



ALLIED TECHNOLOGIES LIMITED

(Incorporated in the Republic of Singapore)
(Registration Number 199004310E)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Introduction

Allied Technologies Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed on the Watch-List pursuant to Rule 1311 of the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited on 5 March 2014.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide an update on the financial situation of the Company and the Group for the second quarter ended 30 June 2015 (“**2Q FY2015**”).

Update on Unaudited Financial Performance and Financial Position

In 2Q FY2015 and the first half ended 30 June 2015 respectively, the Group has recorded an unaudited net loss of S\$1.25 million and S\$1.11 million compared to the net loss of S\$0.98 million and S\$1.00 million in 2Q FY2014 and the first half ended 30 June 2014. This is mainly due to the increased material costs and other operating expenses incurred in the current quarter.

The Group’s net assets as at 30 June 2015 has decreased by S\$0.33 million to S\$61.49 million as compared to 31 December 2014. The decrease is mainly attributable to the loss incurred by the Group in 2Q FY2015 and partially offset by positive translation differences relating to the financial statements of the Group’s foreign subsidiaries.

For more details on the results and financial position of the Group for the period ended 30 June 2015, please refer to our separate announcement released on 6 August 2015.

Update on Future Direction

With continuing uncertainty over the strength and sustainability of the economic recovery of major global economies, the Group expects business conditions to remain challenging.

The Group expects to face more challenges ahead due to the increase in production costs across the region, stiff pricing competition and foreign currency movements. However, the Group will continue to explore all avenues for business opportunities to further improve the financial position of the Group. The Group will also endeavour to improve its production efficiency and reduce operating costs.

Other Material Developments

The Company will update shareholders on any other material developments and will make such necessary announcements as and when appropriate.

BY ORDER OF THE BOARD

Hsu Ching Yuh @ Sheu Ching Yuh
Chief Executive Officer and Group Managing Director

6 August 2015