



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 fourth quarter ended 31 December 2015 (“**4Q FY2015**”).

Update on Unaudited Financial Performance and Financial Position

In 4Q FY2015 and the year ended 31 December 2015 (“**12M FY2015**”), the Group has recorded an unaudited net profit of S\$1.20 million and S\$0.33 million respectively, compared to the net loss after tax of S\$7.10 million and S\$7.93 million in 4Q FY2014 and 12M FY2014. The improved result achieved by the Group in 12M FY2015 is mainly contributed by the increase in revenue from its new and existing customers.

The Group’s net assets as at 31 December 2015 has increased by S\$2.08 million to S\$63.90 million as compared to 31 December 2014. The increase is mainly arising from the positive translation differences relating to the financial statements of the Group’s foreign subsidiaries and net profit generated by the Group during the year.

For more details on the results and financial position of the Group for the period ended 31 December 2015, please refer to our separate announcement released on 19 February 2016.

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

On 01 December 2015, the Company entered into a non-binding memorandum of understanding (“**MOU**”) with Cairnhill Treasure Investment (S) Pte. Ltd. (“**Cairnhill Treasure**”) and Tan Boon Kian (collectively, the “**Vendors**”), in relation to a proposed investment by the Company in Maxz Universal Development Group Private Limited (the “**Target Company**”) (the “**Proposed Transaction**”).

The Target Company, which is incorporated in Singapore, is the legal and beneficial owner of 12,836,319 ordinary shares of Treasure Resort Pte. Ltd. ("**Treasure Resort**"), representing 93.90% of the issued share capital of Treasure Resort. Treasure Resort, which is incorporated in Singapore, is in the business of management of resorts, and its assets include the Mövenpick Heritage Hotel Sentosa, located on Sentosa Island, Singapore (the "Hotel").

The Company will update shareholders on any other subsequent 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

19 February 2016