

**ALLIED TECHNOLOGIES LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 199004310E)

---

**PROPOSED PLACEMENT OF UP TO 675,164,460 NEW ORDINARY SHARES  
IN THE CAPITAL OF ALLIED TECHNOLOGIES LIMITED**

---

**1. INTRODUCTION**

- 1.1 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 has, on 21 September 2017, entered into a conditional placement agreement (the “**Placement Agreement**”) with OCBC Securities Private Limited as placement agent (the “**Placement Agent**”).
- 1.2 Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscriptions on a best endeavours basis for, an aggregate of up to 675,164,460 new ordinary shares in the capital of the Company (the “**Placement Shares**”), at an issue price of S\$0.05 per Placement Share (the “**Issue Price**”), amounting to an aggregate consideration of up to S\$33,758,223 (the “**Proposed Placement**”).
- 1.3 Assuming that the Placement Shares are fully subscribed, the Placement Shares represent approximately 100% of the existing issued ordinary shares in the capital of the Company of 675,164,460 ordinary shares as at the date of this announcement (excluding treasury shares). Immediately after completion of the Proposed Placement and assuming that no further ordinary shares are issued prior thereto, the Proposed Placement will increase the issued ordinary shares in the capital of the Company to 1,350,328,920 ordinary shares and the Placement Shares will represent approximately 50% of the enlarged issued share capital of the Company (excluding treasury shares).

**2. GENERAL MANDATE**

- 2.1 The Placement Shares will be allotted and issued pursuant to the general mandate granted by the shareholders of the Company (the “**Shareholders**”) at the extraordinary general meeting of the Company held on 27 April 2017 (the “**General Mandate**”). As such, no circular will be issued by the Company in connection with the Proposed Placement.
- 2.2 Under the General Mandate, the Board is authorised to issue new ordinary shares in the capital of the Company, on the basis that the total number of ordinary shares to be issued (whether on a pro rata or non-pro rata basis) must be not more than 100% of the total number of issued ordinary shares (excluding treasury shares) in the capital of the Company as at the time of the passing of the resolution approving the General Mandate (the “**Relevant Time**”), after adjusting for, amongst other, new shares arising from the conversion or exercise of any instruments.
- 2.3 The total number of ordinary shares (excluding treasury shares) in the capital of the Company as at the Relevant Time was 675,164,460. As at the date of this announcement, the Company has not issued any Shares under the General Mandate, and no event has occurred which would result in any adjustment in the number of Shares on which the General Mandate is based. As such, the maximum number of shares that may be issued pursuant to the General Mandate is 675,164,460 new ordinary shares and hence the proposed allotment and issuance of up to 675,164,460 new ordinary shares will fall within the limits of the General Mandate.

### 3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

#### 3.1 Issue Price

In accordance with and subject to the terms and conditions of the Placement Agreement, the Placement Agent has agreed to use its best endeavours to procure subscriptions for, and payment of the Placement Shares at the Issue Price, which represents a discount of approximately 0.79% to the weighted average price of the Shares of S\$0.0504 per Share (as defined below) for trades done on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 19 September 2017 up to 2 pm on 20 September 2017 (being the preceding market day up to the date and time at which a trading halt was requested by the Company, prior to the date the Placement Agreement was signed).

#### 3.2 Ranking

The Placement Shares, when allotted and issued, shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing ordinary shares in the capital of the Company (“**Share(s)**”), except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of the Placement Shares.

#### 3.3 Conditions Precedent

Completion under the Placement Agreement is conditional upon, *inter alia* :

- (a) the Company having received the approval-in-principle for the listing and quotation of the Placement Shares on the sponsor-supervised platform (“**Catalist**”) of the SGX-ST and such approval not having been revoked or amended, and, where such approval is subject to conditions, to the extent that any conditions for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST are required to be fulfilled on or before the date of completion of the subscription of the Placement Shares, they are so fulfilled;
- (b) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company or the Placement Agent; and
- (c) there not having occurred, in the opinion of the Placement Agent, any material adverse change, or any development reasonably likely to involve a prospective material adverse change, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement which, in the opinion of the Placement Agent, is or is reasonably likely to be materially adverse in the context of the Proposed Placement or is reasonably likely to prejudice materially the success of the Proposed Placement or dealings in the Placement Shares in the secondary market.

(collectively, the “**Conditions Precedent**”).

If the Conditions Precedent are not fulfilled on or before the date falling four (4) weeks after the date of the Placement Agreement (or such other date as the Company and the Placement Agent may mutually agree), the Placement Agreement shall terminate and shall be of no further effect and neither the Company nor the Placement Agent shall be under any liability to the other in respect of the Placement Agreement save that the Company shall remain liable under for any indemnities as provided under the Placement Agreement and for the reimbursement of costs and expenses reasonably incurred by the Placement Agent in respect of the Proposed Placement up to the date of such termination.

### 3.4 Completion

Completion under the Placement Agreement (“**Completion**”) shall take place on the date falling three (3) Business Days (the term “Business Day” means a day (excluding Saturday and Sunday) on which commercial banks are open for business in Singapore) after all the Conditions Precedent have been fulfilled.

### 3.5 Additional Listing Application

The Sponsor of the Company, CIMB Bank Berhad, Singapore Branch, will be making an application on behalf of the Company to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST. The Company will make the necessary announcement in due course upon obtaining the approval in-principle for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST from the SGX-ST.

### 3.6 Commission

In consideration of the Placement Agent procuring subscribers on a best endeavours basis for the Placement Shares, the Company shall pay a commission of 1% of the Issue Price in respect of each Placement Share which the Placement Agent has successfully obtained subscriptions for provided always that the minimum commission payable to the Placement Agent is S\$150,000.

### 3.7 General

The Placement Shares will not be offered to nor shall subscriptions be procured from persons who fall within the categories set out in Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”) unless Rule 812(3) of the Catalist Rules applies.

In addition, the Proposed Placement will not bring about a transfer of controlling interest.

There is no moratorium imposed on the Placement Shares.

## 4. RATIONALE AND USE OF PROCEEDS

4.1 Based on the Issue Price of S\$0.05 per Placement Share and assuming the Placement Shares will be taken up in full, the Proposed Placement will allow the Company to raise net cash proceeds (after deducting estimated expenses of approximately S\$366,000) of approximately S\$33,392,000 (the “**Net Proceeds**”), which will be utilised as follows:

- (a) 90% of the Net Proceeds will be used for business expansion through acquisitions, joint ventures and collaborations and the funding needs of such business expansion; and
- (b) 10% of the Net Proceeds will be used as general working capital purposes.

4.2 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such Net Proceeds are materially disbursed, and whether the use of Net Proceeds is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the utilisation of such Net Proceeds in the Company's interim and full-year financial statements and annual report(s). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and status reports. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

4.3 Pending deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments or debt instruments or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit from time to time.

- 4.4 The Company has decided to undertake the Proposed Placement to strengthen the Group's financial position and flexibility to capitalise on growth opportunities. The Proposed Placement will result in an injection of funds into the Company to fund the growth of the Group's business and for general working capital purposes.

## 5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

For illustrative purposes only, based on the audited consolidated financial statements of the Company and the Group for the year ended 31 December 2016, the financial effects of the Proposed Placement on the Group are calculated based on the following assumptions:

- (a) the computations are purely for illustrative purposes only and do not reflect the actual financial results and financial position of the Group after completion of the Proposed Placement;
- (b) for the purpose of computing the effect of the Proposed Placement on the net tangible assets ("NTA") per Share, it is assumed that the Proposed Placement was completed on 31 December 2016; and
- (c) for the purpose of computing the effect of the Proposed Placement on the earnings per Share ("EPS"), it is assumed that the Proposed Placement was completed on 1 January 2016.

### Share Capital

	Number of Shares	Share Capital (S\$'000)
Issued and paid-up share Capital before allotment of Placement Shares	675,164,460	57,337
Issued and paid-up share Capital after allotment of Placement Shares	1,350,328,920	90,729

### NTA

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated NTA attributable to Shareholders (S\$'000)	63,574	96,966
Number of issued Shares	675,164,460	1,350,328,920
NTA per Share (cents)	9.42	7.18

### EPS

	Before the allotment of Placement Shares	After the allotment of Placement Shares
Consolidated profit after taxation (S\$'000)	1,359	1,359
Issued number of Shares	675,164,460	1,350,328,920
EPS (cents)	0.20	0.10

**6. DIRECTORS' CONFIRMATION**

The Directors are of the opinion that, after taking into consideration the present bank 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 as explained in paragraph 4 above.

The Directors are further of the opinion that, after taking into consideration the present bank facilities and Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

**7. PROSPECTUS OR OFFER INFORMATION STATEMENT**

The Proposed Placement will be undertaken pursuant to Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

**8. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or, to the best of the Company's knowledge, the substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Proposed Placement (other than through their respective shareholdings in the Company) except that the Placement Agent may elect to place the Placement Shares to substantial shareholders as permitted under Rule 812(3) of the Catalist Rules.

**9. TRADING CAUTION**

Shareholders are advised to exercise caution in trading their ordinary shares in the capital of the Company. There is no certainty or assurance as at the date of this announcement that the proposed allotment and issuance of the Placement Shares 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. 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 advisors if they have any doubt about the actions they should take.

**10. 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 Placement and the Group, 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**

**HSU CHING YUH @ SHEU CHING YUH**  
**CHIEF EXECUTIVE OFFICER AND GROUP MANAGING DIRECTOR**  
**21 September 2017**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor"), for compliance with the relevant rules of the SGX-ST, being the SGX-ST Listing Manual Section B : Rules of Catalist. 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.*

*The contact person for the Sponsor is Mr Lee Chee Cheong, Associate Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone +65 63375115.*