

ALLIED TECHNOLOGIES LIMITED

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

PROPOSED PLACEMENT OF 420,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF ALLIED TECHNOLOGIES LIMITED AT THE ISSUE PRICE OF S\$0.06 FOR EACH NEW SHARE

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Allied Technologies Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 18 June 2018 entered into a subscription agreement (the “**Subscription Agreement**”) for the allotment and issue (the “**Proposed Placement**”) of 420,000,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) with the following persons (each a “**Subscriber**”, and collectively, the “**Subscribers**”):

Subscriber	Number of Placement Shares Subscribed for	Placement Shares as a Percentage of the Enlarged Share Capital of the Company⁽¹⁾	Placement Consideration (S\$)
Evercore Multi-Strategy Global Limited	80,000,000	4.52%	4,800,000
CBK Holdings Limited	80,000,000	4.52%	4,800,000
Quantum Global Limited	190,000,000	10.73%	11,400,000
Thoon Mee Ting	70,000,000	3.95%	4,200,000
Total	420,000,000	23.72%	25,200,000

Note:

- (1) Based on the number of Shares held by each of the Subscribers divided by the enlarged issued and paid-up capital of 1,770,328,920 shares in the Company (“**Shares**”) after the Proposed Placement. The Placement Shares represent 31.10% of the Company's issued and paid-up capital of 1,350,328,920 Shares before the Proposed Placement.

The issue price of each Placement Share is S\$0.06, with the aggregate placement consideration amounting to S\$25,200,000.

2. THE PROPOSED PLACEMENT

The Proposed Placement is made pursuant to the private placement exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore (“**SFA**”). As such, no prospectus or offer information statement will be issued by the Company in connection with the placement.

The Placement Shares will be allotted and issued by the Company to the Subscribers pursuant to the general shareholders’ mandate to issue Shares passed at the Company’s annual general meeting held on 30 April 2018.

2.1. The Placement Shares

The Proposed Placement is in compliance with Rule 812 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") as the Placement Shares will only be issued to the Subscribers, who do not fall within the categories of restricted persons under Rule 812(1) of the Catalist Rules.

The Placement Shares shall be issued to the Subscribers as fully paid and shall be free from all encumbrances whatsoever, and shall rank pari passu with, and shall carry all rights similar to, the existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Proposed Placement ("**Completion**").

The Company will be making an application to the SGX-ST through its continuing sponsor, Stamford Corporate Services Pte Ltd, (the "**Sponsor**") for the listing and quotation for the Placement Shares on the Catalist board of the SGX-ST.

2.2. The Issue Price

The issue price of the Placement Shares represents a premium of approximately 12.45% to the volume weighted average price of S\$0.05336⁽¹⁾ of the Shares for trades done on the SGX-ST on 12 June 2018, being the preceding full market day prior to the signing of the Subscription Agreement up to the time a trading halt was called on 13 June 2018.

Note:

(1) Volume weighted average price retrieved from <http://www.shareinvestor.com/sg>.

2.3. Conditions Precedent

Completion of the Proposed Placement is conditional upon, among other things, the submission of the additional listing confirmation by the Sponsor and the receipt of the listing and quotation notice from the SGX-ST for the listing and quotation of the Placement Shares, and the same not being revoked or amended and where such approval is subject to conditions, such conditions being reasonably acceptable to the Company and the Subscribers, and to the extent that any conditions to such approval are required to be fulfilled on or before Completion, they are so fulfilled to the satisfaction of the SGX-ST and the Sponsor or so waived by them.

If any of the conditions to the Subscription Agreement are not satisfied or waived on or before 30 June 2018, the obligations of the Company and the Subscribers shall ipso facto cease and determine thereafter and in that event the Company and the Subscribers shall be released and discharged from their respective obligations under the Subscription Agreement without prejudice to antecedent breach of any of the obligations and liabilities thereunder.

2.4. Completion

Completion of the Proposed Placement will occur 5 business days after the relevant conditions set out in the Subscription Agreement have been satisfied (or such other date as may be agreed in writing between the parties).

3. INFORMATION ON THE SUBSCRIBERS

Details on the Subscribers are set out below.

Name	Background of Subscriber
Evercore Multi-Strategy Global Limited (incorporated in the British Virgin Islands)	Evercore Multi-Strategy Global Limited is an investment holding company whose legal and beneficial owner is Ms Lee Suh Mun ("Ms Lee"). Ms Lee is a private investor who has experience in financial investing in private and public companies primarily in Singapore and Malaysia.
CBK Holdings Limited (incorporated in the British Virgin Islands)	CBK Holdings Limited is an investment holding company whose legal and beneficial owner is Ms Wong Hui Ling ("Ms Wong"). Ms Wong is a private investor who has experience in financial investing in private and public companies primarily in Malaysia.
Quantum Global Limited (incorporated in the British Virgin Islands)	Quantum Global Limited is an investment holding company whose legal and beneficial owner is Mr Tang Junwei ("Mr Tang"). Mr Tang is a businessman whose business services the oil and gas sector in Indonesia and Philippines. He has experience in investing in private and public companies in Asia.
Thoon Mee Ting	Miss Thoon Mee Ting is a Malaysian private investor who has experience in financial investing in private and public companies in Singapore and Malaysia.

The Subscribers were introduced to the Company by Mr. Poh Wee Chiow, Roger, an executive director of the Company. No introducer fees were paid or are payable to Mr. Poh Wee Chiow, Roger for introducing the Subscribers to the Company. No placement agent has been appointed in relation to the Proposed Placement. Mr. Poh Wee Chiow, Roger met the Subscribers in the course of investor relations activities for the Company. Mr. Poh Wee Chiow, Roger is not related to or engaged in any business dealings in any way with the Subscribers, its directors and/or substantial shareholders.

The Subscribers have confirmed that they are not persons falling within the categories of persons listed in Rule 812(1) of the Catalist Rules. Additionally, the Company will not allot or issue the Placement Shares without the prior approval of the Company's shareholders in a general meeting if such allotment and issuance would bring about a transfer of controlling interest.

The Subscribers are willing investors who have entered into the Subscription Agreement purely for financial investment purposes. As at the date hereof, the Subscribers do not hold, directly or indirectly, any shares in the capital of the Company and neither the Subscribers nor their respective directors or substantial shareholders (where applicable) have any connection (including business relationship) with any Director or substantial shareholder of the Company.

4. RATIONALE FOR THE PROPOSED PLACEMENT AND USE OF PROCEEDS

4.1. Rationale

The Company has decided to undertake the Proposed Placement to raise funds for potential acquisitions to further expand and strengthen its service offerings in its new ecommerce business segment. The long-term objective of the Company is to develop a comprehensive suite of ecommerce offerings such as centralized customer relationship management, loyalty programme and electronic payment that integrates various sub-segments of the Company's business such as online ticketing, online corporate travel solutions and the likes.

4.2. Use of Proceeds

Assuming Completion occurs, the net proceeds from the Proposed Placement (after deducting estimated expenses relating thereto) will be approximately S\$25,160,000 (the “**Net Proceeds**”). The Company intends to use the Net Proceeds in the following estimated proportions:

Use of Proceeds	Percentage Allocation (%)
i. Funding growth and expansion, including potential acquisitions of businesses (as and when opportunities arise)	100
Total	100

Pending the deployment for the use identified above, the Net Proceeds may be deposited with banks and/or financial institutions or invested in money market instruments and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may in their absolute discretion deem fit.

The Company will make periodic announcements of the utilisation of the Net Proceeds from the Proposed Placement as and when the funds are materially disbursed and whether such use is in accordance with the stated use and percentage allocated. The Company will also provide a status report on the use of the proceeds in the Company's interim and full year financial statements and the Company's annual report. The Company will disclose a breakdown with specific details on the use of proceeds for working capital in such announcements and annual reports. Where there is material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

As at the date of this announcement, the issued and paid up share capital of the Company is S\$90,737,794 comprising 1,350,328,920 Shares. On Completion, the issued and paid up share capital of the Company will increase to S\$115,937,794 comprising 1,770,328,920 Shares.

The following table illustrates the financial effects of the Proposed Placement on (i) the net asset value (“**NAV**”) per share of Group (assuming the Proposed Placement had been completed at the end of that financial year); and (ii) the earnings per share of the Group (assuming that the Proposed Placement had been completed at the beginning of that financial year) based on the latest announced audited financial statements of the Group for the financial year ended 31 December 2017.

NAV

	Before Proposed Placement	After Proposed Placement
NAV attributable to Shareholders of the Company (S\$'000)	99,781	124,941
Number of Shares ('000)	1,350,329	1,770,329
NAV per share attributable to Shareholders of the Company (cents)	7.39	7.06

Earnings per Share

	Before Proposed Placement	After Proposed Placement
Net earnings after tax attributable to Shareholders of the Company (S\$'000)	3,275	3,275
Weighted average number of Shares ('000)	796,332	1,216,332
Effect of the Proposed Placement on the earnings per Share (cents)	0.41	0.27

6. DIRECTORS' CONFIRMATION

The Directors are of the opinion that:

- (a) after taking into consideration the Group's banking facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the above, the Company has decided to undertake the Proposed Placement for the reasons set out in section 4.1 above; and
- (b) after taking into consideration the Group's present banking facilities available to the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Placement (other than their direct or indirect shareholdings in the Company).

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection at the Company's office at 11 Woodlands Close #10-11 Woodlands 1 Singapore 737853 during normal business hours for three (3) months from the date of this announcement.

9. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their shares in the Company. The Proposed Placement is subject to numerous conditions and there is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Placement and other matters contemplated by this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

10. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Poh Wee Chiow, Roger
Executive Director

18 June 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Continuing Sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), this being the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume 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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