

CIRCULAR DATED 9 MARCH 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of Allied Technologies Limited (the “**Company**”), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

This Circular 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 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 Circular.

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

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 6337 5115.



ALLIED TECHNOLOGIES LIMITED

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

CIRCULAR TO SHAREHOLDERS

In relation to

**THE PROPOSED DIVERSIFICATION OF THE CURRENT CORE BUSINESS OF THE GROUP
TO INCLUDE THE NEW BUSINESS**

IMPORTANT DATES AND TIMES:–

Last date and time for lodgement of Proxy Form	:	24 March 2018, 9.00 a.m.
Date and time of Extraordinary General Meeting	:	26 March 2018, 9.00 a.m.
Place of Extraordinary General Meeting	:	11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:–

“Act” or the “Companies Act”	:	The Companies Act, Chapter 50 of Singapore
“ABO”	:	Shall have the meaning ascribed to it in Section 2.2 of this Circular
“Board of Directors” or “Board”	:	The board of Directors of the Company for the time being
“Catalist”	:	The Catalist Board of the SGX-ST
“Catalist Rules”	:	The SGX-ST Listing Manual, Section B: Rules of Catalist, as may be amended, varied or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 9 March 2018
“Company”	:	Allied Technologies Limited
“Controlling Shareholder”	:	A person who : (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (the SGX-ST may determine that a person who satisfies this definition is not a controlling shareholder); or (b) in fact exercises control over the Company
“Current Core Business”	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
“Director”	:	A director of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on pages 26 to 27 of the Circular
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	7 March 2018, being the latest practicable date prior to the printing of this Circular
“MOU 8TPS”	:	Shall have the meaning ascribed to it in Section 2.2 of this Circular
“MOU PICPL”	:	Shall have the meaning ascribed to it in Section 2.2 of this Circular

DEFINITIONS

“New Business”	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
“Notice of EGM”	:	The notice of EGM set out on pages 26 to 27 of this Circular
“PICPL”	:	Shall have the meaning ascribed to it in Section 2.2 of this Circular
“Proposed Diversification”	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
“Securities Account”	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors to whose securities accounts maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Sponsor”	:	CIMB Bank Berhad, Singapore Branch
“Substantial Shareholder”	:	A person who has an interest in voting shares of the Company, the total votes attached to which is not less than 5% of the total votes attached to all the voting shares of the Company
“8TPS”	:	Shall have the meaning ascribed to it in Section 2.2 of this Circular
“%” or “per cent”	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

DEFINITIONS

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Catalist Rules, the SFA or any modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Act, the Catalist Rules, the SFA or any modification thereof, as the case may be, unless otherwise provided.

Any reference to date and time of day in this Circular shall be a reference to Singapore date and time, unless otherwise stated.

Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

ALLIED TECHNOLOGIES LIMITED

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

Board of Directors:

Poh Wee Chiow, Roger (Executive Director)
Yau Woon Foong (Lead Independent Director)
Lim Jin Wei (Independent Director)
Pok Mee Yau (Independent Director)

Registered Office:

11 Woodlands Close
#10-11 Woodlands 11
Singapore 737853

To: The Shareholders of the Company

9 March 2018

Dear Sir/Madam,

THE PROPOSED DIVERSIFICATION OF THE CURRENT CORE BUSINESS OF THE GROUP TO INCLUDE THE NEW BUSINESS

1. INTRODUCTION

1.1 Diversification of Current Core Business of the Group to Include the New Business

The Company proposes to expand its current core business being that of a manufacturer of precision stamped metal parts and provision of vertically integrated precision manufacturing services, including design and product development, prototyping services, tool and die fabrication, mass production, plastic injection moulding and mechanical sub-assembly services (“**Current Core Business**”) to include that of the new business of (a) e-commerce platforms in the business of event ticketing, booking reservation systems, internet finance, payment gateways (backend) and loyalty redemption platforms; (b) operating of technology and digital payment applications (frontend) that enable digital and mobile payments; and (c) identify and invest in or build (whether through expertise in the Group and/or suitably qualified external personnel) proven business models relating to e-commerce or the internet of things and seek to scale them into market leading online companies (“**New Business**”). Further details on the proposed diversification of the Current Core Business to include the New Business (“**Proposed Diversification**”) are set out in Section 2 of this Circular. The Company is seeking approval from Shareholders for the Proposed Diversification.

1.2 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the above and to seek Shareholders’ approval for the resolution set out in the Notice of EGM. The Notice of EGM is set out on pages 26 to 27 of this Circular.

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

LETTER TO SHAREHOLDERS

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

If a Shareholder is in any doubt as to the action he/she should take, he/she should consult his/her legal, financial, tax or other professional adviser(s) immediately.

2. DETAILS OF THE PROPOSED DIVERSIFICATION

2.1 Current Core Business

The Group's Current Core Business is that of a manufacturer of precision stamped metal parts and provision of vertically integrated precision manufacturing services, including design and product development, prototyping services, tool and die fabrication, mass production, plastic injection moulding and mechanical sub-assembly services.

2.2 Proposed Diversification

The Group intends to diversify its Current Core Business to include the following businesses as described below, as and when appropriate opportunities arise:

- (a) e-commerce platforms in the business of event ticketing, booking reservation systems, internet finance, payment gateways (backend) and loyalty redemption platforms;
- (b) operating of technology and digital payment applications (frontend) that enable digital and mobile payments; and
- (c) identify and invest in or build (whether through expertise in the Group and/or suitably qualified external personnel) proven business models relating to e-commerce or the internet of things and seek to scale them into market leading online companies.

E-commerce relates to a transaction of buying or selling online and it draws on technologies such as mobile commerce, electronic funds transfer, internet marketing, online transaction processing and electronic data interchange.

The internet of things is the network of physical devices, vehicles, home appliances or other items embedded with electronics, software, sensors, and connectivity which enables these objects to connect and exchange data.

The Group may also, as part of the New Business, invest in or dispose of shares or interests in any entity that is in the New Business.

The Group does not plan to restrict the New Business to any specific geographical market as each investment will be evaluated and assessed by the Board on its merits. The Group may also explore joint ventures, partnerships, cooperation and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the New Business as and when the opportunity arises.

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The decision on whether an investment should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the nature and scale of the respective business, amount of investment required and risks associated with such an investment, nature of expertise required and economic conditions, taking into account the opportunities available.

The Company had on 19 December 2017 announced that it had entered into the binding memorandum of understanding with 8travelpay Intelligence & Technology (Shanghai) Co., Ltd (“**8TPS**”) on 18 December 2017 (“**MOU 8TPS**”). Pursuant to the MOU 8TPS, the Company shall enter into negotiations with 8TPS to subscribe for ordinary shares in 8TPS in an amount of US\$2,500,000 and non-redeemable convertible loan notes issued by 8TPS in an amount of US\$7,500,000 (the “**Loan Notes**”), (the “**Proposed Investment**”). The Proposed Investment is subject to, *inter alia*, the Company and 8TPS entering into a definitive investment agreement (“**Investment Agreement**”) and other related documents in respect of the Proposed Investment. The Company and 8TPS shall negotiate in good faith to agree on the terms and conditions of the Investment Agreement by 31 March 2018.

8TPS is a company incorporated in the People’s Republic of China and is principally in the business of providing payment and technology solutions to the corporate travel market. 8TPS has an exclusive contract with Hotel Reservation Service (Shanghai) Co Ltd, which is part of the Hotel Reservation Service group. The Company is currently negotiating the terms of the Investment Agreement.

The Company had also on 24 January 2018 announced that it had entered into the binding memorandum of understanding with Platform Internet Capital Pte. Ltd. (“**PICPL**”) on 23 January 2018 (“**MOU PICPL**”). Pursuant to the MOU PICPL, the Company shall enter into negotiations with PICPL to acquire 51% (the “**Proposed Acquisition**”) of the entire issued and fully paid-up ordinary shares in the capital of Asia Box Office Pte. Ltd. (“**ABO**”). The Proposed Acquisition is subject to, *inter alia*, the Company and PICPL entering into a definitive sale and purchase of shares agreement (“**S&P Agreement**”) and other related documents in respect of the Proposed Acquisition. The Company and PICPL shall negotiate in good faith to agree on the terms and conditions of the S&P Agreement within two (2) months from 23 January 2018. The Proposed Acquisition shall also be subject to the Company and PICPL agreeing on the consideration payable for the Proposed Acquisition following independent valuation of ABO by a valuer appointed by the Company. ABO is a company incorporated under the laws of Singapore and is in the business of operating an e-commerce ticketing solutions platform for venues and event organisers, with focus on sports, entertainment and lifestyle events in Southeast Asia and Greater China (which relates to e-commerce platforms in the business of event ticketing). ABO recently announced that it is the promoter and ticketing partner of Cirque Du Soleil Inc.’s Big Top touring show “KOOZA” in Hong Kong between the months of April 2018 and June 2018, as one of its major projects. In terms of past events, ABO has been the e-commerce and events partner to Bryan Adam’s “Get Up Tour”, KBS Music Bank World Tour held in Suntec City Convention Centre and the annual Christmas Wonderland held at Gardens by The Bay.

Please refer to the sections entitled “Rationale” and “Risks Factors” as set out in Sections 2.3 and 2.6, respectively, of this Circular for the rationale for and risks associated with the Proposed Diversification.

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2.3 Rationale for the Proposed Diversification

Aligned with Singapore's push to become a digitally smart economy¹, the Group proposes to diversify its Current Core Business to include that of the New Business as part of the corporate strategy of the Group to provide Shareholders with diversified returns and long term growth. According to eMarketer Report published in July 2017, global retail e-commerce is expected to post sales of US\$2.29 trillion in 2017, an increase of 23.2% over the previous year. eMarketer Report estimates that e-commerce made up 10% of total global retail sales for the first time and this proportion is expected to grow to 16% in 2021². In Singapore alone, according to statista.com, the domestic e-commerce volume is expected to amount to US\$3.74 billion in 2018 and to grow by a compounded annual growth rate of 10.1% from 2018-2022³.

The Group envisages that the New Business will develop into a platform for e-commerce related services which enables entry into various sub-sectors of the e-commerce industry, ranging from ticketing and reservation systems to integrated payment solutions. The Group believes that while the Current Core Business continues to operate within a stable manufacturing environment, the New Business enables the Group to be more adaptive to potential disruptions to traditional 'brick-and-mortar' industries caused by the rapid rise in e-commerce and the digital economy. As a platform of e-commerce related services, the New Business will also be sufficiently scalable and responsive to new opportunities arising from the rapid growth in e-commerce and the digital economy both domestically and internationally.

For the New Business, the Group plans to take stakes in e-commerce technology and solutions providers so as to integrate technologies, create new solutions that may be cross marketed via each entity. The Directors believe that the Proposed Diversification will provide Shareholders with diversified returns, offer new business opportunities and provide the Group with additional revenue streams and improve its prospects, so as to enhance Shareholders' value for the Company.

2.4 Managing the New Business

Even though the Board recognises that the New Business is different from the Current Core Business, the Board is confident that the relevant experience and expertise required can be acquired and developed by the Group over time. Further, the Board and senior management of the Group comprise individuals with varied qualifications and experience who will provide the strategic vision and policy on the New Business.

¹ Source: 'The push to go digital' The Sunday Times 20 August 2017

² Source: eMarketer Report: Worldwide Retail and Ecommerce Sales: eMarketer's estimates for 2016-2021 <https://www.emarketer.com/Report/Worldwide-Retail-Ecommerce-Sales-eMarketers-Estimates-20162021/2002090>

³ Source: statista.com: <https://www.statista.com/outlook/243/124/ecommerce/singapore#>

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The Group will carefully monitor developments and progress in the New Business and take the necessary steps to retain the management team of the identified acquisition targets in the New Business and also identify suitable candidates both from within the Group as well as externally to build the management team for the New Business. The Group will also continually evaluate the manpower and expertise required for the New Business and will, as and when required, engage suitably qualified external personnel, consultants, industry experts and professionals for the New Business. In making decisions, the Board and senior management will seek the advice of these reputable external consultants and experts where necessary and appropriate. Where necessary, work may be outsourced to these third parties who have expertise in the relevant area.

The Group may foster partnerships with various third parties in the relevant industries to assist it in undertaking the New Business more effectively and efficiently as the Group seeks to build its expertise and capabilities in this field. Such partnerships may be done either on a case by case basis or on a term basis. In selecting its partners, the Group will take into account the specific expertise and competencies required and the experience, historical track record and financial standing of the party concerned.

2.5 Requirements under the Catalist Rules

As the New Business is substantially different from the Current Core Business, it is envisaged that the Proposed Diversification will change the existing risk profile of the Group. Accordingly, the EGM will be convened by the Company to seek Shareholders' approval for the Proposed Diversification.

Upon the approval by Shareholders of the Proposed Diversification, any acquisition which is in or in connection with, the New Business, may be deemed to be in the Group's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Catalist Rules. Accordingly, the Group may, in its ordinary course of business, enter into transactions relating to the New Business which will not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek for Shareholders' approval as and when potential transactions relating to the New Business arise, even where they cross the threshold of a "major transaction", if the acquisition will result in an expansion of the Group's existing core business. As set out in Practice Note 10A of the Catalist Rules, the SGX-ST takes the view that it should not in normal circumstances require an issuer to seek shareholders' approval if the expansion is by way of an acquisition of a similar business, when other means to expand its business that are open to the issuer would not require shareholders' approval. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Company.

Pursuant to Rule 1014 of the Catalist Rules, a major transaction is a transaction (as defined in Rule 1002(1) of the Catalist Rules) where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules (a) exceeds 75% but is less than 100% (for an acquisition) or (b) exceeds 50% (for a disposal), must be made conditional upon approval by shareholders in a general meeting. In addition, the Company is, amongst others, required to make an announcement containing the information set out in Rule 1010 of the Catalist Rules.

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For the avoidance of doubt, notwithstanding the Proposed Diversification:

- (a) Rules 1010 and 1014 of the Catalist Rules would still apply to any transaction which falls within the definition as set out in Rule 1002(1) of the Catalist Rules;
- (b) where any acquisition of assets (whether or not the acquisition is deemed to be in the ordinary course of business of the Company) is one where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules is 100% or more or which will result in the change of control of the Company would be deemed to be a very substantial acquisition or reverse takeover and would be subject to Rule 1015 of the Catalist Rules and would be subject to approval of Shareholders;
- (c) Practice Note 10A of the Catalist Rules will apply and Shareholders' approval would be required for any transaction (which falls within the definition as set out in Rule 1002(1) of the Catalist Rules) which changes the risk profile of the Company; and
- (d) where any transaction constitutes an "interested person transaction" as defined under Chapter 9 of the Catalist Rules, Chapter 9 of the Catalist Rules will apply to such a transaction and the Company will comply with the provisions of Chapter 9 of the Catalist Rules. In particular, pursuant to Rule 905 of the Catalist Rules, where any interested person transaction is of a value equal to or more than 3% of the Group's latest audited net tangible asset, or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to or more than 3% of the Group's latest audited net tangible asset, the Group must make an immediate announcement of the interested person transaction. Pursuant to Rule 906 of the Catalist Rules, where any interested person transaction is of a value equal to or more than 5% of the Group's latest audited net tangible asset, or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to or more than 5% of the Group's latest audited net tangible assets, the Group must obtain shareholder approval of the interested person transaction.

2.6 Risk Factors

Shareholders should note that the Proposed Diversification will change the risk profile of the Group.

Shareholders should carefully consider and evaluate each of the following risks and all of the other information set out in this Circular in relation to the Proposed Diversification. Some of the following risks relate principally to the New Business. Others relate principally to general economic and political risks.

If any of the following risks and uncertainties develops into actual events, the business, financial condition or results of operations of the Company's New Business could be materially and adversely affected. The risks discussed below may also include forward-looking statements and the Company's and the Group's actual results may differ substantially from those discussed in these forward-looking statements.

Sub-headings are for convenience only and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

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The following considerations are not exhaustive and not intended to be exhaustive. There may be considerations that are not known to the Company or currently not deemed material.

(a) The Group has no prior track record and operating experience in the New Business

The Group does not have a prior track record in the carrying out or implementation of the New Business. There is no assurance that the Group's foray into the New Business will be commercially successful and that the Group will be able to derive sufficient revenue to offset the acquisition, capital and/or start-up costs as well as operating costs arising from the New Business. The New Business may require high capital commitment and may expose the Group to unforeseen liabilities or risks associated with its entry into new markets and new businesses.

The New Business involves business risks including the financial costs of setting up new operations, capital investments and maintaining working capital requirements. If the Group does not derive sufficient revenue from or does not manage the costs of the the New Business effectively, the overall financial position and profitability of the Group may be adversely affected.

The Group will also be exposed to the risks associated with a different competitive landscape and a different operating environment. In particular, the Group will be affected by factors affecting the New Business in the regions where the Group ventures into, such as general economic conditions, changes in interest rates and relevant government policies and measures.

The Group's future plans with regard to the New Business may not be profitable, may not achieve sales levels and profitability that justify the investments made and may take a long period of time before the Group could realise any return. The activities of the New Business may entail financial and operational risks, including diversion of management's attention and difficulty in recruiting suitable personnel.

Further, such future plans and new initiatives could be capital intensive and could also result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debts and contingent liabilities as well as increased operating expenses, all of which may materially and adversely affect the financial performance of the Group. The Group may face significant financial risks before it can realise any benefits from its investments in the New Business.

(b) The Group may not have the ability or sufficient expertise to execute the New Business

The Group's ability to successfully diversify into the New Business is dependent upon its ability to adapt its existing knowledge and expertise, and to understand and navigate the New Business. There is no assurance that the Group will be able to hire and subsequently retain employees with relevant experience and knowledge. Should the Group fail to achieve its business objectives, there may be an adverse effect on the Group's profitability. While the Group has planned the Proposed Diversification based on the outlook and the Group's understanding of the New Business and general economic situation, there is no assurance that such plans will be commercially successful or the actual outcome of the Proposed Diversification will match the Group's expectations. In such event, the Group's New Business, financial condition, results of operations and prospects may be materially and adversely affected.

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(c) **The Group may face competition from existing competitors and new market entrants in the New Business**

The New Business has strong competition from established industry participants who may have larger financial resources or a stronger track record. The Group may not be able to respond more quickly to market trends than potential or existing competitors who may have larger financial resources and stronger track records. Further, new competitors may enter the industry resulting in increased competition. There is no assurance that the Group can compete successfully against its existing or potential competitors now or in the future. In the event that the Group fails to do so, the Group's New Business, financial condition, results of operations and prospects may be adversely affected.

(d) **The Group is exposed to a range of economic risks relating to the New Business in the countries in which the Group may operate**

The performance of the New Business depends largely on the economic situation and is dependent on the continued expansion of the economies of the countries in which the Group may operate. There is no assurance that the respective industry in each of the countries in which the Group may operate will continue to grow and such countries may be adversely affected by political, economic, regulatory, social or diplomatic developments affecting the respective sectors generally. Changes in inflation, interest rates, taxation or other regulatory, economic, social or political factors affecting the countries in which the Group may operate or any adverse developments in the demand in the relevant sector may have an adverse effect on the Group's New Business. Should the economy experience a downturn, the performance of the New Business may be adversely affected. This may also materially and adversely affect the Group's New Business operations, financial performance and financial condition.

(e) **The Group is subject to various government regulations in the New Business**

The New Business is exposed to the risks posed by current and potential future regulations and legislation that apply to the New Business in which the Group operate and the industries its clients operate.

Changes in the regulatory environment in countries in which the Group operates may have consequences for the Group, such as limiting the Group's ability to do business in a jurisdiction because of a change in laws or an imposition of trade barriers.

The Group may be required to obtain various licences and permits in certain countries in which it operates. The licences and permits are generally subject to conditions stipulated in the licences and permits and/or relevant laws or regulations under which such licences and permits are issued. Failure to comply with such conditions could result in the revocation or non-renewal of the relevant licence or permit. As such, the Group will have to constantly monitor and ensure compliance with such conditions. Should there be any failure to comply with such conditions resulting in the revocation of any of the licences and permits, the Group will not be able to carry out operations in the relevant country. In such an event, operations and financial performance will be adversely affected.

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(f) The Group is exposed to risks associated with acquisitions, joint ventures, partnerships, cooperation and strategic alliances

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the New Business may involve acquisitions, joint ventures, partnerships, cooperation or strategic alliances with third parties. There is no assurance that such acquisitions, joint ventures, partnerships, cooperation, strategic alliances or the joint management of such enterprises will be successful.

Participation in joint ventures, partnerships, cooperation, strategic alliances, acquisitions or other investment opportunities involves numerous risks, including the possible diversion of management attention and loss of capital or other investments deployed in such ventures, alliances, acquisitions or opportunities.

(g) The New Business is subject to the general risk of doing business overseas

The Group does not plan to restrict the New Business to any specific geographical markets. As such, the Group is subject to the general risk of doing business overseas. These general risks include unexpected changes in regulatory requirements, difficulty in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainty regarding legal liability or enforcement of legal rights, tariffs and other trade barriers, variable and unexpected changes in local law and barriers to the repatriation of capital or profits, any which could materially affect the overseas operations of the Group. These risks, if materialised, may affect the Group's New Business and financial condition.

In addition, if the governments of countries in which the Group operates tighten or otherwise adversely change their laws and regulations relating to the repatriation of their local currencies, it may affect the ability of the Group's overseas operations to repatriate profits to the Group and, accordingly, the cash flow of the Group may be adversely affected.

(h) The Group is exposed to foreign exchange transaction risks

Foreign exchange may adversely affect the Group's financial position and operating results. The Group intends to conduct the New Business in various jurisdictions. The Group is therefore exposed to the effects of changes in currency exchange rates. Unfavourable movements in these exchange rates may have an adverse effect on the Group's revenue and/or cost of operating.

(i) The Group may be exposed to risk of loss and potential liabilities that may not be covered by insurance

While the Group will, where appropriate, obtain insurance policies to cover losses in respect of its assets and certain eventualities arising from the Group's New Business, the insurance obtained may not be sufficient to cover all potential losses, including losses arising from risks which are generally not insurable. These include losses arising from acts of God, earthquakes, war, civil disorder and acts of terrorism. Losses arising out of damage to the Group's assets covered by the insurance policies in excess of the amount they are insured may affect the Group's profitability.

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- (j) **There is no assurance of that the Group will be able to identify new opportunities for the growth of the New Business**

Other than the MOU 8TPS which was announced on 19 December 2017 and the MOU PICPL which was announced on 24 January 2018, the Group has not formalised any definitive plans in connection with the New Business. While the Group will continue to actively seek opportunities in the New Business, there is no assurance that it will be able to identify such opportunities which suit its risk and returns profile.

- (k) **The Group is subject to risks inherent in investing in entities which it does not control**

The Group may make investments in entities that are not the Group's subsidiaries and over which the Group does not have majority control. There is no assurance that the Group will be able to influence the management, operation and performance of these entities through its voting rights, in a manner which would be favourable to the Group, or at all. If all or any of these entities were to perform poorly, the Group's New Business, financial condition, results of operations and prospects may be adversely affected.

- (l) **Factors adversely affecting events could have a material adverse effect on business, financial condition and results of operations of some segments of the New Business**

The New Business such as the e-commerce platform in the business of event ticketing and booking reservation systems, its financial condition and results of operations are directly affected by the popularity, frequency and location of events. Sales are sensitive to fluctuations in the number and pricing of events and activities offered by promoters, teams and facilities, and adverse trends in the event industries could adversely affect the Group's New Business, financial condition and results of operations. In particular, the ticketing segment relies on third parties to create and perform events and to price tickets to such events. Accordingly, the success of the New Business depends, in part, upon the ability of these third parties to correctly anticipate public demand for particular events and the prices that the public is willing to pay to attend such events, as well as the availability of popular artists, entertainers and teams. In addition, general economic conditions, consumer trends, work stoppages, natural disasters and terrorism could have a material adverse effect on the New Business, financial condition and results of operations. Entertainment-related expenditures are particularly sensitive to business and personal discretionary spending levels, which tend to decline during general economic downturns. A protracted global recession could have a significant negative impact on the New Business, financial condition and results of operations. Similarly, public health issues or a health epidemic could result in the cancellation of events or in lower attendance and ticket sales if fans choose to not attend events they would otherwise attend out of health concerns.

- (m) **Risks in the non-performance and quality of subcontracted works**

The Group may sub-contract certain parts of its projects and services to third party subcontractors. The Group is therefore exposed to the risks that its subcontractors may not provide the subcontracted services or works on time or that the quality of the works or services subcontracted may not meet the requirements under the relevant contracts that the Group has entered into with its customers. Although the Group may

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enter into back-to back arrangements with subcontractors where the terms of the contract with the Group's subcontractors are identical or substantially similar to the terms of the Group's contract with its customers, the Group remains liable to its customers under the contracts that it enter into with them. As such, in the event that the subcontractor is unable to perform the subcontracted works or provide the required services in a satisfactory manner, the Group may be liable to its customers. Should the Group be unable to procure other subcontractors to complete the works, or to carry out the works itself at the same cost, this would adversely affect the New Business and its profitability.

(n) **The New Business may be affected by terrorist attacks, natural disasters, outbreaks of communicable diseases and other events beyond the Group's control**

Terrorist attacks, natural disasters and other events beyond the Group's control in the markets in which it operates may lead to uncertainty in the economic outlook of these markets leading to an economic downturn. This in turn could have an adverse impact on the New Business. The consequences of any such terrorist attacks, natural disasters or other events beyond the Group's control are unpredictable, and the Group is not able to foresee events of such nature, which could cause interruptions to parts of its business and have an adverse effect on the New Business, financial condition, and operating results.

In addition, an outbreak of Zika, SARS, avian influenza, Influenza A (H1N1) and/or other communicable diseases, if uncontrolled, could affect the Group's operations, as well as the promotion of and attendance at events by the public. This may adversely affect the New Business, financial condition, and results of operations.

Further, in the event that the Group's employees and/or employees of the Group's suppliers are infected or suspected of being infected with any communicable disease, the Group and/or the suppliers may be required by health authorities to temporarily shut down the affected premises or offices and quarantine the relevant employees to prevent the spread of the disease. This will result in delays and may have an adverse impact on the New Business and financial performance.

(o) **Relationships with clients and other parties and any adverse changes in these relationships could adversely affect the New Business, financial condition and results of operations**

Sales for the New Business depends, in substantial part, on the ability of the Group to enter into, maintain and renew client contracts on favourable terms. The Group cannot provide assurances that its businesses will be able to maintain existing client contracts, or enter into or maintain new client contracts, on acceptable terms, if at all, and the failure to do so could have a material adverse effect on the New Business, financial condition and results of operations. The non-renewal or termination of an agreement with a major client or multiple agreements with a combination of smaller clients could have a material adverse effect on the New Business, financial condition and results of operations.

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Another important component of the New Business is to maintain existing and build new relationships with third party distribution channels and service providers, including providers of credit card processing and delivery services, as well as advertisers, among other parties. Any adverse changes in these relationships, including the inability of these parties to fulfill their obligations for any reason, could adversely affect the New Business, financial condition and results of operations.

(p) **System interruptions and penetration of network security may adversely affect the operations of the New Business and expose the Group to legal and financial liabilities**

Success of the New Business depends, in part, on the Group's ability to maintain the integrity of its systems and infrastructure, including websites, information and related systems, call centers and distribution and fulfillment facilities. System interruption and the lack of integration and redundancy in the Group's information systems and infrastructures may adversely affect its ability to operate websites, process and fulfill transactions, respond to customer inquiries and generally maintain cost-efficient operations. The Group may experience occasional system interruptions that make some or all systems or data unavailable or prevent its businesses from efficiently providing services or fulfilling orders. The Group may also rely on affiliate and third-party computer systems, broadband and other communications systems and service providers in connection with the provision of services generally, as well as to facilitate, process and fulfill transactions. Any interruptions, outages or delays in its systems and infrastructures, its businesses, its affiliates and/or third parties, or deterioration in the performance of these systems and infrastructures, could impair the ability of the Group to provide services, fulfill orders and/or process transactions. Fire, flood, power loss, telecommunications failure, hurricanes, tornadoes, earthquakes, acts of war or terrorism, acts of God and similar events or disruptions may damage or interrupt computer, broadband or other communications systems and infrastructures at any time. Any of these events could cause system interruption, delays and loss of critical data, and could prevent the Group from providing services, fulfilling orders and/or processing transactions. While the Group may have backup systems for certain aspects of their operations, disaster recovery planning by its nature cannot be sufficient for all eventualities. In addition, the Group may not have adequate insurance coverage to compensate for losses from a major interruption. If any of these adverse events were to occur, it could adversely affect the New Business, financial conditions and results of operations.

In addition, any penetration of network security or other misappropriation or misuse of personal consumer information could cause interruptions in the Group's operations and subject the Group to increased costs, litigation and other liabilities. Network security issues could lead to claims against the Group for other misuse of personal information, such as for unauthorized purposes or identity theft, which could result in litigation and financial liabilities, as well as administrative action from governmental authorities. Security breaches could also significantly damage the Group's reputation with consumers and third parties with whom it does business. It is possible that advances in computer capabilities, new discoveries, undetected fraud, inadvertent violations of company policies or procedures or other developments could result in a compromise of information or a breach of the technology and security processes that are used to protect consumer transaction data. As a result, current security measures may not prevent any or all security breaches. The Group may be required to expend significant capital and other resources to protect against and remedy any potential or

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existing security breaches and their consequences. The Group also faces risks associated with security breaches affecting third parties with which it is affiliated or otherwise conducts business online. Consumers are generally concerned with security and privacy of the internet, and any publicized security problems affecting the New Businesses and/or those of third parties may discourage consumers from doing business with the Group, which could have an adverse effect on the Group's New Business, financial condition and results of operations.

As mentioned below, the New Business involves the collection, storage, processing and transmission of customers' personal data, including financial information. An increasing number of organizations, including large merchants and businesses, other large technology companies, financial institutions, and government institutions, have disclosed breaches of their information security systems, some of which have involved sophisticated and highly targeted attacks, including on portions of their websites or infrastructure.

The techniques used to obtain unauthorized, improper or illegal access to systems, data or customers' data, disable or degrade service, or sabotage systems are constantly evolving, may be difficult to detect quickly, and often are not recognized until launched against a target. Unauthorized parties may attempt to gain access to the Group's systems or facilities through various means, including, among others, hacking into its systems or facilities or those of its customers, partners or vendors, or attempting to fraudulently induce employees, customers, partners, vendors or other users of the Group's systems into disclosing user names, passwords, payment card information, or other sensitive information, which may in turn be used to access its information technology systems. Certain efforts may be supported by significant financial and technological resources, making them even more sophisticated and difficult to detect. Although the Group will have developed systems and processes that are designed to protect its data and customer data and to prevent data loss and other security breaches, and expect to continue to expend significant additional resources to bolster these protections, these security measures cannot provide absolute security. The Group's information technology and infrastructure may be vulnerable to cyberattacks or security breaches, and third parties may be able to access the Group's customers' personal or proprietary information that are stored on or accessible through those systems. The Group's security measures may also be breached due to human error, malfeasance, system errors or vulnerabilities, or other irregularities. Any actual or perceived breach of the Group's security could interrupt its operations, result in its systems or services being unavailable, result in improper disclosure of data, materially harm its reputation and brands, result in significant legal and financial exposure, lead to loss of customer confidence in, or decreased use of, the Group's products and services, and adversely affect the New Business and results of operations. In addition, any breaches of network or data security at the Group's customers, partners or vendors (including data center and cloud computing providers) could have similar negative effects. Actual or perceived vulnerabilities or data breaches may lead to claims against the Group which could have a material adverse effect on the Group's New business, financial condition and results of operations.

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- (q) **The processing, storage, use and disclosure of personal data could give rise to liabilities as a result of governmental regulation, conflicting legal requirements or differing views of personal privacy rights**

In the processing of consumer transactions, the Group receives, transmits and stores a large volume of personally identifiable information and other user data. The sharing, use, disclosure and protection of this information shall be governed by the privacy and data security policies to be implemented by the Group. Moreover, there are international laws regarding privacy and the storing, sharing, use, disclosure and protection of personally identifiable information and user data. Specifically, personally identifiable information is increasingly subject to legislation and regulations in numerous jurisdictions around the world, the intent of which is to protect the privacy of personal information that is collected, processed and transmitted in or from the governing jurisdiction. The Group could be adversely affected if legislation or regulations are expanded to require changes in business practices or privacy policies, or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect the Group's New Business, financial condition and results of operations.

The New Business may also become exposed to potential liabilities as a result of differing views on the privacy of consumer and other user data collected. The Group's failure, and/or the failure by the various third party vendors and service providers with which the Group does business, to comply with applicable privacy policies or similar international laws and regulations or any compromise of security that results in the unauthorized release of personally identifiable information or other user data could damage the reputation of the Group, discourage potential users from trying the Group's products and services and/or result in fines and/or proceedings by governmental agencies and/or consumers, one or all of which could adversely affect the New Business, financial condition and results of operations.

- (r) **Failure to adequately protect intellectual property rights or may be accused of infringing intellectual property rights of third parties**

The Group may fail to adequately protect its intellectual property rights or may be accused of infringing intellectual property rights of third parties. Intellectual property rights, including patents, service marks, trademarks and domain names, copyrights, trade secrets and similar intellectual property (as applicable) are critical to the success of the New Business. The New Business also relies heavily upon software codes, informational databases and other components that make up their products and services.

The Group will rely on a combination of laws and contractual restrictions with employees, customers, suppliers, affiliates and others to establish and protect these proprietary rights. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use trade secret or copyrighted intellectual property without authorization which, if discovered, might require legal action to correct. In addition, third parties may independently and lawfully develop substantially similar intellectual properties.

The Group will generally register and continues to apply to register, or secure by contract when appropriate, its trademarks and service marks as they are developed and used, and reserves and registers domain names as it deems appropriate. The

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Group generally considers the protection of its trademarks to be important for purposes of brand maintenance and reputation. While the Group vigorously protects its trademarks, service marks and domain names, effective trademark protection may not be available or may not be sought in every country in which products and services are made available, and contractual disputes may affect the use of marks governed by private contract. Similarly, not every variation of a domain name may be available or be registered, even if available. The failure of the Group to protect its intellectual property rights in a meaningful manner or challenges to related contractual rights could result in erosion of brand names and limit its ability to control marketing on or through the Internet using its various domain names or otherwise, which could adversely affect the Group's New Business, financial condition and results of operations.

In the ordinary course of business, the Group may face claims of alleged infringement of the trademarks, copyrights, patents and other intellectual property rights of third parties. In addition, litigation may be necessary in the future to enforce the Group's intellectual property rights, protect trade secrets or determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect the New Business, financial condition and results of operations.

(s) Failure to attract and retain key employees could adversely impact the New Business

In order to be successful, the Group must attract and retain talented executives and other key employees, including those in managerial, technical, sales, marketing, and support positions. The New Business requires individuals with relevant experience and diverse skill sets, and the market for these personnel is highly competitive. The failure to attract employees with the requisite skills and abilities to the Group, or the loss of key employees, could adversely impact the Group's ability to meet key objectives, such as the timely and effective development and delivery of products and services, and could otherwise have a significant impact on the Group's New Business.

(t) The Group may have future capital needs and may not be able to obtain additional financing on acceptable terms

The Group's future capital needs may include funds necessary to develop new services or to enhance its existing services, financing, to complete acquisitions or to otherwise take advantage of business opportunities or respond to competitive pressures.

Market conditions may limit the Group's ability to secure additional financing in the future on favourable terms or at all. The Group's ability to secure additional financing and satisfy its financial obligations under indebtedness outstanding from time to time will depend upon its future operating performance, which is subject to then prevailing general economic and credit market conditions, including interest rate levels and the availability of credit generally, and financial, business and other factors, many of which are beyond its control. The prolonged continuation or worsening of current credit market conditions would have a material adverse effect on the Group's ability to secure financing on favorable terms, if at all.

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The Group may be unable to secure additional financing or financing on favorable terms or its operating cash flow may be insufficient to satisfy its financial obligations under indebtedness outstanding from time to time (if any). Furthermore, if financing is not available when needed, or is available on unfavorable terms, the Group may be unable to develop new services or enhance its existing services, complete acquisitions or otherwise take advantage of business opportunities or respond to competitive pressures, any of which could have a material adverse effect on the Group's New Business, financial condition and results of operations.

- (u) **Inability to keep pace with rapid technological developments to provide new and innovative products and services, could result in the use of the Group's products and services and, consequently, its revenues to decline**

Rapid, significant, and disruptive technological changes continue to impact the New Business, including developments in payment card tokenization, mobile, social commerce (i.e., ecommerce through social networks), authentication, virtual currencies, distributed ledger technologies, near field communication and other proximity payment devices, such as contactless payments. The Group cannot predict the effects of technological changes on the New Business. In addition to the Group's own initiatives and innovations, the Group relies in part on third parties, including some of its competitors, for the development of and access to new technologies. The Group expects that new services and technologies applicable to the New Business will continue to emerge and may be superior to, or render obsolete, the technologies the Group currently uses in its products and services. Developing and incorporating new technologies into the Group's products and services may require substantial expenditures, take considerable time, and ultimately may not be successful. In addition, the Group's ability to adopt new products and services and develop new technologies may be inhibited by industry-wide standards, payments networks, changes to laws and regulations, resistance to change from consumers or merchants, third-party intellectual property rights, or other factors. The success of the New Business will depend on the ability to develop and incorporate new technologies and adapt to technological changes and evolving industry standards and any inability to do so in a timely or cost-effective manner could have a material adverse effect on the New Business, financial condition and results of operations.

- (v) **Risk management efforts may not be effective, which could expose the Group to losses and liability and otherwise harm the Group's New Business**

The Group may offer products and services to a large number of customers, and would be responsible for vetting and monitoring these customers and determining whether the transactions processed for them are legitimate. When the Group's products and services are used to process illegitimate transactions, and the Group settles these funds and are unable to recover them, the Group may suffer losses and liability. These types of illegitimate transactions can also expose the Group to governmental and regulatory sanctions. The highly automated nature of, and liquidity offered by, the Group's services and products makes the Group a target for illegal or improper uses, including fraudulent or illegal sales of goods or services, money laundering, and terrorist financing. Identity thieves and those committing fraud using stolen or fabricated credit card or bank account numbers, or other deceptive or malicious practices, potentially can steal significant amounts of money from businesses like the New Business. In configuring services, the Group faces an inherent trade-off between security and customer convenience. The Group's risk management policies,

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procedures, techniques, and processes may not be sufficient to identify all of the risks to which it is exposed, to enable it to mitigate the risks identified, or to identify additional risks to which the Group may become subject in the future.

- (w) **The Group's New Business may be dependent on other payment card networks and acquiring processors, and any changes to their rules or practices could harm the Group's New Business**

The New Business may depend on the Group's ability to accept credit and debit cards. As a result, the Group may rely on banks and acquiring processors to process transactions on its behalf. These banks and acquiring processors may fail or refuse to process transactions adequately, may breach their agreements with the Group, or may refuse to renew any agreements on commercially reasonable terms. They might also take actions that degrade the functionality of the Group's services, impose additional costs or requirements on the Group, or give preferential treatment to competitive services, including their own services. If the Group is unsuccessful in establishing or maintaining mutually beneficial relationships with these payment card networks, banks, and acquiring processors, the New Business may be harmed.

The payment card networks and acquiring processors may require the Group to comply with payment card network operating rules, including special operating rules that apply to the Group as a "payment service provider" providing payment processing services to merchants. The payment card networks set these network rules and have discretion to interpret them and change them. Any changes to or interpretations of the network rules that are inconsistent with the way the Group or the acquiring processors currently operate may require the Group to make changes to its New Business that could be costly or difficult to implement. If the Group fails to make such changes or otherwise resolve the issue with the payment card networks, the networks could fine the Group or prohibit the Group from processing payment cards. In addition, violations of the network rules or any failure to maintain good relationships with the payment card networks could impact the Group's ability to receive incentives from them, could increase costs, or could otherwise harm its business. If the Group were unable to accept payment cards or were limited in its ability to do so, the New Business would be materially and adversely affected.

The Group may be required to pay interchange fees and assessments to the payment card networks, as well as fees to the acquiring processors, to process transactions. From time to time, payment card networks have increased, and may increase in the future, the interchange fees and assessments that they charge for each transaction processed using their networks. In addition, the acquiring processors may refuse to renew its agreements with them on commercially reasonable terms. Interchange fees or assessments are also subject to change from time to time due to government regulation. Any increase or decrease in interchange fees or assessments or in the fees the Group pays could make the Group's pricing look less competitive, lead it to change its pricing model, or adversely affect margins.

The Group could be subject to penalties from payment card networks if it fails to detect any activities that are illegal, contrary to the payment card network operating rules, or considered "high risk". Such penalties could be material and could result in termination of the Group's ability to accept payment cards or could require changes in the Group's business process. This could materially and adversely affect the Group's New Business.

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- (x) **Unable to maintain, promote, and grow the Group's branding in the New Business through effective marketing and communications strategies, the Group's branding in the New Business may be harmed**

Maintaining and promoting the Group's branding in the New Business in a cost-effective manner is critical to achieving widespread acceptance of its products and services and to expanding the base of customers. Maintaining and promoting the Group's branding in the New Business will depend largely on its ability to continue to provide useful, reliable, and innovative products and services, which the Group may not do successfully. The Group may introduce, or make changes to, features, products, services, or terms of service that customers do not like, which may materially and adversely affect the Group's branding in the New Business. The Group's promotion activities may not generate customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses the Group incurs in building its brand in the New Business. If the Group fails to successfully promote and maintain its brand in the New Business or if it incurs excessive expenses in this effort, the Group's New Business could be materially and adversely affected.

The introduction and promotion of new services, as well as the promotion of existing services, may be partly dependent on the Group's visibility on third-party advertising platforms. Changes in the way these platforms operate or changes in their advertising prices or other terms could make the maintenance and promotion of the Group's products and services and its brand more expensive or more difficult. If the Group is unable to market and promote its branding in the New Business on third-party platforms effectively, the Group's New Business could be materially and adversely affected.

The Group may in the future be, the target of incomplete, inaccurate, and misleading or false statements about the Group, its business, and its products and services that could damage its brand and materially deter people from adopting its services. Negative publicity about the Group or the management, including about the Group's product quality and reliability, changes to its products and services, privacy and security practices, litigation, regulatory enforcement, and other actions, as well as the actions of the Group's customers and other users of its services, even if inaccurate, could cause a loss of confidence in the Group. The Group's ability to respond to negative statements about it may be limited by legal prohibitions on permissible public communications by it.

- (y) **The Group may rely on third parties and their systems for a variety of services, including to process transaction data and settle funds and these third parties' failure to perform these services adequately could materially and adversely affect the Group's New Business**

To provide payments solution and other products and services, the Group rely on third parties that it does not control, such as the payment card networks, acquiring processors, the payment card issuers, various financial institution partners and other partners. The Group may rely on these third parties for a variety of services, including to transmit transaction data, settle funds, and to provide information and other elements of the Group's services. In the event these third parties fail to provide these services adequately, including as a result of errors in their systems or events beyond their control, or refuse to provide these services on terms acceptable to the Group or at all, and the Group is not able to find suitable alternatives, the Group's New Business may be materially and adversely affected.

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2.7 Future Plans and Prospects

The Group will continue with its Current Core Business. The entry into the New Business is intended to be a diversification of the Group's Current Core Business as part of the corporate strategy of the Group to provide Shareholders with diversified returns and long term growth. The Proposed Diversification will offer new business opportunities and provide the Group with new revenue streams so as to enhance Shareholders' value for the Company.

2.8 Financing

The Group plans to finance the New Business using internal sources of funds or financial institution borrowings and facilities or a combination of both. The Company had announced on 31 October 2017 that it had completed a placement of 675,164,460 new ordinary shares in the capital of the Company at an issue price of S\$0.05 per new ordinary share and raised net proceeds of approximately S\$33,392,000 (after deduction of expenses). The Company had also announced on 21 September 2017 that 90% of the net proceeds from the placement would be used for business expansion through acquisitions, joint ventures and collaborations and the funding needs of such business expansion.

3. EXTRAORDINARY GENERAL MEETING

The EGM will be held at 9 a.m. on 26 March 2018 at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 for the purpose of considering and, if thought fit, resolving to pass, with or without modifications, the resolution set out in the Notice of EGM.

4. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company not less than 48 hours before the time fixed for the EGM. The completion and lodgment of the Proxy Form by a Shareholder will not prevent him or her from attending and voting at the EGM in person if he or she so wishes.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his or her name appears on the Depository Register as at 72 hours before the EGM.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or Substantial Shareholders (other than in their capacity as a Director or Shareholder) has any interest, direct or indirect in the Proposed Diversification.

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5.1 Interests in Shares

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up share capital as recorded in the Register of Directors' Shareholdings maintained pursuant to Section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to Section 88 of the Companies Act are as follows:

Directors	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Poh Wee Chiow, Roger	—	—	—	—
Yau Woon Foong	—	—	—	—
Lim Jin Wei	—	—	—	—
Pok Mee Yau	—	—	—	—
Substantial Shareholder(s) other than Directors	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
New Outlook Limited ¹	78,819,308	5.84	—	—
Lim Tah Hwa @ Lin Tah Hwa	343,442,066	25.43	—	—

¹ Yu Yi Chang and Yeh Shun Wei are deemed to have an interest in the 78,819,308 Shares held by New Outlook Limited

6. DIRECTORS' RECOMMENDATION

Having considered the rationale of the Proposed Diversification, the Directors are of the opinion that the Proposed Diversification is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 1 relating to the Proposed Diversification as set out in the Notice of EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Diversification, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 these sources and/or reproduced in this Circular in its proper form and context.

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8. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 during normal business hours from the date hereof up to and including the date of the EGM:–

- (a) the Constitution of the Company;
- (b) the MOU 8TPS and supplemental to the MOU 8TPS dated 1 February 2018; and
- (c) the MOU PICPL.

Yours faithfully
For and on behalf of the
Board of Directors of
Allied Technologies Limited
Poh Wee Chiow, Roger
Executive Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

ALLIED TECHNOLOGIES LIMITED

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Allied Technologies Limited (the “**Company**”) will be held at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 on 26 March 2018 at 9.00 a.m. for the purposes of considering and, if thought fit, passing (with or without modification) the following resolution.

AS ORDINARY RESOLUTION:

ORDINARY RESOLUTION 1: THE PROPOSED DIVERSIFICATION OF THE CURRENT CORE BUSINESS OF THE GROUP TO INCLUDE THE NEW BUSINESS

That:

- (a) approval be and is hereby given for the proposed diversification of the Company’s core business, to include the business of (a) e-commerce platforms in the business of event ticketing, booking reservation systems, internet finance, payment gateways (backend) and loyalty redemption platforms; (b) operating of technology and digital payment applications (frontend) that enable digital and mobile payments; and (c) identify and invest in or build (whether through expertise in the Group and/or suitably qualified personnel) proven business models relating to e-commerce or the internet of things and seek to scale them into market leading online companies (the “**New Business**”); and
- (b) the Company and/or its subsidiaries is/are hereby authorised to invest in, purchase or otherwise acquire or dispose of, from time to time, any such assets, investments and shares/interests in any entity that is in the New Business on such investment, purchase, acquisition or disposal on such terms and conditions as the Directors of the Company deem fit, and such Directors of the Company be and are hereby authorised to take such steps and exercise such discretion and do all acts or things as they deem desirable, necessary or expedient or give effect to any such investment, purchase, acquisition or disposal,

the Directors of the Company and each of them be and are hereby authorised to enter into all such transactions, arrangements and agreements and approve, execute and deliver all documents and do all deeds and things as may be necessary, expedient, incidental or in the interests of the Company to give effect to the approvals given in this Ordinary Resolution or the transactions contemplated by the Proposed Diversification.

By Order of the Board
ALLIED TECHNOLOGIES LIMITED

Poh Wee Chiow, Roger
Executive Director
Singapore, 9 March 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act (Cap. 50)) is entitled to appoint not more than two proxies and where two proxies are appointed, shall specify the proportion of shareholding to be represented by each proxy.
3. A member who is a relevant intermediary is entitled to appoint more than two proxies and where such member's form of proxy appoints more than one proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Each proxy must be appointed to exercise the rights attached to the different share or shares held by such member.
4. In any case where more than one proxy is appointed, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
5. If the appointer is a corporation, the instrument appointing a proxy must be executed either under its seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 not less than forty-eight (48) hours before the time appointed for holding the EGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representative appointed for the EGM (including any adjournment thereof), and in order for the Company (or its agents or services providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representatives to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representatives for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representatives for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

ALLIED TECHNOLOGIES LIMITED

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

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. For investors who have used their CPF monies to buy Allied Technologies Limited's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Extraordinary General Meeting ("EGM") as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We _____ NRIC/PASSPORT No. _____

of _____

being a Member/Members of **Allied Technologies Limited** (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her/them, the Chairman of the EGM, as *my/our proxy/proxies to vote for *me/us on *my/our behalf, and, if necessary, to demand a poll, at the EGM of the Company to be held at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 on 26 March 2018 at 9.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

Note: Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolution as set out in the Notice of EGM. In the absence of specific directions or in the event of any item arising at the EGM not summarised below, the proxy/proxies may vote or abstain from voting as he/they may think fit.

Ordinary Resolution	For	Against
Ordinary Resolution 1: To approve the Proposed Diversification		

Note: Please note that the short description given above of the Resolution to be passed does not in any way whatsoever reflect the intent and purpose of the Resolution. The short description has been inserted for convenience only. Shareholders are encouraged to refer to the notice of EGM for the full purpose and intent of the Resolution to be passed.

Dated this _____ day of _____ 2018

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)
or, Common Seal of Corporate Shareholder

* Delete where inapplicable

Important: Please read notes overleaf

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in the relevant Section of the Securities and Futures Act (Cap. 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at the above EGM is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act (Cap. 50)) is entitled to appoint not more than two proxies and where two proxies are appointed, shall specify the proportion of shareholding to be represented by each proxy.
4. A member who is a relevant intermediary is entitled to appoint more than two proxies and where such member's form of proxy appoints more than one proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Each proxy must be appointed to exercise the rights attached to the different share or shares held by such member.
5. In any case where a more than one proxy is appointed, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
6. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
7. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 11 Woodlands Close, #10-11 Woodlands 11, Singapore 737853 not less than forty-eight (48) hours before the time appointed for the EGM.
8. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act (Cap. 50).
10. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 9 March 2018.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.