

**LETTER OF INTENT RECEIVED IN RELATION TO THE PROPOSED ACQUISITION OF SHARES
IN AIK CHUAN CONSTRUCTION PTE LTD**

The Board of Directors (the “**Board**”) of Allied Technologies Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce it has received a letter of intent dated 25 April 2019 (“**LOI**”) from Lim Yew Ming (the “**Vendor**”) in respect of the proposed acquisition of the entire issued share capital of Aik Chuan Construction Pte Ltd (the “**Target Company**”) and its group of companies (collectively, the “**Target Group**”) by the Company (the “**Proposed Acquisition**”).

The LOI has not been executed by the Company and does not constitute any legally binding obligations on the Company and the Vendor (the “**Parties**”). It is intended to be a basis for further negotiations between the Parties.

The Vendor has represented in the LOI that he owns 100% of the entire issued share capital of the Target Company and that the Target Group is a construction, development and dormitory operator which has been in operations since the early 1980s and is one of the largest dormitory operators in Singapore.

The LOI set out the key terms of the Proposed Acquisition, which is subject to (a) the execution of a definitive conditional sale and purchase agreement (“**SPA**”) by the Parties pursuant to which the Company will acquire the entire issued share capital of the Target Company from the Vendor and (b) the conditions precedent to be contained in the SPA being fulfilled.

The purchase consideration for the Proposed Acquisition is stated in the LOI to be S\$130,000,000 (the “**Consideration**”) to be satisfied as follows:

- (a) between S\$30,000,000 and S\$50,000,000 to be satisfied by way of cash; and
- (b) the balance Consideration to be satisfied by way of the issuance and allotment of new ordinary shares to be issued by the Company at an issue price not exceeding S\$0.01 for each share.

The Proposed Acquisition, if entered into and completed, is expected to result in a Reverse Takeover of the Company as defined in Chapter 10 of the Listing Manual Section B: Rules of Catalist of the SGX-ST. Accordingly, the Proposed Acquisition, if entered into and completed, will be subject to, amongst other things, the approval of the SGX-ST and the shareholders of the Company at an extraordinary general meeting to be convened.

The Board is currently still reviewing and considering the terms of the Proposed Acquisition as contained in the LOI and the information on the Target Group that has been provided by the Vendor. The terms of the Proposed Acquisition have not been finalised and no binding agreement has been entered into between the Parties in respect of the Proposed Acquisition.

Shareholders and potential investors should exercise caution when trading in the shares of the Company. The Proposed Acquisition is subject to the execution of the SPA by the Parties and conditions precedent to be fulfilled and there is no certainty or assurance that the Proposed Acquisition will be entered into or completed. The Company will make the necessary announcements as and when there are further material developments on the Proposed Acquisition and other matters contemplated by this announcement.

BY ORDER OF THE BOARD

Leow Wee Kia Clement
Chief Executive Officer and Executive Director
29 April 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). 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.

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