



Federal International (2000) Ltd

(Co. Reg. No. 199907113K)
47/49 Genting Road
Singapore 349489

UPDATE ON CONDITIONAL SALE AND PURCHASE AGREEMENT FOR THE SALE OF SHARES IN FEDERAL JWR ENERGY PTE LTD

The Board of Directors (the “**Board**”) of Federal International (2000) Ltd (the “**Company**”) refers to the Company’s announcement dated 3 June 2013 (the “**Announcement**”).

The Announcement was in relation to the sale of the Company’s 40% interest in the issued and fully paid-up ordinary shares in Federal JWR Energy Pte Ltd (“**FJWR**”). The sale and purchase agreement (the “**Agreement**”) was conditional upon the Company receiving consideration of USD2,940,588 (the “**Balance Consideration**”) from PT Petroflexx Prima Daya (“**PT PPD**”) over a period of 34 months (the “**Payment Period**”). The Payment Period ended in March 2016.

The Board wishes to announce that as of the end of the Payment Period, the Company has not received the Balance Consideration in full. Furthermore, the Company and PT PPD have not agreed to any extension of the Payment Period.

Pursuant to the terms of the Agreement, the Agreement is deemed to be terminated due to the failure by PT PPD to pay the Balance Consideration to the Company during the Payment Period. Under the terms of the Agreement, the Company is entitled to retain all payments already received and also, its shares in FJWR.

None of the Directors and, to the best of the best knowledge of the Directors, none of the substantial shareholders or controlling shareholders of the Company, has any direct or indirect interest in the transaction.

By order of the Board

Loh Chee Meng
Group CFO and Company Secretary

27 April 2016

About Federal International (2000) Ltd

Established in 1974 and listed on the mainboard of the Singapore Stock Exchange in 2000, the Company (together with its subsidiaries, the “**Group**”) is an integrated service provider and procurement specialist in the oil and gas, energy, utilities and infrastructure industries. The Group’s design and manufacturing facility located in Scotland, the United Kingdom, is American Petroleum Institute (API) Q1, Spec 6D, ISO 9001:2008 and Pressure Equipment Directive 97/23/EC (PED) certified.

The Group also owns a floating, storage and offloading vessel and a 1,200 HP Brewster land drilling rig. The Group also operates an industrial water plant in the People’s Republic of China under a 30-year Build, Operate and Transfer agreement with the local Xinjin Country government.