

**TECHNICS OIL & GAS LIMITED**  
(Company Registration No.: 200205249E)  
(Incorporated in the Republic of Singapore)

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**(I) PROPOSED DISPOSAL OF VINA OFFSHORE ENGINEERING CO., LTD AND  
(II) ASSIGNMENT OF LOAN EXTENDED TO VINA OFFSHORE ENGINEERING CO., LTD**

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The Board of Directors of Technics Oil & Gas Limited ("**Company**") wishes to announce that the Company's subsidiary Technics Offshore Engineering Pte. Ltd. ("**TOE**") has entered into a non-binding memorandum of understanding ("**MOU**") with Y.H.H Marine Engineering Pte. Ltd. (the "**Purchaser**") in relation to:

- (i) The proposed disposal of 100% of the entire capital contribution of Vina Offshore Engineering Co., Ltd. ("**Vina**") by TOE to the Purchaser (the "**Proposed Disposal**"); and
- (ii) The assignment of a loan of US\$751,202.92 extended by the Company to TOE as of 30 September 2014 (the "**Loan**") to the Purchaser (the "**Loan Assignment**").

Vina is a company incorporated in Vietnam and is in the business of production, processing, maintenance and repair of ports, materials and equipment for oil and gas industries. Pursuant to the MOU, TOE will effect:

- (a) the Proposed Disposal at a consideration of S\$11,000,000 ("**Sale Price**"); and
- (b) the Loan Assignment at a consideration of S\$1,000,000 ("**Assignment Consideration**").

The Sale Price is approximately 2.52 times the entire capital contribution of Vina (of VND53,360,000,000 (equivalent to USD3,335,000)) and the Assignment Consideration is approximately 1.01 times the quantum of the Loan repayable to the Company. The Sale Price and Assignment Consideration will be paid in cash.

The MOU shall be valid till 3 March 2015 (the "**Validity Period**"). In the meantime, the Purchaser will conduct its due diligence investigations in connection with the Proposed Disposal and the parties will negotiate in good faith in a commercially reasonable manner with a view to seek to finalise and execute definitive agreements with respect to the Proposed Disposal and Loan Assignment within the Validity Period.

As at the date of this announcement, no definitive documentation has been executed in relation to the Proposed Disposal and Loan Assignment and accordingly, there can be no assurance that the Proposed Disposal and Loan Assignment will materialise. The Company will provide further details in subsequent announcements in accordance with the listing rules of the Singapore Exchange Securities Trading Limited at the appropriate junctures. Shareholders of the Company are advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests and to exercise caution when dealing with shares in the Company. In the event that shareholders of the Company wish to deal in the shares of the Company, they are advised to seek their own professional advice and/or consult their stockbrokers.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Ting Yew Sue  
Executive Chairman  
5 December 2014