

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

IMPLEMENTATION AGREEMENT FOR PROPOSED TRANSFER OF LISTING STATUS ON SGX-ST

1. INTRODUCTION

- 1.1. The judicial manager of the Company ("**Judicial Manager**") wishes to announce that the Company had entered into an Implementation Agreement (the "**Agreement**") with Insonotech Pte. Ltd. (the "**Investor**", together with the Company, the "**Parties**") on 18 May 2018.
- 1.2. The Agreement sets out the terms for the proposed transfer of the Company's listing status (the "**Transfer**") on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") to the Investor by way of a scheme of arrangement ("**Scheme**"). The terms of the Transfer and the Scheme are elaborated further below.
- 1.3. The Company is presently under judicial management and its shares ("**Shares**") are suspended from trading. One of the Company's major intangible assets is its listing status. The Transfer, if successful, seeks to provide some recovery to shareholders ("**Shareholders**") and creditors of the Company ("**Creditors**").

2. PROPOSED TRANSFER OF LISTING STATUS

- 2.1. The Transfer is envisaged to result in the listing and admission of the Investor to Catalist (the "**Listing**"), the sponsor-supervised board of the SGX-ST. The Company's Shares will, in conjunction with the Transfer and the Listing, be delisted and withdrawn from the Main Board of the SGX-ST.
- 2.2. The consideration payable by the Investor to the Company for the Transfer ("**Consideration**") is S\$5,000,000 and will be satisfied by the issue of new shares in the capital of the Investor ("**Consideration Shares**") to the Judicial Manager for *inter alia* distribution to Creditors and Shareholders.
- 2.3. Upon completion of the Transfer and, if necessary, the compliance placement of new shares to constitute the requisite public float, the Consideration Shares (together with other shares issued out of the capital of the Investor) will be listed on Catalist and shall be freely tradable. If the Company's assets were liquidated, it is unlikely that there will be any residual value available for distribution to the Shareholders after payment to the Creditors. As such, the Scheme potentially offers better returns for Creditors and Shareholders, as compared to a liquidation scenario.
- 2.4. Completion of the Transfer is subject to various conditions precedent, including but not limited to, (i) the approval of the SGX-ST for the Resumption Proposal (as defined below); (ii) the in-principle approval(s) of the SGX-ST for the Transfer and the Listing; (iii) the approvals of the Scheme by Shareholders and Creditors; and (iv) the sanction of the Scheme by the High Court of Singapore.

- 2.5. The Parties have committed to a long-stop date of 31 March 2019 (the “**Long-Stop Date**”), or upon the termination of the Agreement, whichever is earlier. Either the Company or the Investor may terminate the Agreement in various circumstances stated in the Agreement, including but not limited to, where (i) there is any material breach of, or any event rendering a representation or warranty of the other party; (ii) any failure by or inability of a to perform any of its obligations; or (iii) the conditions precedent have not been satisfied or waived by the Long-Stop Date.

3. APPLICATION FOR FURTHER EXTENSION OF TIME TO RESUME TRADING OF SHARES

- 3.1. The Company had previously applied for, and was granted, an extension of time of up to 31 May 2018 to (i) submit a proposal required under Listing Rule 1304(1) to resume trading of the Shares (the “**Resumption Proposal**”). In light of the execution of the Agreement and the time required to implement the Transfer and the other transactions envisaged therein, the Company intends to make an application to the SGX-ST for a further extension of time to meet the requirements under the aforementioned listing rule.
- 3.2. Further information on the application, the duration of the time extension sought, and the outcome of the application, will be announced in due course in a timely manner.

4. INFORMATION ON THE INVESTOR GROUP

The group structure and a brief description of business and other information of the group of companies and entities comprising the Investor (the “**Investor Group**”) is set out in **Schedule 1** to this announcement. Further details of the Investor Group will be set out in the information memorandum (the “**Information Memorandum**”) to be prepared and issued by the Investor for the purposes of the Listing.

5. SCHEME DOCUMENTS AND INFORMATION MEMORANDUM

The Company will issue to Shareholders and Creditors documents containing, *inter alia*, the details and terms of the Scheme, an explanatory statement, and the notices of meetings and proxy forms (the “**Scheme Documents**”). The Scheme Documents should be read together, and in conjunction with, the Information Memorandum to be despatched together with the Scheme Documents.

6. INFORMATION RELATING TO OR PROVIDED BY THE INVESTOR

Information in this announcement relating to the Investor and/or the Investor Group has been provided by the Investor or its advisers or agents, or extracted or reproduced from published or otherwise publicly available sources. The sole responsibility of the Judicial Manager has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately and correctly reflected or reproduced in this announcement in its proper form and context. The Judicial Manager has not independently verified the accuracy and correctness of such information, and does not accept any responsibility for any information relating to or opinions expressed by or on behalf of the Investor.

7. FURTHER ANNOUNCEMENTS

Announcements will be released with further information on the above and as and when there are material developments.

8. CAUTIONARY STATEMENT

The Transfer and the Listing are subject to, *inter alia*, the satisfaction of various conditions precedent, and there is no certainty as at this date whether the Transfer and the Listing can or will proceed. Shareholders are accordingly advised to exercise caution, and to refrain from taking any action in relation to their Shares until they or their advisers have considered the information set out in the Scheme Documents, the Information Memorandum and further announcements released by the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, or other professional advisers immediately.

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

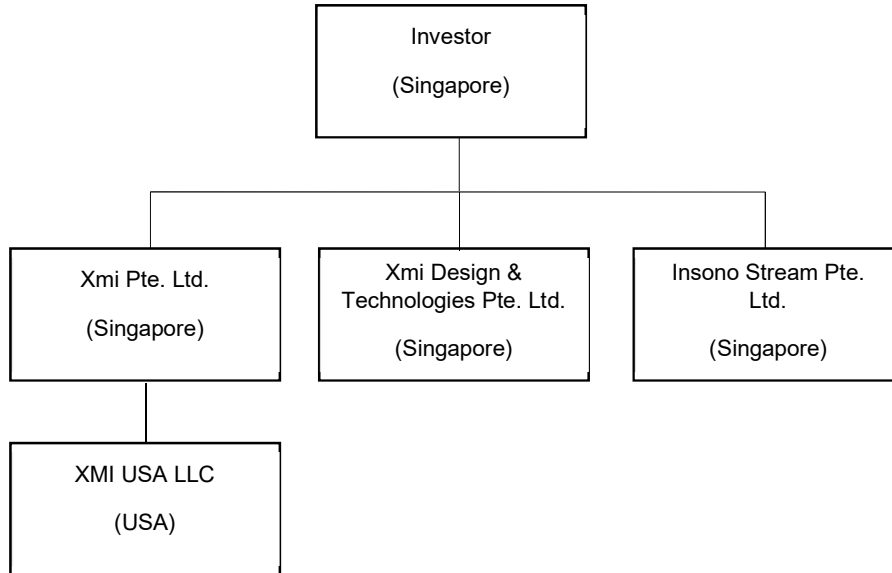
Andrew Grimmett
Deloitte & Touche LLP

22 May 2018

SCHEDULE 1

GROUP STRUCTURE AND DESCRIPTION OF THE BUSINESS AND ASSETS OF THE INVESTOR GROUP

(A) Group Structure



(B) Description of the business and assets of the Investor Group

Founded in Singapore, the Investor is a professional portable audio company focused on bringing the very latest in portable audio innovation to the global market.

The X-mini™ brand is a multiple award-winning pioneer in the portable speaker category. Its rich audio heritage is anchored upon its early commitment to create excellent sound in small form factors – and by extension even better sound in any given form factor through the development of its own customised and signature audio drivers.

With thoughtful products of superior design, functionality and uncompromising quality, the Transferee Group aims to push the boundaries of technology with new and exciting products and build a global brand synonymous with consumer driven innovation that precede major trends in digital mobile lifestyle technology.

X-mini™ products are, and have been sold and distributed globally, in over 80 countries.