



FEDERAL INTERNATIONAL (2000) LTD
Incorporated in the Republic of Singapore
Company Registration No. 199907113K

ENTRY INTO TERM SHEET FOR DISPOSAL OF INTEREST IN PT GUNANUSA UTAMA FABRICATORS

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of Federal International (2000) Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 5 December 2025, entered into a binding term sheet with Mr. Yafin Tandiono Tan (the “**Purchaser**”), for the purposes of finalising and facilitating the two key transactions below (“**Term Sheet**”):

(a) Share Sale

Sale of 43,220 shares in PT Gunanusa Utama Fabricators (“**PTG**”) (“**Sale Shares**”), constituting 30% of the issued and paid-up capital of PTG, by the Company to the Purchaser (“**Share Sale**”); and

(b) Debt Settlement

Full and final settlement of the sum owed by PTG to the Group, amounting to USD 13,262,000 (including various transactions denominated in other currencies, hereinafter referred to the “**Debt**”) (“**Debt Settlement**”),

((a) and (b) above, collectively referred to herein as the “**Proposed Transaction**”).

- 1.2 The Term Sheet is binding as to the commercial terms set out therein, insofar as the commitment by the parties to consummate the transactions contemplated therein is subject to the completion of legal review by counsels from Singapore and Indonesia (as the case may be) to be compliant with relevant regulations, and subject to negotiation and execution of:

(a) a share sale and purchase agreement in respect of the Proposed Transaction (“**SPA**”); and

(b) any other ancillary agreements as may be required arising out of or in connection with the Proposed Transaction,

(collectively, the “**Definitive Agreements**”) in the form and substance satisfactory to the parties.

- 1.3 Upon completion of the Proposed Transaction, the Company will cease to be a shareholder of PTG.

2. INFORMATION ON PTG AND THE PURCHASER

PTG

- 2.1 PTG is a limited liability company incorporated in Indonesia, with an issued and paid-up capital of USD 21,606,600 comprising 144,066 ordinary shares. As at the date of this Announcement, the Company is the legal and beneficial owner of 43,220 ordinary shares in PTG, representing 30% of PTG’s share capital. The remaining 70% of the share capital of PTG is held by PT Saga Investama Sedaya (“**Saga**”).

- 2.2 PTG primarily operates in the oil and gas sector, specializing in fabrication of offshore platforms, container cranes, boilers, pressure vessels, and providing engineering, procurement, construction, fabrication, and installation services. Its customer base spans across Southeast Asia.

The Purchaser

- 2.3 Mr. Yafin Tandiono Tan is an Indonesian citizen and currently serves as the President Director of the PT Superkrane Mitra Utama Tbk. ("SK") and President Commissioner of PTG. He owns 50% interest in Saga and is a controlling shareholder of Saga.
- 2.4 He owns a direct interest of 12.08% in the Company (refer to the Company's announcement dated 13 May 2025: Disclosure of Interest/ Changes in Interest of Substantial Shareholder(s)/ Unitholder(s)) and is a substantial shareholder of the Company.

3. INFORMATION ON SK

SK is a company listed on the Indonesia Stock Exchange with ticker symbol SKRN. Established in 1996 and headquartered in Jakarta – Indonesia, SK specializes in the supply and rental of heavy lifting equipment and provide lifting & rigging solutions for the construction / infrastructure, maintenance, mining & petrochemical industry.

4. SALIENT FEATURES OF THE TERM SHEET

The salient terms of the Term Sheet are set out below.

Consideration

- 4.1 The consideration for the Sale Shares shall be based on the price of USD 130 per PTG share (equivalent to IDR 2,164,500 per PTG share, using a pre-agreed exchange rate of USD1: IDR 16,650), subject to a valuation to be commissioned by the Company.
- 4.2 The aggregate consideration for the Proposed Transaction is USD 18,908,000, which shall comprise:
- (a) Cash consideration of USD 10,500,000; and
 - (b) 200,000,000 ordinary shares in SK at IDR 700 per SK share, based on a 30-day average closing price as at 4 December 2025, being the market day immediately preceding the date of the Term Sheet. This translates to a value of IDR 140 billion (equivalent to USD 8,408,000) for these SK shares.
- 4.3 The aggregate consideration was arrived at pursuant to arm's length negotiations between the Company and the Purchaser on a willing buyer willing seller basis, after taking into account prevailing market conditions, and the rationale for the Proposed Transaction as disclosed in paragraph 5 below.
- 4.4 As at the date of this Announcement, the Company holds 208,813,499 shares in SK. Following completion of the Proposed Transaction, the Company will hold 408,813,499 shares in SK.

Conditions Precedent

- 4.5 Completion of the Proposed Transaction is subject to customary conditions precedent, including but not limited to:
- (a) all approvals, waivers or consents under all applicable laws and regulations or otherwise (including but not limited to the Listing Manual) and any requirements by the SGX-ST or otherwise being obtained;

- (b) if required, approval of shareholders of the Company for the performance of all of its obligations under the Definitive Agreements and all transactions contemplated thereunder being obtained; and
- (c) the representations and warranties provided by the parties in the Definitive Agreements remaining true and accurate in all respects and not misleading in any respect.

Longstop Date

- 4.6 Completion of the Proposed Transaction shall take place by 30 June 2026, or such other date as mutually agreed by the Parties in writing.

Right to appoint commissioner

- 4.7 Following completion of the Proposed Transaction, the Purchaser undertakes that the Company, being the holder of 408,813,499 shares in SK, shall have the right to appoint one (1) commissioner onto SK's Board of Commissioners (the "**Federal Commissioner**").
- 4.8 The quorum for any initial meeting of the Board of Commissioners shall be two (2) commissioners, at least one (1) of whom shall be the Federal Commissioner.

Moratorium

- 4.9 The Company will be subject to a moratorium of twelve (12) months from completion of the Proposed Transaction, during which it shall not transfer, mortgage, charge or otherwise dispose of any interest in the shares of SK to any third party, save that this shall not apply to the transfer by the Company of any of the shares of SK to its related corporations, affiliates or nominees.

Termination

- 4.10 The Term Sheet will terminate on the earlier of:
 - (a) the date on which the other party receives a written notice, with a minimum of three (3) days' notice period, indicating a Party's intention to terminate the Term Sheet; and
 - (b) the date on which the Definitive Agreements are executed.

Governing Law

- 4.11 The Term Sheet shall be governed and construed in accordance with the laws of Singapore.

5. RATIONALE FOR THE PROPOSED TRANSACTION

- 5.1 In entering into the Proposed Transaction, the Directors have taken into account, *inter alia*, the following factors:
 - (a) the Group is of the view that there are limited benefits of retaining its investment in PTG, as an associated company of the Group. PTG's management has decided to focus on domestic projects in Indonesia, which are generally subject to local regulatory requirements that restrict procurement from overseas suppliers. Although the Group intends to remain as an exclusive procurement agent to PTG for its Engineering, Procurement and Construction ("**EPC**") projects, its participation in PTG's future projects will likely be limited; and
 - (b) the Proposed Transaction facilitates the full and early settlement of the long outstanding Debt owed by PTG to the Group.

6. VALUE OF THE SALE SHARES

- 6.1 The value of the Sale Shares is approximately USD 5,646,000 (equivalent to SGD 7,319,000, based on the indicative exchange rate of USD1: SGD1.2963), subject to a valuation to be commissioned by the Company.
- 6.2 Based on the latest unaudited consolidated financial statements of the Group for the financial period ended 30 June 2025 ("1H2025"), the book value of Sale Shares stood at SGD 5,761,000. Hence there is an excess of SGD 1,558,000 of the consideration for the Sale Shares over the said book value. After subtracting a cumulative foreign currency translation reserve (loss) of SGD 184,000 from the above-mentioned excess, there is a gain on Share Sale amounting to approximately SGD 1,374,000.

7. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE LISTING MANUAL

- 7.1 For the purposes of Chapter 10 of the Listing Manual of the SGX-ST ("Listing Manual"), the relative figures for the Proposed Transaction using the applicable bases of comparison under Rule 1006 based on the latest unaudited consolidated financial statements of the Group for 1H2025 are as follows:

Rule 1006	Bases	Relative Figures ⁽¹⁾
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	8.23% ⁽²⁾
(b)	The net profits attributable to the assets disposed of, compared with the group's net profits.	35.80% ⁽³⁾
(c)	Aggregate value of the consideration to be received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	87.12% ⁽⁴⁾
(d)	Number of equity securities to be issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable.
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves.	Not applicable.

Notes:

- (1) Percentage figures are rounded to the nearest two (2) decimal place.
- (2) Computed based on book value of SGD 5,761,000 and net asset value of the Group of SGD 69,975,000 as of 1H2025.
- (3) Computed based on the net profits attributable to Sale Shares of SGD 1,306,000 compared with the Group's net profits of SGD 3,648,000 in 1H2025.
- (4) Computed based on the aggregate consideration of SGD 24,510,000 (or USD 18,908,000 based on the indicative exchange rate of USD1: SGD1.2963) and the Company's market capitalisation of SGD 28,133,000. The Company's market capitalisation is calculated by multiplying the 140,667,484 shares by the weighted average price of SGD0.20 per share as at 4 December 2025, being the market day immediately preceding the date of the Term Sheet.

- 7.2 As the relative figures computed under Rule 1006(b) and 1006(c) of the Listing Manual exceeds 20%, the Proposed Transaction is classified as a "major transaction" as defined in Rule 1014 of the Listing Manual. Accordingly, the Proposed Transaction is subject to the approval of the shareholders.

8. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

- 8.1 The pro forma financial effects of the Proposed Transaction on the net tangible asset ("**NTA**") per share and the earnings per share ("**EPS**") of the Company are set out below. The proforma financial effects have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024. The pro forma financial effects are purely for illustration purposes only, and are therefore not necessarily indicative of the actual financial position of the Group after the Proposed Transaction has been completed.

Net Tangible Asset ("**NTA**")

- 8.2 The financial effect on the NTA per share is computed based on the assumption that the Proposed Transaction had been effected on 31 December 2024, being the end of the most recently completed financial year of the Group.

	Before the Proposed Transaction	After the Proposed Transaction
NTA (SGD'000)	66,780	69,344
Number of issued shares excluding treasury shares ('000)	140,667	140,667
NTA per share (cents)	47.47	49.30

Earnings per Share ("**EPS**")

- 8.3 The financial effect on the EPS is computed based on the assumption that the Proposed Transaction had been effected on 1 January 2024, being the beginning of the most recently completed financial year of the Group.

	Before the Proposed Transaction	After the Proposed Transaction
Profit attributable to shareholders of the Company (SGD'000)	3,886	6,565
Weighted average number of issued shares excluding treasury shares ('000)	140,667	140,667
EPS (cents)	2.76	4.67

9. USE OF PROCEEDS

The cash consideration of USD 10.5 million to be received from the Proposed Transaction will be used to fund the Group's working capital requirements as well as any investment opportunities.

10. EXTRAORDINARY GENERAL MEETING AND SHAREHOLDERS' CIRCULAR

As stated in paragraph 7.2, the Company intends to convene an extraordinary general meeting ("EGM") to seek shareholders' approval for the Proposed Transaction unless such requirement is waived by the SGX-ST. The circular containing further details of the Proposed Transaction, as well as a notice of the EGM in connection therewith, will be despatched to shareholders in due course, if required.

11. NO SERVICE CONTRACT

No person will be appointed to the Board, and no service contract will be entered into by the Group, in connection with the Proposed Transaction.

12. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their shareholdings in the Company (if any), none of the Directors or controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect, in the Proposed Transaction.

13. FURTHER ANNOUNCEMENTS

The Company will make such further announcements at the appropriate juncture, upon the execution of the Definitive Agreements and as and when there are material developments in relation to the Proposed Transaction.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts on the Proposed Transaction, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

15. DOCUMENTS FOR INSPECTION

A copy of the Term Sheet is available for inspection during normal business hours for a period of three (3) months commencing from the date of this announcement at the registered office of the Company at 12 Chin Bee Drive, Singapore 619868. Please contact the management office email at Fshareholders_queries@federal-int.com.sg or office phone number +65 6747 8118 prior to making any visits to arrange for a suitable time slot for the inspection.

16. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and the other announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Mr Koh Kian Kiong
Executive Chairman and Chief Executive Officer
Date: 9 December 2025

About Federal International (Bloomberg Code: FEDI SP)

Established in 1974 and listed on the mainboard of the Singapore Stock Exchange in 2000, Federal International (2000) Limited (“**Federal**” 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 more than 90% of total turnover. The Group’s strategy for sustainable growth of the trading business is through forming strategic partnerships. One such partnership is with PT Gunanusa Utama Fabricators (“**PTG**”). PTG is an established EPCIC contractor and its customers include oil majors such as TOTAL, Petronas, ONGC, Pertamina, Saka Sidayu and PTTEP. The Group provides procurement services to PTG for the projects secured by PTG.

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.