

TECHNICS OIL AND GAS LIMITED
(Under Judicial Management)
(the "Company")
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200205249E)

APPROVAL OF EXTENSION OF TIME IN RELATION TO:

- [1] SUBMISSION OF RESUMPTION PROPOSAL UNDER LISTING RULE 1304(1)**
 - [2] ANNOUNCEMENT OF FULL YEAR FINANCIAL STATEMENTS UNDER LISTING RULE 705(1)**
 - [3] CONVENING OF ANNUAL GENERAL MEETINGS UNDER LISTING RULE 707(1)**
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1 APPLICATION FOR EXTENSION OF TIME TO COMPLY WITH LISTING RULES

1.1 On 20 May 2020, the Company had applied to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for extensions of time to comply with the following Listing Rules:

- (a) Rule 1304(1) in relation to submission of a resumption proposal;
- (b) Rule 705(1) in relation to the announcement of full-year financial results; and
- (c) Rule 707(1) in relation to the convening of annual general meetings ("**AGMs**"),

(collectively, the "**SGX Waiver Application**").

1.2 The SGX Waiver Application was sought based on *inter alia* the following reasons:

- (a) In respect of financial reporting and the convening of AGMs:-
 - (i) The Judicial Manager is required to commit its time and resources towards achieving the statutory objectives for judicial management as described in Section 227B of the Companies Act (Chapter 50) (i.e. the survival of the Company as a going concern, seeking the approval of a compromise or arrangement between the Company and its creditors and/or shareholders, and/or a more advantageous realisation of the company's assets would be effected than on a winding up). In the course of doing so, there would be extensive restructuring for the Company and its subsidiaries.
 - (ii) It was submitted that it would be more meaningful, and less confusing to the shareholders and investors of the Company, for the Company's financial results to be announced only after a viable resumption proposal is put forth and implemented (with sufficient time for shareholders and investors to consider the post-restructuring financial condition before trading of shares is resumed). It follows that, to the extent that the financial results are unavailable, it would not be meaningful for AGMs to be convened.
- (b) In respect of the Resumption Proposal:
 - (i) The Company had on 8 March 2020 (as announced on 9 March 2020) entered into an Implementation Agreement (the "**Agreement**") with Singapore Knee, Sports and Orthopaedic Clinic Pte. Ltd. ("**SKSOC**"), which proposes a scheme of arrangement to effect a transfer of listing status.

- (ii) SKSOC had on or around 13 May 2020 requested for an extension of up to October/November 2020 to perform its pre-clearance with SGX-ST in view of circumstances that have arisen in light of the COVID-19 situation. Assuming the requisite pre-clearance with SGX-ST is cleared, we estimate that SKSOC will likely submit the pre-admission notification for an initial public offering on or around January/February 2021.
- (iii) In the meantime, the Judicial Manager will need to assess if the conditions precedent to the Agreement are capable or likely to be fulfilled, in particular SKSOC's eligibility to list. This is so as to be able to present a meaningful Resumption Proposal to SGX-ST.
- (iv) The restructuring proposal itself requires time for implementation. The Judicial Manager would need to consider the key deliverables to be made available by SKSOC, in particular, the due diligence, financial statements and valuation of the SKSOC group of companies. Thereafter, the Judicial Manager requires time to prepare and review the documentation required to present the proposal to the Singapore courts as well as to shareholders and creditors, and also call for shareholders' and creditors' meetings to approve the same.

1.3 The Company had also sought to clarify the operation of Listing Rule 705(2B) for the period during which the Company is under judicial management.

2 APPROVAL FOR EXTENSION OF TIME

2.1 The SGX-ST had on 20 August 2020 informed that it had no objection to the following extensions of time (the "**Waiver**"):

- (a) up to **2 February 2021**¹ to announce its full year financial statements for:
 - FY2016
 - FY2017
 - FY2018; and
 - FY2019;
- (b) up to **2 March 2021**² to convene its AGM for:
 - FY2016
 - FY2017
 - FY2018; and
 - FY2019; and
- (c) up to **31 December 2020** to submit its resumption of trading proposal pursuant to Listing Rule 1304(1) (the "**Resumption Proposal Waiver**").

2.2 The Waiver is subject to the following conditions:

- (i) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the

¹ Which is one (1) month after the expiry of the current judicial management order

² Which is two (2) months after the expiry of the current judicial management order

announcement, the Company must make an update announcement when the conditions have all been met;

- (ii) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company;
- (iii) the Company convening the AGMs for FY2016, FY2017, FY2018 and FY2019 by 2 March 2021;
- (iv) submission of a written confirmation that the Company will make immediate announcements on its progress in meeting key milestones of the Implementation Agreement (for Resumption Proposal Waiver only); and
- (v) SKSOC progressing to Pre-Admission Notification to the Catalist Board of the SGX-ST by December 2020 (for Resumption Proposal Waiver only).

3 The Waiver will not be effective if any of the conditions have not been fulfilled.

4 In addition, as Listing Rule 705(2B)(a) came into effect on 7 February 2020, the Company is not required to announce quarterly results (i.e., the financial statements for each of the first three quarters of its financial year) from the 1st quarter ended 31 December 2019 (“1QFY2020”), since 7 February 2020 precedes the reporting requirement of forty-five (45) days after 1QFY2020. However, the Company (which has a September year-end) will still need to issue its quarterly results for the financial period commencing 1 April 2016 and ending on 30 June 2019).

5 FULFILMENT OF CONDITIONS

5.1 The release of this announcement seeks to satisfy the condition set out in paragraph 2.2(i) above.

5.2 The Company had earlier announced on 25 September 2019 and 31 October 2019 that an application had been made to the Accounting and Corporate Regulatory Authority (“ACRA”) for time extensions to convene its AGM and lay its financial statements for FY2016, FY2017 and FY2018, and the said application had been rejected. No further application to ACRA had been made since then. Given the outcome in the earlier application, the Judicial Manager maintain that any next steps taken would require the prior consultation with and concurrence of the creditors of the Company, and the Judicial Manager intend to engage with the creditors once there is greater clarity on whether the proposed transfer of listing status involving SKSOC is likely to proceed.

Separately, the Judicial Managers would like to update the stakeholders that the Company will also be submitting a fresh application to SGX-ST requesting for extensions of time to announce quarterly financial reporting pursuant to Listing Rule 705(2B) from 3QFY2016 up until 3QFY2019 (i.e., for the financial period commencing 1 April 2016 and ending on 30 June 2019). Further updates in this regard and any other conditions will be announced as and when there are material developments.

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

Andrew Grimmett
Deloitte & Touche LLP
27 August 2020