**ALLIED TECHNOLOGIES LIMITED**
(Incorporated in the Republic of Singapore)
(Registration Number 199004310E)

## MONTHLY VALUATION OF CASH BALANCES AND UTILISATION OF CASH

Pursuant to the notice of compliance issued by Singapore Exchange Regulation Pte Ltd ("**SGXRegCo**") dated 8 May 2019, the Board of Directors (the "**Board**") of Allied Technologies Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce the following:

(a) the Group's cash balances as at 31 October 2020 are as follows:

| | $'000 |
|---|---|
| Cash balances: | |
| Cash and bank balances | 8,649 |
| | 8,649 |

Reference is made to the announcement dated 30 July 2019 in relation to the responses to queries from SGXRegco and the Company's Sponsor, Stamford Corporate Services Pte. Ltd., the Company has on 26 July 2019 and in compliance with paragraph 14 of the 8 May NOC, opened an escrow account with a local bank (the "**New Escrow Account**"). For the reasons set out at the Company's response to Query 4, as set out in the Company's announcement dated 30 July 2019, the Company is, at present, unable to place any cash and bank balances in excess of the Group's operational requirements in the New Escrow Account.

(b) the Group's utilisation of cash in the month of October 2020 is as follows:

| | $'000 |
|---|---|
| Opening balance as at 1 October 2020 (Note A) | 8,104 |
| Cash inflows: | |
| Receipts from customers and other receivables | 8,931 |
| Interest received | 9 |
| Drawdown of bank borrowings | 2,277 |
| | 11,217 |
| Less: | |
| Cash outflows: | |
| Payment to suppliers | (6,467) |
| Staff costs and related expenses | (1,410) |
| Other operating expenses | (375) |
| Purchase of property, plant and equipment | (34) |
| Placement of fixed deposit | (61) |
| Repayment of bank borrowings and interest | (2,372) |
| | (10,719) |
| Foreign currency revaluation | 47 |

| | |
|---|---|
| Closing balance as at 31 October 2020 | 8,649 |

The figures set out in a and b above have not been audited or reviewed by the Company's auditors.

Note A:

Reference is made to:

(a) the announcement of the Company on 8 May 2019 in relation to the notice of compliance dated 8 May 2019 received by the Company from the Singapore Exchange Securities Trading Limited, and in particular, the funds which have been deposited by the Company into an escrow account held by JLC Advisors LLP ("**JLC**"), a Singapore law firm; and

(b) the announcements of the Company on 23 May 2019, 25 May 2019, 28 May 2019 and 29 May 2019 in relation to escrow monies deposited with JLC.

The opening balance as at 1 October 2020 is not inclusive of the funds which have been deposited with JLC.

The Company is monitoring the situation closely and will take rigorous steps to protect its interests and the recovery of escrow funds of $33.15 million from JLC (the "**Escrow Funds**"), as previously announced. However, the whereabouts of the Escrow Funds remain unclear to the Company as at the date of this Announcement. The Company will continue to provide further updates to shareholders on subsequent material developments.

**ORDER OF THE BOARD**

Leow Wee Kia Clement
Chief Executive Officer and Executive Director
6 November 2020

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*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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