

**TECHNICS OIL AND GAS LIMITED**  
**(UNDER JUDICIAL MANAGEMENT)**  
**(the "Company")**  
(Company Registration No. 200205249E)

(Incorporated in Singapore)

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**DIVESTMENT OF 51% EQUITY OF INDIRECT SUBSIDIARY**

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The Judicial Managers wish to announce that the Company had, on 1 February 2017, entered into a sale and purchase agreement ("SPA") with Technics Offshore Engineering Pte Ltd (under Judicial Management) ("TOE"), T T J Holdings Limited ("Purchaser") and Dr. Teo Teck Heong and Dr. Ng Yiau Heong (collectively, the "Minority Shareholders"), in respect of the divestment of TOE's 51% equity interest ("Sale Shares") in Technics Steel Pte. Ltd. ("TNST"). TOE is a wholly owned subsidiary of the Company. The Minority Shareholders collectively hold the remaining 49% equity interest in TNST and form the key management team of TNST.

TNST is a private limited company incorporated in Singapore and specialises in the manufacturing, fabrication and installation of structural steel works and modular structure for projects ranging from high rise towers, airports, bridges, hangars, chemical plants, petrochemical refinery, power and solar panel plants.

The consideration for the sale of the Sale Shares is S\$350,000.00 ("Share Consideration") and the Purchaser also provided a sum of S\$600,000.00 (the "Settlement Sum" and together with the Share Consideration, the "Aggregate Consideration") to settle the inter-company loans or advances due or owed as at the date of completion of the sale and purchase of the Sale Shares by TNST to the Company and TOE.

The Aggregate Consideration was determined on a willing-buyer and willing-seller basis after taking into account, *inter alia*, the undertaking by the Purchaser pursuant to the SPA to release and discharge the Company and/or TOE (as the case may be) from and assume all corporate guarantees and/or other security arrangements (if any) granted by or entered into by the Company and/or TOE (as the case may be) for the benefit of TNST.

Based on the above, the Judicial Managers, in consultation with the majority creditors of the Company and TOE, decided that it is in the best interests of the creditors of the Company and TOE that TOE sells the Sale Shares to the Purchaser.

None of the Directors of the Company have any interest, direct or indirect, in the SPA, other than through their respective directorships and/or shareholding interests (if any) in the Company.

The Judicial Managers will provide updates on material developments as and when appropriate.

**Submitted by the Judicial Managers**  
**For and On Behalf of the Company**

Tam Chee Chong  
Andrew Grimmett  
**Deloitte & Touche LLP**

1 February 2017