

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 August 2020 are as follows:

	\$'000
Cash balances:	
Cash and bank balances	9,189
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	9,189
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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 August 2020 is as follows:

	\$'000
Opening balance as at 1 August 2020 (Note A)	7,473
<u>Cash inflows:</u>	
Receipts from customers and other receivables	8,329
Interest received	1
Proceeds from disposal of fixed assets	1
Drawdown of bank borrowings	2,202
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	10,533
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Less:	
<u>Cash outflows:</u>	
Payment to suppliers	(6,090)
Staff costs and related expenses	(1,349)
Other operating expenses	(437)
Purchase of property, plant and equipment	(52)
Repayment of bank borrowings and interest	(877)
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	(8,805)
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Foreign currency revaluation	(12)

Closing balance as at 31 August 2020

9,189

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 August 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**"). On 24 February 2020, we note from the media reports that the Managing Director for JLC has since been charged with 12 different charges, 11 of which involving alleged criminal breach of trust as an attorney in relation to the Escrow Funds. Further on 30 June 2020, we note from the media reports that he has been charged with additional 15 different charges, 14 of which involving cheating the Company by deceiving the Company into believing its escrow account maintained by JLC contained certain balance amounts on certain dates. Separately on 11 August 2020, the Company noted from media reports that he has been charged with additional 4 charges of criminal breach of trust as an attorney in relation to misappropriation of S\$11.7 million from the escrow facility held by JLC for the Company. 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
7 September 2020

*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.*

The contact person for the Sponsor is Mr. Bernard Lui, Telephone: +65 6389 3000, Email: bernard.lui@morganlewis.com.