



ALLIED TECHNOLOGIES LIMITED

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

UPDATES ON PROPOSED TRANSACTIONS IN RESPECT OF 100% OF THE EQUITY INTEREST OF (A) TAICANG SHANFENG HARDWARE CO., LTD.; AND (B) ALLIED MACHINERIES (SHANGHAI) CO., LTD.

Unless otherwise defined, capitalised terms used in this announcement shall have the meaning ascribed to them in the announcement dated 2 June 2016, unless otherwise stated or the context requires otherwise.

Further to the announcement dated 2 June 2016, the board of directors (the **"Board"**) of Allied Technologies Limited (the **"Company"**) and together with its subsidiaries, the **"Group"**) wishes to announce that the Company and each of Allied Machineries (Shanghai) Co., Ltd. (**"AMSH"**) and Taicang Shanfeng Hardware Co., Ltd. (**"TCSF"**) had on 7 July 2016 entered into respective supplemental deeds to amend the terms of the AMSH SPA and the TCSF SPA (the **"AMSH Supplemental Deed"** and the **"TCSF Supplemental Deed"** respectively).

1. AMENDMENTS TO THE AMSH SPA

Pursuant to the AMSH Supplemental Deed, the key amendments to the AMSH SPA include the following:

- 1.1 Pursuant to clause 3.4 of the of the AMSH SPA, the Purchaser had agreed to enter into the AMSH Pledge of Equity to pledge, by way of a first priority pledge, all the assets and shares of AMSH and TCSF to the Company, as security for the Purchaser's obligation to pay and discharge all AMSH Consideration amounts payable by the Purchaser to the Company under the AMSH SPA (the **"AMSH Secured Obligations"**). The Parties have agreed to, *inter alia*, obtain in lieu of the AMSH Pledge of Equity, (i) a personal guarantee (**"Deed of Guarantee"**) from Mr Chang Kuo Yung (**"CKY"**), the sole shareholder of the Purchaser; and (ii) a charge over the shares held by CKY in the Purchaser (**"Share Charge"**), as security for the Purchaser's obligation to pay and discharge the AMSH Consideration payable by the Purchaser to the Company under the AMSH SPA. Accordingly, the requirement under the AMSH SPA to enter into the AMSH Pledge of Equity is no longer valid.
- 1.2 Pursuant to the above amendment, the execution of the Share Charge and the Deed of Guarantee by the Purchaser and the Company have been included as one of the Conditions at clause 4.1 of the AMSH SPA.
- 1.3 In addition, clause 6.3 of the AMSH SPA has also been amended to include the executed Share Charge and Deed of Guarantee as completion deliverables on Completion Date.

2. AMENDMENTS TO THE TCSF SPA

Pursuant to the TCSF Supplemental Deed, the key amendments to the TCSF SPA include the following:

- 2.1 Pursuant to clause 3.4 of the of the TCSF SPA, the Purchaser had agreed to enter into the TCSF Pledge of Equity to pledge, by way of a first priority pledge, all the assets and shares of AMSH and TCSF to the Company, as security for the Purchaser's obligation to pay and discharge all TCSF Consideration amounts payable by the Purchaser to the Company under the TCSF SPA (the **"TCSF Secured Obligations"**). The Parties have agreed to, *inter alia*, obtain in lieu of the TCSF Pledge of Equity, (i) a Deed of Guarantee from CKY, the sole shareholder of the Purchaser; and (ii) a Share Charge, as security for the Purchaser's obligation to pay and discharge the TCSF Consideration payable by the Purchaser to the Company under the TCSF SPA. Accordingly, the requirement under the TCSF SPA to enter into the TCSF Pledge of Equity is no longer valid.

- 2.2 Pursuant to the above amendment, the execution of the Share Charge and the Deed of Guarantee by the Purchaser and the Company have been included as one of the Conditions at clause 4.1 of the TCSF SPA.
- 2.3 In addition, clause 6.3 of the TCSF SPA has also been amended to include the executed Share Charge and Deed of Guarantee as completion deliverables on Completion Date.

3. DIRECTORS' 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 Transactions, 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 the 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.

4. DOCUMENTS FOR INSPECTION

A copy each of the following documents will be available for inspection during normal business hours at the Company's registered office at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 for three (3) months from the date hereof:

- 4.1 the AMSH SPA;
- 4.2 the TCSF SPA;
- 4.3 the AMSH Supplemental Deed; and
- 4.4 the TCSF Supplemental Deed.

5. CAUTIONARY STATEMENT

Shareholders of the Company should note that the terms of the Proposed Transactions as set out in the TCSF SPA, the AMSH SPA, the AMSH Supplemental Deed and the TCSF Supplemental Deed are indicative. There is no certainty or assurance as at the date of this announcement that the Proposed Transactions will be completed. Accordingly, shareholders of the Company are advised to exercise caution when trading in the Shares of the Company.

The Company will make the necessary announcements when there are further developments on the Proposed Transactions and other matters contemplated by this announcement. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

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

7 July 2016