on 28 February.

On 11 March 2026, the 32 member countries of IEA unanimously agreed to make 400 million barrels of oil from their emergency reserves available to the market to ease the situation and stabilise oil markets. It remains to be seen how the conflict will be played out with its uneasy development closely watched by the world.

Where our overseas markets are concerned, the Group is focused on the Vietnam and Indonesia markets for both traditional oil and renewable energy segments. Vietnam made impressive stride in renewable energy development owing to its strategic geographical location. Beyond nature, Vietnam also aligned with global climate agenda by way of enabling policies and effective implementation strategies.

Separately, the Indonesia oil and gas market is experiencing significant transformation driven by increasing domestic energy demand, government initiatives to attract foreign investment and ongoing efforts to modernize infrastructure.

Indonesia announced its ambitious objective to reach net zero emissions by 2060 during the UN Climate Change Conference (COP 26) in 2021. Since then, the country's Ministry of Energy and Mineral Resources (MEMR) and IEA have been working together on detailed scenario and policy analysis on this target for Indonesia's energy sector. Both MEMR and IEA analysis find that Indonesia's net zero target is achievable through the deployment of renewable energy resources, energy efficiency, electrification and grid interconnection.

BUSINESS OUTLOOK

Global trade activity had stayed resilient throughout 2025 notwithstanding the US tariffs with buffer from lower than announced effective rates, trade diversion facilitated by supply chain adjustments, and robust AI-related exports boosted by the AI investment boom.

However, the unexpected turn of events in the unfolding of the Iran conflict could potentially threaten the trajectory of development of Singapore's export-driven economy. Rising energy costs driven by high oil prices of above \$100 per barrel elevates core inflation. Along with possible US tariffs

LETTER TO SHAREHOLDERS

or further intensifying of geopolitical tensions, a resurgence in economic uncertainty could ensue to curb manufacturing and consumer demand. Rising operational costs, particularly for energy-intensive sectors, may dent growth.

MTI has flagged that the global economic outlook is subject to both upside and downside risks, hence the ministry will monitor developments and adjust the forecast if needed.

In spite of the current challenges, the Group expects oil and gas activities in the region to be resilient. Uptrend growth in the oil and gas sector in Vietnam and Indonesia is expected to benefit the Group on the back of our established network in these markets.

Nevertheless, the Group's performance hinges on our ability to manage cost prudently and remain competitive to secure procurement contracts from our EPCIC customers.

ACKNOWLEDGEMENTS

I would like to extend my gratitude to Mr Hoon Tai Meng, who stepped down as Independent Director on 30 April 2025. We are grateful to his invaluable contribution and guidance to the Group during his term of service and wish him every success in his future endeavours.

In the same breath, I want to welcome Mr Tng Soon Chye and congratulate him on his appointment as a Non-Executive and Independent Director on 25 June 2025. We anticipate a close working relationship with him.

On behalf of the Board, I would like to express my appreciation for our customers, banking associates and business partners who has been with us through the ups and downs. I would also like to give recognition to my fellow Board members, management, and staff for their dedication towards the Group and remaining steadfast with us regardless of the business conditions.

Finally, the Group is pleased to declare a first and final dividend of 0.5 Singapore cents per ordinary share and a one-tier tax-exempt special dividend of 0.5 Singapore cents per ordinary share to reward our shareholders for standing by the Group in times of uncertainty. The dividends are subjected to shareholders' approval at the upcoming Annual General Meeting ("AGM") on 30 April 2026. Upon approval, the proposed dividends will be paid together on 25 May 2026 with total dividends for the full year amounting to 1.0 Singapore cents. Riding on our strong fundamentals, we will continue to push ahead to overcome the challenges and emerge stronger.

MR. KOH KIAN KIONG
Executive Chairman and Chief Executive Officer



BOARD OF DIRECTORS



MR. KOH KIAN KIONG

*Executive Chairman and Chief Executive Officer
Federal International (2000) Ltd.*

MR. KOH KIAN KIONG, is one of the founders of the Group and has more than 50 years of experience in the oil and gas industry. He was appointed to the Board since 13 November 1999.

Mr. Koh oversees the formulation of the Group's corporate strategies and business expansion plans. He continues to be instrumental to the Group's continued success and growth.

Date of first appointment as a director:

13 November 1999

Date of last re-election as a director:

30 April 2024

Board of Committee(s) served on:

Executive Committee (Chairman)
Nominating Committee (Member)

Present directorships (as at March 2026):

Listed Companies:

Federal International (2000) Ltd.

Other principal directorships:

Subsidiaries and associated companies of the Federal Group

Major Appointments (other than directorships):

Nil

Past directorships in listed companies held over the preceding five years (from March 2021 to March 2026):

Nil

Other Principal Commitments:

Nil



MS. MAGGIE KOH

*Executive Director
Federal International (2000) Ltd.*

MS. MAGGIE KOH, is our Executive Director and was appointed as a member of the Board since 19 June 2000. As an Executive Director, she assists the Board in business and strategic planning including managing the Group's overall business development and expansion. As part of her corporate role, Ms. Koh oversees the trading business of the Group and leads with a strategic role in operations, including Quality Control management, Research & Development management and management of the Group's subsidiaries. Ms. Koh has over 30 years of experience in the oil and gas industries.

Date of first appointment as a director:

19 June 2000

Date of last re-election as a director:

30 April 2025

Board of Committee(s) served on:

Executive Committee (Member)

Present directorships (as at March 2026):

Listed Companies:

Federal International (2000) Ltd.

Other principal directorships:

Subsidiaries and associated companies of the Federal Group

Academic & Professional Qualification(s):

Master in Business Administration

Major Appointments (other than directorships):

Nil

Past directorships in listed companies held over the preceding five years (from March 2021 to March 2026):

Nil

Other Principal Commitments:

Nil

BOARD OF DIRECTORS



MR. HENG YEOW TECK, MALCOLM

*Non-Executive and Lead Independent Director
Federal International (2000) Ltd.*

MR. HENG YEOW TECK, MALCOLM is currently the Managing Director of Malcolm Heng SG PAC and a Partner of Heng Lee Seng LLP (“HLS”). He has been in practice for over 20 years covering areas of audit & assurance, tax and corporate secretarial.

Prior to joining HLS, he was working in one of the Big 4 accounting firm in the US GAAP services for a number of years.

Mr. Heng is a member of the Public Practice Committee in CPA Australia. He was a member of ACRA Complaints and Disciplinary Panel.

Date of first appointment as a director:

17 May 2022

Date of last re-election as a director:

28 April 2023

Board of Committee(s) served on:

Audit Committee (Chairman)
Nominating Committee (Member)
Remuneration Committee (Member)

Present directorships (as at March 2026):

Listed Companies:

Federal International (2000) Ltd.

Other principal directorships:

Managing Director, Malcolm Heng SG PAC
Director, HLS Corporate Services Pte Ltd.
Director, HLS Tax Advisory Services Pte Ltd.
Director, HLS Risk Advisory Services Pte Ltd.

Academic & Professional Qualification(s):

Master of Business Administration
Bachelor of Commerce
Institute of Singapore Chartered Accountants (Singapore)
CPA Australia
Chartered Institute of Management Accountants (UK)
Institute of Internal Auditors
Singapore Institute of Directors
Singapore Chartered Tax Professionals

Major Appointments (other than directorships):

Nil

Past directorships in listed companies held over the preceding five years (from March 2021 to March 2026):

Nil

Other Principal Commitments:

Managing Director, Malcolm Heng SG PAC
Partner, Heng Lee Seng LLP

BOARD OF DIRECTORS



MR. ANG MONG SENG

*Non-Executive and Independent Director
Federal International (2000) Ltd.*

MR. ANG MONG SENG joined the Board on 16 May 2024 as a Non-Executive and Independent Director. He chairs the Remuneration Committee and is a member of the Audit and Nominating Committees.

Mr. Ang has an extensive career spanning over 30 years in general management in the estate management sector. He was the Chief Operating Officer of EM Services Pte Ltd. from 2002 to 2011 and General Manager for Sembawang Town Council from 1988 to 1997.

He was the Member of Parliament for the Bukit Gombak Single Member Constituency from 1997 to 2001 and Hong Kah Group Representation Constituency from 2001 to 2011. He served as the Chairman of Hong Kah Town Council from 1997 to 2011 and was a member of the House Committee in Parliament. He was also the Vice Chairman of South West Community Development Council. Mr. Ang retired from politics prior to the 2011 General Elections.

Mr. Ang holds a Bachelor of Arts degree from Nanyang University, Singapore. He is a recipient of the Public Service Medal (PBM) and Public Service Star (BBM).

Date of first appointment as a director:

16 May 2024

Date of last re-election as a director:

30 April 2025

Board of Committee(s) served on:

Remuneration Committee (Chairman)
Audit Committee (Member)
Nominating Committee (Member)

Present directorships (as at March 2026):

Listed Companies:

Federal International (2000) Ltd.
Emerging Towns & Cities Singapore Ltd.

Other principal directorships:

Nil

Academic & Professional Qualification(s):

Bachelor of Arts

Major Appointments (other than directorships):

Nil

Past directorships in listed companies held over the preceding five years (from March 2021 to March 2026):

Chip Eng Seng Corporation Ltd.
Hoe Leong Corporation Ltd.

Other Principal Commitments:

Nanyang Ang Clan Guild Association
Pei Hwa Foundation Ltd
The Chinese Opera Institute
International Wushu Federation
Singapore Wushu Dragon and Lion Dance Federation

BOARD OF DIRECTORS



MR. TNG SOON CHYE

*Non-Executive and Independent Director
Federal International (2000) Ltd.*

Mr. TNG SOON CHYE was first appointed to the Board of Directors on 25 June 2025 as a Non-Executive and Independent Director of the Company. He is the Chairman of the Nominating Committee. He is a member of the Audit Committee and Remuneration Committee. He has completed the five SID LED core modules and four SID LED elective modules. He completed and passed the SID Accreditation Exam in April 2026. He is a SID Accredited Director.

Mr. Tng is an Advocate & Solicitor of the Supreme Court of Singapore, having been duly admitted to the Singapore Bar. He has been the managing lawyer of his laws firm, Tng Soon Chye & Co, for more than 25 years. He has experience in acting for parties covering inter alia civil/commercial litigation, solicitor's work, commercial work in drafting agreements and review of contracts, ADR such as mediation, neutral evaluation and CDR related work, arbitration, estate matters, matrimonial litigation, conveyancing/real estate etc. He holds a Bachelor of Law degree (Hon) from the National University of Singapore. He is a member of the Law Society of Singapore, the Singapore Academy of Law and the Singapore Institute of Directors. He is also a Commissioner for Oath and a Notary Public.

Date of first appointment as a director:

25 June 2025

Date of last re-election as a director:

Nil

Board of Committee(s) served on:

Nominating Committee (Chairman)
Audit Committee (Member)
Remuneration Committee (Member)

Present directorships (as at March 2026):

Listed Companies:

Federal International (2000) Ltd.

Other principal directorships:

Tng Soon Chye & Co

Academic & Professional Qualification(s):

Bachelor of Laws (Hons)
Law Society of Singapore
Singapore Academy of Law
Singapore Institute of Directors

Major Appointments (other than directorships):

Nil

Past directorships in listed companies held over the preceding five years (from March 2021 to March 2026):

Nil

Other Principal Commitments:

Managing Lawyer, Tng Soon Chye & Co.

KEY EXECUTIVES AND MANAGEMENT

MR. KOH BENG GUAN, DON

*DEPUTY GROUP CHIEF EXECUTIVE OFFICER,
FEDERAL INTERNATIONAL (2000) LTD.*

MR. KOH BENG GUAN, DON, joined the Group in 1999. He was appointed to the Board of Directors as Executive Director from 1 January 2017 to 31 December 2021. Mr. Don Koh was re-designated as Deputy Group Chief Executive Officer from 1 January 2022.

Mr. Koh plays a pivotal role in shaping the Group's corporate strategies and business expansion plans, working closely with the Executive Chairman and CEO. He also leads the EPCI (Engineering, Procurement, Construction, and Installation) Division, and is responsible for the trading segment in overseas markets and the procurement scope for offshore oil and gas projects.

Mr. Koh's educational background includes a Bachelor's in Business Administration from Southern Cross University, Australia, which underlines his strong academic foundation and qualifications.

MR. SAM KWAI HOONG

*GROUP CHIEF FINANCIAL OFFICER AND COMPANY
SECRETARY, FEDERAL INTERNATIONAL (2000) LTD.*

MR. SAM joined the Group as the Group Chief Financial Officer since November 2018. He is responsible for the management of the Group's financial, treasury, taxation, and IT matters. He has also been appointed as the Company Secretary.

Prior to his appointment, Mr. Sam had held various senior finance positions in listed companies in the oil and gas industry. He has extensive experiences in accounting, finance, and general management.

Mr. Sam holds a Degree of Bachelor of Accountancy with National University of Singapore and is a Chartered Accountant with the Institute of Singapore Chartered Accountants.

MR. RICHARD DOCHERTY

MANAGING DIRECTOR, KVC (UK) LTD.

MR. DOCHERTY joined the Group in 2004 and is the Managing Director of KVC (UK) Ltd. Mr. Docherty is responsible for the operations and business development of KVC (UK) Ltd, the Group for the Pipeline Ball Valves manufacturing arm. His career in the valve industry spans over 50 years, and he has been extensively involved in the supply of valves to the UK and Norwegian sector offshore industry. In recent times, Mr. Docherty and his Scottish Manufacturing Team have played a pivotal role in projecting the KVC (UK) Ltd. Pipeline Ball Valve with numerous appointed agents and distributors worldwide. The KVC (UK) Ltd.'s Pipeline Ball Valve is now widely used and specified in the global oil and gas industries.

MR. QUEK CHENG HOCK

*MANAGING DIRECTOR,
FEDERAL FIRE ENGINEERING PTE LTD.*

MR. QUEK joined the Group in November 2013 and currently serves as the Managing Director of Federal Fire Engineering Pte Ltd, a wholly owned subsidiary of the Company. With a career spanning over three decades in the fire protection industry, he brings extensive expertise in fire suppression products, engineering, and applications.

Since 1990, Mr. Quek has amassed experience across various high-value industries, including telecommunications, pharmaceuticals, petroleum, oil and gas, power generation, and other critical facilities in Singapore and the Asia Pacific region.

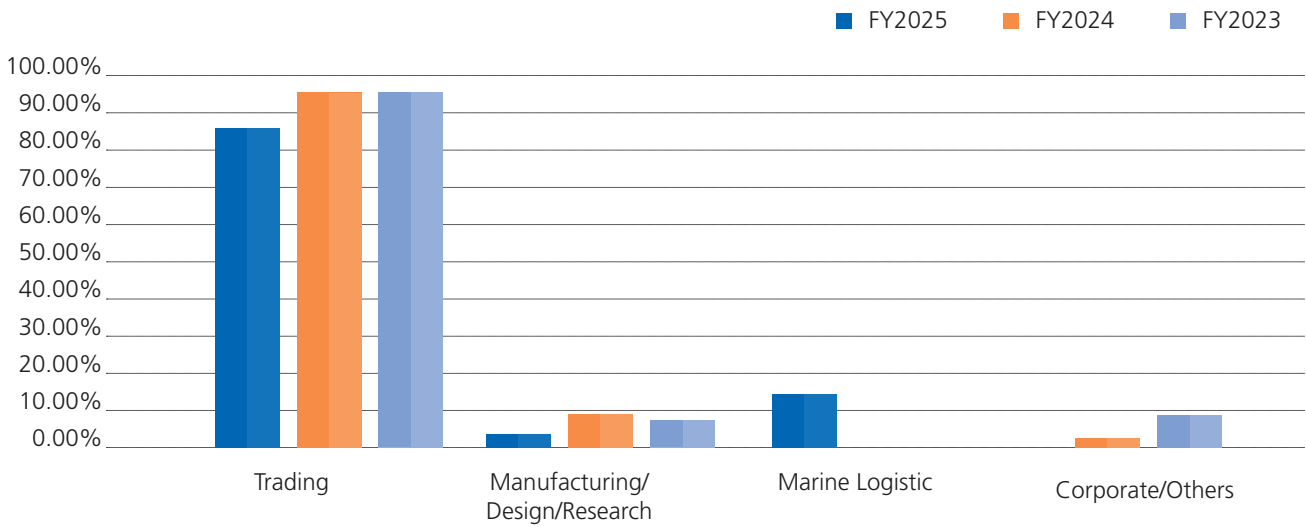
He holds a First Class Honours degree in Manufacturing and Mechanical Engineering, underscoring his strong technical foundation and commitment to excellence.

BUSINESS AND FINANCIAL REVIEW

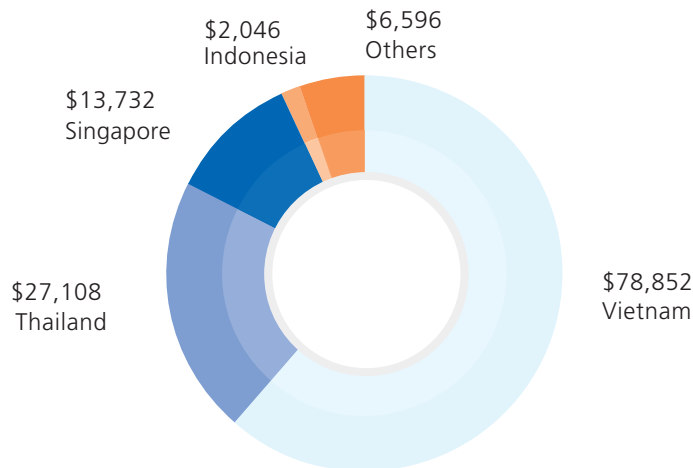
REVENUE

Group revenue for FY2025 was mainly contributed by the distribution of flowline control products, fire detection and protection systems businesses and vessel chartering. It rose by 190.0% to S\$128.3 million in FY2025 as compared to the previous year as a result of higher revenue from Trading business in Vietnam, Thailand and Singapore, as well as vessel charter income of S\$17.5 million.

REVENUE BY BUSINESS SEGMENTS (%)



REVENUE BY GEOGRAPHICAL SEGMENTS (S\$'000)



BUSINESS AND FINANCIAL REVIEW

GROSS PROFIT

In line with higher sales revenue, gross profit soared 86.8% to S\$21.7 million during the year against S\$11.6 million in the year before. However, gross profit margin was lower at 16.9% compared with 26.2% in FY2024 due to a different sales mix in FY2025 where high volume trade earns significantly lower margins.

OTHER INCOME

Other income of S\$1.4 million, which comprised mainly of S\$657,000 dividend income from SK, was lower than the S\$6.7 million registered for FY2024 as the Group recorded a 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 during that year.

SELLING AND DISTRIBUTION COSTS

As a result of higher sales revenue, selling and distribution costs hiked by 15.7% to S\$5.8 million in FY2025 incurred from higher staff cost.

ADMINISTRATIVE AND GENERAL COSTS

With higher bank charges registered for project financing and staff cost, administrative and general costs rose by 10.2% to S\$8.1 million in FY2025 as compared to S\$7.4 million in FY2024.

OTHER OPERATING EXPENSES

Compared to FY2024 where other operating expenses comprised mainly of allowance for slow moving inventories of S\$1.3 million and loss on disposal of a subsidiary of S\$124,000, other operating expenses for the reporting year was primarily S\$2.4 million of foreign currency exchange loss.

NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

Net impairment loss on financial assets was higher in FY2024 mainly due to impairment loss of S\$1.3 million for trade debtors in the Group's Trading business in Indonesia.

FINANCE COSTS

An increase in interest expenses on trust receipts and bank overdrafts led to finance costs of S\$693,000 as compared to S\$572,000 recorded in FY2024.

SHARE OF RESULTS OF ASSOCIATES

Share of associates' profit in FY2025 stood at S\$288,000 with contributions from PTG during the financial year. This was partially offset by share of loss from PTEJ arising from the costs associated with the dry-docking exercise of its floating, storage and offloading vessel.

IMPAIRMENT LOSS ON ASSET CLASSIFIED AS HELD FOR SALE

Impairment loss amounted to S\$1.8 million due to investment in PTG, which was classified as an asset held for sale in FY2025.

INCOME TAX EXPENSE

The Group reported an income tax expense of S\$741,000 in FY2025 due to provision of current income tax and withholding tax on dividend income.

In contrast, the Group's income tax expense in FY2024 of S\$1.7 million mainly arose 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 Fedsin Rekayasa Pratama ("PTFRP"), current income taxation of S\$512,000 and withholding tax on dividend income of S\$223,000.

PROFIT NET OF TAX ATTRIBUTABLE TO OWNERS OF THE COMPANY

Consequently, the Group's net profit attributable to owners of the Company decreased by 17.9% to S\$3.2 million as compared to S\$3.9 million in the corresponding reporting period.

STATEMENT OF FINANCIAL POSITION

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

As at 31 December 2025, equity attributable to owners of the Company totalled S\$72.6 million, which was converted to a net asset value per ordinary share of 51.59 Singapore cents.



BUSINESS AND FINANCIAL REVIEW

NON-CURRENT ASSETS

Non-current assets, which contracted by S\$19.9 million to S\$24.6 million, was partially offset by higher financial assets at FVOCI of S\$4.3 million due to fair value gain and investment in SRE HoldCo during the period. The decrease was a result of: -

- a) reclassification of amounts due from PTG to "assets of disposal group classified as held for sale", hence amounts due from associate booked a decrease of S\$16.0 million;
- b) reclassification of investment in PTG to "assets of disposal group classified as held for sale" and foreign currency translation loss led to lower investment in associates of S\$7.2 million, which was partially offset by share of associates' profit;
- c) reduction of other receivables to S\$435,000 with the receipt of S\$900,000 from George Deng ("GD") in relation to the third and final tranche of the Settlement Amount, partially offset by funds placed with banks of S\$465,000 for trade facilities; and
- d) drop in right-of-use assets to S\$237,000 and intangible assets of S\$136,000 were a consequence of depreciation charges during the period.

CURRENT ASSETS

Current assets increased from S\$44.8 million to S\$110.0 million as a consequence of: -

- a) S\$21.9 million registered as assets of disposal group classified as held for sale;
- b) higher sales revenue giving rise to higher trade receivables of S\$18.7 million;
- c) improvement in cash and bank balances to S\$16.4 million;
- d) jump in fixed and bank deposits to S\$14.0 million largely due to advance consideration received from Pak Yafin;



The above gain was partially negated by: -

- e) S\$2.6 million dip in inventories as goods were delivered to customers;
- f) reclassification of amounts due from PTG to "assets of disposal group classified as held for sale", resulting in S\$2.1 million decline in amounts due from associates;
- g) advance payment to suppliers in relation to on-going projects lowered to S\$682,000; and
- h) decrease in other receivables of S\$558,000 mainly due to release of funds placed with bank for trade facilities.

BUSINESS AND FINANCIAL REVIEW



CURRENT LIABILITIES

Term loans repayment of S\$482,000 partially offset current liabilities, which increased by S\$39.9 million to S\$58.4 million mainly due to: -

- a) higher trade payables of S\$18.8 million alongside higher activities during the period;
- b) other payables increasing by S\$17.1 million with advance consideration received from Pak Yafin and higher accruals of costs and expenses of S\$3.6 million;
- c) greater amounts due to banks of S\$3.3 million as a result of net drawdown of trust receipts;
- d) hike in contract liabilities with advance consideration received from customers in relation to on-going projects of S\$853,000; and
- e) S\$225,000 increase in provision for taxation.

NON-CURRENT LIABILITIES

As at 31 December 2025, non-current liabilities contracted by S\$0.3 million from S\$3.9 million to S\$3.6 million as lease liabilities were repaid and provision for post-employment benefits were lowered.

CASHFLOW REVIEW FY2025

Overall, the Group's cash and cash equivalents surged by S\$30.4 million to stand at S\$37.4 million for the year ended 31 December 2025.

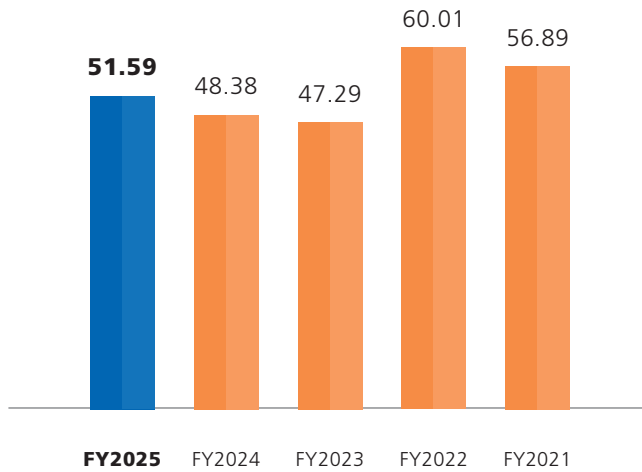
Net cash generated from operating activities amounted to S\$15.6 million mainly due to a positive operating cash flow of S\$7.3 million and changes in working capital, such as increase in trade and other payables of S\$22.3 million, as well as decrease in inventories of S\$2.7 million, which was partially offset by higher trade and other receivables of S\$18.6 million.

Separately, net cash generated from investing activities was S\$13.9 million in relation to receipt of advance consideration of S\$13.6 million obtained from proposed disposal of PTG, Settlement Amount of S\$900,000 and dividend income (net of tax) of S\$588,000, while S\$1.3 million was put up for equity investments in SRE HoldCo.

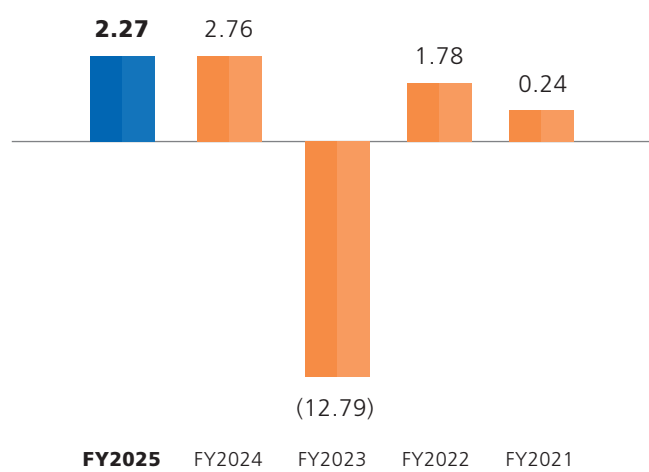
As a result of S\$3.6 million in net drawdown of trust receipts against increase in pledged deposits of S\$750,000, dividend payment and interest payment of S\$703,000 and S\$486,000 respectively, repayment of term loans of S\$482,000 and repayments of lease liabilities of S\$296,000 (including principal and interest), net cash generated from financing activities stood at S\$942,000.

FINANCIAL HIGHLIGHTS

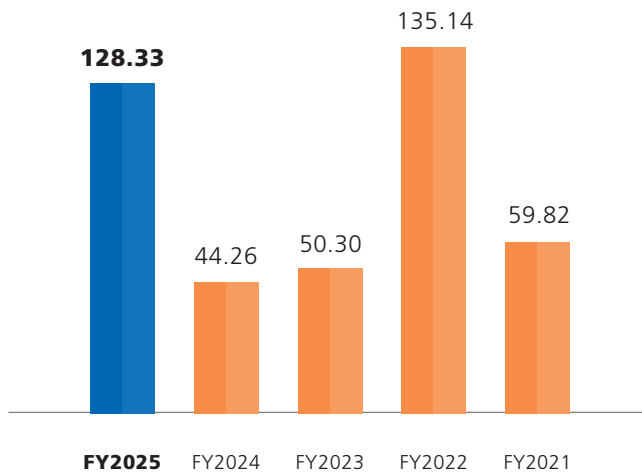
NET ASSETS VALUE PER SHARE (CENTS)



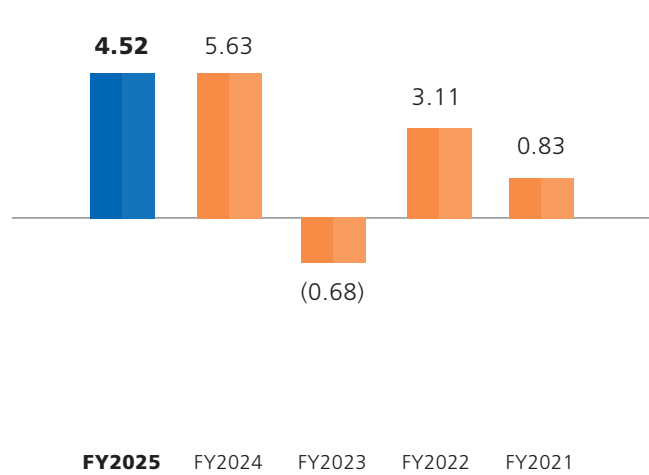
EARNINGS/(LOSS) PER SHARE (CENTS)



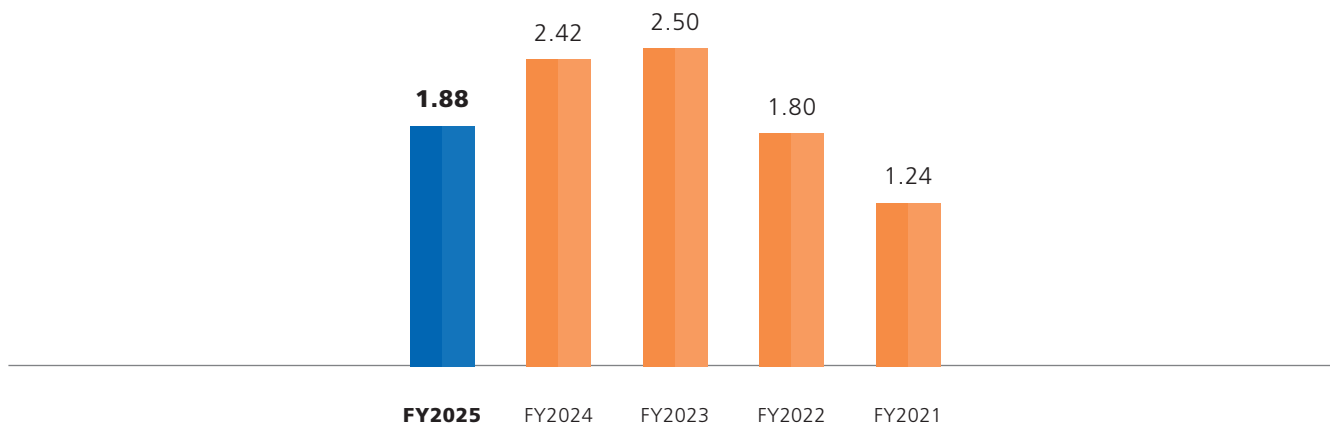
TURNOVER (\$MIL)



PROFIT/(LOSS) BEFORE TAX (\$MIL)



CURRENT RATIO



SUSTAINABILITY REPORT



BOARD STATEMENT

Dear Stakeholders,

During FY2025, there has been no material change to the Group's core businesses as a distributor of flowline control products, procurement specialist for the oil and gas sector as well as a distribution of fire protection and detection systems. These activities are managed by its subsidiaries in Singapore, Indonesia, and the United Kingdom ("UK").

The Group understand that the success of our business is connected with managing the expectations of our stakeholders in delivering quality product at the right price, conducted efficiently by a dedicated and motivated staff and having strategic partners to build sustainable growth. Having reliable strategic partners in Southeast Asia's oil and gas segment are critical due to the high level of regulations and cabotage practices.

While we focus on economic growth, we continue to explore ways to reduce our carbon footprint, enhance operational efficiencies, staff training and development initiatives and community engagements that align with our long-term sustainability goals.

This comprehensive approach to corporate governance, integrating environmental, social, and economic pillars, exemplifies the leadership standards upheld by the Board. As we look ahead, we remain committed to continuous improvement, innovation, and transparent communication with all stakeholders.

On that note, we are pleased to present our sustainability report, a testament of our commitment to good governance. Together with the Sustainability Committee, the Board has reviewed and prioritised the key ESG factors, the Group's targets, and related performances.

We will continue to innovate and implement our strategies to ensure that we attain our sustainability objectives and create greater value for all our stakeholders.

For and on behalf of the Board of Directors

KOH KIAN KIONG
Executive Chairman and CEO
Federal International (2000) Ltd



SUSTAINABILITY REPORT

ABOUT THIS REPORT

Corporate Profile

Federal International (2000) Ltd (“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 also specialises in turnkey fire detection, control, and suppression projects.

Please refer to the Corporate Profile section in the Annual Report 2025 (AR 2025) or our Group’s corporate and subsidiaries websites for more details about our business activities.

Report Scope and Period

- This reporting covers Federal and its subsidiaries as disclosed in our Financial Statements reported in AR 2025. Associated companies are excluded where the Group has no operational control.
- All information, statistics and targets presented in this report aligns to the Group’s financial reporting period from 1 January 2025 to 31 December 2025.

Reporting Framework

- This Report has been prepared with reference to the Global Reporting Initiative (“GRI”) Universal Standards 2021. This globally recognised framework allows businesses to deliver detailed and transparent disclosures on a wide range of sustainability topics. It provides organisations with a universally accepted approach to effectively convey their environmental and social impacts. For ease of reference, the GRI Content Index is provided on pages 36 to 43. It outlines the specific locations of all relevant disclosures within the Report.
- In accordance with SGX Listing Rules 711A and 711B, we have included the six key components required for annual sustainability reports. This is done in adherence to the ‘comply or explain’ principle. Additionally, the Group has adopted a phased approach to incorporating climate-related disclosures. These are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) in this FY2025 report.

Restatement

- Except for the restatement of water and energy consumption and Scope 1 and Scope 2 emissions for FY2024 to include the Group’s overseas subsidiaries’ emissions, no other restatements were made from the previous report.

Assurance

- This sustainability report is reviewed by our internal auditors, RSM Risk Advisory Pte Ltd and serves as a platform for us to share our sustainability progress and milestones that we have achieved.

Feedback

We are fully committed to listening to our stakeholders as it is vital for us to continually improve our reporting practices. We appreciate your valuable comments and feedback to help us progress further in our sustainability journey. Please contact: Ms Maggie Koh at maggie.koh@federal-int.com.sg or Mr Sam Kwai Hoong at kwaihoong.sam@federal-int.com.sg

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE

Federal's Board of Directors has overall responsibility for the Group's sustainability issues and their impacts, including ensuring that climate-related risks and opportunities are integrated into the organisation's risk management framework, overseeing the implementation of strategies to manage climate-related risks and opportunities; and approving necessary resources for effective management of climate-related initiatives. Their responsibilities are set out in the Board's terms of reference.

Every Director has attended training on sustainability matters since 2023, as prescribed by SGX-ST. As part of the ongoing capacity building efforts, our Board, management, and employees attend training on climate risks, impacts and opportunities identification, assessment, and reporting, as well as other ESG topics provided by sustainability consultants and SGX-ST.

Sustainability issues are discussed with the Board at least once a year during a board session to enable the Board to effectively oversee strategies designed to respond to sustainability-related risks and opportunities. The Board works with the SC and management to:

1. Develop the Group's sustainability strategy to manage climate-related risks and opportunities which is integrated into decision-making including evaluation of potential major transactions.
2. Identify the Group's material sustainability issues and associated risks and opportunities.
3. Oversee the setting of appropriate sustainability goals and targets, taking into consideration the relevance of material sustainability issues and prioritisation of its impact to the business and the nature and magnitude of risks and opportunities, including available financial capabilities for climate-related investment purposes.
4. Monitor the Group's progress and performance in meeting sustainability goals and targets through yearly updates.

Sustainability Reporting Committee ("SC")

The SC oversees the Group's sustainability-related risk management and performance and reports to the Executive Committee and Board. This will include:

- Monitoring and overseeing measures to mitigate the Group's key sustainability-related risks and opportunities and manage the impacts associated with the identified material topics. Specifically for climate-related risks and opportunities, the Board administers its responsibility to assess and manage climate-related risks and opportunities through the SC.
- The SC is also responsible for managing Federal's decarbonisation effort, and in doing so, managing Federal's exposure to transition risks while minimising our impact to the environment.
- The Finance departments of entities within the scope in the Sustainability Reporting supports the SC by collecting and collating sustainability performance data, including climate-related performance data, for reporting. The information collected in 2025 also contributed to the formulation of the decarbonisation strategy that is overseen by the SC.
- Overseeing the identification and management of the Group's sustainability metrics and performance against targets.

SUSTAINABILITY REPORT

Risk Management Committee ("RMC")

Assisting the SC, the RMC, led by Federal's Executive Director, consists of a mix of senior executives who bring diverse expertise to manage and mitigate risks covering the following responsibilities:

- Identifying and assessing climate-related risks and opportunities that could impact the Group.
- Developing strategies to manage and mitigate sustainability risks while also capitalising on related opportunities.
- Creating and enforcing policies and practices to promote sustainability and ensure compliance with relevant regulations.
- Monitoring and reviewing the effectiveness of risk management strategies.
- RMC meets annually to review risk registers of Federal's business and operational units. The completed risk registers and risk reports are reviewed and approved by the SC, who in turn, updates the Board on any significant changes in the Group's risk profile.

We recognise the role that management must ensure the success of our sustainability-related initiatives and targets. Hence, we have linked key and material sustainability-related initiatives and targets to KPIs of our senior management. Sustainability governance is also integrated into the Group's overall corporate governance framework.

Please refer to the Corporate Governance Statement in AR 2025 for more details.

Stakeholder engagement

Engagements with our stakeholders are important as they guide our decision-making process and assist us in achieving our sustainability commitments. The following table summarises the concerns of our stakeholders which we incorporate into our sustainability approach:-

STAKEHOLDERS KEY CONCERNS FEEDBACK PLATFORMS

STAKEHOLDER GROUP	KEY CONCERNS	OUR RESPONSE
Employees 	Fair and competitive employment practices	Annual performance appraisals and salary benchmarked to market
	Workplace safety and environment	Policies and procedures
	Staff training and development	On-going training program
	Work-life balance	Recreation and social activities
Investors, Analysts & Media 	Financial Performance & Dividend	General meetings
	Timely, complete, and transparent reporting	Announcement on website and Singapore Exchange portal
	Corporate governance	Annual Report/Sustainability Reporting

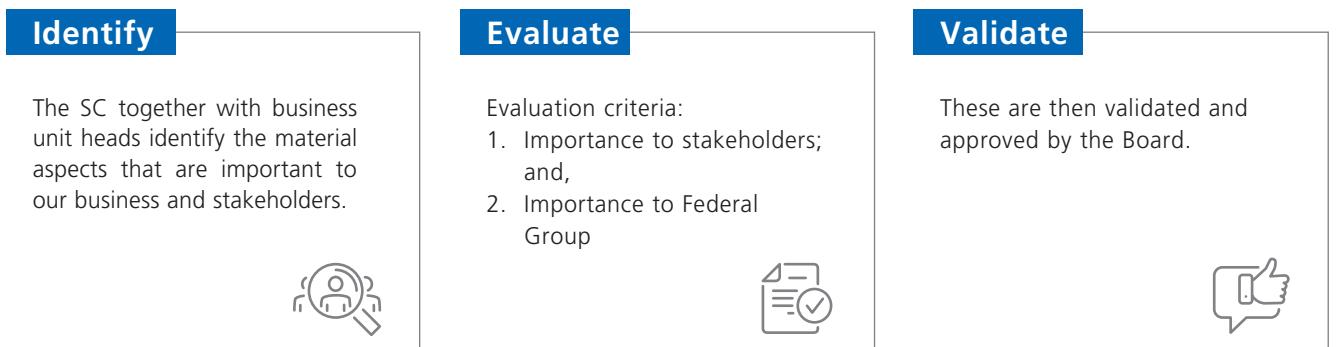
SUSTAINABILITY REPORT

STAKEHOLDER GROUP	KEY CONCERNS	OUR RESPONSE
Customers 	Quality and Timely delivery of products and services	Dedicated sales team and Annual customer satisfaction survey
	Environmental and Certification compliance	Subscription to International certification standards
	Competitive pricing	Dedicated sales team to source for best solutions, brands, and products
Vendors 	Ability to meet tight delivery schedule	Quality control evaluation and coordination
	Fair business practices	Regular meetings with key suppliers
	Environmental and Certification compliance	Subscription to International certification standards
Government/National Agencies 	Environmental and Certification compliance	Subscription to International certification standards
	Workplace safety and environment	Policies and procedures
	Compliance with laws and regulations	Meetings and regular reporting
The Community 	Corporate philanthropy and engagement	Annual community outreach initiatives
	Responsible business conduct	Annual community outreach initiatives

Material sustainability issues

The SC periodically perform materiality analysis to identify sustainability issues that are of importance to our business and stakeholders in accordance with the GRI guidelines. This assessment helps us bring focus to key areas that we seek to improve on as we make progress in achieving the long-term sustainability of our business.

Methodology



SUSTAINABILITY REPORT

Key Aspects and Material Topics

Our review focuses on four key aspects with nine identified material topics. The nine identified material topics differ from the suggestion of GRI 11: Oil and Gas Sector 2021 as our businesses cover trading of flowline control products for the oil and gas and fire protection and prevention systems where only material topics relevant to our businesses and stakeholders are managed. We have also conducted an analysis and evaluation and prioritised the key topics based on the concerns to stakeholders and its impact on our businesses.

Four Aspects	Nine Material Topics	Why is this important for us and our stakeholders
Economic Aspect	Creating Economic Value – financial performance	Strong and sustained economic performance is important to our business success and continuity. Maintaining a productive and dedicated team, having an efficient and effective process to ensure quality and timely delivery are crucial factors contributing to overall performance.
	Resource Management	<p>We recognise the importance of prompt response to customers' requirement (prompt delivery) and manage our inventory level based on customers' demand and market trends. Inventory order and re-order are subjected to robust checks and evaluation to avoid excesses and waste that weigh on profitability and cash flow.</p> <p>With a managed level of inventory, resulting manpower required, packing, packaging and storage materials are also managed.</p>
Environmental Aspect	Environmental Compliance, Energy and Water Efficiency and Climate-related Risk and Management	<p>Laws and regulations on the environmental performance of businesses are increasingly becoming stricter. In addition to more stringent regulations, stronger enforcement of laws is also being discussed and enacted in the emerging economies of Asia. Being a responsible corporation, we seek to comply with all environmental regulations implemented in the jurisdictions that we operate in.</p> <p>We also recognise that investing in energy conservation not only reduces our carbon footprint but also reduces business costs. Hence, we are committed to minimising our energy and water consumption and improving energy and water efficiency.</p>
Social Aspect	Labour Practices and Work Environment	We operate in an intensely competitive environment. A motivated workforce drives up productivity which in turn improves quality and lowers unit costs.
	Product Responsibilities	We believe that product quality and integrity form the foundation of the reputation and trust that we seek to earn in the markets that we operate in. Product safety and reliability are of paramount importance to our customers who operate in the oil and gas industry where occupational health and safety are of their top priority. We seek to develop and deliver quality products that are compliant with the highest standards of product certification.
	Community	As we draw resources from the community we operate in, we strive to contribute back to it.

SUSTAINABILITY REPORT

Four Aspects	Nine Material Topics	Why is this important for us and our stakeholders
Governance Aspect	Corporate Governance	We believe that well established corporate governance processes are essential in enhancing corporate accountability and long-term sustainability to preserve and maximise shareholder value.
	Business Conduct and Ethics	We believe that upholding our reputation and fostering stakeholders’ trust in our business is fundamental to our growth as a company. Therefore, we are committed to building a positive corporate image through exemplary business ethics and integrity.
	Risk Management	Certain transactions, in particular oil and gas EPC project, may have a material and lasting impact on the performance and cash flow of the Group. While the Executive Committee evaluate all transactions, the Board is updated on all material transactions and approves such transactions. These participations of all board members provide a comprehensive assessment of risks.

Materiality Analysis and Evaluation

Principal activities

Our Trading segment contributed substantially to the Group’s total revenue. Trading segment included the distributions and provision of flowline control products and services as well as fire protection and detection systems. Activities including storage, value-add services such as design, testing etc. are conducted at our premises located at 12 Chin Bee Drive.

There are no material changes to the Group’s activities for the year.

Prioritisation of Key Topics

CONCERNS TO STAKEHOLDERS		LOW	MEDIUM	HIGH	
	HIGH			Labour Practices and Work Environment (Social)	Financial Performance & risk management (Economic)
				Corporate governance (Governance)	Resource Management (Economic)
					Risk Management (Governance)
	MEDIUM			Resource Management and Energy and Water Efficiency	Regulatory and Environmental compliance (Environmental)
LOW	Community		Business Conduct and Ethics		
IMPACT ON OUR BUSINESS					

SUSTAINABILITY REPORT

ECONOMIC ASPECT

Material Topic: Creating Economic Value

Objective

We seek to create long-term economic value for our stakeholders through the building of a sustainable business and brand.

Approach to Material Topic

At Federal, we focus on value creation for our stakeholders by placing their interests at the heart of what we do to generate growth that is sustainable, profitable, and responsible. To achieve our business and growth objectives, in addition to adopting a competitive remuneration policy to executive directors and key management personnel that are aligned with financial performance (please see Corporate Governance Statement on Level and mix of remuneration), we adopt the following strategies:–

Performance and Targets:–

		Performance FY2025	Target for 2026
1	Develop strategic partnerships and alliances with regional partners to leverage on the strengths of our partners to secure high value contracts especially in markets where cabotage regulation prohibits foreign participation.	The Group continued to develop close working relationship with EPC companies in the region particularly in Vietnam pathing the ways for more prospects.	To expand on existing alliances and add new alliances when regional opportunity arises.
2	Achieve excellent client service through building a team with strong market and product knowledge that focus on developing best sources of supplies.	Our sales team continues to engage with our key customers and vendors to address customers' concerns promptly. Attained an average customer satisfaction rate of 94%	Attain an average customer satisfaction rate of $\geq 80\%$



SUSTAINABILITY REPORT

ENVIRONMENT ASPECT

Objective

We are committed to managing environment impact such as environmental compliance and resource management.

Approach To Material Topics

i. Environmental Compliance

Federal is committed to comply with all applicable environmental legal requirements enforced by local authorities in all jurisdictions we operate in. The Environment, Health and Safety (“EHS”) Committee monitors our operations and performs monthly reviews to ensure that we comply with relevant environmental requirements and regulations. Annually, we also undergo certification audits by third-party auditors to ensure that our processes adhere to international certification standards.

TOPICS	Achievement for FY2025	Target for FY2026
Compliance with environmental laws and regulations	No incident of breach nor fines or penalties.	Maintain full compliance through regular review of operations.

ii. Energy and Water Efficiency

Our core trading operations in Singapore’s Chin Bee Facility accounts for more than 95% of the Group’s energy consumed and water drawn for its operation. Data on energy consumption and water withdrawal are recorded and reviewed monthly. We recognise the important of energy and water preservation and where viable, we invest in water saving installations to achieve better water efficiency at our facilities. As part of our ISO 14001 Environmental Management System objectives, we actively track our water withdrawal at our Chin Bee Facility to provide information for management decision making. Furthermore, we constantly remind our employees through posters and emails to adopt good practices in water conservation.

In the conduct of our business, the primary areas of energy usage are across our offices and warehouse operations. For our offices and warehouses, we have installed energy efficient LED lightings and motion-activated lightings to reduce energy consumption. We also have employee awareness initiatives to encourage them to turn off lights and air-conditioning in offices when they are not in use.

The Group’s operations generate little or no waste, wastes, if any, are properly disposed by licensed third-party waste management vendor and therefore did not disclose its waste generated. Notwithstanding this, the Group advocates avoiding waste and encourages each employee to ‘reduce, reuse, and recycle’ paper and packaging materials whenever possible. Employees are also encouraged to opt for electronic modes of transmission when forwarding documents to clients and suppliers. An electronic-filing system is established for mill certificates which not only reduces the amount of paper used but also makes documentation and information sharing more efficient.

TOPICS	Achievement for FY2025	Target for FY2026
Electricity consumption level and water withdrawal	Higher electricity and water drawn were due to higher activities by the Trading segments during the year.	<ul style="list-style-type: none"> Maintain water intensity of 0.2 m³/m² Reduce electricity consumed by 3%.

SUSTAINABILITY REPORT

Our Group's energy and water intensities are computed based on our operating facilities of 6,600m² comprises Singapore's 5,317m², Indonesia's 338m² and UK's 945m² where applicable. The Group's solar energy intensity is computed based on Singapore's facility where solar panels have been installed.

	FY2025	FY2024-Restated
Water consumed	1,432 m ³	1,076 m ³
Energy consumed	53,275 kWh	108,282 kWh
Solar energy consumed	168,762 kWh	134,904 kWh
Water intensity	0.2 m ³ /m ²	0.2 m ³ /m ²
Energy intensity	9.4 kWh/m ²	16.4 kWh/m ²
Solar energy Intensity	31.7 kWh/m ²	25.4kWh/m ²

iii Climate-related Risk and Management

Our group recognizes climate change as a medium – to long-term challenge. Therefore, we make analysis using multiple future scenarios based on the 1.5-2°C and 4°C scenarios, to account for risks and opportunities under a variety of circumstances.

The Group's core business activities include the supply of assembly and distribution of flow control products, distribution of oilfield drilling equipment for use on onshore and offshore rigs and drilling platform, provision of fire protection and detection systems in our Chin Bee Facility, the risks under the climate scenarios are expected to be low in the short to medium term.

The followings are our Group's approach to manage the risks and opportunities.

GOVERNANCE		
a)	Describe the board's oversight of climate-related risks and opportunities	The Board of Directors has the ultimate oversight of climate-related risks and opportunities and considers this as part of its overall strategy. The SC reports to the EC and Board annually on material ESG factors as well as targets set and achievement.
b)	Describe management's role in assessing and managing climate-related risks and opportunities	The SC consists of Department Heads and representative from Human Resources, Customer Service, Quality Assurance and Logistics departments. SC is headed by Executive Director. The SC reports to the Board of Directors.

SUSTAINABILITY REPORT

STRATEGY		
a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<p>Please refer to Climate-Related Risks Table. Our business activities are largely contributed by the Trading segment and activities are concentrated in Singapore. Other segments are assessed as immaterial.</p> <p>The Group's Trading Segment include distribution of flow control products and procurement specialist in the oil and gas, and energy industries as well as the fire detection and protection system. A value chain analysis for these activities is performed and associated climate-related risks and opportunities are identified.</p> <p>The implementation of net zero commitments and pledges by countries and companies with a corresponding roll out of carbon pricing schemes and regulations are expected to impact the oil and gas sector that the Group operates in.</p>
b)	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Please refer to Table 1: Metrics. The Group reviews the assets/businesses that are under its control. Climate-related risks of businesses of the Group's associated companies are not considered as they are not under its control.
c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Global energy supply under the 2°C or lower scenario will see fossil fuel supply decline with preference of renewable energy, with natural gas an exception. Upcoming EPC projects are driven by demand for natural gas and renewable energy such as solar, wind farm and hydrogen. The Group's existing businesses, with its deep-rooted relationship with manufacturers and repeat customers, are expected to be manageable under these transition scenarios.
RISK		
a)	Describe the organization's processes for identifying and assessing climate-related risks.	The Group has started a process where business heads identify the most material climate-related risks and opportunities. These are shared at the periodic SC meetings. These risks' potential impact and likelihood are considered, and responses are drawn up.
b)	Describe the organization's processes for managing climate-related risks.	Please refer to Climate-Related Risk Table 1: Metric. Physical risks are expected to be manageable in the foreseeable future. Extreme weather events may potentially impact cost of operations arising from supply chain disruption. Transition risks that are assessed as high will be discussed in depth and resolution arrived at.
c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	The SC comprises members from key business segments and works with the ERM officer to ensure a comprehensive assessment of the risks, including climate-related and the overall risk management is effective.

SUSTAINABILITY REPORT

METRICS

a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Please see Table 1: Metrics “Climate-related Risks & impact” and “Climate-related opportunities”.																																								
b)	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>The Group has only accounted for the Scope 1 and 2 emission and did not account for Scope 3 emission.</p> <p>Scope 1: Direct emissions from fuel combustion in factories and other manufacturing processes – emissions from the Group’s operations.</p> <table border="1" data-bbox="584 824 1426 1032"> <thead> <tr> <th>S/No</th> <th>Description</th> <th>FY2025</th> <th>FY2024 Reinstated¹</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Diesel / Gasoline– in litres</td> <td>6,482</td> <td>4,720</td> </tr> <tr> <td>2</td> <td>Emission – kg CO₂e¹</td> <td>20,553</td> <td>14,862</td> </tr> <tr> <td>3</td> <td>Emission intensity – kg CO₂e/m²</td> <td>3.6</td> <td>2.6</td> </tr> </tbody> </table> <p>Scope 2: Indirect emissions from the use of electricity supplied by other companies:</p> <table border="1" data-bbox="584 1155 1426 1480"> <thead> <tr> <th>S/No</th> <th>Description</th> <th>FY2025</th> <th>FY2024 Reinstated¹</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Electricity consumed – in Kwh</td> <td>53,275</td> <td>108,282</td> </tr> <tr> <td>1(a)</td> <td>Solar electricity consumed – in Kwh</td> <td>168,762</td> <td>134,904</td> </tr> <tr> <td>2</td> <td>Average Operating Margin (OM) Kg/CO₂/Kwh</td> <td>0.47</td> <td>0.43</td> </tr> <tr> <td>3</td> <td>Total – Kg/CO₂</td> <td>24,920</td> <td>46,007</td> </tr> <tr> <td>4</td> <td>Emission intensity – Kg/CO₂/m²</td> <td>4.41</td> <td>8.14</td> </tr> </tbody> </table> <p>Note¹ – Restated to include Group’s subsidiaries’ overseas operations.</p> <p>Scope 1 and 2 emissions are calculated using activity data and emission factors derived from the Singapore Emission Factors Registry for Singapore entities and Institute for Global Environmental Strategy for Indonesian entities.</p>	S/No	Description	FY2025	FY2024 Reinstated ¹	1	Diesel / Gasoline– in litres	6,482	4,720	2	Emission – kg CO ₂ e ¹	20,553	14,862	3	Emission intensity – kg CO ₂ e/m ²	3.6	2.6	S/No	Description	FY2025	FY2024 Reinstated ¹	1	Electricity consumed – in Kwh	53,275	108,282	1(a)	Solar electricity consumed – in Kwh	168,762	134,904	2	Average Operating Margin (OM) Kg/CO ₂ /Kwh	0.47	0.43	3	Total – Kg/CO ₂	24,920	46,007	4	Emission intensity – Kg/CO ₂ /m ²	4.41	8.14
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c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<p>i) Emission intensity for both Scope 1 and 2 has decreased in FY2025 compared with FY2024. Target is to further reduce these through energy efficient equipment when investing in its replacement.</p> <p>ii) Water intensity remains stable at 0.2m³/m² for the last 3 years. This is not expected to change materially. (PUB Sectoral Water Efficiency Benchmark for office building with water-cooled cooling tower was 0.9m³/m²).</p>																																								

SUSTAINABILITY REPORT

TABLE 1: METRICS

Climate-Related Risks & Impact

	Climate Related Risks	Risks to operations	Time Frame ¹	Mitigation
Physical	Acute			
	Increase in severity of extreme weather events such as floods	Affects ability to deliver products to clients and increase operating costs	Short term	Sourcing from approved and established suppliers with multiple facilities.
	Chronic			
	Changes in precipitation patterns/temperature and sea levels	Risk of increased operating costs	Medium and Long term	Upgrade of equipment to improve efficiency.
Transition	Policy/Legal			
	Enhance emission obligations	Risk of increased operating costs	Medium and Long term	The trading operations owned and operated few equipment, and emissions are considered low. Please refer to Scope 1 and Scope 2 emission intensity under Metrics (b).
	Carbon pricing mechanism leading to increased costs	Risk of increased operating costs		
	Technology			
	Substitution of existing products and services with lower emissions options	Reduce demand for goods where we have been appointed as principal.	Long term	Current manufacturing process for flow control products unlikely to change. In longer term, the move to alternative green energy may affect demand for some products.
	Costs to transition to lower emissions technology	Costs to adopt/deploy new practices, process, and equipment	Long term	Collaborations with manufacturers to explore new products as replacement.
	Market			
	Changing customer behaviour	Reduce demand for goods where we have been appointed as principal.	Long term	Collaborations with manufacturers to explore new products as replacement.
	Increase/unstable cost of raw material	Abrupt and unexpected shifts in shipment/ transportation costs	Short, Medium, and Long term	Collaborations with manufacturers to explore new products as replacement.
	Reputation			
Shift in consumer preferences	Reduce demand for goods where we have been appointed as principal.	Long term	In longer term, the move to alternative green energy may affect operation. Collaborations with manufacturers to explore new products as replacement.	
Stakeholder concern	Limitation of available capital.	Short term	Strategic alliance with customers and vendors to improve terms of payments.	

SUSTAINABILITY REPORT

Climate-Related Opportunities

	Climate-Related Opportunities	Time Frame ¹	Actions
Resource Efficiency	Energy efficiency – More efficient production and distribution processes	Short term	Diversify sources of supply. Qualify regional vendors to shorten delivery and reduce risk of supply disruptions.
Energy Resources	Use of lower emission sources & new technology	Medium term	Plan to replace energy saving and electric operated equipment to reduce energy costs and emission.
Products & Services	Diversification	Short term	Diversify sources of supply. Qualify regional vendors to shorten delivery and reduce risk of supply disruptions.
Market	Access to new markets	Short and medium term	Increased in regional projects with focus on offshore gas developments, wind farm, and geothermal energy. In the longer term, explore with manufacturers on alternative products arising for preference for alternative green energy.
Resilience	Participation in renewable energy	Short term	Increased reliability of supply chain and ability to operate under varying conditions.
	Resource substitutes/diversifications	Short term	Diversify sources of supply. Qualify regional vendors to shorten delivery and reduce risk of supply disruptions.

¹ Note: Time Frame – Short term refers to up to 3 years; Medium term refers to 3 to 5 years and Long term refers to > 5 years



SUSTAINABILITY REPORT

SOCIAL ASPECT

Objective

We seek to empower people and be socially responsible in the communities we operate in.

Approach to Material Topic

i. Labour Practices & Work Environment

a. Talent Attraction and Retention

We are committed to providing all employees regardless of gender with equal opportunities for compensation, promotion, and training on a meritocratic basis. Annually, we review employee benefits to ensure that they remain competitive and aligned with manpower regulations in the jurisdictions we operate in.

	As of 31 December 2025	As of 31 December 2024
Total employment	72	70

On a yearly basis, our performance appraisal system allows all employees to receive formal feedback from their supervisors on their job performance based on the key performance indicators (“KPI”) established, to encourage continual improvement and development. The open performance appraisal system helps both employees and their supervisors understand their respective expectations and align them with the needs of the organisation.

For employees who have reached the retirement age, we have been actively extending re-employment to them, in accordance with the Retirement and Re-employment Act. Additionally, a one-off Employee Assistance Payment (“EAP”) is provided to employees who have reached the retirement age but are not eligible for reemployment. Federal celebrates employees who have been with us for every 5-year milestone with us by presenting long service awards. Our heartfelt appreciation goes out to this group of valued and loyal employees.

Employee turnover:

	FY2025	FY2024
Employee turnover (No.)	6 pax	9 pax
Employee turnover (%)	8%	13%
Total number of employees	72 pax	70 pax

b. Training & Development

In addition to on-the-job training, we also send our employees for training by external vendors to equip our employees with the relevant skill sets to advance in their expertise. The types of training encompass those relevant to ISO standards for safety, first aid, technical competencies, and soft skills. We also support our employees in their personal development by granting qualified employees who are sitting for examinations with examination leave.

		FY2025	FY2024
Average training hours per employee per year		4.1 Hours	3.2 Hours
Average training hours per employee by gender per year	Male	1.7 Hours	4.0 Hours
	Female	7.7 Hours	1.7 Hours

SUSTAINABILITY REPORT

c. Occupational Health & Safety

FEDERAL has developed and implemented an Occupational Health, Safety and Environmental (EHS) Management System, which uses ISO 45001:2018 and ISO 14001:2015 as a framework.

The scope of our EHS covers the stockholdings and testing of valves, its associated ancillaries and fire protection and detection equipment at our Chin Bee Facility and aims to provide a safe and healthy work environment for all employees and workers working on behalf of our organisation are competent and accountable for a safe and healthy work environment.

We recognise the needs and expectations of interested parties, namely employees/workers, customers, suppliers/contractors and government/regulatory agencies when deciding our EHS scope. and has adopted an EHS Policy to promote awareness. This EHS Policy is communicated to all interested parties and is reviewed for continual suitability and effectiveness during the management review meeting.

As part of our orientation programme, new hires will attend safety courses to ensure that they have the necessary training and skills relating to workplace safety. We also conduct annual emergency response drill and fire drill to prepare our employees in handling emergency situations. Monthly safety inspections are performed on all our premises and to follow up on any rectification actions required subsequently, if there are any safety hazards identified. To ensure that equipment and machinery are operating safely, we perform periodical maintenance and repairs as well.

All our employees are offered outpatient medical and dental claims, and any unused credits can be utilised by their immediate family members. All personal and health related information are kept confidential and is used for the sole purpose of safe work design consideration only.

Moreover, we provide basic employment insurance program which covers any injury or illness sustained in the course of employment that requires medical, surgical or hospital treatment. Travel insurance is provided to employees who are required to travel overseas for business.

Occupational Health & Safety	No. of cases	
	FY2025	FY2024
Fatalities	Zero	Zero
High-consequence injuries	Zero	Zero
Recordable injuries	Zero	Zero
Recordable work-related ill health cases	Zero	Zero

SUSTAINABILITY REPORT

d. Benefits & Welfare

We have welfare practices in-line with the Singapore legislations. Mothers and fathers of new-borns, who are Singapore Citizens, are entitled to maternity leave of 16 weeks and paternity leave of 2 weeks respectively, and the Company will also present a small congratulatory token. For children who are not Singapore Citizens, mothers get to enjoy 8 weeks of maternity leave. We also provide eligible employees with childcare leave and extended childcare leave to manage their commitments in raising a young family. To encourage a healthy work environment, we provide employees with flexitime and part-time work arrangement to suit their work and personal commitments. We have also established a Recreation Committee (RC) to coordinate work-life balance initiatives and events for the Company to advocate healthy living through the following activities regularly for our employees to enjoy.



e. Diversity and Equality

We see great strength in the diversity of our workforce and the potential in every one of our employees. Diversity provides different perspectives and fosters innovative thinking to solve business challenges. Our Employee Code of Conduct guides us towards this aspiration. We hire people from diverse backgrounds and have a diversified workforce across all age groups, races, and genders as we value the experiences and knowledge that different individuals bring to the Group. We adopt a firm stance against human rights infringement and discrimination to ensure a conducive work environment for our employees.

We respect the principles of freedom of association, the right to collective bargaining, non-discrimination and harassment, meritocratic and progressive human resource practices, and advocates the elimination of forced or child labour. All employees under the Group are entitled to practice freedom of association, within regulatory limits of each jurisdiction which we operate in.

Diversity:

Topic	Metric		FY2025	FY2024
Gender Diversity	Current employees by gender	Male	61%	63%
		Female	39%	37%
	New hires by gender	Male	4%	6%
		Female	7%	0%
	Turnover by gender	Male	3%	6%
		Female	6%	6%

SUSTAINABILITY REPORT

Topic	Metric		FY2025	FY2024
Age-Based Diversity	Current employees by age groups	< 30 years old	1.5%	4%
		30-50 years old	51.5%	49%
		> 50 years old	47%	47%
	New hires by age groups	< 30 years old	1%	1%
		30-50 years old	8%	4%
		> 50 years old	1%	0%
	Turnover by age groups	< 30 years old	0%	0%
		30-50 years old	4%	6%
		> 50 years old	4%	6%
Parental Leave	No. of employees by gender	Male	8	7
		Female	4	2
	By gender	Male	11%	10%
		Female	6%	3%
	By age groups	< 30 years old	0%	0%
		30-50 years old	17%	13%
		> 50 years old	0%	0%
	No. of employees returned to work	Male	8	7
		Female	4	2
	Returned to work and retention rates of employees by gender	Male	100%	100%
Female		100%	100%	

ii. Product and Customer Service Quality

Providing quality products and services to our customers is our utmost priority. We have established formal quality system in compliance with ISO 9001 standards to ensure that we maintain and make continuous improvements in our processes. Our ISO Committee monitors and ensures that we adhere to the ISO standards. For all products under our in-house brand, KVC (UK), we have obtained several product quality control accreditations, such as American Petroleum Institute (“API”) Specification Q1 and 6D monogram, Fire Test Certification to API 607, Atmospheres Explosives (“ATEX”) marking, Safety Integrity Level II and Conformité Européene (“CE”) marking as per Pressure Equipment Directive (“PED”), to assure customers of our product’s reliability and safety.

We value all feedback provided by our customers and our Sales team collaborate closely with our customers to address any product quality and safety issues. Furthermore, we also perform annual customer satisfaction survey to gather feedback from our customers.

SUSTAINABILITY REPORT

iii. Community

As a socially conscious business and part of a larger community, we believe that we have a responsibility to do our part for the betterment of the community. Apart from job creation, through donations and sponsorships, we seek to empower the less fortunate or provide support to children or youths-at-risk. A yearly budget is allocated and approved by the Executive Committee for such purposes.

Our Performance

		FY2025	FY2024	Target
Labour Practices & Work Environment	Fines or penalties incurred for non-compliance to labour laws and regulations	Nil	Nil	Nil
	Reports of labour malpractice or unfair practice	Nil	Nil	Nil
	Workplace injury, fatality, or cases of non-compliance in health and safety regulations	Nil	Nil	Nil
Product and Customer Service Quality	Report of accidents caused by our products	Nil	Nil	Nil
	Incidents of non-compliance concerning product and service information and labelling, and marketing communication	Nil	Nil	Nil
	Breach of customer privacy and loss of customer data.	Nil	Nil	Nil
Community	Donations to charitable organisations.	UOB Heartbeat Run	ST. Joseph's Institution Philanthropic Fund for the Lasallian Mission Ltd	To participate in community service and make monetary contributions to programs for children and the elderly welfare.
		UOB CNY Fund Raising	The Salvation Army	

SUSTAINABILITY REPORT

GOVERNANCE ASPECT

Objective

We seek to uphold the highest standard of governance through our commitment to transparency and accountability to our stakeholders.

Approach to Material Topics

i. Corporate Governance

We ensure that the business is executed and conducted in a proper and efficient manner adhering to the principles and guidelines of the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore ("MAS") on 16 August 2018.

To serve the interests of the Group and its stakeholders, each Director capitalises on their strong operational skills and their strategic networking relationship to govern issues that are brought before the Board of Directors (the "Board"). We conduct orientation programmes for all newly appointed Directors. Formal letters, which include details of the duties, are also issued to newly appointed Directors upon their appointment. All directors are required to submit themselves for re-nomination and re-election once every three years. An annual performance evaluation process is conducted to assess the effectiveness of the Board, by obtaining insights from each Director on amongst others to propose changes which may be made to enhance the performance of the Board and the Board Committees.

For more information on the Directors, Board committees and our corporate governance practices, please refer to the Corporate Governance Statement, pages 45 to 69 of the Annual Report.

ii. Business Conduct and Ethics

We strive to inculcate a strong corporate culture within our Group and have zero tolerance towards corruption and fraud. The employee handbook is made available to all employees, which covers penalties for misconduct and fraud, and guides all employees in their everyday conduct. For new hires, they are made aware of our stance against corruption and fraudulent activities during the orientation programme.

A Conflict-of-Interest Policy has been established to provide guidance to our employees. It consists of guidelines to define such conflicts of interests and the necessary actions that the employee should undertake.

In accordance with the Group's Code of Ethics policy, all employees are required to declare any conflict of interests and adherence to the Group's Code of Ethics including fraud and corruption. In addition, reading materials relating to anti-corruption topics are circulated to all employees periodically.

We have whistle blowing policy and channels to allow employees to report concerns over any unlawful conduct, financial malpractice or other wrong doings that poses risks to the Group, the public or the environment. Through our independent whistle blowing channels, including the direct contacts of the Audit Committee, employees can report any suspected misconducts without reprisal. Upon investigation, we will ensure that the outcome of the investigation is communicated to the whistle blower.

In Singapore, all our operations are conducted in compliance with the Personal Data Protection Act ("PDPA"), which includes rules governing the collection, use and disclosure of personal data. We have appointed our Group Human Resource Manager as the Company's Data Protection Officer to oversee data protection responsibilities within the Group and ensure compliance with the PDPA.

SUSTAINABILITY REPORT

iii. Risk Management

Our Enterprise Risk Management (“ERM”) framework outlines the process of identifying, analysing and managing strategic risks. It provides the methodology for integrating risk into the strategic planning and resource allocations processes at the strategic level.

The Risk Management Committee, headed by our Executive Director, was appointed by the Board to fulfil its risk management responsibilities. To generate and preserve value without compromising on potential opportunities, the Risk Management Committee will evaluate benefits and associated risks and seek to optimise returns within the agreed risk appetite levels. Besides monitoring the effectiveness of the Risk Management Framework, the Risk Management Committee is also responsible for reviewing any incidents involving fraud or breakdown of the Group’s internal controls, reviewing the Group’s insurance programme and reviewing public statements to be made by the Group.

Metrics and Our Performance

Topics	Metrics	Units
Governance	Anti-corruption training for employees and declaration.	SC circulates reading material on anti-corruptions topics to all staff as awareness training periodically. Every employee including directors declared adherence to the Group’s Anti-bribery and Anti-corruption policy.
	Assurance of sustainability report.	The SR process is reviewed by externally engaged internal auditors. Its findings are presented to the Audit Committee yearly. No external assurance is undertaken.

		FY2025	FY2024
1	Fraud and corruption	No case reported	No case reported
2	Termination by business partners due to violations related to corruption	No case reported	No case reported
3	Whistle blowing incident	No case reported	No case reported
4	Compliance with listing rules and other regulations	Full compliance	Full compliance
5	Breaches of privacy and data protection	No case reported	No case reported



SUSTAINABILITY REPORT

GRI UNIVERSAL STANDARDS 2021

GRI content index

Statement of use	Federal International (2000) Ltd has reported the information cited in this GRI content index for the period 1 st January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 2: General Disclosures 2021	2-1	Organizational details	AR – Corporate Profile	01
GRI 2: General Disclosures 2021	2-2	Entities included in the organization’s sustainability reporting	SR – About this Report.	16
GRI 2: General Disclosures 2021	2-3	Reporting period, frequency and contact point	SR – About this Report.	16
GRI 2: General Disclosures 2021	2-4	Restatements of information	Except for the restatement of water and energy consumption and Scope 1 and Scope 2 emissions for FY2024 to include the Group’s overseas subsidiaries’ emissions, no other restatements were made from the previous report.	16
GRI 2: General Disclosures 2021	2-5	External assurance	SR – About this Report.	16
GRI 2: General Disclosures 2021	2-6	Activities, value chain, and other business relationships	AR – Business and financial review	10 – 13
GRI 2: General Disclosures 2021	2-7	Employees	SR – Social Aspect	29
GRI 2: General Disclosures 2021	2-8	Workers who are not employees	SR – Social Aspect	29
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-10	Nomination and selection of the highest governance body	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-11	Chair of the highest governance body	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17

SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-15	Conflicts of interest	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-16	Communication of critical concerns	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-17	Collective knowledge of the highest governance body	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-18	Evaluation of the performance of the highest governance body	AR – Corporate Governance Statement & SR – Sustainability Governance.	45 – 69 & 17
GRI 2: General Disclosures 2021	2-19	Remuneration policies	AR – Corporate Governance Statement	45 – 69
GRI 2: General Disclosures 2021	2-20	Process to determine remuneration	AR – Corporate Governance Statement	45 – 69
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	We choose not to disclose as we reward based on meritocracy.	NA
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	SR – Board Statement	15
GRI 2: General Disclosures 2021	2-23	Policy commitments	SR – About this Report	16
GRI 2: General Disclosures 2021	2-24	Embedding policy commitments	SR – About this Report	16
GRI 2: General Disclosures 2021	2-25	Processes to remediate negative impacts	SR – About this Report	16
GRI 2: General Disclosures 2021	2-26	Mechanisms for seeking advice and raising concerns	SR – About this Report	16
GRI 2: General Disclosures 2021	2-27	Compliance with laws and regulations	SR – About this Report	16
GRI 2: General Disclosures 2021	2-28	Membership associations	Not Applicable.	NA
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	SR – Stakeholders Engagement	18

SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 2: General Disclosures 2021	2-30	Collective bargaining agreements	Not Applicable	NA
GRI 3: Material Topics 2021	3-1	Process to determine material topics	SR – Material Issues	19
GRI 3: Material Topics 2021	3-2	List of material topics	SR – Material Issues	19
GRI 3: Material Topics 2021	3-3	Management of material topics	SR – Material Issues	19
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	SR – Economic Aspect	22
	201-2	Financial implications and other risks and opportunities due to climate change	SR – Environmental Aspect. Climate-related Risk and Management	24
	201-3	Defined benefit plan obligations and other retirement plans	SR – Social Aspect	29
	201-4	Financial assistance received from government	AR – Notes to the accounts	85 – 146
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not Applicable – There are no minimum wage in Singapore.	NA
	202-2	Proportion of senior management hired from the local community	We do not measure hire from different community.	NA
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	None.	NA
	203-2	Significant indirect economic impacts	None.	NA
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Our procurement policy and practice do not differentiate location of suppliers.	NA
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	SR – Governance Aspect	34
	205-2	Communication and training about anti-corruption policies and procedures	SR – Governance Aspect	34
	205-3	Confirmed incidents of corruption and actions taken	SR – Governance Aspect	34
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	None.	NA

SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 207: Tax 2019	207-1	Approach to tax	Not Applicable – Tax is not a material topic and we engage local tax consultant to ensure compliance with local tax regulation.	NA
	207-2	Tax governance, control, and risk management		NA
	207-3	Stakeholder engagement and management of concerns related to tax		NA
	207-4	Country-by-country reporting		NA
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Not Applicable – our trading operations involves buy/sell activities.	NA
	301-2	Recycled input materials used		NA
	301-3	Reclaimed products and their packaging materials		NA
GRI 302: Energy 2016	302-1	Energy consumption within the organization	SR – Environmental Aspect.	23
	302-2	Energy consumption outside of the organization	Not Applicable – Scope 3 energy consumption data have not been taken into consideration.	NA
	302-3	Energy intensity	SR – Environmental Aspect.	23
	302-4	Reduction of energy consumption	Reduction in energy consumption efforts is attributed to collective efforts but not separate identifiable initiatives.	23
	302-5	Reductions in energy requirements of products and services	Not Applicable – in our trading operations, there is no products or services that have direct attributable energy consumption.	NA
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	SR – Environmental Aspect. Our trading operations do not material water and waste discharges.	23
	303-2	Management of water discharge-related impacts	Not Applicable – our trading operations do not have water discharge.	NA
	303-3	Water withdrawal	SR – Environmental Aspect.	23
	303-4	Water discharge	Not Applicable – our trading operations do not have water discharge.	NA
	303-5	Water consumption	SR – Environmental Aspect.	23

SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Applicable – Our core trading operations are consolidated at Chin Bee Facility which is located at a zoned industrial park.	NA
	304-2	Significant impacts of activities, products and services on biodiversity		
	304-3	Habitats protected or restored		
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	SR – Environmental Aspect. Climate-related Risk and Management	24
	305-2	Energy indirect (Scope 2) GHG emissions		
	305-3	Other indirect (Scope 3) GHG emissions	Not Applicable – Scope 3 GHG emissions not available.	NA
	305-4	GHG emissions intensity	SR – Environmental Aspect. Climate-related Risk and Management	24
	305-5	Reduction of GHG emissions	Efforts to manage GHG emissions is ongoing and cannot be precisely attributable to identifiable initiatives.	24
	305-6	Emissions of ozone-depleting substances (ODS)	These two topics are not applicable since the Group does not produce ODS and other significant air emissions.	NA
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions		
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	SR – Environmental Aspect. Our trading operations do not have material water and waste discharges.	NA
	306-2	Management of significant waste-related impacts		
	306-3	Waste generated		
	306-4	Waste diverted from disposal		
	306-5	Waste directed to disposal		

SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Not Applicable-We select our key and critical suppliers from an approved vendor list of our customers. Suppliers are established businesses.	NA
	308-2	Negative environmental impacts in the supply chain and actions taken		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	SR – Social Aspect	29 – 33
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR – Social Aspect	29 – 33
	401-3	Parental leave	SR – Social Aspect	29 – 33
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	SR – Social Aspect	29 – 33
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	SR – Social Aspect	29 – 33
	403-2	Hazard identification, risk assessment, and incident investigation	SR – Social Aspect	29 – 33
	403-3	Occupational health services	SR – Social Aspect	29 – 33
	403-4	Worker participation, consultation, and communication on occupational health and safety	SR – Social Aspect	29 – 33
	403-5	Worker training on occupational health and safety	SR – Social Aspect	29 – 33
	403-6	Promotion of worker health	SR – Social Aspect	29 – 33
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR – Social Aspect	29 – 33
	403-8	Workers covered by an occupational health and safety management system	SR – Social Aspect	29 – 33
	403-9	Work-related injuries	SR – Social Aspect	29 – 33
	403-10	Work-related ill health	SR – Social Aspect	29 – 33

SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	SR – Social Aspect	29
	404-2	Programs for upgrading employee skills and transition assistance programs	SR – Social Aspect	29
	404-3	Percentage of employees receiving regular performance and career development reviews	SR – Social Aspect	29
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	AR – Corporate Governance Statement	45 – 69
	405-2	Ratio of basic salary and remuneration of women to men	Not disclosed. Employee are remunerated based on merits.	NA
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	None.	NA
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SR – Social Aspect – Diversity and Equality	31
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Not Applicable – We select our key and critical suppliers from an approved vendor list of our customers. Suppliers are established businesses.	NA
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	Not Applicable.	NA
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Not Applicable.	NA
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	SR – Social Aspect	33
	413-2	Operations with significant actual and potential negative impacts on local communities	SR – Social Aspect	33
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Not Applicable – We select our key and critical suppliers from an approved vendor list of our customers. Suppliers are established businesses.	NA
	414-2	Negative social impacts in the supply chain and actions taken		

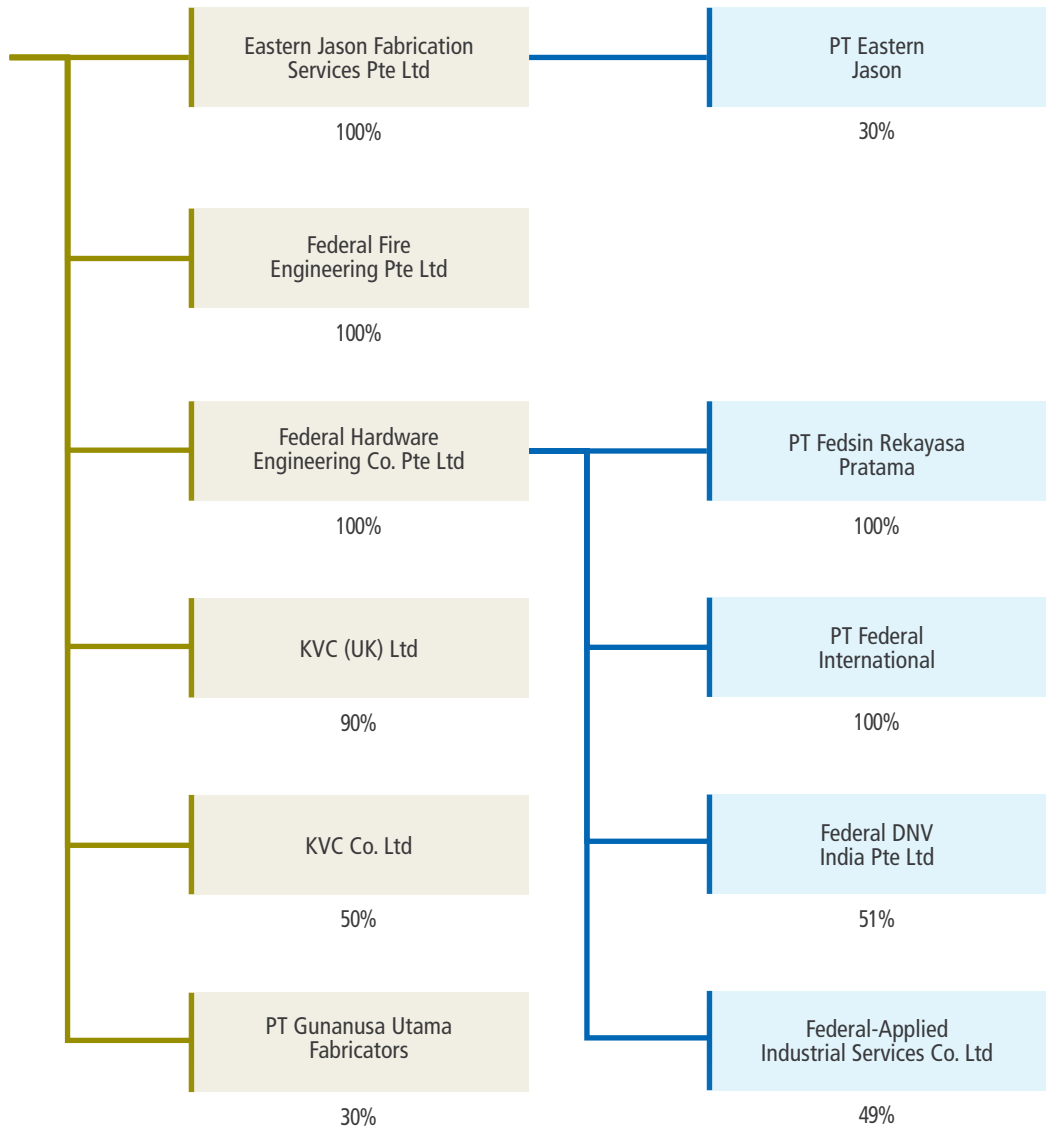
SUSTAINABILITY REPORT

GRI Standard Title	Disclosure Number	Disclosure Name	Cross-Reference Section	Page
GRI 415: Public Policy 2016	415-1	Political contributions	None.	NA
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	SR – Social Aspect-Material Topic-Product and Customer Service Quality.	30
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None.	NA
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Not Applicable	NA
	417-2	Incidents of non-compliance concerning product and service information and labeling	Not Applicable	NA
	417-3	Incidents of non-compliance concerning marketing communications	Not Applicable	NA
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None.	NA

CORPORATE STRUCTURE



FEDERAL INTERNATIONAL (2000) LTD



CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the “**Board**”) of Federal International (2000) Ltd (the “**Company**” together with its subsidiaries the “**Group**”) is committed to maintain a high standard of corporate governance. The Board and Management have taken steps to align its corporate governance framework with the principles and guidelines of the Code of Corporate Governance 2018 (the “**Code**”). Unless otherwise stated, the Group has generally adhered to the principles and guidelines as set out in the Code during the financial year ended 31 December 2025 (“**FY2025**”).

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Guidelines **Federal Corporate Governance Practices**

- 1.1 The Board is primarily responsible for directing the affairs of the Company in order to achieve the goals set for the Group. The responsibility includes setting the strategic direction and long term goals, internal controls and risk management, corporate governance and financial performance of the Group.

The Board works closely with Management ensuring that their duties and responsibilities stipulated under the Companies Act 1967 and applicable rules and regulations are complied with and their obligations towards shareholders and other stakeholders are met. The Board will hold Management accountable for performance.

The Board has adopted a policy where Directors who are interested in any matter being considered, recuse themselves from discussion and decision involving the issue of conflict.

The Board has the appropriate core competencies and diversity of experience to enable them to contribute effectively. They are able to objectively raise issues and seek clarification as and when necessary, from fellow Directors and the Management and actively help the Management in the development of strategic proposals and oversees the effective implementation by Management to achieve the objectives set. All Directors are expected to exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group.

On an annual basis, each Director is also required to submit the disclosure of interest in transactions for the purpose of monitoring interested persons transactions. Where a Director has a conflict or potentially conflict of interest in relation to any matter, he/she should immediately declare his/her interest when the conflict-related matter is discussed, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he/she is abstained from voting in relation to the conflict-related matters.

- 1.2 With assistance of the Company Secretaries, the Board and the Management are continually apprised of their compliance obligations and responsibilities arising from regulatory requirements and changes in the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The Company also has put in place a budget for Directors’ training programmes on an annual basis and the Directors are encouraged to participate in industry conferences, seminars, courses or training programmes in connection with their duties and responsibilities as Directors of the Board and Board Committees, in order to keep abreast of the latest rules, regulations and accounting standards in Singapore. In addition, the Directors have attended the sustainability training course conducted by Singapore Institute of Directors (“**SID**”) as required by the enhanced SGX sustainability reporting rules.

The Directors have been keeping themselves abreast with the latest rules, regulations and accounting standards applicable to the Group during the course of their principal commitments, in addition to the regular digest provided by Company Secretaries and external auditors.

CORPORATE GOVERNANCE STATEMENT

Mr Tng Soon Chye was newly appointed as a Non-Executive and Independent Director of the Company on 25 June 2025 and he was briefed by the Management on the Group's structure and operations. Mr Tng, being a first-time director of a company listed on the SGX, has completed the requisite training as required under the SGX Listing Manual ("**Mandatory Training**"), including directors' duties and responsibilities, corporate governance, and compliance requirements for SGX-listed companies. He has also passed the SID Accreditation Exam in April 2026, and is a SID Accredited Director.

In addition to completing the Mandatory Training required under the SGX Listing Manual, Mr Tng will also attend the Diploma in Directorship conducted by SID in conjunction with the Singapore Management University in due course. The programme provides comprehensive training on directors' duties and responsibilities, corporate governance practices, and regulatory compliance relevant to directors of listed companies.

Please also refer to Guideline 4.5.

1.3 The Board comprises the following members:

Executive Directors

Mr Koh Kian Kiong (Executive Chairman and Chief Executive Officer ("**CEO**"))

Ms Maggie Koh

Non-Executive and Independent Directors

Mr Heng Yeow Teck, Malcolm (Lead Independent Director)

Mr Ang Mong Seng

Mr Tng Soon Chye

The matters specifically reserved for the Board's decision include but are not limited to:

- (1) Approving the Group's goals, strategies and objectives;
- (2) Monitoring the performance of Management;
- (3) Overseeing the processes for evaluating the adequacy and effectiveness of internal controls, risk management systems, financial reporting and compliance of the Group;
- (4) Approving the appointment of Directors of the Company and Key Management Personnel of the Group;
- (5) Approving the announcement of unaudited half-yearly and full year financial results and audited financial statements;
- (6) Endorsing remuneration framework and key human resource matters of the Group;
- (7) Convening of general meetings;
- (8) Approving annual budgets, major funding proposals, major acquisition and major disposal of investments according to the Listing Manual of the SGX-ST; and
- (9) Assuming responsibility for corporate governance and compliance with the Companies Act 1967 and the rules and regulations applicable to a public listed company.

CORPORATE GOVERNANCE STATEMENT

- 1.4 To facilitate effective management, certain functions have been delegated to various Board Committees i.e. Executive Committee (“**EC**”), Audit Committee (“**AC**”), Nominating Committee (“**NC**”) and Remuneration Committee (“**RC**”), each of which has its own clear written terms of reference (“**TOR**”). The TORs are reviewed on annual basis to ensure their continued relevance with the Code.

The Management together with the Board Committees support the Board in discharging its duties and responsibilities. Each of the Board Committees report their findings to the Board. The roles and powers of the Board Committees are set out separately in this Statement.

The EC comprises the following members:

Mr Koh Kian Kiong
Ms Maggie Koh
Mr Koh Beng Guan, Don (Deputy Group Chief Executive Officer (“**Deputy Group CEO**”))

The EC meets and performs the following key duties:

- (1) to approve investment/divestment proposals within 5% of NTA;
 - (2) to review and submit the Group’s business plans to the Board;
 - (3) to establish guidelines and approval limits for the management and operation of the Group’s businesses;
 - (4) to review budget against performance of each business unit; and
 - (5) to ensure interested person transactions are undertaken at arm’s length and on commercial terms.
- 1.5 Board and Board committee meetings are scheduled well in advance of each year in consultation with the Directors.

The Board continues to meet quarterly to review and evaluate the Group’s operations and performance and to address key policy matters of the Group, although the Company is no longer required to have quarterly reporting pursuant to Listing Rule 705(2).

Ad-hoc meetings will be convened from time to time as warranted by circumstances to discuss and update on matters including the development of major investments, strategic plans, evaluating the adequacy of internal controls, risk management and governance issues.

The Constitution of the Company allows Board and Board Committees meetings to be conducted by way of teleconferencing to facilitate Board participation.

The Non-Executive Directors and Independent Directors set aside time for discussion without the presence of Management at least once a year.

CORPORATE GOVERNANCE STATEMENT

The Board meets at least 4 times a year. The number of Board and Board Committee meetings held during FY2025 and the attendance of each Director, where relevant, are set out as follows:

Directors	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nominating Committee Meeting
Mr Koh Kian Kiong	4	Not Applicable	Not Applicable	1
Ms Maggie Koh	4	Not Applicable	Not Applicable	Not Applicable
Mr Hoon Tai Meng ⁽¹⁾	1	1	Not applicable	Not applicable
Mr Heng Yeow Teck, Malcolm	4	4	2	1
Mr Ang Mong Seng	4	4	2	1
Mr Tng Soon Chye ⁽²⁾	2	2	1	1
No. of Meetings held in FY2025	4	4	2	1

Notes:

- (1) Mr Hoon Tai Meng retired as a Non-Executive and Independent Director on 30 April 2025. Upon his retirement of an Independent Director, Mr Hoon has also ceased as the Lead Independent Director, Chairman of Nominating Committee and a member of the Audit Committee and the Remuneration Committee.
- (2) Mr Tng Soon Chye was appointed as a Non-Executive and Independent Director on 25 June 2025. Mr Tng was also appointed as the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee.

Directors with multiple board representation are to disclose such board representation and ensure that sufficient time and attention are given to the affair of the Company.

- 1.6 Board papers for Board and Board Committee meetings are supplied to Directors prior to meetings in order for Directors to be adequately prepared for meetings, including all relevant documents, materials, background or explanatory information relating to matters to be brought before the Board and Board Committees.
- 1.7 The Board, the Board Committees and the Directors have separate and independent access to Management, the Company Secretaries and external advisors (where necessary) at the Company's expense and are entitled to request from Management such information or clarification as required.

Professional advisors may be invited to advise the Board, or any of its members, if the Board or any individual member thereof needs independent professional advice.

The Company Secretaries attends all Board and Board Committees meetings and is responsible for ensuring that Board procedures are followed and the minutes of all Board and Board Committees meetings are recorded and circulated to the Board and Board Committees.

The appointment and the removal of the Company Secretaries are subject to the approval of the Board pursuant to the Constitution of the Company.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Guidelines **Federal Corporate Governance Practices**

- 2.1 The Board comprises three (3) Non-Executive and Independent Directors and two (2) Executive Directors as at the date of the Annual Report.

The Directors in the office at the date of the Annual Report are:

Name of Director	Role undertaken	Board Committee Membership
Mr Koh Kian Kiong	Chairman & CEO	EC NC
Ms Maggie Koh	Executive Director	EC
Mr Heng Yeow Teck, Malcolm	Lead Independent Director	AC NC RC
Mr Ang Mong Seng	Non-Executive Independent Director	AC NC RC
Mr Tng Soon Chye	Non-Executive Independent Director	AC NC RC

The Board is of the view that a strong element of independence is present in the Board with Non-Executive and Independent Directors making up majority of the Board. The Board exercises objective and independent judgement on the Group's corporate affairs. No individual or group of individuals dominates the Board's decision-making.

- 2.2 and 2.3 The Board complies with the Guideline by having majority of the Board made up of Non-Executive and Independent Directors as the Chairman of the Board and the CEO is the same person.
- 2.4 The composition of the Board is reviewed annually by the NC and the Board to ensure that there is an appropriate mix of expertise, knowledge and experience to enable the Management to benefit from a diverse perspective of issues that are brought before the Board.

The Board believes that its current size, composition, and range of experience and expertise adequately meet the Group's needs. However, the Board will continue to assess opportunities to refresh its membership, with the aim of enhancing the overall skills, experience, and diversity of the Board.

The NC conducts its review of the composition of the Board annually, which comprises members of both genders and from different backgrounds whose core competencies, qualifications, skills and experiences, met with the requirement of the Group. Each individual Director submitted a self-evaluation form annually and the NC, having reviewed the completed forms, is satisfied that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies to lead and govern the Group effectively.

Key information regarding the Directors is set out on pages 5 to 8 of the Annual Report.

CORPORATE GOVERNANCE STATEMENT

DIVERSITY OF THE BOARD

Name of Directors	Independence	Executive	Core Competencies				Gender	
			Accounting and Finance	Legal	Relevant industry knowledge or experience	General Management Skill	Male	Female
Mr Koh Kian Kiong		√			√		√	
Ms Maggie Koh		√			√			√
Mr Heng Yeow Teck, Malcolm	√		√				√	
Mr Ang Mong Seng	√					√	√	
Mr Tng Soon Chye	√			√			√	
Total (%)	60%	40%	20%	20%	40%	20%	80%	20%

The Board has put in place a Board Diversity Policy which endorses the principle that its Board should have a balance of skills, knowledge, experience and diversity of perspectives appropriate to its business so as to mitigate against group think and to ensure that the Group has the opportunity to benefit from all available talents. In reviewing Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including diversity of background, experience, gender, age and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The main objective of the Board Diversity Policy is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the long-term success of the Group. The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board.

In this regard, the NC will strive to ensure that:-

- if external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to also present female candidates;
- a female candidate is included for consideration by the NC whenever it seeks to identify a new Director for appointment to the Board; and
- female representation on the Board shall be continuously reviewed, recognising that the Board's needs will change over time taking into account the skills and experience on the Board.

The final decision on selection of Directors will be based on merits that complement and expand the skills and experience of the Board as a whole, and after having given due regard to the overall balance and effectiveness of a diverse Board.

The NC will discuss annually the relevant measurable objectives for promoting and achieving diversity on the Board and make its recommendations for consideration and approval by the Board. The objectives may involve at any given time, one or more aspects of board diversity with different timelines for achievement.

CORPORATE GOVERNANCE STATEMENT

The current Board composition reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, relevant industry knowledge or experience, general management skill and gender. The NC together with the Board will consider all aspects of diversity in order to arrive at an optimum balanced composition of the Board.

Given the diverse qualifications, experience, background, gender and profile of the Directors, including the Independent Directors, the NC is of the view that the current Board members as a group provides an appropriate balance and diversity of relevant skills, experience and expertise required for effective management of the Group.

The Board concur with the NC's view that the current size, composition, range of experience and the varied expertise of the current Board members provides core competencies in business, investment, industry knowledge, legal, regulatory matters, audit, accounting and tax matters which are necessary to meet the Group's needs. It provides diversity and allows for informed and constructive discussion and effective decision making at the Board meetings.

Accordingly, the Board does not see a need at the moment to change or to set specific diversity targets or establish concrete timelines for achieving ongoing board diversity goals. Instead, the Company adopts a dynamic approach, recognizing that maintaining an appropriate level of diversity is a continuous process that may need to be reviewed and adjusted in response to the Group's evolving business needs.

The Board believes that the Listing Rule 710A(2)(a) to (c) have been complied with.

- 2.5 Non-Executive and Independent Directors contribute to the Board process by monitoring and reviewing the Group's performance against goals and objectives in a timely manner. Their views and opinions provide alternative perspectives to the Group's businesses and bring independent judgement on business activities and transactions involving conflicts of interest and other complexities.

The Non-Executive and Independent Directors will at the direction of Lead Independent Director meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Guidelines Federal Corporate Governance Practices

- 3.1 Mr Koh Kian Kiong is the Executive Chairman and CEO of the Company.

The Board is of the view that having Mr Koh Kian Kiong assume the roles of both Executive Chairman and CEO has not compromised overall accountability and independent decision-making as there is a majority number of Independent Directors versus Executive Directors on the Board.

Notwithstanding the Company has benefited from having an Executive Chairman and CEO who is knowledgeable about the businesses and operations of the Company and of the Group, the Board will address the segregation of such positions when it is appropriate.

As the AC and RC consist of all independent directors, the Board believes that there are sufficient strong and independent elements in place against a possible concentration of power and authority where Mr Koh Kian Kiong holds the roles of both Executive Chairman and CEO.

CORPORATE GOVERNANCE STATEMENT

- 3.2 As the founder of the Group, Mr Koh Kian Kiong has been responsible for leading the Board and has assumed full executive responsibilities over the directions and operational decisions of the Group since 1974, when operations first began as a hardware trading business. The Executive Chairman, with the assistance of Mr Koh Beng Guan, Don ("**Mr Don Koh**"), the Deputy Group CEO, oversees the formulation of the Group's corporate strategies and expansion plans.

The Chairman also ensures that Board meetings continues to be held every quarter and when necessary, even though the Board is only required to announce its financial results to the SGX-ST through SGXNET half-yearly. The Management, who can provide additional insight into the matters to be discussed, are invited to attend the relevant Board or Board Committees meetings.

- 3.3 In compliance with the Code, Mr Heng Yeow Teck, Malcolm has been appointed as the Lead Independent Director to replace Mr Hoon Tai Meng who has retired as a Director on 30 April 2025, to act as the principal liaison to address shareholders' concerns, in the case direct contact through normal channels of the Chairman/CEO or Management fails to resolve or is inappropriate.

The role as Lead Independent Director includes but is not limited to:

- (1) Act as liaison between the Independent Directors of the Board and the Chairman of the Board and lead the Independent Directors to provide a non-executive perspective in circumstances where it would be inappropriate for the Chairman to serve in such capacity and to contribute a balanced view point to the Board;
- (2) Advise the Chairman of the Board as to the quality, quantity and timeliness of information submitted by Management that is necessary or appropriate for the Independent Directors to effectively and responsibly perform their duties;
- (3) Assist the Board in ensuring compliance with and implementation of governance guidelines;
- (4) Lead the meetings of Non-Executive Directors (without the presence of the Executive Directors), where necessary, and to provide feedback to the Chairman after such meetings; and
- (5) Serve as principal liaison for consultation and communication with shareholders.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Guidelines *Federal Corporate Governance Practices*

- 4.1 The NC is responsible for reviewing the composition and effectiveness of the Board and determining whether Directors possess the requisite qualifications, knowledge and expertise and whether the independence of Directors is compromised pursuant to the guidelines set out in the Code.

The key duties of the NC include but not limited to the following:

- (1) To review annually the independence of each Director with reference to the guidelines set out in the Code;
- (2) To review all nominations for new appointments and re-election of Directors, put forth their recommendations for approval by the Board and ensure the new Directors are aware of their duties and obligation;

CORPORATE GOVERNANCE STATEMENT

- (3) To determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple Board representations;
- (4) Deciding how the Board's, Board Committees' and individual Director's performance may be evaluated and propose objective performance criteria, as approved by the Board, that allows comparison with its industry peers, and address how the Board has enhanced long term shareholders' value;
- (5) To review Board succession plans, in particular, of the Chairman and CEO, and Key Management Personnel;
- (6) To assess the effectiveness of the Board as a whole and NC; and
- (7) To review training and professional development programmes for the Board.

The NC and the Board will, at least once every year, review the terms of reference of the NC.

Each member of the NC abstains from voting on any resolution and making any recommendation or participating in any deliberations of the NC in respect of matters concerned him, if any.

4.2 The members of the NC of the Company are:

Mr Tng Soon Chye (Chairman)
Mr Koh Kian Kiong
Mr Ang Mong Seng
Mr Heng Yeow Teck, Malcolm

The majority of the NC members, including the Chairman of the NC, are Non-Executive and Independent Directors.

4.3 The NC is responsible to make recommendations to the Board on the appointment and re-appointment of Directors and reviewing all nominations for the appointments of new Directors.

The NC also reviews the succession planning for Key Management Personnel ("**KMP**"), especially the Chairman and CEO. As part of this review, the successors to key positions are identified, and development plans are instituted for them. The NC conducts a regular review of the succession plan for Board members, the CEO and KMPs of the Company.

With the reference of the Board Diversity Policy, the NC has formalized a procedure for the selection, appointment and re-election of Directors. When an existing Director chooses to retire or the need for a new Director arises, either to replace a retiring Director or to enhance the Board's strength, the NC, in consultation with the Board, evaluates and determines the selection criteria so as to identify candidates with the appropriate expertise and experience for the appointment as new Director. The selection criterion includes integrity, diversity of competencies, expertise, industry experience and financial literacy.

Letters of appointment will be issued to new Non-Executive and Independent Directors setting out their duties, obligations and terms of appointment as appropriate while a service agreement accompanied with supporting documents setting out duties, responsibilities and terms of appointment will be given to new Executive Director.

CORPORATE GOVERNANCE STATEMENT

The NC and Board are satisfied that its current composition has an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interests of the Company. The Board acknowledges that improvements to Board diversity practices are an ongoing process. The NC and Board reviewed the scope and nature of the Group's operations in determining the appropriate Board composition and areas of enhancement in its policy and practices to incorporate a balance of skills, knowledge, experience, gender, age and other qualities that will harness the benefits that diversity can bring.

In the case of a new Director to be appointed, inter alia, an evaluation of a candidate's qualifications and experience with due consideration being given to ensure that the Board consists of members who as a whole will collectively possess the relevant core competencies in areas such as accounting or finance, legal and regulatory matters, risk management, business or management experience and industry knowledge. The search for new Directors, if any, will, if considered necessary, be made through executive search companies, contacts and recommendations. Shortlisted persons will be evaluated by the NC before being recommended to the Board for consideration.

The role of the NC includes re-nomination of Directors who retire by rotation, taking into consideration the Director's integrity, independence mindedness, contribution, performance and any other factors as may be determined by the NC.

In accordance with the Constitution of the Company, one-third of Directors for the time being, or, if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation at annual general meeting of the Company, and a Director appointed during the year shall hold office until the next annual general meeting of the Company. The Company also ensures all Directors must submit themselves for re-appointment at least once every 3 years pursuant to Rule 720(5) of the Listing Manual of the SGX-ST. The retiring Directors may offer themselves for re-election.

The NC has reviewed and recommended the nomination of Mr Koh Kian Kiong and Mr Heng Yeow Teck, Malcolm who will be retiring by rotation in accordance with Regulation 96 of the Constitution of the Company, and Mr Tng Soon Chye who will be retiring in accordance with Regulation 102 of the Constitution of the Company, for re-election as Directors of the Company at the forthcoming Annual General Meeting ("AGM") of the Company scheduled on 30 April 2026.

Set out below are the names, positions, dates of appointment and last re-election of each Director of the Company:

Name	Position	Date of First Appointment	Date of Last Re-election
Mr Koh Kian Kiong	Chairman & CEO	13 November 1999	30 April 2024
Ms Maggie Koh	Executive Director	19 June 2000	30 April 2025
Mr Heng Yeow Teck, Malcolm	Lead Independent Director	17 May 2022	28 April 2023
Mr Ang Mong Seng	Non-Executive Independent Director	16 May 2024	30 April 2025
Mr Tng Soon Chye	Non-Executive Independent Director	25 June 2025	Not Applicable

CORPORATE GOVERNANCE STATEMENT

- 4.4 The Board and the NC review on annual basis whether or not a Director is independent, taking into account the definition of independence under the Code, inter alia, one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement with a view to the best interests of the Company.

The NC and the Board have formed a view that none of the Non-Executive and Independent Directors has any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement with a view to the best interests of the Company.

The Board and the NC has assessed the independence of each Director, including Director whose tenure exceeds nine years from the date of their first appointment. The independency has been subjected to a vigorous review by the NC.

The Board and the NC also reviewed the individual Directors' judgement and conduct in carrying out their duties for FY2025. Together with the NC, the Board affirmed that Mr Heng Yeow Teck, Malcolm, Mr Ang Mong Seng and Mr Tng Soon Chye continue to be independent pursuant to the definition of Independence under the Code. None of the Independent Director exceeds nine years tenure from the date of their first appointment.

During FY2025, there was no Alternate Director being appointed on the Board.

- 4.5 New Director(s) will undergo an orientation programme whereby they are briefed by the Company Secretaries of their obligations as Directors, as well as the Group's corporate governance practices, and relevant statutory and regulatory compliance issues, as appropriate. They will also be briefed by Management on the Group's industry and business operations.

The NC has reviewed the multiple board representations of Directors and whether competing time commitments were faced when Directors serve on multiple boards, in addition to the principal commitments of Directors on annual basis.

The NC has received assurance from the Directors who are holding multiple board representations, in particular the Directors holding listed company board representations, that their time and effort in carrying out their duties as Directors of the Company will not be compromised. The NC has also considered the number of listed company board representations held by each Director. The NC has deliberated and agreed that the maximum number of listed company board representations held by a Director of the Company should not exceed six (6) at any time during his tenure of office. In FY2025, all Non-Executive and Independent Directors held no more than two (2) listed company board representations.

The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group, notwithstanding multiple listed company board representations and principal commitments of each Director of the Company, as the Board and the Board Committees experienced minimal competing time commitments among its Board and Board Committees meetings in FY2025, which are planned and scheduled in advance.

Please refer to Annual Report pages 5 to 8 for listed company directorships and principal commitments of each director.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

Guidelines **Federal Corporate Governance Practices**

5.1 and 5.2 **Board Evaluation Process**

The annual evaluation process is undertaken as an internal exercise and involves Board members completing a questionnaire covering areas relating to but not limiting to:

- (1) Board/Board Committees composition
- (2) Information to the Board/Board Committees
- (3) Board/Board Committees procedures
- (4) Board accountability
- (5) Communication with CEO
- (6) Standards of conduct by the Board/Board Committees

The Board together with the NC has put in place a performance evaluation process where the effectiveness of the Board as a whole, of each Board Committee separately, and the contribution by the Chairman and each individual Director of the Board is carried out on annual basis following the conclusion of each financial year.

The annual evaluation exercise provides an opportunity to obtain constructive feedback from each Director on amongst others to propose changes which may be made to enhance the performance of the Board and the Board Committees, to provide their views on the functions of the Board and Board Committees including its procedures and processes and if any of these may be improved upon.

Board and Board Committees Evaluation

The collective assessment is conducted by means of a confidential questionnaire to be completed by each Director before such assessment results are collated, analysed and reported to the respective Board Committees for their deliberation prior to the report to the Board. The results of the performance evaluation and comments received from the NC are compiled and presented to the Board for discussion and determine areas for improvement and enhancement.

Recommendations to further enhance the effectiveness of the Board and Board Committees are implemented as and when appropriate, if any. The performance evaluation of the Board and the Board Committees as a whole for FY2025 had been conducted.

No external facilitator had been engaged for this purpose, and the NC and the Board are open to the idea should such a need arise to enhance the Board performance evaluation process.

CORPORATE GOVERNANCE STATEMENT

Chairman and CEO Evaluation

A performance evaluation of the Chairman and CEO is conducted on an annual basis. The assessment of the Chairman and CEO is based on his ability to chart the strategic direction and growth of the Group, including to make informed business decisions. It also includes whether he established proper procedures to ensure the effective functioning of the Board and that the time devoted to Board meetings were appropriate and are conducted in a manner that facilitate open communication and meaningful participation for effective discussion and decision-making by the Board.

Individual Director Evaluation

Individual evaluation of each Director is also conducted on an annual basis. The aim of the assessment is to assess whether each Director is able to and continues to contribute effectively and demonstrate commitment to his/her role. Factors taken into account include attendance at Board and Board Committees' meetings, participation at meetings, ability to make informed judgements/assessments as well as compliance with the policies and procedures of the Company. The Board will then act on the results where appropriate.

The Board was satisfied with results of the annual evaluation of the performance of the Board, its Board Committees, Chairman and CEO as well as individual Directors' assessment for FY2025.

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Guidelines Federal Corporate Governance Practices

- 6.1 In consultation with the Chairman of the Board, the key responsibilities of the RC include but not limited to the following:
- (1) To recommend to the Board a framework of remuneration for Executive Directors and KMPs of the Group that is aligned with the interests of shareholders and ensure that such remuneration is appropriate to attract, motivate and retain the right talents for the Group;
 - (2) To review and recommend to the Board for their endorsement on the annual remuneration packages for Executive Directors, KMPs and employees related to Directors or substantial shareholder of the Group, if any, which include a performance-related variable bonus component;
 - (3) To review and recommend to the Board the benefits under any long-term incentive schemes, if any, for Executive Directors and KMPs of the Group;
 - (4) To review and recommend the remuneration package of employees related to Directors or substantial shareholder of the Group, if any; and
 - (5) To review the contracts of service of the Executive Directors and KMPs of the Group.

Each member of the RC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the RC in respect of matters concerned him, if any.

CORPORATE GOVERNANCE STATEMENT

6.2 The members of the RC of the Company are:

Mr Ang Mong Seng (Chairman)
Mr Heng Yeow Teck, Malcolm
Mr Tng Soon Chye

The RC comprises entirely Non-Executive and Independent Directors.

6.3 In reviewing the remuneration packages for Executive Directors and KMPs of the Group, as well as employee related to Directors and substantial shareholder of the Group, if any, the RC will consider their contributions as well as the financial performance and the commercial needs of the Group and ensure that they are adequately but not excessively remunerated by the Group.

Further, the RC will take into consideration remuneration packages and employment conditions within the industry and within similar organization structure as well as the Group's relative performance and the performance of individual employee.

The RC ensures that the remuneration packages of employee relating to Directors and substantial shareholder of the Group, if any, are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

The RC aims to be fair and avoid rewarding poor performance during the course of RC's duties including in the event of termination, termination clauses should be fair and not overly generously in respect of contract services entered into with Executive Directors and KMPs of the Group.

6.4 The RC has access to expert advice from external remuneration consultant, where required. Since 2017, the Company had engaged external remuneration consultants to conduct reviews of executive remuneration for the Executive Directors periodically. In 2025, the Company had engaged Aon Solutions Singapore Pte Ltd to conduct the executive benchmarking. Aon Solutions Singapore Pte Ltd is an external professional firm with no relationship with the Company and, hence, its independence and objectivity in the said remuneration review has been maintained.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Guidelines *Federal Corporate Governance Practices*

7.1 The Company adopts a remuneration policy for Executive Directors and KMPs of the Group that comprise a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of profit-sharing or a variable bonus that is linked to the performance of the Group and the individual performance for the preceding financial year. The policy is reviewed periodically to ensure that it remain relevant and effective.

Executive directors do not receive directors' fees but are remunerated as members of Management. The remuneration packages of the Executive Directors and the Deputy Group CEO are associated to the performance of the Group as a whole, as well as the individual performance whereas other KMPs who are heads of business units are remunerated based on performance of the entities under his/her charge as well as individual performance. Service agreements for Executive Directors and KMPs, are reviewed by the RC.

CORPORATE GOVERNANCE STATEMENT

The Company does not have a long-term incentive, share option scheme or share award scheme within the Group.

Even though there are no contractual provisions allowing the Company to reclaim incentive components of remuneration from Executive Directors or KMPs of the Group in exceptional circumstances of misstatement of financial results or of misconduct resulting financial loss to the Group, the Group will not hesitate to take legal actions against the personnel responsible in the event of such exceptional circumstances or misconduct resulting financial loss to the Group.

- 7.2 Directors' fees payable/paid to Non-Executive and Independent Directors are set in accordance with a remuneration framework comprising a basic fee and increment fixed fee, taking into account of the level of responsibilities such as taking the roles of chairman and member of Board Committees.

The Board, after the recommendation of the RC, has recommended the aggregate Directors' fees of S\$185,000 to Non-Executive and Independent Directors of the Company for financial year ending 31 December 2026, to be paid quarterly in arrears, for shareholders' approval at the forthcoming AGM of the Company scheduled on 30 April 2026.

- 7.3 The Board is of the view that the current remuneration structure is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and KMPs to successfully manage the Company for the long term.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.

Guidelines Federal Corporate Governance Practices

- 8.1 The following information relates to the remuneration received or to be received by the Directors from the Company and its subsidiaries for FY2025:

Directors of the Company	Salary	Bonus	Other Benefits*	Fees					Total
				Director	Lead Independent Director	AC Chairman/Member	NC Chairman/Member	RC Chairman/Member	
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Mr Koh Kian Kiong	576,000	179,746	38,110	–	–	–	–	–	793,856
Ms Maggie Koh	349,800	153,809	41,724	–	–	–	–	–	545,333
Mr Hoon Tai Meng ⁽¹⁾	–	–	–	11,666	5,000	1,667	3,333	1,667	23,333
Mr Heng Yeow Teck, Malcolm	–	–	–	35,000	7,738	15,000	2,580	5,000	65,318
Mr Ang Mong Seng	–	–	–	35,000	–	5,000	5,000	10,000	55,000
Mr Tng Soon Chye ⁽²⁾	–	–	–	18,056	–	2,579	5,159	2,579	28,373

* Other Benefits consists of Employer CPF and Transport Allowances

Notes:

(1) Mr Hoon Tai Meng has retired as a Non-Executive and Independent Director on 30 April 2025.

(2) Mr Tng Soon Chye was appointed as a Non-Executive and Independent Director on 25 June 2025.

CORPORATE GOVERNANCE STATEMENT

The following information relates to the remuneration received by the top 4 KMPs of the Group, including Deputy Group CEO, for FY2025 in the bands of S\$250,000:

	Salary	Bonus	Other Benefits*	Total
S\$250,000 to S\$499,999				
Koh Beng Guan, Don ⁽¹⁾	60%	32%	8%	100%
Sam Kwai Hoong	75%	22%	3%	100%
Quek Cheng Hock	82%	14%	4%	100%
Below S\$250,000				
Richard Docherty	87%	–	13%	100%

* Other Benefits consists of Employer CPF and Transport Allowances

Note:

(1) Mr Don Koh is the son of Mr Koh Kian Kiong and the brother of Ms Maggie Koh.

- 8.2 Mr Koh Kian Kiong is a substantial shareholder of the Company. Save as disclosed in the above, there were no other employees who are substantial shareholders of the Company, or are immediate family members of a director or CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during FY2025.
- 8.3 In the interest of maintaining good morale and a strong spirit of teamwork within the Group, the Company has weighed the advantages and disadvantages of disclosing details of the individual and aggregate remuneration of the Group's top 4 KMPs, including the Deputy Group CEO, for FY2025 and believe that such disclosure may be prejudicial to its business interest given the highly competitive environment it is operating in. The remuneration package of the top 4 KMPs, including the Deputy Group CEO, Mr Don Koh, comprising mainly salaries and bonuses, aggregated to a total remuneration of S\$1,312,000, which is also disclosed in "**Note 42 Related Party Transactions**" to the Financial Statements on page 146 of the Annual Report.

The disclosure of the total remuneration paid to the Executive Directors, Non-Executive directors and KMPs provides further information consistent with the intent of Principle 8 of the Code.

The Company currently does not have a long-term incentive scheme, share option scheme or share award scheme within the Group.

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensure that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Guidelines *Federal Corporate Governance Practices*

- 9.1 The Board acknowledges the ultimate responsibility for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board approves the strategy of the Group in a manner which stakeholders' expectations are addressed and does not expose the Group to an unacceptable level of risk determined by the Board.

CORPORATE GOVERNANCE STATEMENT

The Board after the recommendation of the AC approves the key risk management policies and ensures a sound system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instills the right risk focused culture throughout the Group for effective risk governance.

The Board together with the AC oversee the Group's risk management framework and policies, pursuant to which, their roles and responsibilities including but not limiting to the following: –

- (1) To propose the risk governance approach and risk policies for the Group;
- (2) To review the risk management methodology adopted by the Group;
- (3) To review the strategic, financial, operational, regulatory compliance, information technology and other emerging risks relevant to the Group identified by Management; and
- (4) To review Management's risk assessment and Management's action plans to mitigate such risks.

In FY2025, the Management carried out an annual review of the Group's key risks and the effectiveness of the key internal controls of the Group.

The Board and AC noted on the restrictions on certain activities or transactions with targeted jurisdictions, entities and persons, with the primary aim of achieving foreign policy or national security goals (the "**Sanctions**") which are imposed by international bodies and national governments.

The Board together with the AC will review and monitor the Sanctions as part of risk management framework and risk policies of the Group and to obtain independent legal advice or appoint a compliance adviser, if necessary.

The work of the internal auditors and the report of the external auditors have enabled the identification of key risks which are reported to the AC to facilitate the Board's oversight of the effectiveness of risk management and the adequacy of mitigating measures taken by Management to address the underlying risks.

- 9.2 The Board and the AC has received annual assurance from the CEO and the Group Chief Financial Officer of the Group as at 31 December 2025, that:
- (a) they have evaluated the adequacy and effectiveness of the Company's risk management and internal control systems, and have discussed with the Company's external and internal auditors of their reporting points and noted that there have been no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process and report financial data. Accordingly, the Group's risk management systems and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective; and
 - (b) the financial records of the Company and the Group have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances and are in accordance with the relevant accounting standards.

CORPORATE GOVERNANCE STATEMENT

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board, with the concurrence of the AC, is of the opinion that (i) the internal controls established and maintained by the Group; (ii) the reports received from the internal auditor and the external auditor; and (iii) the regular reviews performed by Management, Board Committees and the Board; the Group's risk management system and the Group's internal controls including financial, operational, compliance and information technology controls are effective and adequate as at 31 December 2025.

The Board recognises that the Group's risk management system and internal control system are designed to ensure the reliability and integrity of financial information and to safeguard the assets of the Group. Notwithstanding the foregoing, the Board notes that internal controls system and risk management established by the Group provide reasonable, but not absolute assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives.

However, the Board also notes that no internal controls system and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities occurred within the Group.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an Audit Committee ("AC") which discharges its duties objectively.

Guidelines *Federal Corporate Governance Practices*

- 10.1 The AC is empowered to investigate any matter relating to the Group's accounting, auditing, internal controls and financial practices brought to its attention, with full access to records, resources and personnel of the Group, to enable them to discharge its functions properly.

The key responsibilities of the AC include but not limited to the following:–

- (1) To review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and the Group and the announcements relating to the Group's financial performance;
- (2) To review and report to the Board on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance, information technology controls and risk management systems;
- (3) To review the assurances from the CEO and the Group Chief Financial Officer on the financial records and financial statements of the Company;
- (4) To review the adequacy, effectiveness, independence, scope, audit plans and reports of the external auditor and the internal auditor;
- (5) To review interested person transactions in accordance with the requirements of the Listing Manual of the SGX-ST;
- (6) To review and recommend to the Board the release of the unaudited half-yearly financial results and unaudited full year financial results;
- (7) To review and recommend the re-appointment of the external auditor, and approve the remuneration of the external auditor;

CORPORATE GOVERNANCE STATEMENT

- (8) To oversee co-ordination where more than one auditing firm or auditing corporation is involved in the Group's external audit;
- (9) To review all non-audit services provided by the external auditor to determine if the provision of such services will affect the independence of the external auditor;
- (10) To review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

Each member of the AC will abstain from voting on any resolution and making any recommendation or participating in any deliberations of the AC in respect of matters that concerned him, if any.

The AC has full access and co-operation of Management and has been given the resources required for it to discharge its function properly. The AC has full discretion to invite any Director and officer to attend AC meetings held from time to time. The external and internal auditors have unrestricted access to the AC.

The AC has reviewed the non-audit services provided by the external auditor, Baker Tilly TFW LLP ("**BT**") and is satisfied that the non-audit services will not affect the independence and objectivity of BT as external auditor of the Company.

The AC has also considered the performance of BT based on factors such as performance, adequacy of resources and experience of the audit engagement partner and audit team assigned to the Company's and the Group's audit as well as the size and complexity of the Company and of the Group. The AC has also taken into account of the Accounting and Corporate Regulatory Authority ("**ACRA**") Audit Quality Indicators Framework relating to BT at the firm level and on the audit engagement level.

Based on the above, the AC is satisfied with the standard and quality of work performed by BT, and accordingly, the AC recommended the re-appointment of BT as external auditor of the Company for the ensuing year. The aggregate amount of fees paid to external auditor, as well as its fees for non-audit services is disclosed in page 121 of the Annual Report.

The Group has complied with Rules 712 and 715 of the Listing Manual of SGX-ST as the Group's Singapore-incorporated subsidiaries and significant associated companies were audited by BT and significant foreign-incorporated subsidiary was audited by independent overseas member firms of Baker Tilly International for FY2025, except for the following subsidiaries and significant associated company of the Group:-

<u>Subsidiaries/Significant Associated Company</u>	<u>Auditing Firm</u>
(i) PT Fedsin ReKayasa Pratama	Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Rekan (" PKF ")
(ii) PT Eastern Jason	Teramihardja, Pradhono, Chandra & Rekan (Member of Crowe Global)
(iii) KVC (UK) Ltd	Henderson Loggie LLP

In accordance with Rule 716 of the Listing Manual of SGX-ST, the AC together with the Board had reviewed and satisfied that the appointment of above auditing firms in FY2025 would not compromise the standard and effectiveness of the audit of the Group.

CORPORATE GOVERNANCE STATEMENT

The Company has put in place a whistle-blowing policy, which the AC has adopted and pursuant to which an appropriate channel has been established for the Group's employees to report and to raise, in good faith and in confidence, their concerns about possible improprieties in matters of financial reporting or other matters of the Group through emails.

The AC oversees the administration of whistle-blowing policy. The whistle-blowing policy is also reviewed regularly by the AC. Periodic reports will be submitted to the AC with details of complaints if any and the results of the related investigations and follow-up actions commissioned. There were no reported incidents under the whistle-blowing policy for the financial year under review. There has been no reports of fraudulent or inappropriate activities or malpractices received to date.

The whistle-blowing policy is to establish and maintain a stronger policy where the identity of the whistleblower is kept confidential and the individual is protected from reprisal.

The Group prohibits discrimination, retaliation or harassment of any kind against a whistle blower who submits a complaint or report in good faith. If a whistle blower believes that he or she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy, he or she should immediately report those facts to the relative persons. Reporting should be done promptly to facilitate investigation and the taking of appropriate action.

All reports/information are handled confidentially, except as necessary or appropriate to conduct investigation and to take remedial action, in accordance with the applicable laws and regulations. No employee, who in good faith reports a violation or suspected violation, shall suffer harassment, retaliation or adverse employment consequences. At the appropriate time, the party making the report/complaint may need to come forward as a witness. If an Employee or External Party (1) makes an allegation in good faith but it is not confirmed by the investigation, no action will be taken against him or her. If, however, an Employee has made an allegation frivolously, maliciously or for personal gain, disciplinary action may be taken against him or her. Likewise, if investigations reveal that the External Party making the complaint had done so maliciously or for personal gain, appropriate action, including reporting the matter to the police, may be taken.

Note:

(1) "External Party" refers to customers, suppliers, service providers, but not limited to, members of the public or those who are impacted by Federal Group.

During FY2025, the key activities carried out by AC included but not limited to:-

- (1) Reviewed and recommended unaudited half-yearly financial results and unaudited full year financial results to the Board for approval;
- (2) Reviewed annual audit plans and reports presented by the internal auditor and external auditor;
- (3) Received and discussed with the external auditor on the changes of Singapore Financial Reporting Standards (International) that may have a direct impact on the Group's financial statements ahead of the effective dates;
- (4) Reviewed re-appointment of the external auditor and determining its independence before making a recommendation for Board's approval;
- (5) Reviewed and reported to the Board on the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems;

CORPORATE GOVERNANCE STATEMENT

- (6) Reviewed interested person transactions in accordance with the requirements of the Listing Manual of the SGX-ST; and
- (7) Reviewed the Group's audited financial statements with Management and external auditor of the Company. Accordingly, the AC is of the view that the Group's financial statements for FY2025 are fairly presented in conformity with relevant Singapore Financial Reporting Standards (International) in all material aspects.

10.2 The members of the AC of the Company are:–

Mr Heng Yeow Teck, Malcolm (Chairman)
Mr Ang Mong Seng
Mr Tng Soon Chye

The AC comprises entirely Non-Executive and Independent Directors.

The Board is of the view that the AC Chairman, who is a qualified Chartered Accountant, possesses recent and relevant accounting, tax and financial management expertise and experience to discharge the functions of the AC. The AC also has extensive knowledge and experience in the fields of corporate finance, legal and business. Accordingly, the Board is satisfied that the AC Chairman and AC Members are appropriately qualified to discharge their duties and responsibilities and are capable of exercising sound and independent judgement in view of their requisite expertise and experience.

10.3 None of the members of the AC is a partner or director of the Group's auditing firms or auditing corporations or was a former partner or former director of the Group's auditing firms or auditing corporations. None of them has any financial interest in the Group's auditing firms or auditing corporations.

10.4 The Company has outsourced its internal audit function to an independent professional firm, RSM Risk Advisory Pte Ltd ("**RSM**"). RSM is a corporate member of the Institute of Internal Auditors Singapore, and is staffed with independent professionals with relevant qualifications and experience. The internal audit function primary line of reporting would be to the AC.

RSM carries out its internal audit functions based on work plan agreed with the AC, where different aspects of internal control are reviewed for each year, and also take into consideration key risk facts identified. RSM have submitted reports to the AC, reporting, inter alia, that (i) having performed the system review procedures of the Company's internal controls and (ii) save for certain matters highlighted to the Company which have been duly noted by Management, based on their review of the adequacy and effectiveness of the Company system of internal controls or measures, they did not identify any significant deficiencies or non-compliance of controls or measures implemented by Management under such procedures and systems.

The Company cooperates fully with RSM in terms of allowing unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

The AC has reviewed and is satisfied with the independence, adequacy and effectiveness of the Company's internal audit function. The AC is also satisfied that the internal auditor is adequately resourced and has the appropriate standing within the Group.

10.5 In performing its functions, the AC reviews the overall scope of both internal audit and external audit, and the assistance and resources given by Management to the internal auditor and the external auditor.

The AC also meets with the internal auditor and the external auditor annually after the conclusion of each financial year, without the presence of Management, to discuss the results of their respective audit findings and their evaluation of the Group's system of accounting and internal controls. Both the external and internal auditors report directly to the AC their findings and recommendations.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, positions and prospects.

Guidelines **Federal Corporate Governance Practices**

- 11.1 The shareholders of the Company are entitled to receive notice of general meetings, annual report, offer information statement or circulars. Such documents are also made available at the Company's website and on SGXNET. To facilitate shareholders to exercise their ownership rights, the Board ensures adequate and material information concerning to the Group's business development in accordance with disclosure requirements of the Listing Manual of the SGX-ST are released to SGX-ST through SGXNET in a timely and fair manner.

All shareholders are entitled to attend and vote at general meetings in person or by proxy or in the case of a corporate shareholder, through its appointed representative. At general meetings of the Company, shareholders are given the opportunity to communicate their views and are encouraged to ask the Directors and Management questions regarding matters affecting the Company.

Shareholders are provided the opportunity to vote at general meetings either in person or in absentia by way of appointed proxy (proxies). The procedures setting out how each shareholder can vote whether in person or through proxy are detailed in the notice and proxy form.

Pursuant to Rule 730A(2) of the Listing Manual, all resolutions proposed at the general meetings and at any adjournment thereof shall be put to the vote by way of poll. All shareholders are entitled to vote in accordance with the established voting rules and procedures at the general meetings. Each share is entitled to one vote. An external firm is appointed as scrutineers for the general meetings voting process, which is independent of the firm appointed to undertake the poll voting process. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages are announced at the general meetings and released via SGXNET subsequently after the AGM.

- 11.2 Resolutions on each distinct issue are tabled separately at general meetings. For resolutions tabled under special business, a descriptive explanation of the effects of a resolution will be disclosed in the notice of general meeting.
- 11.3 The Chairmen of the EC, AC, NC and RC are available to address shareholders' questions at general meetings like AGMs and Extraordinary General Meetings. The Management will be present to facilitate in addressing shareholders' queries at general meetings.

The external auditor of the Company will also be present at the AGMs of the Company to address any shareholders' queries that they may have on the consolidated audited financial statements of the Group.

The last AGM was held on 30 April 2025 at 12 Chin Bee Drive, Singapore 619868. All Directors and Management together with the external auditors and secretary were present at the venue of the last AGM to meet and address any queries from shareholders.

- 11.4 Individual shareholders and corporate shareholders, who are unable to attend general meetings of the Company, are entitled to appoint not more than two proxies to attend and vote on their behalf at the general meetings of the Company.

CORPORATE GOVERNANCE STATEMENT

Those shareholders whose shares held under the names of relevant intermediaries as defined under Section 181 of the Companies Act 1967 of Singapore, such as nominees or custodial institutions, are allowed to attend the general meetings of the Company personally as the relevant intermediaries are allowed to appoint more than two proxies i.e. individual shareholders, corporate shareholders or their representatives to attend and vote at the general meetings of the Company.

- 11.5 The proceedings of general meetings, including questions and answers exchanged among the Board, the Management and the shareholders, will be recorded in minutes. These minutes are available to the shareholders via SGXNet and on the Company's website.
- 11.6 The Company currently does not have a fixed dividend policy. The dividend that the Directors of the Company may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors of the Company: –
- (1) the level of the earnings of the Group;
 - (2) the financial condition of the Group;
 - (3) the projected levels of the Group's capital expenditure and other investment plans;
 - (4) the restrictions on payment of dividends imposed on the Group by the Group's financing arrangements (if any); and
 - (5) other factors as the Directors of the Company may consider appropriate.

The Board has recommended (i) a Tax-Exempt (One-Tier) First and Final Dividend of S\$0.005 per ordinary share for FY2025 as well as (ii) a Tax-Exempt (One-Tier) Special Dividend of S\$0.005 per ordinary share for FY2025. These Dividends are subject to approval of the shareholders at the forthcoming AGM.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The Company communicates regularly with its shareholders and facilitates the participation of shareholder during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Guidelines *Federal Corporate Governance Practices*

- 12.1 to 12.3 The Board is committed to maintain a high standard of corporate governance by disclosing to its stakeholders, including its shareholders and investors, with adequate and material information concerning the Group's business development in accordance with disclosure requirements of the Listing Manual of the SGX-ST through SGXNET to SGX-ST in a timely and fair manner.

The Board is mindful of its obligation to provide adequate and timely disclosure of all material and price-sensitive information to SGX-ST through SGXNET.

The announcements, including but not limiting to the Group's unaudited half-year and full year financial results, and the material updates of the Group's business development prepared in accordance with disclosure requirements of the Listing Manual of the SGX-ST are also released through SGXNET in a timely manner.

CORPORATE GOVERNANCE STATEMENT

Following the amendments to Rule 705(2) of the Listing Manual of the SGX-ST which took effect as of 7 February 2020, the Board has, after due deliberations (including taking into consideration, inter alia, the compliance efforts required in connection therewith), decided not to continue with quarterly reporting of the Company and the Group's unaudited financial statements, and instead, the Company will announce the unaudited financial statements of the Company and the Group on a half-yearly basis, as required under the revised Listing Manual of the SGX-ST.

The Board believes that announcement of financial statements on a half-yearly basis coupled with enhanced disclosure requirements is sufficient to keep shareholders and potential investors updated on the Company's and the Group's state of affairs.

The corporate profile and announcements of the Company are also available at <http://www.federal-int.com.sg>.

The Company does not practice selective disclosure as the relevant material and price-sensitive information are released to SGX-ST through SGXNET in a timely and fair manner.

The shareholders of the Company, including institutional investors and retail investors, are encouraged to attend general meetings, especially AGM which serves as the primary channel to express their views and raise their questions regarding the Group's businesses and prospects.

In addition, the Management may address shareholders' questions and concerns in respect of the Group's businesses should they approach the Company through emails or calls.

The AGM of the Company serves as the primary channel for the Management to solicit and collate the views of the shareholders of the Company, including institutional investors and retail investors.

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Guidelines **Federal Corporate Governance Practices**

- 13.1 The Company's engagement with its material stakeholders is set out in detail in the Sustainability Report and Task Force on Climate-Related Financial Disclosures on pages 15 to 43 of Annual Report.
- 13.2 The Company's efforts on sustainability are focused on creating sustainable value for key stakeholders, which include communities, customers, staff, regulators, shareholders and vendors.
- 13.3 The Company maintains a corporate website at <http://www.federal-int.com.sg> to communicate and engage stakeholders.

Interested Person Transactions ("IPTs")

The Company has adopted an internal policy outlining procedures for review and approval of the IPTs entered into between the Company and the interested persons. The Company ensures that all interested persons are reported in a timely manner to the AC and that the transactions, if any are conducted at arm's length, on normal commercial term, and not prejudicial to the interest of the Company and its minority shareholders. All IPTs are subject to the review by the AC.

CORPORATE GOVERNANCE STATEMENT

Details of IPTs for FY2025 as required under Listing Rule 907 are set out as follows:-

Name of interested person	Description of IPTs	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
HLS Corporate Services Pte Ltd ⁽ⁱ⁾	Corporate secretarial services	Not applicable	Not applicable

Note:

(i) By virtue of Section 7 of the Companies Act 1967, Mr Heng Yeow Teck, Malcolm is deemed to be interested in HLS Corporate Services Pte Ltd.

The Company does not have a shareholders' mandate for IPTs. The Company confirms that the aggregate value of all IPTs during FY2025 is less than S\$100,000/-.

The AC has reviewed, and is satisfied that the above IPTs are conducted at arm's length and on terms that are fair and reasonable. The AC and the Board are satisfied that the terms of the above IPTs are not prejudicial to the interests of the Company or its minority shareholders.

Dealings in Securities

The Company has adopted an internal policy on securities transactions which provide a guidance to Directors and officers of the Group. Under this internal policy, Directors and officers of the Group are not permitted to deal in the Company's securities, while in possession of unpublished price-sensitive information and for the periods commencing one (1) month before the release of announcement of the Group's unaudited half yearly and full year financial results till the release of announcement; and they are not expected to deal in the securities of the Company on short-term considerations.

In view of the processes in place, in the opinion of the Board, the Company has complied with Rule 1207(19) of the Listing Manual of SGX-ST on dealing in securities.

Material Contracts

No other material contracts were entered into between the Company and any of the subsidiaries of the Group with any CEO, Director or controlling shareholder of the Company either subsisting or during FY2025, except as disclosed in the Notes to the Financial Statements (Note 42).

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Federal International (2000) Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2025.

In the opinion of the directors:

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 76 to 146 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended 31 December 2025 in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Koh Kian Kiong
Maggie Koh
Heng Yeow Teck, Malcolm
Ang Mong Seng
Tng Soon Chye (appointed on 25 June 2025)

Arrangement to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967, except as follows:

Name of directors	Direct interest			Deemed interest		
	At 1.1.2025	At 31.12.2025	At 21.1.2026	At 1.1.2025	At 31.12.2025	At 21.1.2026
Ordinary shares of the Company						
Koh Kian Kiong	29,004,000	29,004,000	29,004,000	–	–	–
Maggie Koh	695,300	695,300	695,300	–	–	–

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning, or at the end of the financial year.

Koh Kian Kiong, by virtue of Section 7 of the Companies Act 1967 is deemed to have an interest in all related corporations of the Company.

DIRECTORS' STATEMENT

Options

No share option has been granted at the date of this statement.

Audit Committee

The members of the Audit Committee during the year and at the date of this statement are:

Heng Yeow Teck, Malcolm (Chairman)
Ang Mong Seng
Tng Soon Chye (appointed on 25 June 2025)

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Companies Act 1967. The functions performed are detailed in the Corporate Governance Statement, set out in the Annual Report of the Company.

The Audit Committee is satisfied with the independence and objectivity of the independent auditor and has nominated Baker Tilly TFW LLP for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the board of directors:

Koh Kian Kiong
Director

Maggie Koh
Director

Singapore
31 March 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FEDERAL INTERNATIONAL (2000) LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Federal International (2000) Ltd (the "Company") and its subsidiaries as set out on pages 76 to 146 (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

(Refer to Note 2.13 for accounting policy related to revenue recognition and Note 29 for the disclosure related to revenue)

Description of key audit matter

Revenue is one of the key elements in the financial statements used as a measure of financial performance of the Group. The Group's revenue of \$128,334,000 for the financial year ended 31 December 2025 comprises substantially revenue from the sales of products amounting to \$107,889,000. Given the significance of sale of products, we identified revenue recognition as a key audit matter which require significant auditor's attention in consideration of the level of effort is required to audit the occurrence and accuracy of the revenue amount.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FEDERAL INTERNATIONAL (2000) LTD

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Revenue Recognition (Continued)

(Refer to Note 2.13 for accounting policy related to revenue recognition and Note 29 for the disclosure related to revenue)

Our audit procedures to address the key audit matter

We obtained an understanding of the Group's internal controls over revenue generating operations and tested the effectiveness of key controls identified. We also evaluated whether the Group's revenue recognition policies are in accordance with the relevant accounting standards.

On a sampling basis, we performed detailed testing of transactions by checking to relevant supporting documents, including delivery documents, to verify whether revenue is recorded when performance obligations are fulfilled in accordance with the requirements of the relevant accounting standards and the contract terms with customers. We carried out cut-off procedures to determine whether the revenue is properly taken up in the correct accounting period. We also circularised and obtained confirmations for major customers and examined subsequent receipts.

Other Information

Management is responsible for the other information. The other information comprises the information included in the 2025 Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FEDERAL INTERNATIONAL (2000) LTD

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FEDERAL INTERNATIONAL (2000) LTD

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Low See Lien.

Baker Tilly TFW LLP

Public Accountants and
Chartered Accountants

Singapore

31 March 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets					
Property, plant and equipment	4	9,588	9,714	10	4
Right-of-use assets	5	2,225	2,462	–	–
Investment in subsidiaries	6	–	–	53,677	56,167
Investment in associates	7	2,224	9,427	732	3,545
Intangible assets	8	–	136	–	–
Financial assets at fair value through other comprehensive income (“FVOCI”)	9	10,111	5,830	10,111	5,830
Other receivables	10	465	900	–	900
Amounts due from associate	11	–	15,990	–	–
Deferred tax assets	12	10	34	–	–
		24,623	44,493	64,530	66,446
Current assets					
Inventories	13	8,459	11,084	–	–
Trade receivables	14	31,708	13,011	–	–
Other receivables	15	978	1,536	11	–
Advance payment to suppliers		1,605	2,287	–	–
Prepayments		109	119	12	15
Deposits		15	16	–	–
Amounts due from associates	11	–	2,053	–	180
Amounts due from subsidiaries	16	–	–	5,330	2,418
Fixed and bank deposits	34	21,248	7,210	13,498	–
Cash and bank balances	34	23,936	7,521	1,146	2,507
		88,058	44,837	19,997	5,120
Assets of disposal group classified as held for sale	17	21,913	–	2,983	–
		109,971	44,837	22,980	5,120
Current liabilities					
Trade payables		25,770	6,951	–	–
Other payables	18	20,002	2,918	14,495	597
Contract liabilities	19	1,290	437	–	–
Amount due to a related party	20	39	–	–	–
Amounts due to banks	21	10,324	6,952	–	–
Term loans	22	–	482	–	–
Lease liabilities	5	179	171	–	–
Provision for taxation		841	616	–	–
		58,445	18,527	14,495	597
Net current assets		51,526	26,310	8,485	4,523

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current liabilities					
Amounts due to subsidiaries	23	–	–	–	2,005
Provision for post-employment benefits		46	162	–	–
Lease liabilities	5	2,327	2,465	–	–
Deferred tax liabilities	12	1,243	1,260	116	116
		3,616	3,887	116	2,121
Net assets					
		72,533	66,916	72,899	68,848
Equity					
Share capital	24(a)	144,099	144,099	144,099	144,099
Treasury shares	24(b)	(25)	(25)	(25)	(25)
Foreign currency translation reserve	25	(2,764)	(1,643)	–	–
Capital reserve	26	5	5	–	–
Revaluation reserve	27	8,443	8,078	–	–
Reserves of disposal group classified as held for sale	17	(440)	–	(296)	–
Other reserves	28	(1,412)	(4,641)	(149)	(3,378)
Accumulated losses		(75,335)	(77,824)	(70,730)	(71,848)
Equity attributable to owners of the Company					
		72,571	68,049	72,899	68,848
Non-controlling interests		(38)	(1,133)	–	–
Total equity		72,533	66,916	72,899	68,848

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

		Group	
	Note	2025 \$'000	2024 \$'000
Revenue	29	128,334	44,260
Cost of sales		<u>(106,633)</u>	<u>(32,644)</u>
Gross profit		21,701	11,616
Other income		1,400	6,677
Selling and distribution costs		(5,830)	(5,040)
Administrative and general costs		(8,133)	(7,383)
Other operating expenses	30	(2,379)	(1,476)
Net impairment loss on financial assets	30	(2)	(1,041)
Finance costs	30	(693)	(572)
Share of results of associates		288	2,848
Impairment loss on asset classified as held for sale	17(a)	<u>(1,837)</u>	–
Profit before tax	30	4,515	5,629
Income tax expense	32	<u>(741)</u>	<u>(1,656)</u>
Profit net of tax		<u>3,774</u>	<u>3,973</u>
Attributable to:			
Owners of the Company		3,192	3,886
Non-controlling interests		<u>582</u>	<u>87</u>
		<u>3,774</u>	<u>3,973</u>
Earnings per share attributable to owners of the Company (cents per share)	33		
Basic		2.27	2.76
Diluted		<u>2.27</u>	<u>2.76</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group	
	2025 \$'000	2024 \$'000
Profit net of tax	3,774	3,973
Other comprehensive income/(loss):		
Items that will not be reclassified subsequently to profit or loss		
Foreign currency translation	(334)	(97)
Surplus on revaluation of leasehold building	365	355
Fair value gain/(loss) of equity investment – financial assets at FVOCI	2,933	(3,026)
Items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation	20	86
Share of other comprehensive (loss)/income of associates	(758)	201
Foreign currency translation on loss of control of subsidiaries and disposal group classified as held for sale	(527)	30
Other comprehensive income/(loss) for the financial year, net of tax	1,699	(2,451)
Total comprehensive income for the financial year	5,473	1,522
Total comprehensive income attributable to:		
Owners of the Company	5,225	1,532
Non-controlling interests	248	(10)
	5,473	1,522

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Attributable to the owners of the Company										Total equity \$'000
	Share capital (Note 24(a)) \$'000	Treasury shares (Note 24(b)) \$'000	Foreign currency translation reserve (Note 25) \$'000	Capital reserve (Note 26) \$'000	Revaluation reserve (Note 27) \$'000	Reserves of disposal group classified as held for sale (Note 17) \$'000	Other reserves (Note 28) \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	
At 1 January 2025	144,099	(25)	(1,643)	5	8,078	-	(4,641)	(77,824)	68,049	(1,133)	66,916
Profit net of tax	-	-	-	-	-	-	-	3,192	3,192	582	3,774
Other comprehensive income/ (loss):	-	-	-	-	-	-	-	-	-	-	-
Items that will not be reclassified subsequently to profit or loss:	-	-	-	-	-	-	-	-	-	(334)	(334)
Foreign currency translation Surplus on revaluation of leasehold building	-	-	-	-	365	-	-	-	365	-	365
Fair value gain of equity investment – financial assets at FVOCI	-	-	-	-	-	-	2,933	-	2,933	-	2,933
Items that are or may be reclassified subsequently to profit or loss:	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	20	-	-	-	-	-	20	-	20
Share of other comprehensive loss of associates	-	-	(711)	-	-	(47)	-	-	(758)	-	(758)
Foreign currency translation on loss of control of a subsidiary	-	-	(527)	-	-	-	-	-	(527)	-	(527)
Total comprehensive income/ (loss) for the financial year	-	-	(1,218)	-	365	(47)	2,933	3,192	5,225	248	5,473
Dividend paid (Note 35)	-	-	-	-	-	-	-	(703)	(703)	-	(703)
Disposal of non-controlling interest in subsidiary	-	-	-	-	-	-	-	-	-	847	847
Reserves attributable to disposal group classified as held for sale	-	-	97	-	-	(393)	296	-	-	-	-
At 31 December 2025	144,099	(25)	(2,764)	5	8,443	(440)	(1,412)	(75,335)	72,571	(38)	72,533

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Attributable to the owners of the Company										
	Share capital (Note 24(a)) \$'000	Treasury shares (Note 24(b)) \$'000	Foreign currency translation reserve (Note 25) \$'000	Capital reserve (Note 26) \$'000	Revaluation reserve (Note 27) \$'000	Reserves of disposal group classified as held for sale \$'000	Other reserves (Note 28) \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2024	144,099	(25)	(2,058)	5	7,723	385	(1,615)	(81,997)	66,517	(2,875)	63,642
Profit net of tax	-	-	-	-	-	-	-	3,886	3,886	87	3,973
Other comprehensive income/ (loss):											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	-	-	-	-	-	-	-	-	-	(97)	(97)
Surplus on revaluation of leasehold building	-	-	-	-	355	-	-	-	355	-	355
Fair value loss of equity investment – financial assets at FVOCI	-	-	-	-	-	-	(3,026)	-	(3,026)	-	(3,026)
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	-	-	151	-	-	(65)	-	-	86	-	86
Share of other comprehensive income of associates	-	-	201	-	-	-	-	-	201	-	201
Foreign currency translation on loss of control of disposal group classified as held for sale and loss of control of subsidiaries	-	-	63	-	-	(33)	-	-	30	-	30
Total comprehensive income/ (loss) for the financial year	-	-	415	-	355	(98)	(3,026)	3,886	1,532	(10)	1,522
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
At 31 December 2024	144,099	(25)	(1,643)	5	8,078	-	(4,641)	(77,824)	68,049	(1,133)	66,916

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Company	Share capital (Note 24(a)) \$'000	Treasury share (Note 24(b)) \$'000	Reserves of disposal group classified as held for sale (Note 17) \$'000	Other reserves (Note 28) \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2025	144,099	(25)	–	(3,378)	(71,848)	68,848
Profit net of tax	–	–	–	–	1,821	1,821
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	–	–	–	2,933	–	2,933
Total comprehensive income for the financial year	–	–	–	2,933	1,821	4,754
Dividend paid (Note 35)	–	–	–	–	(703)	(703)
Reserves attributable to disposal group classified as held for sale	–	–	(296)	296	–	–
At 31 December 2025	144,099	(25)	(296)	(149)	(70,730)	72,899
At 1 January 2024	144,099	(25)	–	(352)	(73,198)	70,524
Profit net of tax	–	–	–	–	1,350	1,350
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	–	–	–	(3,026)	–	(3,026)
Total comprehensive (loss)/income for the financial year	–	–	–	(3,026)	1,350	(1,676)
At 31 December 2024	144,099	(25)	–	(3,378)	(71,848)	68,848

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group	
	2025 \$'000	2024 \$'000
Cash flows from operating activities		
Profit before tax	4,515	5,629
<u>Adjustments for:</u>		
Amortisation of intangible assets	136	136
Bad debts recovered	(1)	–
Depreciation of property, plant and equipment	688	664
Depreciation of right-of-use assets	263	220
Dividend income	(657)	(945)
Gain on disposal of assets of disposal group and assets classified as held for sale	–	(4,520)
(Gain)/loss on disposal of a subsidiary, net	(32)	63
(Gain)/loss on disposal of property, plant and equipment, net	(11)	2
Gain on termination of leases	(7)	(6)
Impairment loss on trade receivables	76	1,337
Interest expense	693	572
Interest income	(223)	(261)
Impairment loss on asset classified as held for sale	1,837	–
Share of results of associates	(288)	(2,848)
(Writeback of allowance)/allowance for slow moving inventories	(74)	1,291
Writeback of impairment loss on trade receivables	(74)	(296)
Foreign currency exchange loss	487	100
Operating cash flows before changes in working capital	7,328	1,138
<u>Decrease/(increase) in:</u>		
Inventories	2,687	450
Trade and other receivables	(18,609)	(3,191)
Advance payment to suppliers	664	(2,209)
Prepayments	10	52
Deposits	1	18
Amounts due from associates	910	(133)
<u>Increase/(decrease) in:</u>		
Trade and other payables	22,278	879
Contract liabilities	809	27
Amount due to a related party	–	(8)
Provision for post-employment benefits	(116)	6
Cash generated from/(used in) operations	15,962	(2,971)
Bad debts recovered received	1	–
Income taxes paid	(488)	(16)
Interest income received	158	180
Net cash generated from/(used in) operating activities	15,633	(2,807)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group	
	2025 \$'000	2024 \$'000
Cash flows from investing activities:		
Advance consideration received in relation to disposal of an associate	13,611	–
Dividend income received, net of tax	588	1,526
Interest income received	220	214
Net cash outflow on disposal of assets of disposal group classified as held for sale (Note 17)	–	(616)
Proceeds from disposal of property, plant and equipment	11	3
Purchase of property, plant and equipment	(120)	(185)
Purchase of equity investments	(1,348)	(148)
Settlement Amount received pursuant to Deed of Settlement	900	1,400
Net cash generated from investing activities	13,862	2,194
Cash flows from financing activities:		
Dividend paid	(703)	–
Interest expense paid	(486)	(404)
Interest expense paid to a related party	–	(31)
Advances from a related party	40	–
Repayments of amount due to a related party	–	(189)
(Increase)/decrease in pledged deposits	(750)	58
Repayments of term loans	(482)	(1,133)
Drawdown of trust receipts	42,211	15,556
Repayments of trust receipts	(38,592)	(15,181)
Repayments of lease liabilities – principal	(159)	(276)
Repayments of lease liabilities – interest	(137)	(157)
Net cash generated from/(used in) financing activities	942	(1,757)
Net increase/(decrease) in cash and cash equivalents	30,437	(2,370)
Effect of exchange rate changes on cash and cash equivalents	(734)	142
Cash and cash equivalents at 1 January	7,705	9,933
Cash and cash equivalents at 31 December (Note 34)	37,408	7,705

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. CORPORATE INFORMATION

Federal International (2000) Ltd (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 12 Chin Bee Drive, Singapore 619868.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 6.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("SGD" or "\$") and all values in the tables are rounded to the nearest thousand (\$'000) as indicated.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards that are adopted

In the current financial year, the Group has adopted all new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2025 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company, except as disclosed below:

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for "operating profit", "profit or loss before financing and income taxes", and "profit or loss" in the statement of profit or loss.
- Management-defined performance measures (MPMs) are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the SFRS(I)s.
- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

2.2 Functional currency

The financial statements are presented in Singapore Dollar ("SGD" or "\$"), which is also the Company's functional currency.

2.3 Basis of consolidation

The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Basis of consolidation (Continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in income statement;
- Reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Any retained equity interest in the previous subsidiary is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost, and its fair value is recognised in income statement.

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than leasehold buildings are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in income statement as incurred.

Leasehold buildings are subsequently carried at revalued amounts less accumulated depreciation and accumulated impairment losses. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the leasehold buildings at the end of the reporting period.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in income statement, in which case the increase is recognised in income statement. A revaluation deficit is recognised in income statement, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Property, plant and equipment (Continued)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold building	– Remaining leasehold period of 18 years (2024: 19 years)
Plant and machinery	– 3 to 10 years
Motor vehicles	– 5 to 10 years
Furniture and fittings and office equipment	– 3 to 5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each reporting period and adjusted prospectively, if appropriate.

2.5 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in income statement, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in income statement.

2.7 Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's income statement in the period in which the investment is acquired.

Under the equity method, the investment in associates is carried in the statements of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The income statement reflects the share of results of the operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associates are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in income statement.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures any retained investment at its fair value. Any difference between the fair value of the aggregate of the retained investment and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in income statement.

In the Company's financial statements, investments in associates are carried at cost less accumulated impairment loss. On disposal of investment in associates, the difference between the disposal proceeds and the carrying amount of the investment is recognised in income statement.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in income statement. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the measurement categories:

- Amortised cost
- Fair value through other comprehensive income (“FVOCI”)

The classification is based on the entity’s business model for managing the financial asset and the contractual cash flow characteristics of the financial assets. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

i) Debt instruments

Debt instruments include trade receivables, other receivables (excluding prepayments and advance payment to suppliers), deposits, amount due from subsidiaries and associates, fixed and bank deposits and cash and bank balances on the statements of financial position.

Amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in income statement when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Financial assets (Continued)

Subsequent measurement (Continued)

ii) *Equity instruments*

The Group subsequently measures all its equity investments at their fair values.

The Group has designated all of its equity investments that are not held for trading at FVOCI at initial recognition. Gains and losses arising from changes in fair value of these equity investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income and accumulated in fair value reserve and will never be reclassified to income statement. Disposal of equity investment designated at FVOCI would be recognised in other comprehensive income. Fair value reserve relating to the disposed asset would be transferred to accumulated losses upon disposal. Dividends from equity investments are recognised in income statement and presented in "other income". Equity investments classified as FVOCI are not subject to impairment assessment.

2.9 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors (such as inflation rate) specific to the debtors and the economic environment, except for trade amounts due from the Group's associate.

The Group segregates trade amounts due from the Group's associate (or PTG), because PTG's credit risk profile differs from that of other debtors. The Group determines expected credit loss ("ECL") by applying the simplified approach in accordance with SFRS(I) 9 *Financial Instruments* to measure the lifetime ECL for the trade amounts due from the Group's associate that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the associate and its economic environment. The management considers the need for any loss allowance on these balances by monitoring the associate's financial position and performance on a periodic basis to manage the Group's exposure.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment in income statement for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Trading stocks: generally costed at weighted-average-cost basis.
- Finished goods and work-in-progress: costs of direct materials and labour and other direct cost. These costs are assigned on a weighted-average-cost basis.
- Raw materials: purchase costs on a weighted average basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.11 Financial liabilities

Initial recognition and measurement

The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income statement when the liabilities are derecognised, and through the amortisation process.

2.12 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value plus transaction costs. Financial guarantees are classified as financial liabilities.

Subsequent to initial measurement, financial guarantees are stated at the higher of the initial fair values less cumulative amortisation and the expected loss computed using the impairment methodology under SFRS(I) 9 *Financial Instruments*.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Revenue

(a) ***Sale of goods (products)***

Revenue from sale of goods in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO. The transaction price is the amount of consideration in the sales contract to which the Group expects to be entitled in exchange for transferring the promised goods. Revenue is recognised at the point when the goods are delivered to the customer. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. For goods which require advance consideration from the customers, the advance consideration are recognised as contract liability at the time of the initial sales transaction and recognised as revenue when the Group satisfies the performance obligation under its contract.

(b) ***Charter income from vessel***

Revenue from charter income from vessel is recognised over time based on actual number of days that the vessel is chartered to the customer.

(c) ***Rental of equipment***

Rental income from equipment rentals is recognised on a straight-line basis over the rental period.

(d) ***Dividend income***

Dividend income is recognised when the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

(e) ***Supply and installation of fire detection and protection systems products***

Revenue from supply and installation of customised fire detection and protection systems, which have no alternative use and where the Group has an enforceable right to receive payment from the customer for performance completed to date, is recognised over time using the output method. For these contracts, revenue is recognised based on the Group's progress in performance, which is measured by reference to the stage of installation of the systems. Contract assets are recognised when the Group has rendered services but not yet billed at the reporting date, while contract liabilities are recognised when the Group has received advance consideration from customers for services not yet provided.

(f) ***Provision of fire detection and protection service and maintenance***

The Group provides both one-off and contractual service and maintenance of fire detection and protection systems. Revenue from one-off services is recognised at point in time when the Group satisfies a performance obligation as services are rendered or upon completion of services. Revenue from contractual services is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance. The measure of progress is determined with reference to the contracted maintenance period, and revenue is recognised systematically over the contract term.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in income statement except to the extent that the tax relates to items recognised outside income statement, either in other comprehensive income or directly in equity which the tax is also recognised outside income statement (either in other comprehensive income or directly in equity respectively). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Taxes (Continued)

Deferred tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at each reporting period.

Deferred tax relating to items recognised outside income statement is recognised outside income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax is measured based on the tax consequence that will follow the manner in which the Group expects, at each reporting period, to recover or settle the carrying amounts of its assets and liabilities.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) ***Useful lives of property, plant and equipment***

The cost of property, plant and equipment is depreciated on a straight-line basis over the asset's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within the years stated in Note 2.4. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at each reporting period is disclosed in Note 4. A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 0.76% (2024: 0.59%) variance in the Group's profit before tax.

(b) ***Impairment of non-financial assets***

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

When value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset and a suitable discount rate, in order to determine the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(c) *Allowance for slow moving inventories*

Inventories are stated at the lower of cost and net realisable value. Significant management judgement is required to determine the amount of allowance to be recognised. The carrying amount of inventories is disclosed in Note 13.

(d) *Revaluation of leasehold building*

The fair value of the leasehold building at 31 December 2025 is determined by professional valuer by reference to recent transactions of similar properties in the vicinity after adjusting for any differences in the nature, location and condition of the specific property.

The carrying amount and key assumptions used to determine the fair value of leasehold building are explained in Note 4.

(e) *Calculation of expected credit loss allowance*

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on receivables and loans is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of receivables and loans. Details of ECL measurement and carrying values of financial assets are disclosed in Note 38(a).

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due. The Group determined the ECL of trade receivables by making a full allowance for debtors regarded as credit-impaired where one or more credit impairment events have occurred and using a provision matrix for remaining trade receivables. The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience, adjusted as appropriate to reflect current conditions and forecasts of future economic conditions and how these conditions will affect the Group's ECL assessment, except for trade amounts due from the Group's associate. The Group segregates trade amounts due from the Group's associate (or PTG), because PTG's credit risk profile differs from that of other debtors. The Group determines ECL by applying the simplified approach in accordance with SFRS(I) 9 *Financial Instruments* to measure the lifetime ECL for the trade amounts due from the Group's associate. The management considers the need for any loss allowance on these balances by monitoring the associate's financial position and performance on a periodic basis to manage the Group's exposure and this is described in Note 38(a).

The Group's historical credit loss experience and forecasts of future economic conditions may also not be representative of customer's actual default in the future.

A reasonably possible change in the expected loss rate would not result in any significant impact to the loss allowance recognised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. PROPERTY, PLANT AND EQUIPMENT

Group	At valuation	At cost			Total \$'000
	Leasehold building \$'000	Plant and machinery \$'000	Furniture and fittings and office equipment \$'000	Motor vehicles \$'000	
Cost or valuation:					
At 1 January 2024	9,100	990	2,167	438	12,695
Additions	129	35	21	–	185
Disposals/write off	–	(554)	(1,014)	(18)	(1,586)
Revaluation (Note 27)	(29)	–	–	–	(29)
Exchange differences	–	5	2	–	7
At 31 December 2024 and 1 January 2025	9,200	476	1,176	420	11,272
Additions	46	35	39	–	120
Disposals/write off	–	–	(4)	(76)	(80)
Revaluation (Note 27)	(46)	–	–	–	(46)
Exchange differences	–	4	(2)	–	2
At 31 December 2025	9,200	515	1,209	344	11,268
Accumulated depreciation:					
At 1 January 2024	–	862	1,823	242	2,927
Depreciation charge for the financial year	457	24	134	49	664
Disposals/write off	–	(554)	(1,009)	(18)	(1,581)
Elimination of accumulated depreciation on revaluation (Note 27)	(457)	–	–	–	(457)
Exchange differences	–	3	2	–	5
At 31 December 2024 and 1 January 2025	–	335	950	273	1,558
Depreciation charge for the financial year	486	36	119	47	688
Disposals/write off	–	–	(4)	(76)	(80)
Elimination of accumulated depreciation on revaluation (Note 27)	(486)	–	–	–	(486)
Exchange differences	–	3	(2)	(1)	–
At 31 December 2025	–	374	1,063	243	1,680
Net carrying amount:					
At 31 December 2024	9,200	141	226	147	9,714
At 31 December 2025	9,200	141	146	101	9,588

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Furniture and fittings and office equipment \$'000
Cost:	
At 1 January 2024, 31 December 2024 and 1 January 2025	19
Additions	9
Disposals	(3)
At 31 December 2025	<u>25</u>
Accumulated depreciation:	
At 1 January 2024	12
Depreciation charge for the financial year	3
At 31 December 2024 and 1 January 2025	15
Depreciation charge for the financial year	3
Disposals	(3)
At 31 December 2025	<u>15</u>
Net carrying amount:	
At 31 December 2024	4
At 31 December 2025	<u>10</u>

Revaluation of the Group's 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 2025. 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 (Note 37(B)).

The fair value measurement is categorised under Level 3 (2024: Level 3) of the fair value hierarchy.

If leasehold building were measured using the cost model, the carrying amounts would be as follows:

	Group	
	2025 \$'000	2024 \$'000
Leasehold building at 31 December:		
Cost	4,636	4,590
Accumulated depreciation	(2,155)	(2,018)
Net carrying amount	<u>2,481</u>	<u>2,572</u>

Assets pledged as security

The Group's leasehold building with carrying amount of \$9,200,000 (2024: \$9,200,000) is mortgaged to secure banking facilities, bank overdraft and term loans of the Group (Note 21 and Note 22).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group as a lessee

Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

- (a) The Group leases various equipment, office units and motor vehicle from related and non-related parties. The leases have an average remaining tenure of between one to five years (2024: one to six years);
- (b) The Group also makes monthly lease payments for land lease. The right-of-use of the land lease is classified as right-of-use assets;
- (c) The Group has elected not to recognise right-of-use assets and lease liabilities for:
 - Short-term leases, consisting of office unit with contractual terms of 1 year in 2024 and ended in 2025; and
 - Low-value assets, consisting of equipment of less than \$5,000.

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in statements of financial position

	Group	
	2025 \$'000	2024 \$'000
<u>Carrying amount of right-of-use assets</u>		
Land lease	1,766	1,865
Office units	361	495
Equipment	89	77
Motor vehicle	9	25
	2,225	2,462
<u>Carrying amount of lease liabilities</u>		
Current	179	171
Non-current	2,327	2,465
	2,506	2,636
Additions to right-of-use assets	47	552
Termination of leases	(14)	(18)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

The Group as a lessee (Continued)

Amounts recognised in income statement

	Group	
	2025 \$'000	2024 \$'000
<u>Depreciation charge for the financial year</u>		
Land lease	99	99
Office units	130	83
Equipment	21	24
Motor vehicle	13	14
	<u>263</u>	<u>220</u>
Lease expense not included in the measurement of lease liabilities:		
Lease expense – short term leases	1	54
Lease expense – low value assets leases	6	7
Total (Note 30)	<u>7</u>	<u>61</u>
Interest expense arising from lease liabilities (Note 30)	<u>137</u>	<u>158</u>

Total cash flow for leases during the current financial year amounted to \$303,000 (2024: \$494,000).

As at 31 December 2025, the Group was not committed (2024: \$1,000) for short-term leases.

Reconciliation of movements of lease liabilities to cash flow arising from financing activities:

	Group	
	2025 \$'000	2024 \$'000
At 1 January	2,636	2,382
Changes from financing cash flows:		
– Repayments of principal	(159)	(276)
– Repayments of interest	(137)	(157)
Non-cash changes:		
– Interest expense	137	158
– Additions of new leases	47	552
– Termination of leases	(21)	(24)
Effect of changes in foreign exchange rates	3	1
At 31 December	<u>2,506</u>	<u>2,636</u>

NOTES TO THE FINANCIAL STATEMENTS

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6. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 \$'000	2024 \$'000
Unquoted shares, at cost:		
At 1 January	63,428	81,846
Disposal	–	(18,418)
At 31 December	63,428	63,428
Less: impairment losses	(9,972)	(9,972)
	53,456	53,456
Loans to subsidiaries:		
Gross amount	89,721	91,612
Less: impairment losses	(89,500)	(88,901)
	221	2,711
Net carrying amount	53,677	56,167
Analysis of impairment losses on investment in subsidiaries:		
At 1 January	9,972	28,390
Reversal of impairment loss on disposal	–	(18,418)
At 31 December	9,972	9,972
Analysis of impairment losses on loans to subsidiaries:		
At 1 January	88,901	87,892
Impairment loss	2,356	–
Exchange differences	(1,757)	1,009
At 31 December	89,500	88,901

Loans to subsidiaries are denominated in the following currency:

	Company	
	2025 \$'000	2024 \$'000
United States Dollar	221	2,711

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries as at 31 December are:

Name of company	Principal activities	Country of incorporation/ Place of business	Proportion of ownership interest	
			2025 %	2024 %
Held by the Company				
Federal Hardware Engineering Co Pte Ltd ⁽¹⁾	Dealer in flowline control materials and services and investment holding	Singapore	100	100
KVC (UK) Ltd ⁽²⁾	Design, manufacture and assembly of valves	United Kingdom	90	90
Federal Fire Engineering Pte Ltd ⁽¹⁾	Supply and installation supervision of fire detection and protection systems and related products	Singapore	100	100
Eastern Jason Fabrication Services Pte Ltd ⁽¹⁾	Investment holding and offshore marine projects	Singapore	100 ⁽³⁾	100 ⁽³⁾
PT Federal International*	Dormant	Indonesia	100 ⁽⁴⁾	100 ⁽⁴⁾
FI (2000) UK Limited ^{(5)*}	Dormant	United Kingdom	100	100
Held by subsidiaries				
PT Fedsin ReKayasa Pratama ⁽⁶⁾	Hardware merchant and investment holding	Indonesia	100	100
PT Federal International*	Dormant	Indonesia	99 ⁽⁴⁾	99 ⁽⁴⁾
PT Mega Federal Energy*	Dormant	Indonesia	– ⁽⁷⁾	60
Federal DNV India Private Ltd*	Dormant	India	51	51

* Not required to be audited under the laws of the respective countries of incorporation

Notes:

- (1) Audited by Baker Tilly TFW LLP
- (2) Audited by Henderson Loggie LLP
- (3) This comprised 92.5% direct equity interest held by the Company and indirect equity interest of 7.5% held by a wholly-owned subsidiary
- (4) This comprised 1% direct equity interest held by the Company and indirect equity interest of 99% held by a wholly-owned subsidiary
- (5) No share capital is contributed into the subsidiary as at 31 December 2025 and 31 December 2024
- (6) Audited by Paul Hadiwinata, Hidajat, Arsono, Retno, Paliliangan & Rekan
- (7) Refer to Note 6(b)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Disposal of subsidiaries

- (i) PT Mega Federal Energy, a 60%-owned subsidiary of the Group, was disposed off during the current financial year. The effect of the disposal on the financial position of the Group is as follows:

	Group 2025 \$'000
Consideration received ⁽¹⁾	–
Net assets derecognised	–
Cumulative foreign currency translation on loss of control of subsidiary	879
	<u>879</u>
Non-controlling interest	(847)
Gain on disposal	<u>32</u>

Note:

(1) The consideration amount was US\$1.

- (ii) In 2024, Alton International Resources Pte. Ltd, a 70%-owned subsidiary of the Group, was struck off from the Register of Companies. The disposal had no effect on the financial position of the Group.
- (iii) In 2024, Alton International (S) Pte Ltd and Federal Hardware Engineering Co. Pte Ltd (“FHEC”), both wholly-owned subsidiaries of the Company, had amalgamated, with FHEC continuing as the surviving entity.
- (iv) In 2024, Alton International (Thailand) Co. Ltd, a wholly-owned subsidiary of the Group, was liquidated. The effect of the disposal on the financial position of the Group was as follows:

	Group 2024 \$'000
Consideration received	–
Net assets derecognised	–
Cumulative foreign currency translation on loss of control of subsidiary	61
	<u>61</u>
Gain on disposal	<u>61</u>

- (v) In 2024, Federal Energi Pte Ltd, a wholly-owned subsidiary of the Company, was struck off from the Register of Companies. The effect of the disposal on the financial position of the Group was as follows:

	Group 2024 \$'000
Consideration received	–
Net assets derecognised	–
Cumulative foreign currency translation on loss of control of subsidiary	(124)
	<u>(124)</u>
Loss on disposal	<u>(124)</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Company level – Impairment review of quasi-equity loans

Management determines that certain loans to subsidiaries are quasi-equity in nature, which are therefore included in the investment in subsidiaries.

During the current financial year, the Company recognised an impairment loss on quasi-equity loan to a subsidiary, Eastern Jason Fabrication Services Pte Ltd (“EJFS”), amounting to \$2,356,000 after management performed a lifetime expected credit loss assessment in accordance with the Group’s impairment policy for financial assets (Note 38(a)), taking into account the financial position of EJFS’s investment holding in PT Eastern Jason (“PTEJ”). The impairment loss is recorded to write down the carrying amount to \$221,000 (2024: \$2,711,000). The carrying amount is mainly derived from cash and bank balances and the equity value of PTEJ shares.

7. INVESTMENT IN ASSOCIATES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Unquoted shares, at cost	7,028	7,028	3,681	3,681
Share of post-acquisition reserves	7,814	7,558	–	–
Impairment losses	(4,875)	(4,875)	(136)	(136)
Reclassification to assets of disposal group classified as held for sale	(6,748)	–	(2,813)	–
Exchange differences	(995)	(284)	–	–
Net carrying amount	2,224	9,427	732	3,545
Analysis of impairment losses:				
At 1 January	4,875	4,875	136	136
Writeback	–	–	–	–
At 31 December	4,875	4,875	136	136

During the current financial year, the Company entered into a binding term sheet with Pak Yafin Tandiono Tan (“Pak Yafin”) for the disposal of its entire 30% equity interest in PT Gunanusa Utama Fabricators (“PTG”) to Pak Yafin and a final and full settlement of amounts due from PTG to the Group. The completion of the disposal of PTG is subject to the approval of the Company’s shareholders in next financial year 2026.

During the current financial year, the carrying amount of investment in PTG at the Company and Group level of \$2,813,000 and \$6,748,000 respectively were reclassified to assets of disposal group classified as held for sale (Note 17).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

7. INVESTMENT IN ASSOCIATES (CONTINUED)

Name of company	Principal activities	Country of incorporation/ Place of business	Proportion of ownership interest	
			2025 %	2024 %
Associates				
Held by the Company				
KVC Co., Ltd*	Manufacture and export of valves	Japan	50	50
PT Gunanusa Utama Fabricators ⁽¹⁾	Engineering, Procurement, Fabrication and Construction, Installation and Commissioning ("EPCIC") of offshore platforms and structures in the oil and gas industry	Indonesia	30	30
Held by subsidiaries				
Federal-Applied Industrial Services Co Ltd*	Dormant	Thailand	49	49
PT Eastern Jason ⁽²⁾	Chartering of vessels	Indonesia	30	30

* Not required to be audited under the laws of the respective countries of incorporation

Notes:

(1) Audited Paul Hadiwinata, Hidajat, Arsono, Retno, Palilungan & Rekan

(2) Audited by Teramihardja, Pradhono, Chandra & Rekan

Summarised financial information for associates of the Group, which in the opinion of the management are material to the Group based on their IFRS financial statements (not adjusted for the Group's share of those amounts) and a reconciliation to the carrying amounts of the investments in the consolidated financial statements are as follows:

Summarised Statements of Comprehensive Income

	PT Gunanusa Utama Fabricators		PT Eastern Jason		KVC Co., Ltd	
	1.1.2025 to 5.12.2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Revenue	<u>113,308</u>	<u>40,622</u>	<u>13,031</u>	<u>13,370</u>	<u>10,303</u>	<u>20,231</u>
Profit/(loss) after tax	<u>7,354</u>	<u>6,089</u>	<u>(7,036)*</u>	<u>169</u>	<u>384</u>	<u>1,940</u>
Other comprehensive income/(loss)	<u>(866)</u>	<u>385</u>	<u>(1,238)</u>	<u>673</u>	<u>(252)</u>	<u>(234)</u>
Total comprehensive income/(loss)	<u>6,488</u>	<u>6,474</u>	<u>(8,274)*</u>	<u>842</u>	<u>132</u>	<u>1,706</u>
Dividend received from associate	<u>-</u>	<u>-</u>	<u>-</u>	<u>804</u>	<u>32</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

7. INVESTMENT IN ASSOCIATES (CONTINUED)

Summarised Statements of Financial Position

	PT Gunanusa Utama Fabricators		PT Eastern Jason		KVC Co., Ltd	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current assets	53,705	55,439	20,228	23,231	806	768
Current assets	70,755	18,665	11,210	8,093	5,967	6,682
Non-current liabilities	(1,114)	(1,578)	(8,105)	(6,754)	(1,094)	(1,275)
Current liabilities	(104,582)	(60,406)	(9,000)	(1,962)	(1,231)	(1,796)
Net assets	18,764	12,120	14,333*	22,608	4,448	4,379
Proportion of the Group's ownership	30%	30%	30%	30%	50%	50%
Group's share of net assets based on proportion of ownership interest	5,629	3,636	4,300	6,782	2,224	2,190
Impairment loss	–	–	(4,300)	(4,300)	–	–
Goodwill on acquisition	1,119	1,119	–	–	–	–
	6,748	4,755	–	2,482	2,224	2,190
Reclassification to assets of disposal group classified as held for sale	(6,748)	–	–	–	–	–
Carrying amount of investment	–	4,755	–	2,482	2,224	2,190

* During the current financial year, the Group's share of losses in PTEJ exceeded the carrying amount of its interest in PTEJ. Accordingly, the Group ceased recognising its share of further losses, amounting to \$2,133,000 (representing the Group's proportion of shareholding interest of 30% in PTEJ). The summarised statement of comprehensive income and statement of financial position of PTEJ disclosed above exclude the corresponding gross unrecognised loss amounts of \$7,110,000. The Group has no obligation in respect of these unrecognised losses.

As of 31 December 2025, management assessed that no reversal of impairment on investment in PTEJ was required as there were no favourable indicators or changes in estimates that would increase its recoverable amount.

In 2024, management performed an impairment review for the Group's net carrying amount of PTEJ taking into consideration the changes in net assets of PTEJ in the prior year. Based on management's assessment of PTEJ's recoverable amount by reference to PTEJ's value in use using income approach, management assessed that the recoverable amount approximates to its carrying amount. The recoverable amount assessed using income approach has been determined based on discounted cash flow analysis from forecast covering a seven-year charter period (which commenced in 2023) of PTEJ's main operating asset of a floating, storage and offloading ("FSO") vessel, based on a signed charter hire service agreement with its customer. The weighted average cost of capital (pre-tax) applied to the cash flow projection is 10%. An increase in the weighted average cost of capital (pre-tax) from 10% to 12% would result in additional provision of approximately \$350,000.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

8. INTANGIBLE ASSETS

Group	Goodwill \$'000	Development costs \$'000	Total \$'000
Cost			
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>1,044</u>	<u>2,059</u>	<u>3,103</u>
Accumulated amortisation and impairment loss			
At 1 January 2024	1,044	1,787	2,831
Amortisation charge	–	136	136
At 31 December 2024 and 1 January 2025	1,044	1,923	2,967
Amortisation charge	–	136	136
At 31 December 2025	<u>1,044</u>	<u>2,059</u>	<u>3,103</u>
Net carrying amount:			
At 31 December 2024	–	136	136
At 31 December 2025	<u>–</u>	<u>–</u>	<u>–</u>

Development costs

Development costs relate to testing and design development projects/prototypes. Development costs, which have a finite useful life and are amortised on a straight-line basis over the estimated useful life of 10 years, has been fully amortised during the current financial year.

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.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group and Company	
	2025	2024
	\$'000	\$'000
<i>Equity investments designated at FVOCI</i>		
Quoted equity shares	8,763	5,830
Unquoted equity shares	1,348	–
	<u>10,111</u>	<u>5,830</u>

The investments represent investment in quoted equity shares in PT Superkrane Mitra Utama Tbk. ("SK"), which is incorporated in Indonesia and unquoted equity shares in SRE Holdings Investment and Development Joint Stock Company ("SRE"), which is incorporated in Vietnam. 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 quoted and unquoted equity shares at fair value through other comprehensive income ("FVOCI").

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

The fair value of the quoted equity shares was determined based on quoted market prices of SK at the balance sheet date, categorised under Level 1 fair value hierarchy. During the current financial year, a fair value gain of \$2,933,000 (2024: loss of \$3,026,000) was recognised in other comprehensive income by reference to the fair value of quoted equity shares.

During the current financial year, the Company subscribed for new ordinary shares in SRE at a consideration of \$1,348,000.

The fair value of the unquoted equity shares was determined based on the subscription price of the new shares in SRE by the Company, which is the latest transacted price of shares in SRE. The fair value measurement is categorised under Level 2 fair value hierarchy.

During the current financial year, the Company received a dividend income (net of withholding taxes) of \$558,000 (2024: \$803,000) from its investment in quoted shares of SK.

10. OTHER RECEIVABLES (NON-CURRENT)

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Other receivables	465	1,144	–	1,144
Allowance for impairment	–	(244)	–	(244)
Net carrying amount	465	900	–	900

As at 31 December 2024, net carrying amount of other receivables (non-current) related to third and final tranche of the Settlement Amount due from Federal Environmental & Energy Pte. Ltd. ("FEE") pursuant to a Deed of Settlement entered into with George Deng ("GD") in 2023. During the current financial year, the Company received the third and final tranche of the Settlement Amount of \$900,000 from GD.

As at 31 December 2025, other receivables (non-current) related to funds placed with banks for trade facilities, whose maturity is more than 12 months.

11. AMOUNTS DUE FROM ASSOCIATE (NON-CURRENT)

AMOUNTS DUE FROM ASSOCIATES (CURRENT)

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current				
Trade	–	15,990	–	–
Current				
Non-trade	–	2,053	–	180

During the current financial year, the Company entered into a binding term sheet with Pak Yafin for the disposal of its entire 30% equity interest in PTG to Pak Yafin and a final and full settlement of amounts due from PTG to the Group. The completion of the disposal of PTG is subject to the approval of the Company's shareholders in next financial year 2026.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

11. AMOUNTS DUE FROM ASSOCIATE (NON-CURRENT) AMOUNTS DUE FROM ASSOCIATES (CURRENT) (CONTINUED)

During the current financial year, amounts due from PTG at the Company and Group level were reclassified to assets of disposal group classified as held for sale (Note 17).

In 2024, trade receivables due from an associate, PTG, to the Group amounting to \$15,990,000 were presented under non-current receivables as the Group do not expect to receive payment within one year.

The non-trade balances and transactions mainly relate to loans, interest on loans and payments made on behalf of the associates. Non-trade amounts due from associates are unsecured, repayable on demand and interest-free.

12. DEFERRED TAX

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	(1,226)	(318)	(116)	(118)
Movement in temporary differences:				
Recognised directly in income statement (Note 32)	71	(821)	-	2
Recognised directly in other comprehensive income (Note 27)	(75)	(73)	-	-
Exchange differences	(3)	(14)	-	-
At 31 December	<u>(1,233)</u>	<u>(1,226)</u>	<u>(116)</u>	<u>(116)</u>

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the statements of financial position as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Deferred tax liabilities				
Differences in depreciation for tax purposes	(35)	(62)	-	-
Revaluation to fair value of leasehold building	(1,142)	(1,127)	-	-
Unremitted foreign sourced income	(116)	(116)	(116)	(116)
Other items	50	45	-	-
	<u>(1,243)</u>	<u>(1,260)</u>	<u>(116)</u>	<u>(116)</u>
Deferred tax assets				
Provisions	<u>10</u>	<u>34</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

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12. DEFERRED TAX (CONTINUED)

Unrecognised tax losses

At the end of the financial year, the Group has unabsorbed tax losses of approximately \$12,505,000 (2024: \$14,265,000) that are available for offset against future taxable profits of the Company and the subsidiaries in which the losses arose for which no deferred tax assets is recognised due to uncertainty of their recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

The income tax benefits from the unabsorbed tax losses carried forward is available for an unlimited period subject to the conditions imposed by law, except for unabsorbed tax losses of \$2,932,000 (2024: \$2,744,000) which will expire progressively over the next 5 years up till 2030, subject to the conditions imposed by the Indonesian tax authorities.

13. INVENTORIES

	Group	
	2025 \$'000	2024 \$'000
Trading stocks	7,019	9,264
Goods-in-transit	762	928
Work-in-progress	54	208
Raw materials	624	684
	<u>8,459</u>	<u>11,084</u>
Income statement:		
Inventories recognised as an expense in cost of sales	<u>104,953</u>	<u>31,091</u>
(Writeback of allowance)/allowance for slow moving inventories	<u>(74)</u>	<u>1,291</u>

14. TRADE RECEIVABLES

	Group	
	2025 \$'000	2024 \$'000
Trade receivables		
– Third parties	31,940	21,315
Less: impairment loss	(232)	(8,304)
Trade receivables, net	<u>31,708</u>	<u>13,011</u>

NOTES TO THE FINANCIAL STATEMENTS

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15. OTHER RECEIVABLES (CURRENT)

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Goods and Services Tax ("GST") and Value Added Tax ("VAT") receivable	429	611	-	-
Sundry debtors	549	925	11	-
	<u>978</u>	<u>1,536</u>	<u>11</u>	<u>-</u>

Sundry debtors are non-trade in nature, unsecured, repayable on demand and interest-free.

16. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2025 \$'000	2024 \$'000
Trade	1,240	2,418
Non-trade	1,052	970
	<u>2,292</u>	<u>3,388</u>
Allowance for impairment	(962)	(970)
	<u>1,330</u>	<u>2,418</u>
Dividend receivable	4,000	-
Net carrying amount	<u>5,330</u>	<u>2,418</u>

The trade balances and transactions mainly relate to management fees while the non-trade balances and transactions mainly relate to loans, interest on loans and payments made on behalf of the subsidiaries.

Amounts due from subsidiaries are unsecured, repayable on demand and interest-free.

Amounts due from subsidiaries are denominated in the following currencies:

	Company	
	2025 \$'000	2024 \$'000
Singapore Dollar	5,240	2,418
United States Dollar	90	-
	<u>5,330</u>	<u>2,418</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

17. ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE RESERVES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

During the current financial year, the Company entered into a binding term sheet with Pak Yafin for the disposal of its entire 30% equity interest in PTG to Pak Yafin and a final and full settlement of amounts due from PTG to the Group. The completion of the disposal of PTG is subject to the approval of the Company's shareholders in next financial year 2026. The disposal group comprised the following assets and reserves as at 31 December 2025:

	Note	Group 2025 \$'000	Company 2025 \$'000
<u>Assets of disposal group classified as held for sale</u>			
Investment in associate – PTG	(a)	4,864	2,813
Amounts due from associate – PTG	(b)	17,049	170
		<u>21,913</u>	<u>2,983</u>
<u>Reserves of disposal group classified as held for sale</u>			
Foreign currency translation reserve		144	–
Other reserves	(c)	296	296
		<u>440</u>	<u>296</u>

Notes:

(a) At Group level, investment in associate – PTG was reclassified to assets of disposal group classified as held for sale during the current financial year. Pursuant to SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, investment in PTG was stated at lower of its carrying amount and its fair value less costs to sell ("FVLCTS") as at 31 December 2025. An impairment loss of \$1,837,000 has been recognised in the consolidated income statement during the current financial year to write down the carrying amount of the investment in PTG to its FVLCTS of \$4,864,000.

At Company level, investment in associate – PTG was stated at its carrying amount of \$2,813,000 as at 31 December 2025.

(b) Amounts due from associate – PTG comprised the following:

	Group 2025 \$'000	Company 2025 \$'000
<u>Amounts due from associate – PTG</u>		
– Trade receivables	15,111	–
– Non-trade receivables	1,938	170
	<u>17,049</u>	<u>170</u>

The consideration for the assets of disposal group classified as held for sale [as shown in (a) and (b) above] comprises a cash consideration of US\$10,500,000 (or \$13,611,000) and a transfer of SK shares by Pak Yafin to the Company upon completion of the disposal.

As at 31 December 2025, Pak Yafin has remitted US\$10,500,000 (or \$13,611,000) to the Company as an advance consideration, which will be utilised to partially settle the amounts due from PTG to the Group of \$17,049,000 [(b) above] and the remaining outstanding amount is to be settled via the transfer of the SK shares by Pak Yafin to the Company at completion of disposal. Accordingly, the FVLCTS measurement of the investment in PTG [mentioned in (a) above] was determined based on quoted market price of SK as at 31 December 2025, which is categorised under Level 1 fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

17. ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE RESERVES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

- (c) As at 31 December 2025, included in "Other reserves" is the fair value reserve of \$296,000 relating to the cumulative net change in fair value of equity investment in PTG, which was previously designated as financial assets at FVOCI, before PTG became an associated company of the Group in financial year 2023. The fair value reserve of \$296,000 will be transferred directly to accumulated losses upon the completion of disposal.

In 2023, the Group entered into two Share Sale and Purchase Agreements for the disposals of the Group's 65% equity interest in Federal Environmental & Energy Pte Ltd ("FEE") and Federal International (Shanghai) Co. Ltd ("FIS") which were both under the "Trading" segment of the Group. As the carrying amount of the disposal group comprising of FEE (and FEE subgroup) and FIS was to be recovered principally through the disposal transaction, the assets and liabilities related to FEE (and FEE subgroup) and FIS have been presented on the balance sheet as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group held for sale" as at 31 December 2023. The transaction was completed on 29 January 2024.

In 2024, the effect of the disposal FEE (and FEE subgroup) and FIS on the financial position of the Group was as follows:

	Group 2024 \$'000
Assets:	
Property, plant and equipment	16
Inventories	504
Trade receivables	1,789
Other receivables	896
Advance payment to suppliers	700
Prepayments	29
Deposit	5
Cash and bank balances	616
	<u>4,555</u>
Liabilities:	
Trade payables	1,874
Other payables	3,097
Contract liabilities	228
Amount due to related parties	2,988
Term loans	717
	<u>8,904</u>
Net liabilities derecognised	<u>(4,349)</u>
Consideration, satisfied in cash	—*
Cash and bank balances disposed	(616)
Net cash outflow	<u>(616)</u>
Consideration	—*
Net liabilities derecognised	4,349
Cumulative foreign currency translation on loss of control of disposal group classified as held for sale	66
	<u>4,415</u>
Non-controlling interest	(1,752)
Gain on disposal (Note 30)	<u>2,663</u>

* The consideration amount was US\$2.

NOTES TO THE FINANCIAL STATEMENTS

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18. OTHER PAYABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Accruals	6,215	2,598	925	524
Accruals for foreign tax liabilities, GST and VAT payable	71	86	65	69
Advance consideration received in relation to disposal of PTG	13,498	–	13,498	–
Sundry creditors	218	234	7	4
	<u>20,002</u>	<u>2,918</u>	<u>14,495</u>	<u>597</u>

19. CONTRACT LIABILITIES

Contract liabilities relate to advance consideration received from customers. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about receivables and contract liabilities from contracts with customers (including associates):

	2025	Group	1.1.2024
	\$'000	2024 \$'000	\$'000
Trade receivables from contracts with customers	46,819	29,001	27,730
Contract liabilities	1,290	437	503

As at 31 December 2025, the contract liabilities mainly relate to advance consideration received from customers, partially offset by revenue recognised that was included in the contract liabilities at the beginning of the year.

20. AMOUNT DUE TO A RELATED PARTY

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Group	
	2025 \$'000	2024 \$'000
At 1 January	–	–
Changes from financing cash flows:		
– Proceeds received	40	–
Effect of changes in foreign exchange rates	(1)	–
At 31 December	<u>39</u>	<u>–</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

21. AMOUNTS DUE TO BANKS

	Group	
	2025 \$'000	2024 \$'000
Trust receipts, secured	10,324	6,952

Trust receipts bear interest at 3.93% – 7.06% (2024: 5.11% – 7.37%) per annum.

Supplier Finance Arrangements

The Group participates in a supplier finance arrangement, via trust receipts, allowing some suppliers to receive payment of their invoices from a bank. The Group subsequently repays the bank the invoiced amount at a later date. The Group's securities to the bank for this arrangement is described below.

At the end of the financial year, trust receipts of \$10,324,000 (2024: \$6,952,000) represents the amount of which suppliers have received payments from the bank. There are no other suppliers in the carrying amount of trade and other payables that are part of the supplier finance arrangement.

The average credit period taken for trade purchases is between 30 to 60 days (excluding supplier finance arrangements) (2024: 30 to 60 days) and between 150 to 180 days (including supplier finance arrangements) (2024: 150 to 180 days).

There were no significant non-cash changes in the carrying amount of the payables included in the Group's supplier finance arrangements.

Securities

The Group's bank overdrafts and trust receipts are secured by:

- (i) legal mortgage on the Group's leasehold building (Note 4);
- (ii) corporate guarantee provided by the Company (Note 36);
- (iii) bank balances and deposits pledged by subsidiaries (Note 34);
- (iv) assignment of certain receivables and goods of a subsidiary; and
- (v) fixed charge over proceeds account of a subsidiary.

One of the financial institutions, in its financial covenants requirements, sets a threshold of \$60,000,000 (2024: \$60,000,000) of minimum consolidated total net worth (defined as paid-up capital and capital reserves/revaluation reserves/accumulated losses/retained earnings) for the Group.

Amounts due to banks are denominated in the following currencies:

	Group	
	2025 \$'000	2024 \$'000
Singapore Dollar	–	406
United States Dollar	9,795	6,546
Euro	529	–
	10,324	6,952

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

21. AMOUNTS DUE TO BANKS (CONTINUED)

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Trust receipts \$'000	Bank overdrafts, trust receipt, – Accrued interest* \$'000	Total \$'000
Group			
At 1 January 2025	6,952	109	7,061
Changes from financing cash flows:			
– Proceeds	42,211	–	42,211
– Repayments	(38,592)	–	(38,592)
– Interest paid	–	(483)	(483)
Non-cash changes:			
– Interest expense	–	553	553
Effect of changes in foreign exchange rates	(247)	–	(247)
At 31 December 2025	10,324	179	10,503
At 1 January 2025	6,335	98	6,433
Changes from financing cash flows:			
– Proceeds	15,556	–	15,556
– Repayments	(15,181)	–	(15,181)
– Interest paid	–	(371)	(371)
Non-cash changes:			
– Interest expense	–	382	382
Effect of changes in foreign exchange rates	242	–	242
At 31 December 2024	6,952	109	7,061

* Included as accruals (Note 18)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

22. TERM LOANS

	Group	
	2025 \$'000	2024 \$'000
Amounts repayable within one year		
– secured	–	482

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Term loans \$'000	Term loans – Accrued interest* \$'000	Total \$'000
Group			
At 1 January 2025	482	–	482
Changes from financing cash flows:			
– Repayments	(482)	–	(482)
– Interest paid	–	(3)	(3)
Non-cash changes:			
– Interest expense	–	3	3
At 31 December 2025	–	–	–
At 1 January 2024	1,615	1	1,616
Changes from financing cash flows:			
– Repayments	(1,133)	–	(1,133)
– Interest paid	–	(33)	(33)
Non-cash changes:			
– Interest expense	–	32	32
At 31 December 2024	482	–	482

* Included as accruals (Note 18)

Securities

In 2024, the term loans were secured by:

- (i) legal mortgage on the Group's leasehold building (Note 4);
- (ii) corporate guarantee provided by the Company (Note 36); and
- (iii) bank balances and deposits pledged by subsidiaries (Note 34).

Interest rate

The interest rates of the term loans at the end of the reporting period are Nil (2024: 2.75%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

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23. AMOUNTS DUE TO SUBSIDIARIES

In 2024, the amounts due to subsidiaries were non-trade related, unsecured, interest-free.

In 2024, amounts due to subsidiaries are denominated in the following currency:

	Company	
	2025 \$'000	2024 \$'000
United States Dollar	–	2,005

24. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

	Group and Company			
	2025		2024	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid ordinary shares				
At 1 January and 31 December	<u>140,767</u>	<u>144,099</u>	<u>140,767</u>	<u>144,099</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

(b) Treasury shares

	Group and Company			
	2025		2024	
	No. of shares '000	\$'000	No. of shares '000	\$'000
At 1 January and 31 December	<u>100</u>	<u>25</u>	<u>100</u>	<u>25</u>

Treasury shares relate to ordinary shares of the Company that are held by the Company.

There are no acquisition of shares for the financial year ended 31 December 2025 and 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

25. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

	Group	
	2025 \$'000	2024 \$'000
At 1 January	(1,643)	(2,058)
Net effect of exchange differences arising from translation of financial statements of foreign operations	20	151
Share of other comprehensive (loss)/income of associates	(711)	201
Foreign currency translation on loss of control of disposal group classified as held for sale and loss of control of subsidiaries	(527)	63
Reserve attributable to disposal group classified as held for sale	97	–
At 31 December	<u>(2,764)</u>	<u>(1,643)</u>

26. CAPITAL RESERVE

The capital reserve relates mainly to an adjustment for changes in an associate's equity arising from other reserve.

27. REVALUATION RESERVE

The revaluation reserve represents increases in the fair value of leasehold building net of tax and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in other comprehensive income.

	Group	
	2025 \$'000	2024 \$'000
At 1 January	8,078	7,723
Surplus on revaluation of leasehold building (Note 4)	440	428
Deferred tax liabilities on revaluation surplus of leasehold building (Note 12)	(75)	(73)
At 31 December	<u>8,443</u>	<u>8,078</u>

NOTES TO THE FINANCIAL STATEMENTS

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28. OTHER RESERVES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Fair value reserve	(149)	(3,378)	(149)	(3,378)
Premium paid on acquisition of non-controlling interests	(1,263)	(1,263)	–	–
	<u>(1,412)</u>	<u>(4,641)</u>	<u>(149)</u>	<u>(3,378)</u>

Fair value reserve

The fair value reserve represents the cumulative net change in the fair value of equity investments designated at fair value through other comprehensive income.

Premium paid on acquisition of non-controlling interests

This represents the differences between consideration paid and the carrying value of the additional interest acquired from non-controlling interests without a change in control.

29. REVENUE

	Group	
	2025 \$'000	2024 \$'000
<u>Point in time</u>		
Sale of products ^(a)	107,889	38,294
Provision of fire detection and protection service and maintenance	178	366
<u>Over time</u>		
Charter income from vessel ^(b)	17,451	–
Rental of equipment ^(c)	–	3,833
Supply and installation of fire detection and protection systems products	2,665	1,413
Provision of fire detection and protection service and maintenance	151	113
Provision of wastewater treatment services	–	172
Service concession income	–	69
	<u>128,334</u>	<u>44,260</u>

Notes:

- (a) Sale of products include trading of flowline control products, fire detection and protection systems and environmental protection systems.
- (b) Charter income from vessel includes sourcing of vessel for short duration onward chartering to customers on similar terms.
- (c) Rental of equipment include sourcing of equipment for short duration onward rental to customers on similar terms.

The Group applies the practical expedient in SFRS(I) 15 *Revenue from Contracts with Customers* and does not disclose information about its remaining performance obligation as the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, and it recognises revenue in that amount.

NOTES TO THE FINANCIAL STATEMENTS

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30. PROFIT BEFORE TAX

	Group	
	2025 \$'000	2024 \$'000
Other income		
Dividend income from financial assets at FVOCI	657	945
Foreign currency exchange gain	–	427
Gain on disposal of:		
– assets of disposal group classified as held for sale (Note 17)	–	2,663
– assets classified as held for sale ^(a)	–	1,857
– property, plant and equipment	11	–
– subsidiary (Note 6(b))	32	61
Gain on termination of leases	7	6
Interest income	173	220
Interest on trade overdue	50	41
Management fee income from an associate	96	101
	<u>657</u>	<u>945</u>
Selling and distribution costs		
Depreciation of property, plant and equipment	(52)	(48)
Staff costs		
– salaries and other emoluments	(4,500)	(3,928)
– employer's contribution to defined contribution plans including Central Provident Fund in Singapore	(512)	(456)
	<u>(5,064)</u>	<u>(4,432)</u>
Administrative and general costs		
Amortisation of intangible assets	(136)	(136)
Bank charges	(483)	(128)
Depreciation of property, plant and equipment	(636)	(616)
Depreciation of right-of-use assets	(263)	(220)
Directors' fees	(172)	(180)
Staff costs (including directors)		
– salaries and other emoluments	(4,298)	(3,729)
– employer's contribution to defined contribution plans including Central Provident Fund in Singapore	(215)	(271)
Audit fees		
– auditor of the Company	(253)	(254)
– other auditors	(36)	(39)
Non-audit fees		
– auditor of the Company	(32)	(34)
– other auditors	(83)	(47)
Operating lease expense (Note 5)	(7)	(61)
	<u>(7)</u>	<u>(61)</u>

Note:

- (a) The disposal of a land drilling rig, which was classified as asset held for sale in 2023, of a subsidiary in Indonesia, PT Federal International, was completed in 2024. A gain on disposal of assets classified as held for sale of \$1,857,000 was recognised in consolidated income statement in 2024.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

30. PROFIT BEFORE TAX (CONTINUED)

	Group	
	2025 \$'000	2024 \$'000
Other operating expenses		
Bad debts recovered	1	–
Foreign currency exchange loss	(2,378)	–
Inventories written off	(76)	(59)
Loss on disposal of:		
– property, plant and equipment	–	(2)
– subsidiary (Note 6(b))	–	(124)
Writeback of allowance/(allowance) for slow moving inventories	74	(1,291)
	(2,379)	(1,476)
Net impairment loss on financial assets		
Non-cash adjustment:		
Impairment loss on trade receivables	(76)	(1,337)
Writeback of impairment loss on trade receivables	74	296
	(2)	(1,041)
Finance costs		
Interest expense on:		
– Bank overdrafts	(55)	–
– Term loans	(3)	(32)
– Trust receipts	(498)	(382)
– Lease liabilities (Note 5)	(137)	(158)
	(693)	(572)

31. EMPLOYEE BENEFITS

The breakdown of employee benefits expense (including directors) is as follows:

	Group	
	2025 \$'000	2024 \$'000
Salaries and bonuses	(8,798)	(7,657)
Employer's contribution to defined contribution plans including Central Provident Fund in Singapore	(727)	(727)
	(9,525)	(8,384)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

32. INCOME TAX EXPENSE

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

	Group	
	2025 \$'000	2024 \$'000
Income statement		
Current income tax		
– Current income taxation	841	512
– (Over)/under provision in respect of previous years	(129)	100
– Withholding tax on dividend income	100	223
	<u>812</u>	<u>835</u>
Deferred income tax		
– Origination and reversal of temporary differences	(12)	842
– Overprovision in respect of previous years	(59)	(21)
	<u>(71)</u>	<u>821</u>
Income tax expense recognised in consolidated income statement	<u>741</u>	<u>1,656</u>

Tax expense relating to each component of other comprehensive income is as follows:

	← 2025 →			← 2024 →		
	Before tax \$'000	Tax charge \$'000	After tax \$'000	Before tax \$'000	Tax charge \$'000	After tax \$'000
Group						
Revaluation adjustment on leasehold building	<u>440</u>	<u>(75)</u>	<u>365</u>	<u>428</u>	<u>(73)</u>	<u>355</u>

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2025 and 2024 is as follows:

	Group	
	2025 %	2024 %
Tax at the domestic rates applicable to profits in the countries where the Group operates	14.0	16.5
Adjustments:		
Non-deductible expenses	7.7	8.0
Income not subject to taxation	(2.2)	(7.0)
Benefits from previously unrecognised deferred tax assets	(8.5)	(6.0)
Deferred tax assets not recognised	9.2	21.8
Effect of partial tax exemption	(0.8)	(0.6)
(Over)/under provision in respect of previous years	(4.1)	1.4
Share of results of associates	(1.1)	(8.6)
Withholding tax on dividend income	2.2	4.0
Others	–	(0.1)
	<u>16.4</u>	<u>29.4</u>

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

32. INCOME TAX EXPENSE (CONTINUED)

The corporate tax rates applicable to companies incorporated in Singapore and foreign subsidiaries of the Group are 17% (2024: 17%) and from 22% to 25% (2024: 22% to 25%) respectively for the year of assessment 2026 onwards.

33. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit 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 year.

As at 31 December 2025 and 2024, diluted earnings per share is similar to basic earnings per share as there were no potential dilutive ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the financial year ended 31 December:

	Group	
	2025 \$'000	2024 \$'000
Profit net of tax attributable to owners of the Company used in the computation of earnings per share	<u>3,192</u>	<u>3,886</u>
	2025 No. of shares '000	2024 No. of shares '000
Weighted average number of ordinary shares on issue (excluding treasury shares) for earnings per share computation	<u>140,667</u>	<u>140,667</u>
	2025 Cents	2024 Cents
Basic and diluted earnings per share	<u>2.27</u>	<u>2.76</u>

34. CASH AND CASH EQUIVALENTS

The Group's cash and bank balances and fixed and bank deposits earn interest at floating rates based on daily bank deposit rates. The Group's fixed deposits are placed with banks and mature within 3 months (2024: 2 months) from the reporting date and earn interest at the respective short-term deposit rates.

For the purpose of the consolidated statement of cash flows, the Group's cash and cash equivalents comprise the following at the end of the financial year.

	Group	
	2025 \$'000	2024 \$'000
Fixed and bank deposits	<u>21,248</u>	7,210
Cash and bank balances	<u>23,936</u>	7,521
Less: Bank balances and deposits pledged	<u>(7,776)</u>	(7,026)
Cash and cash equivalents	<u>37,408</u>	<u>7,705</u>

The Group's bank balances and deposits are pledged for banking facilities granted to a subsidiary (Notes 21 and 22).

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35. DIVIDENDS

**Group and
Company
2025
\$'000**

Dividends paid

Final tax exempt dividend of \$0.005 per share paid in respect of the previous financial year ended 31 December 2024

703

The directors have proposed a final tax exempt dividend for the financial year ended 31 December 2025 of \$0.005 per share (2024: \$0.005 per share) and a special tax exempt dividend of \$0.005 per share (2024: \$Nil) of approximately \$1,407,000 (2024: \$703,000). These financial statements do not reflect these dividends payable, which if approved at the Annual General Meeting of the Company, will be accounted for in the shareholders' equity as an appropriation of accumulated profits in the financial year ending 31 December 2026.

36. COMMITMENTS AND CONTINGENCIES

Contingent liabilities

Guarantees

The Company has provided corporate guarantees of \$23.9 million (2024: \$10.7 million) to financial institutions in relation to certain subsidiaries' bank facilities.

Claim from customer

During the financial year ended 31 December 2025, a customer filed a claim against a subsidiary of the Group ("the subsidiary") for alleged damage to the customer's equipment arising from services provided by the subsidiary. While the Court found that the subsidiary was responsible for the accident (i.e. causing an accidental discharge of aerosol while carrying out a test from a fire suppression system), the issue of whether the accident caused the alleged damage to the customer's equipment has not been determined. The issues of causation and the quantification of alleged damages, if any, will only be determined at a subsequent assessment of damages ("AD") hearing.

The subsidiary filed a Notice of Appeal on 26 January 2026 against the Court's finding of responsibility. The appeal hearing is expected to take place between May and July 2026.

If the appeal is successful, the customer's claim will be dismissed in its entirety and no AD hearing will be required.

If the appeal is unsuccessful, the subsidiary will proceed to the AD hearing, at which the State Court will determine:

- (i) whether the accident caused the alleged damage to the customer's equipment, and
- (ii) the amount of any compensation payable by the subsidiary, if any.

As at 31 December 2025, the subsidiary is pending the outcome of the appeal. Given the pending outcome of the appeal and, if required, subsequent AD proceedings, no provision is recognised in the financial statements of the Group and of the subsidiary as the Group is currently unable to determine the likelihood or amount of potential financial outflow, if any, arising from this matter.

NOTES TO THE FINANCIAL STATEMENTS

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37. FAIR VALUE OF ASSETS AND LIABILITIES

A) 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)

B) Assets and liabilities measured at fair value

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2025				
<u>Group</u>				
Recurring fair value measurements				
<u>Non-financial assets</u>				
Property, plant and equipment				
– Leasehold building	–	–	9,200	9,200
<u>Financial assets at FVOCI</u>				
Quoted equity shares	8,763	–	–	8,763
Unquoted equity shares	–	1,348	–	1,348
	<u>8,763</u>	<u>1,348</u>	<u>–</u>	<u>10,111</u>
Non-recurring fair value measurements				
<u>Assets of disposal group classified as held for sale</u>				
Investment in associate – PTG ⁽¹⁾	4,864	–	–	4,864
<u>Company</u>				
Recurring fair value measurements				
<u>Financial assets at FVOCI</u>				
Quoted equity shares	8,763	–	–	8,763
Unquoted equity shares	–	1,348	–	1,348
	<u>8,763</u>	<u>1,348</u>	<u>–</u>	<u>10,111</u>

Note:

- (1) In accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the assets of disposal group classified as held-for-sale were written down to their fair value less costs to sell of \$4,864,000. This is a non-recurring fair value measurement, which was derived from the fair value of the quoted equity shares to be received, together with the cash consideration, adjusted for estimated costs to sell, and after settlement of the amounts due from PTG to the Group.

NOTES TO THE FINANCIAL STATEMENTS

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37. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

B) Assets and liabilities measured at fair value (Continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2024				
<i>Group</i>				
Recurring fair value measurements				
Non-financial assets				
Property, plant and equipment				
– Leasehold building	–	–	9,200	9,200
Financial assets at FVOCI				
Quoted equity shares	5,830	–	–	5,830
<i>Company</i>				
Recurring fair value measurements				
Financial assets at FVOCI				
Quoted equity shares	5,830	–	–	5,830

Level 3 fair value measurements

Non-financial assets – Property, plant and equipment

The following table shows the significant unobservable inputs used in the valuation model:

Description	Fair value \$'000	Valuation technique	Significant unobservable input	Range
2025				
Leasehold building	9,200	Direct comparison method	Price per square foot⁽¹⁾	\$109 – \$245
2024				
Leasehold building	9,200	Direct comparison method	Price per square foot ⁽¹⁾	\$144 – \$187

Note:

(1) Any significant isolated increases (decreases) in the inputs would result in a significantly higher (lower) fair value measurement.

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37. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

C) *Movements in Level 3 assets and liabilities measured at fair value*

The following table shows a reconciliation from the beginning balances to the ending balances for Level 3 fair value measurements:

	Group	
	2025 Leasehold building \$'000	2024 Leasehold building \$'000
At beginning of financial year	9,200	9,100
Additions	46	129
Surplus recognised in other comprehensive income	440	428
Depreciation charge	(486)	(457)
At end of financial year	9,200	9,200
Total gains for the financial year included:		
Other comprehensive income for the year, net of tax:		
Revaluation adjustment on leasehold building	365	355

D) *Valuation process applied by the Group*

For all significant financial reporting valuations using valuation models and significant unobservable input, it is the Group's policy to engage external valuation experts to perform the valuation. The management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 *fair value measurement* guidance.

For valuation performed by external valuation experts, management reviews the appropriateness of the valuation methodologies and assumptions adopted, including the appropriateness and reliability of the inputs used in the valuations.

E) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

The carrying amounts of financial assets and liabilities including current trade and other receivables and payables, deposits, cash and cash equivalents, amounts due to banks, term loans, lease liabilities, amounts due from/to subsidiaries, associates, related parties and other receivables (non-current) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the end of the financial year.

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks comprise credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures these risks.

(a) **Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables, amounts due from subsidiaries and associates. For other financial assets (including fixed and bank deposits and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis to reduce the Group's exposure to bad debt. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the directors. Trade receivables are arranged to be settled via letters of credits issued by reputable banks in countries where the customers are based for first-time customers who wish to trade on credit terms in order to mitigate heightened credit risks arising from revenue growth strategies.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts.	12-month ECL
Contractual payments that are more than 60 days past due or where there has been significant increase in credit risk since initial recognition. The presumption of significant increase in credit risk after 30 days past due is not suitable for application in the industries that the Group operates in.	Lifetime ECL – not-credit-impaired
Contractual payments that are more than 120 days past due and there is evidence of credit impairment.	Lifetime ECL – credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.	Write-off

NOTES TO THE FINANCIAL STATEMENTS

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) *Credit risk (Continued)*

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in the value of the security or collateral provided by the debtor; and
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 60 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet the following criteria are generally not recoverable.

- Information developed internally or obtained from external sources indicates that the debtor (without collaterals held by the Group) is in significant financial difficulty such that it will have insufficient liquid assets to pay its creditors, including the Group, in full, including:
 - Failure of projects carried out by the debtor, in which the Group is acting as the supplier for the debtor under the project; and
 - Loss of sole or primary source of recurring income by the debtor.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) **Credit risk (Continued)**

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the statements of financial position; and
- a nominal amount of \$23.9 million (2024: \$10.7 million) relating to corporate guarantees provided by the Company to financial institutions in relation to certain subsidiaries' bank facilities.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables⁽¹⁾ from third parties and associates at the end of the financial year is as follows:

	Group			
	2025		2024	
	\$'000	% of total	\$'000	% of total
By country:				
Indonesia	16,122	34.4	17,650	60.9
People's Republic of China	39	0.1	68	0.2
Singapore	6,359	13.6	2,254	7.8
Thailand	7,694	16.4	8,482	29.2
Vietnam	16,314	34.9	130	0.5
Others	291	0.6	417	1.4
	46,819	100.0	29,001	100.0
By industry sectors:				
Energy, Oil and Gas	44,135	94.3	25,978	89.6
Infrastructure	–	–	313	1.1
Others	2,684	5.7	2,710	9.3
	46,819	100.0	29,001	100.0

Note:

- (1) Included in the Group's trade receivables of \$46,819,000 (2024: \$29,001,000) are amounts due from third parties of \$31,708,000 (2024: \$13,011,000) (Note 14) and amounts due from associates of \$15,111,000 (Note 17(b)) (2024: \$15,990,000) (Note 11).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) **Credit risk (Continued)**

Credit risk concentration profile (Continued)

At the end of the financial year, approximately:

- 81.6% (2024: 89.5%) of the Group's trade receivables are due from 5 major customers who are from the energy, oil and gas industry located in the Asia Pacific region, of which 32.3% (2024: 55.1%) are due from the Group's largest customer;
- 34.0% (2024: 53.9%) of the Group's trade and other receivables are due from related parties while 99.8% (2024: 74.3%) of the Company's other receivables are due from related parties.

Trade receivables

The Group has applied the simplified approach to measure the lifetime expected credit loss allowance for trade receivables. Trade receivables that shared the same credit risk characteristics and days past due are grouped together in measuring the expected credit losses. The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience, adjusted as appropriate to reflect current conditions and forecasts of future economic conditions on the ability of the customers to settle the receivables.

There have been no changes in the estimation techniques or significant assumptions made during the current financial year.

The Group recognised a loss allowance of 100% against trade receivables that are regarded as credit impaired where one or more credit impairment events have occurred.

A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (Continued)

Trade receivables (Continued)

The Group's credit risk exposure in relation to trade receivables from third parties, except for trade amounts due from the Group's associate (or PTG), under SFRS(I) 9 *Financial Instruments* as at 31 December 2025 and 31 December 2024 are set out in the provision matrix below:

	Weighted average loss rate %	Gross carrying amount \$'000	Credit loss allowance \$'000	Net carrying amount \$'000
Group				
2025				
Current (not past due)	–	15,129	–	15,129
1 – 120 days past due	–	11,027	–	11,027
More than 120 days past due	4.0	5,784	(232)	5,552
		<u>31,940</u>	<u>(232)</u>	<u>31,708</u>
2024				
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
		<u>21,315</u>	<u>(8,304)</u>	<u>13,011</u>

The Group segregates trade amounts due from the Group's associate (or PTG), because PTG's credit risk profile differs from that of other debtors. The management considers the need for any loss allowance on these balances by monitoring the associate's financial position and performance on a periodic basis to manage the Group's exposure.

Management has further assessed that the expected credit loss from trade amounts due from PTG, is minimal as at 31 December 2025. Pak Yafin has remitted to the Company US\$10,500,000 (or \$13,611,000) as an advance consideration for disposal of PTG, which will be utilised to partially settle the amounts due from PTG to the Group at completion of disposal. The remaining outstanding amount is to be settled via the transfer of the SK Shares by Pak Yafin to the Company at completion of disposal.

NOTES TO THE FINANCIAL STATEMENTS

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (Continued)

Credit quality of financial assets

The table below details the credit quality of the Group's financial assets (other than trade receivables) as at 31 December 2025 and 31 December 2024:

Group	12-month or lifetime ECL	Gross carrying amount \$'000	Credit loss allowance \$'000	Net carrying amount \$'000
2025				
Other receivables*	Lifetime	1,066	(52)	1,014
Deposits	Not applicable (Exposure limited)	15	–	15
Amounts due from associates	Lifetime	1,977	(39)	1,938
Fixed and bank deposits	Not applicable (Exposure limited)	21,248	–	21,248
Cash and bank balances	Not applicable (Exposure limited)	23,936	–	23,936
2024				
Other receivables*	Lifetime	4,124	(2,299)	1,825
Deposits	Not applicable (Exposure limited)	16	–	16
Amounts due from associates	Lifetime	2,095	(42)	2,053
Fixed and bank deposits	Not applicable (Exposure limited)	7,210	–	7,210
Cash and bank balances	Not applicable (Exposure limited)	7,521	–	7,521

* Other receivables exclude GST and VAT receivables

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) *Credit risk (Continued)*

Credit quality of financial assets (Continued)

The table below details the credit quality of the Company's financial assets as at 31 December 2025 and 31 December 2024:

Company	12-month or lifetime ECL	Gross carrying amount \$'000	Credit loss allowance \$'000	Net carrying amount \$'000
2025				
Loans to subsidiaries	Lifetime	89,721	(89,500)	221
Other receivables	Lifetime	11	–	11
Amounts due from subsidiaries	12-month	5,330	–	5,330
	Lifetime	962	(962)	–
Amounts due from associates	Lifetime	209	(39)	170
Fixed and bank deposits	Not applicable (Exposure limited)	13,498	–	13,498
Cash and bank balances	Not applicable (Exposure limited)	1,146	–	1,146
2024				
Loans to subsidiaries	Lifetime	91,612	(88,901)	2,711
Other receivables	Lifetime	1,144	(244)	900
Amounts due from subsidiaries	12-month	2,418	–	2,418
	Lifetime	970	(970)	–
Amounts due from associates	Lifetime	222	(42)	180
Cash and bank balances	Not applicable (Exposure limited)	2,507	–	2,507

The credit loss exposure for deposits, fixed and bank deposits, cash and bank balances, are immaterial as at 31 December 2025 and 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) *Credit risk (Continued)*

Loans to subsidiaries and amounts due from subsidiaries

For the loans to subsidiaries and amounts due from subsidiaries where impairment loss allowance is measured using lifetime ECL, the Company assessed the latest performance and financial position of the respective counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using lifetime ECL.

Movements in credit loss allowance

There are no movements in the impairment loss allowance of financial assets under SFRS(I) 9 *Financial Instruments* during the current financial year except for the following:

	Trade receivables \$'000	Other receivables \$'000	Amounts due from associates \$'000
Group			
At 1 January 2024	7,365	2,102	40
Loss allowance measured/(reversed):			
Lifetime ECL			
– Simplified approach	1,337	–	–
Written back	(296)	–	–
Receivables written off as uncollectable	(95)	–	–
Transfer	–	244	–
Exchange differences	(7)	(47)	2
	8,304	2,299	42
At 31 December 2024 and 1 January 2025			
Loss allowance measured/(reversed):			
Lifetime ECL			
– Simplified approach	76	–	–
Written back	(74)	–	–
Receivables written off as uncollectable	(7,623)	(2,112)	–
Exchange differences	(451)	(135)	(3)
At 31 December 2025	232	52	39

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31 DECEMBER 2025

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) *Credit risk (Continued)*

Movements in credit loss allowance (Continued)

	Loans to subsidiaries \$'000	Other receivables \$'000	Amounts due from subsidiaries \$'000	Amounts due from associates \$'000
Company				
At 1 January 2024	87,892	–	1,387	40
Loss allowance measured/(reversed):				
Lifetime ECL				
– Credit impaired	–	–	49	–
Receivables written off as uncollectable	–	–	(241)	–
Transfer	–	244	(244)	–
Exchange differences	1,009	–	19	2
At 31 December 2024 and 1 January 2025	88,901	244	970	42
Loss allowance measured/(reversed):				
Lifetime ECL				
– Credit impaired	2,356	–	–	–
Receivables written off as uncollectable	–	(244)	–	–
Exchange differences	(1,757)	–	(8)	(3)
At 31 December 2025	89,500	–	962	39

Financial guarantee

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9 *Financial Instruments*. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations and does not expect significant credit losses arising from these guarantees.

(b) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is that the maturity of loans and borrowings would match that of the estimated future cash flows of the projects and trading activities. The Group maintains sufficient liquid financial assets and stand-by credit facilities with a financial institution. At the end of the financial year, 100% (2024: 100%) of the Group's loans and borrowings (Notes 21 and 22) will mature in less than one year based on the carrying amount reflected in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) *Liquidity risk (Continued)*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the financial year based on contractual undiscounted repayment obligations:

	2025			Total \$'000	2024			Total \$'000
	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000		1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	
Group								
Financial liabilities:								
Trade and other payables	31,957	–	–	31,957	9,585	–	–	9,585
Amount due to a related party	39	–	–	39	–	–	–	–
Loans and borrowings	10,413	–	–	10,413	7,526	–	–	7,526
Lease liabilities	298	1,101	2,316	3,715	297	1,146	2,525	3,968
Total undiscounted financial liabilities	<u>42,707</u>	<u>1,101</u>	<u>2,316</u>	<u>46,124</u>	<u>17,408</u>	<u>1,146</u>	<u>2,525</u>	<u>21,079</u>
Company								
Financial liabilities:								
Other payables	825	–	–	825	440	–	–	440
Amounts due to subsidiaries	–	–	–	–	–	–	2,005	2,005
Total undiscounted financial liabilities	<u>825</u>	<u>–</u>	<u>–</u>	<u>825</u>	<u>440</u>	<u>–</u>	<u>2,005</u>	<u>2,445</u>

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts is allocated to the earliest period in which the guarantee could be called.

	2025			Total \$'000	2024			Total \$'000
	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000		1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	
Company								
Financial guarantees ⁽¹⁾	<u>23,917</u>	<u>–</u>	<u>–</u>	<u>23,917</u>	<u>10,735</u>	<u>–</u>	<u>–</u>	<u>10,735</u>

Note:

- (1) At each reporting period, the maximum exposure of the Company in respect of the intra-group financial guarantee based on facilities drawdown by the subsidiaries is \$23,917,000 (2024: \$10,735,000). The Company does not consider it probable that a claim will be made against the Company under the intra-group financial guarantee.

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings.

At the end of the financial year, Nil% (2024: 6%) of the Group's borrowings are at fixed rates of interest.

Sensitivity analysis for interest rate risk

The sensitivity analysis for interest rate is not disclosed as the effect on the income statement is considered not significant.

(d) **Foreign currency risk**

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily SGD, United States Dollar ("USD") and British Pound ("GBP"). The foreign currencies in which these transactions are denominated are mainly USD and SGD.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the financial year, such foreign currency balances are mainly in USD for the Group and the Company.

The Group does not use derivative financial instruments to protect against the volatility associated with its foreign currency investments. The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including United Kingdom and Indonesia. The Group's investment in its Singapore incorporated subsidiaries are hedged by USD denominated bank borrowings, which mitigates structural currency in exposures arising from the subsidiaries' net assets. The Group's net investments in subsidiaries in USD, GBP and IDR functional currency are not hedged as these currencies positions are considered to be long-term in nature.

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) *Foreign currency risk (Continued)*

The Group's and the Company's major foreign currency exposure against the respective functional currencies of the Group and the Company entities based on the information provided by management is as follows:

	Denominated in USD	
	2025	2024
	\$'000	\$'000
Group		
<u>Financial assets</u>		
– Trade receivables	26,979	10,007
– Other receivables	476	687
– Amounts due from associates	17,049	16,170
– Fixed deposits	13,498	–
– Cash and bank balances	21,615	3,832
	79,617	30,696
<u>Financial liabilities</u>		
– Trade payables	21,090	4,086
– Amounts due to banks	9,795	6,546
	30,885	10,632
Currency exposure on net financial assets	48,732	20,064
Company		
<u>Financial assets</u>		
– Other receivables	11	–
– Amounts due from associates	170	144
– Loans to subsidiaries	221	2,711
– Fixed deposits	13,498	–
– Cash and bank balances	19	1,482
	13,919	4,337
<u>Financial liabilities</u>		
– Amounts due to subsidiaries	–	2,005
	–	2,005
Currency exposure on net financial assets	13,919	2,332

NOTES TO THE FINANCIAL STATEMENTS

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38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) *Foreign currency risk (Continued)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of a reasonably possible change in the USD exchange rates (against SGD), with all other variables held constant, of the Group's and the Company's profit before tax:

	Increase/ (decrease) profit before tax 2025 \$'000	Increase/ (decrease) profit before tax 2024 \$'000
Group		
USD – strengthened 5.0% (2024: 5.0%)	2,437	1,003
– weakened 5.0% (2024: 5.0%)	(2,437)	(1,003)
	Increase/ (decrease) profit before tax 2025 \$'000	Increase/ (decrease) profit before tax 2024 \$'000
Company		
USD – strengthened 5.0% (2024: 5.0%)	696	117
– weakened 5.0% (2024: 5.0%)	(696)	(117)

39. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 2024.

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39. CAPITAL MANAGEMENT (CONTINUED)

The Group monitors capital using a gearing ratio, which is total debt divided by equity. The Group's policy is to ensure that the gearing ratio does not exceed 2.0. The Group's total debt includes the total of current liabilities and non-current liabilities, excluding contract liabilities, advance consideration received in relation to disposal of PTG, provision for taxation and deferred tax liabilities. Equity includes the amount attributable to the owners of the Company.

	Group	
	2025 \$'000	2024 \$'000
Current liabilities	58,445	18,527
Non-current liabilities	3,616	3,887
Total liabilities	62,061	22,414
Less:		
Contract liabilities	(1,290)	(437)
Advance consideration received in relation to disposal of PTG	(13,498)	–
Provision for taxation	(841)	(616)
Deferred taxation	(1,243)	(1,260)
Total debt	45,189	20,101
Equity attributable to the owners of the Company	72,571	68,049
Gearing ratio	0.62	0.30

40. CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below are the carrying amounts of the Group's and the Company's financial assets and financial liabilities that are carried on the statements of financial position:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets				
At FVOCI (Note 9)	10,111	5,830	10,111	5,830
At amortised cost	94,970	47,626	20,376	8,716
	105,081	53,456	30,487	14,546
Financial liabilities				
At amortised cost	44,826	19,654	825	2,445

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31 DECEMBER 2025

41. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as stated below.

- 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. In 2024, Others segment included:
 - (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, South Korea and 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 statements of financial position.

Information about major customers

During the current financial year, there were 4 customers (2024: 2 customers) which contributed at least 10% of the Group's revenue at \$97,581,000 (2024: \$24,333,000). The revenue was attributable to the Trading and Marine Logistics segment.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

41. SEGMENT INFORMATION (CONTINUED)

Business segments

	Trading		Manufacturing/ Design/Research and Development		Marine Logistics		Corporate/Others		Eliminations		Group	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue:												
External customers	109,158	41,663	1,334	2,320	17,842	-	-	277	-	-	128,334	44,260
Intersegment sales	367	42	462	733	-	-	3,240	2,970	(4,069)	(3,745)	-	-
Total revenue	109,525	41,705	1,796	3,053	17,842	-	3,240	3,247	(4,069)	(3,745)	128,334	44,260
Result:	4,439	1,045	(447)	247	269	2,406	3,049	3,003	314	(198)	7,624	6,503
Depreciation and amortisation	(967)	(906)	(117)	(111)	-	-	(3)	(3)	-	-	(1,087)	(1,020)
Other non-cash income/(expenses)	(63)	(1,259)	62	(91)	(2,575)	626	-	-	2,575	(626)	(1)	(1,350)
Net impairment loss on financial assets	(2)	(1,041)	-	-	-	-	-	-	-	-	(2)	(1,041)
Finance costs	(676)	(536)	(17)	(35)	-	-	-	(1)	-	-	(693)	(572)
Interest income	-	-	-	-	-	-	-	-	-	-	223	261
Share of results of associates	-	-	-	-	-	-	-	-	-	-	288	2,848
Impairment loss on asset classified as held for sale	-	-	-	-	-	-	-	-	-	-	(1,837)	-
Profit before tax	-	-	-	-	-	-	-	-	-	-	4,515	5,629
Income tax expense	-	-	-	-	-	-	-	-	-	-	(741)	(1,656)
Profit net of tax	-	-	-	-	-	-	-	-	-	-	3,774	3,973
Assets:	101,021	71,118	1,560	1,998	1,492	164	83,967	68,025	(60,544)	(61,436)	127,496	79,869
Investment in associates	-	-	-	-	-	2,482 ⁽¹⁾	7,088 ⁽²⁾	6,945	-	-	7,088	9,427
Unallocated assets ⁽³⁾	-	-	-	-	-	-	-	-	-	-	10	34
Total assets	(57,084)	(29,701)	(6,098)	(5,965)	(83,031)	(83,755)	(26,060)	(17,638)	112,296	116,521	134,594	89,330
Liabilities:												
Unallocated liabilities ⁽³⁾											(59,977)	(20,538)
Total liabilities											(2,084)	(1,876)
											(62,061)	(22,414)
Other segment information:												
Additions to non-current assets	103	147	9	38	-	-	8	-	-	-	120	185
- Property, plant and equipment	47	201	-	351	-	-	-	-	-	-	47	552
- Right-of-use assets												

Notes:

- (1) The Group's investment in associates relating to PT Eastern Jason is allocated into the Marine Logistics segment based to the nature of its operations as described in Note 7 and based on the segment of its holding company.
- (2) Included in the amount is "Investment in associate – PTG" of \$4,864,000 which is classified under "Assets of disposal group classified as held for sale" (Note 17).
- (3) Unallocated assets and liabilities consist of deferred tax assets, deferred tax liabilities (Note 12) and provision for tax.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

41. SEGMENT INFORMATION (CONTINUED)

Business segments (Continued)

Notes:

- A Inter-segment revenue are eliminated on consolidation.
B The following items are deducted from segment profit to arrive at the segment results:

	2025 \$'000	2024 \$'000
Interest income from inter-segments	2	7
Interest expense from inter-segments	(2)	(7)
(Loss)/profit from inter-segments operation	(1,574)	3,744
Exchange differences on quasi-equity loans	6,420	(2,258)
Dividend from subsidiaries and associates	(4,532)	(1,684)
	314	(198)

- C Other non-cash income/(expense) consist of writeback of allowance/(allowance) for slow moving inventories, inventories written off and bad debts recovered as presented in the respective notes to the financial statements.
D Net impairment loss on financial assets consist of impairment loss on trade receivables and writeback of impairment loss on trade receivables, as presented in the respective notes to the financial statements.
E The elimination refers to inter-segment assets.
F The elimination refers to inter-segment liabilities.

Geographical segments

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

	Revenue		Non-current assets	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Indonesia	2,046	3,529	69	7,392
Japan	–	–	2,224	2,190
People's Republic of China	893	1,061	–	–
Singapore	13,732	8,466	11,306	11,617
Thailand	27,108	21,431	–	–
United Kingdom	55	185	438	540
Vietnam	78,852	4,815	–	–
Others	5,648	4,773	–	–
	128,334	44,260	14,037	21,739

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

42. RELATED PARTY TRANSACTIONS

(a) *Other related party transactions*

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

	Group	
	2025 \$'000	2024 \$'000
Dividend income from associate	32	804
Purchases of goods and services from associate	–	(119)
Sales of goods and services to associate	–	200
Depreciation of right-of-use assets attributable to associate	(60)	(16)
Rental and related expenses paid to associate	(2)	(50)
Rental paid to a director of certain subsidiaries	–	(3)
Secretarial and professional fee paid to director-related firms ⁽¹⁾	(4)	(8)
Payment on behalf of associate	–	(11)
Advances from/(repayments of amount due to) a director of certain subsidiaries	40	(189)
Settlement from associate for payment made on behalf	1	–

Note:

(1) During the current financial year, 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 current financial year (2024: \$Nil).

(b) *Compensation of key management personnel (“KMP”)*

	Group	
	2025 \$'000	2024 \$'000
Directors' fees	172	180
Short-term employee benefits	2,485	2,086
Defined contributions	83	85
Other short-term benefits	83	67
Total compensation paid to KMP	<u>2,823</u>	<u>2,418</u>
Comprise of amounts paid to:		
Directors of the Company	1,511	1,292
Other KMP	1,312	1,126
	<u>2,823</u>	<u>2,418</u>

43. AUTHORISATION OF FINANCIAL STATEMENT FOR ISSUE

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 31 March 2026.

STATISTICS OF SHAREHOLDINGS

AS AT 25 MARCH 2026

Class of shares	:	Ordinary shares
Total number of shares (including treasury shares)	:	140,767,484 ordinary shares
Total number of shares (excluding treasury shares)	:	140,667,484 ordinary shares
Number and percentage of treasury shares held	:	100,000 (0.07%)
Number of subsidiary holdings held	:	Nil
Voting rights (excluding treasury shares)	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 – 99	206	6.14	3,695	0.00
100 – 1,000	645	19.24	342,375	0.24
1,001 – 10,000	1,672	49.87	7,435,259	5.29
10,001 – 1,000,000	818	24.39	43,682,845	31.05
1,000,001 and above	12	0.36	89,203,310	63.42
	<u>3,353</u>	<u>100.00</u>	<u>140,667,484</u>	<u>100.00</u>

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	Koh Kian Kiong	29,004,000	20.62
2.	DBS Nominees Pte Ltd	22,130,349	15.73
3.	Citibank Nominees Singapore Pte Ltd	16,431,916	11.68
4.	KGI Securities (Singapore) Pte. Ltd	7,578,800	5.39
5.	Gu Jian Lin	3,812,200	2.71
6.	Koh May Ling Judy (Xu Meiling Judy)	2,280,000	1.62
7.	Phillip Securities Pte Ltd	1,656,935	1.18
8.	UOB Kay Hian Pte Ltd	1,520,340	1.08
9.	Koh Tin Yock	1,450,300	1.03
10.	Koh Yan Yock	1,215,400	0.86
11.	Karuppiah Palaniappan	1,090,700	0.78
12.	United Overseas Bank Nominees Pte Ltd	1,032,370	0.73
13.	Raffles Nominees (Pte) Limited	849,254	0.60
14.	Tang Joo Kok	787,700	0.56
15.	Chan Tat Soon	780,000	0.55
16.	OCBC Securities Private Ltd	761,086	0.54
17.	Phang Yeh Fenn	754,300	0.54
18.	Tan Heng Ching	705,000	0.50
19.	Koh Maggie	695,300	0.49
20.	Eng Koon Hock	679,200	0.48
	Total	<u>95,215,150</u>	<u>67.67</u>

STATISTICS OF SHAREHOLDINGS

AS AT 25 MARCH 2026

SHAREHOLDING OF THE SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 25 March 2026)

	<u>Direct Interest</u>	<u>%</u>	<u>Deemed Interest</u>	<u>%</u>
Koh Kian Kiong	29,004,000	20.62	–	–
Yafin Tandiono Tan ⁽ⁱ⁾	18,359,874	13.05	–	–
Fame Asia Limited ⁽ⁱⁱ⁾	16,055,989	11.41	–	–
Leung Kwok Hung, Jonathan ⁽ⁱⁱⁱ⁾	–	–	16,055,989	11.41

Notes:

(i) Mr Yafin Tandiono Tan has 18,359,874 ordinary shares held under the name of DBS Nominees Pte Ltd.

(ii) Fame Asia Limited has 16,055,989 ordinary shares held under the name of Citibank Nominees Singapore Pte Ltd.

(iii) Mr Leung Kwok Hung, Jonathan has a deemed interest in 16,055,989 ordinary shares held by Fame Asia Limited.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on information available to the Company as at 25 March 2026, there were approximately 50.76% of the Company's total number of issued ordinary shares (excluding preference shares, convertible equity securities and treasury shares) held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of FEDERAL INTERNATIONAL (2000) LTD (the “**Company**”) will be held on Thursday, 30 April 2026 at 10:00 a.m. at 12 Chin Bee Drive, Singapore 619868 for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2025 (“**FY2025**”) together with the Auditor’s Report thereon. **(Resolution 1)**
2. To declare a Tax Exempt (One-Tier) first and final dividend of S\$0.005 per ordinary share for FY2025. (FY2024: Tax Exempt (One-Tier) first and final dividend of S\$0.005 per ordinary share) **(Resolution 2)**
3. To declare a Tax Exempt (One-Tier) special dividend of S\$0.005 per ordinary share for FY2025. **(Resolution 3)**
4. (a) To re-elect Mr Koh Kian Kiong, a Director of the Company retiring pursuant to Regulation 96 of the Constitution of the Company. **(Resolution 4)**
(b) To re-elect Mr Heng Yeow Teck, Malcolm, a Director of the Company retiring pursuant to Regulation 96 of the Constitution of the Company. [See Explanatory Note (i)] **(Resolution 5)**
(c) To re-elect Mr Tng Soon Chye, a Director of the Company retiring pursuant to Regulation 102 of the Constitution of the Company. [See Explanatory Note (ii)] **(Resolution 6)**
5. To approve the Directors’ fees of S\$185,000 to Non-Executive and Independent Directors of the Company for the financial year ending 31 December 2026, to be paid quarterly in arrears (FY2025: S\$180,000). **(Resolution 7)**
6. To re-appoint Baker Tilly TFW LLP as the Auditor of the Company and to authorise the Directors of the Company to fix its remuneration. **(Resolution 8)**
7. To transact any other ordinary business which may be properly transacted at the Annual General Meeting of the Company.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as Ordinary Resolution, with or without any modifications:

8. Authority to issue shares

That pursuant to Section 161 of the Companies Act 1967 (“**Companies Act**”) and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (iii)] **(Resolution 9)**

By Order of the Board
Sam Kwai Hoong
Noraini Binte Noor Mohamed Abdul Latiff

Company Secretaries
Singapore, 14 April 2026

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Mr Heng Yeow Teck, Malcolm will, upon re-election as a Director of the Company, remain as the Lead Independent Director, the Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee of the Company. Mr Heng Yeow Teck, Malcolm will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.
- (ii) Mr Tng Soon Chye will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr Tng Soon Chye will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.
- (iii) Resolution 9, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding the aggregate 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) may be issued other than on a pro-rata basis to shareholders of the Company, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when Resolution 9 is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

The AGM will be held physically and members are invited to attend the AGM physically ("Physical AGM"). There will be no option for members to participate the Physical AGM virtually.

1. Access to Documents or Information Relating to the AGM

Printed copies of the Annual Report FY2025 will not be sent to members. The following documents may be accessed at the SGX website: <https://www.sgx.com/securities/company-announcements> and the Company's website: <https://federal-int.com.sg>:-

- (a) Annual Report FY2025
- (b) Notice of AGM
- (c) Proxy Form; and
- (d) Request Form for printed copy of Annual Report FY2025

2. Submission of Proxy Form to Vote

A member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than 2 proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

A member who is not a relevant intermediary (as defined in section 181 of the Singapore Companies Act 1967) is entitled to appoint not more than 2 proxies and where 2 proxies are appointed, shall specify the proportion of shareholding to be represented by each proxy.

A member who is a relevant intermediary is entitled to appoint more than 2 proxies and where such member's proxy form appoints more than 1 proxy, the number of and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Each proxy must be appointed to exercise the rights attached to the different share or shares held by such member.

In any case where more than 1 proxy is appointed, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.

Investors holding shares under the Central Provident Fund Investment Schemes ("CPF Investors") and/or Supplementary Retirement Scheme ("SRS Investors") should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM (**no later than 10.00 a.m. on 21 April 2026**). CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

The instrument appointing a proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, must be submitted in the following manner:

- (a) if submitted by post, be deposited to the registered office of the Company at 12 Chin Bee Drive, Singapore 619868; or
- (b) if submitted by email, be sent to Fshareholders_queries@federal-int.com.sg using a clear scanned signed form in PDF,

in each case, **no later than 10.00 a.m. on 27 April 2026** being not less than 72 hours before the time appointed for the holding of the AGM.

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register (as defined in Section 81F of the SFA), the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the AGM (**no later than 10.00 a.m. on 27 April 2026**), as certified by The Central Depository (Pte) Limited to the Company.

NOTICE OF ANNUAL GENERAL MEETING

A corporation which is a member of the Company may authorise by resolutions of its directors or other governing body, such person as it thinks fit to act as its representative at the meeting.

The instrument appointing a proxy must be signed by the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy, failing which the instrument may be treated as invalid.

3. Submission of Questions in Advance

Members may submit their questions in relation to the business of the AGM by email to Fishareholders_queries@federal-int.com.sg. All questions must be submitted at least 7 calendar days from the date of this Notice of AGM, **no later than 10.00 a.m. on 22 April 2026 ("Cut-Off Time")**. After the Cut-Off Time, if there are subsequent clarifications or follow-up on the questions submitted, these will be addressed at the Physical AGM.

The Company will endeavor to address questions which are substantial and relevant and received from members who are verifiable against the Depository Register or the Register of Members.

Verified members and Proxy(ies) attending the Physical AGM will be able to ask questions in person at the AGM venue. The Company will, within 30 days after the date of the AGM, publish the minutes of the AGM on SGXNET and the Company's website and the minutes will include the responses to the questions referred to above.

4. General

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM of the Company, as certified by The Central Depository (Pte) Limited to the Company.

Members are strongly encouraged to submit completed proxy forms electronically via email.

PERSONAL DATA PRIVACY

By attending the Physical AGM and/or any adjournment thereof and/or submitting the Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Physical AGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), and (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

AT THE AGM ON THURSDAY, 30 APRIL 2026
[PURSUANT TO SGX-ST LISTING MANUAL – RULE 720(6) AND APPENDIX 7.4.1]

Name of Director	Mr Koh Kian Kiong	Mr Heng Yeow Teck, Malcolm	Mr Tng Soon Chye
Date of Appointment	13 November 1999	17 May 2022	25 June 2025
Date of last re-appointment (if applicable)	30 April 2024	28 April 2023	N/A
Age	79	48	60
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has considered the Nominating Committee recommendation and assessments of Mr Koh's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board	The Board has considered the Nominating Committee recommendation and assessments of Mr Heng's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board.	The Board has considered the Nominating Committee recommendation and assessments of Mr Tng's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive Mr Koh is the Executive Chairman and Chief Executive Officer of the Company. He is one of the founders of the Group and has more than 50 years of experience in the oil and gas industry. Mr Koh oversees the formulation of the Group's corporate strategies and expansion plans.	Non-executive	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Committee Nominating Committee (Member)	Lead Independent Director Audit Committee (Chairman) Nominating Committee (Member) Remuneration Committee (Member)	Independent Director Nominating Committee (Chairman) Audit Committee (Member) Remuneration Committee (Member)
Professional qualifications	–	Master of Business Administration Bachelor of Commerce Institute of Singapore Chartered Accountants (Singapore) CPA Australia Chartered Institute of Management Accountants (UK) Institute of Internal Auditors Singapore Institute of Directors Singapore Chartered Tax Professionals	Bachelor of Laws (Hons) Law Society of Singapore Singapore Academy of Law Singapore Institute of Directors

SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

AT THE AGM ON THURSDAY, 30 APRIL 2026

[PURSUANT TO SGX-ST LISTING MANUAL – RULE 720(6) AND APPENDIX 7.4.1]

Name of Director	Mr Koh Kian Kiong	Mr Heng Yeow Teck, Malcolm	Mr Tng Soon Chye
Working experience and occupation(s) during the past 10 years	<p>From 1999 to present: Chairman of the Company</p> <p>From 1999 to present: Director of subsidiaries and associated companies of the Federal Group</p> <p>From 2016 to 2025: Director of Gunanusa Utama Pte Ltd</p> <p>From 2021 to 2023: President Commissioner of PT Gunanusa Utama Fabricators</p> <p>From 2023 to present: Board of Commissioner of PT Gunanusa Utama Fabricators</p>	<p>From May 2008 to present: Partner of Heng Lee Seng LLP</p> <p>From June 2025 to present: Managing Director of Malcolm Heng SG PAC</p>	More than 25 years – Managing Lawyer of Tng Soon Chye & Co
Shareholding interest in the listed issuer and its subsidiaries	Yes	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes	No	No
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments ⁽¹⁾ : Note: (1) "Principal Commitments" has the same meaning as defined in the Code.	No	<p>Partner, Heng Lee Seng LLP</p> <p>Managing Director, Malcolm Heng SG PAC</p>	Tng Soon Chye & Co
Past (for the last 5 years)	No	No	No
Present	<p>Listed companies:</p> <p>Federal International (2000) Ltd</p> <p>Other principal directorships:</p> <p>Subsidiaries and associated companies of the Federal Group</p> <p>Board of Commissioner of PT Gunanusa Utama Fabricators</p> <p>Major Appointments (other than directorships): Nil</p>	<p>Listed companies:</p> <p>Federal International (2000) Ltd</p> <p>Other principal directorships:</p> <p>Malcolm Heng SG PAC</p> <p>HLS Corporate Services Pte. Ltd.</p> <p>HLS Tax Advisory Services Pte. Ltd.</p> <p>HLS Risk Advisory Services Pte. Ltd.</p> <p>Major Appointments (other than directorships): Nil</p>	<p>Listed companies:</p> <p>Federal International (2000) Ltd</p> <p>Other principal directorships:</p> <p>Tng Soon Chye & Co</p> <p>Major Appointments (other than directorships): Nil</p>

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AT THE AGM ON THURSDAY, 30 APRIL 2026
[PURSUANT TO SGX-ST LISTING MANUAL – RULE 720(6) AND APPENDIX 7.4.1]

Name of Director	Mr Koh Kian Kiong	Mr Heng Yeow Teck, Malcolm	Mr Tng Soon Chye
<p>Information required Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</p>			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him/her?	No	No	No
(d) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such purpose?	No	No	No
(e) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such breach?	No	No	No

SUPPLEMENTAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

AT THE AGM ON THURSDAY, 30 APRIL 2026

[PURSUANT TO SGX-ST LISTING MANUAL – RULE 720(6) AND APPENDIX 7.4.1]

Name of Director	Mr Koh Kian Kiong	Mr Heng Yeow Teck, Malcolm	Mr Tng Soon Chye
(f) Whether at any time during the last 10 years, judgment has been entered against him/her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No	No	No
(g) Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No	No	No
(j) Whether he/she has ever, to his/her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No

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[PURSUANT TO SGX-ST LISTING MANUAL – RULE 720(6) AND APPENDIX 7.4.1]

Name of Director	Mr Koh Kian Kiong	Mr Heng Yeow Teck, Malcolm	Mr Tng Soon Chye
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	No	No	No
(k) Whether he/she has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

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FEDERAL INTERNATIONAL (2000) LTD

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

IMPORTANT:

This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Singapore Companies Act), including CPF/SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF/SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS investors should approach their respective CPF Agent Banks or SRS Operators at least 7 working days before the AGM to specify voting instructions.

PROXY FORM

This form of proxy has been made available on SGXNet and the Company's website and can be accessed at <https://federal-int.com.sg>.

I/We*, _____ (Name)

_____ (NRIC/Passport/Company Registration No.*)

of _____ (Address)

being a member/members* of **FEDERAL INTERNATIONAL (2000) LTD** (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

* and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her, the Chairman of the annual general meeting ("AGM") of the Company, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the AGM to be held on Thursday, 30 April 2026, at 10.00 a.m. at 12 Chin Bee Drive, Singapore 619868 and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the AGM as indicated hereunder. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matters arising at the AGM.

No.	Ordinary Resolutions relating to:	No. of Shares For**	No. of Shares Against**	No. of Shares Abstain**
1.	To receive and adopt Directors' Statement and Audited Financial Statements of the Company for financial year ended 31 December 2025 together with Auditor's Report thereon			
2.	To approve the declaration of Tax Exempt (One-Tier) first and final dividend of S\$0.005 per ordinary share			
3.	To approve the declaration of Tax Exempt (One-Tier) special dividend of S\$0.005 per ordinary share			
4.	To re-elect Mr Koh Kian Kiong as a Director of the Company			
5.	To re-elect Mr Heng Yeow Teck, Malcolm as a Director of the Company			
6.	To re-elect Mr Tng Soon Chye as a Director of the Company			
7.	To approve the Directors' fees of S\$185,000 to Non-Executive and Independent Directors of the Company for financial year ending 31 December 2026, to be paid quarterly in arrears			
8.	To re-appoint Baker Tilly TFW LLP as Auditor of the Company and to authorise the Directors to fix its remuneration			
9.	To approve the authority to issue shares			

* Delete where inapplicable

** Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate. If you tick the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this _____ day of _____ 2026

Total No. of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature of Shareholder(s)/
Common Seal of Corporate Shareholder



IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM.

Notes

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at the AGM is entitled to appoint 1 or 2 proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than 1 proxy, the member must specify the proportion of shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100% of the shareholdings of his/her appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
3. If the instrument appointing a proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he/she thinks fit. If the instrument appointing a proxy is returned without the name of the proxy indicated, the instrument appointing a proxy shall be invalid.
4. If the appointor is an individual, the instrument appointing a proxy shall be signed by the appointor or his/her attorney. If the appointor is a corporation, the instrument appointing a proxy shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM.
5. The signature on the instrument appointing a proxy need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy, failing which the instrument may be treated as invalid.
6. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM in order to allow sufficient time for their respective relevant intermediaries to submit a proxy form to vote on their behalf by the cut-off date. "Relevant intermediary" has the meaning as defined in section 181 of Companies Act 1967 of Singapore.
7. The instrument appointing a proxy of the Meeting must be submitted to the Company in the following manner:
 - (a) if in hard copy by post, be lodged at the registered office of the Company located at 12 Chin Bee Drive, Singapore 619868; or
 - (b) if by email, be received by Flshareholders_queries@federal-int.com.sg.

in either case, **no later than 10.00 a.m., on 27 April 2026.**

A member who wishes to submit an instrument of proxy must first **download, complete and sign** the proxy form, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

8. Members are strongly encouraged to submit completed proxy forms electronically via email.
9. The instrument appointing a proxy must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

Where an instrument appointing a proxy is submitted by email, it must be authorised in the following manner:

- (a) by way of the affixation of an electronic signature by the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
- (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

Where an instrument appointing a proxy is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the Meeting as proxy, failing which the instrument may be treated as invalid.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy or proxies, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2026.

CORPORATE INFORMATION

DIRECTORS

Executive

MR KOH KIAN KIONG

(Chairman & Chief Executive Officer)

MS MAGGIE KOH

Non-Executive & Independent

MR HENG YEOW TECK, MALCOLM

(Lead Independent Director)

MR ANG MONG SENG

MR TNG SOON CHYE

AUDIT COMMITTEE

Mr Heng Yeow Teck, Malcolm (Chairman)
Mr Ang Mong Seng
Mr Tng Soon Chye

NOMINATING COMMITTEE

Mr Tng Soon Chye (Chairman)
Mr Koh Kian Kiong
Mr Ang Mong Seng
Mr Heng Yeow Teck, Malcolm

REMUNERATION COMMITTEE

Mr Ang Mong Seng (Chairman)
Mr Heng Yeow Teck, Malcolm
Mr Tng Soon Chye

COMPANY SECRETARIES

Mr Sam Kwai Hoong
Ms Noraini Binte Noor Mohamed Abdul Latiff

REGISTERED OFFICE

12 Chin Bee Drive
Singapore 619868
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Fax: (65) 6743 0690
Email: admin@federal-int.com.sg
Website: www.federal-int.com.sg

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Tel: (65) 6593 4848

AUDITOR

BAKER TILLY TFW LLP
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778

PARTNER-IN-CHARGE

Mr Low See Lien
(Appointed with effect from financial year ended
31 December 2021)

PRINCIPAL BANKERS

United Overseas Bank Limited
DBS Bank Limited



(REGISTRATION NO. 199907113k)
12 Chin Bee Drive, Singapore 619868
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