



ALLIED TECHNOLOGIES LIMITED

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

Press Release
(For Immediate Release)

Allied Technologies (“Allied Tech”) Signs Binding MOU To Acquire Up To 25% Stake In Online Corporate Travel Solutions Firm, 8TravelPay Intelligence & Technology (“8TP”) For A Total Consideration of US\$10 million

- The proposed acquisition will be in two tranches – US\$ 2.5 million to subscribe for new shares amounting to 10% stake in 8TP and a subsequent US\$ 7.5 million as Loan Notes which are convertible to new shares amounting to 15% stake in 8TP
- China has exceeded the US in topping its corporate travel expenditure since 2015 and is expected to top US\$ 344 billion in 2017.¹
- 8TP develops technology solutions to help large corporations manage corporate travel by reducing current inefficiencies in corporate travel booking, claims and reimbursements
- 8TP’s online travel solutions is backed by HRS, one of the world’s largest hotel reservation platforms with access to over 850,000 accommodations options worldwide
- Today’s acquisition is part of Allied Tech’s plan to diversify its business to encompass investments in technology and services

Singapore, 19 December 2017 – Allied Technologies Limited (“Allied Tech” or together with its group of companies, “the Group”) an SGX Catalist-listed company today announced that the Group has signed a binding Memorandum of Understanding (“MOU”) with 8travelpay Intelligence & Technology (Shanghai) Co., Ltd (“8TP”) to acquire up to 25% stake in the latter for a total consideration of US\$10 million.

The proposed deal with 8TP will be executed in two tranches, namely, a US\$ 2.5 million to subscribe for new shares amounting to 10% stake in 8TP and a

¹ “China’s growing business travel market draws global attention” Xinhuanet, 26 November 2017
http://news.xinhuanet.com/english/2017-11/26/c_136780396.htm

subsequent US\$ 7.5 million in the form of Loan Notes which are convertible to new shares amounting to 15% stake in 8TP.

Revolutionising Corporate Travel Management

Based on a study by Global Business Travel Association¹, China had surpassed the US as the world's top corporate travel market by the end of 2015 and is expected to top US\$ 344 billion in total expenditures in 2017. Despite the market size, today large corporations in China face a myriad of challenges in managing corporate travel as unconsolidated bookings, unsubstantiated, tedious and non-compliant claims, taxation and complicated backroom processes which adds to the rising cost of managing corporate travel.

8TP is a provider of intelligent technology solutions in the corporate travel market. In particular, the company operates and manages online travel platforms for large Chinese corporations to reduce the current inefficiencies in corporate travel booking and reimbursements for large corporations with a demanding corporate travel schedule. 8TP's technology solution is customised to suit specific corporate needs and performs the role of a one-stop booking, claim and reimbursement platform in a transparent and seamless fashion.

Established Partnership

8TP's online travel technology solution is backed by HRS, one of the world's largest hotel reservation platforms with access to over 850,000 accommodations options worldwide. This tie-up with HRS gives 8TP access to 40,000 corporate customers, which include large multi-national corporations and state-owned enterprises across China. Some of its corporate clientele include IBM, SinoChem and a host of other pre-eminent companies in China today.

Allied Tech believes that today's MOU is an opportunity to participate in the burgeoning corporate travel market in China alone. Yet, the management of corporate travel amongst large corporations continues to be dogged by inefficiencies.

This is therefore an immense opportunity to participate in revolutionising the corporate travel management across corporations based in China.

Today's MOU is the first step in the Group's plan to diversify its business and invest in the technology and services sector, which will significantly alter the profile of the Group's business to a high-growth sector as it puts in place plans to boost shareholder value in the years ahead.

This binding MOU is subject to a series of condition precedents including the finalisation of a conclusive investment agreement and the attainment of shareholders' approval for the proposed investment and diversification of business into technology and services sectors.

----- The end -----

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*This press release 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 press release.*

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

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