

GRANT OF EXTENSION OF TIME TO (I) HOLD ITS ANNUAL GENERAL MEETING (AGM) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020; (II) GRANT OF EXTENSION OF TIME TO ISSUE ITS SUSTAINABILITY REPORT; AND (III) UPDATE OF SPECIAL AUDIT

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Allied Technologies Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 1 April 2021 in relation to the Extension Application made by the Company through its Sponsor to the SGX-ST on 1 April 2021.

2. GRANT OF WAIVERS

The Board wishes to announce that the SGX-ST has on 15 April 2021 informed the Company that it has no objection to the Company’s Extension Application for:

- (a) a period of 6 months from 30 April 2021 to 22 October 2021 for the Company to hold its AGM for FY2021 to comply with Rule 707(1) of the Catalist Rules; and
- (b) a period of 4 months from 31 May 2021 to 7 October 2021 for the Company to release its Sustainability Report to comply with Rule 711A of the Catalist Rules,

(collectively, the “**Waivers**”).

The Waivers are subject to the following:

- (i) the Company announcing the Waivers granted, the reasons for seeking the Waivers, the conditions as required under Rule 106 of the Catalist Rules and if the Waivers’ conditions have been satisfied. If the Waivers’ conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
- (ii) the Company convening the AGM by 22 October 2021.

3. BASIS AND REASONS FOR THE EXTENSION APPLICATION

3.1 The Company last held its AGM, for its financial year ended 31 December 2019 (“**FY2019**”), on 10 June 2020 and intends to hold its AGM for its financial year ended 31 December 2020 (“**FY2020**”) by 22 October 2021.

3.2 During the last AGM on 10 June 2020, the Company’s auditor Ernst and Young LLP (“**EY**”) was not reappointed as the resolution relating to their reappointment was not carried. Out of a total of 416,479,300 votes casted, there were 257,000,000 votes against (or 61.71%) carrying the resolution.

3.3 The Company has approached some alternative audit firms and they have each indicated that they would require the Special Audit Report for their respective internal review as part of their client acceptance procedures. The Company understands that the audit may take three months or longer and time will be required for the alternative audit firms to complete their client acceptance procedures.

3.4 As the Special Audit Report has yet to be issued, the Company is unable to provide the

alternative audit firms which have been approached with the Special Audit Report, and has hence been unable to appoint an auditor for the audit of its financial results for FY2020.

- 3.5 The extension of time sought takes into consideration, amongst others, (i) time required for the alternative audit firms to complete their client acceptance procedures; (ii) time required for the preparation of a circular for shareholders' approval for the appointment of a new auditor; (iii) the notice period required for the extraordinary general meeting; and (iv) most importantly, time required for the new auditors to conduct their audit of the Company for FY2020. The Company understands that the audit may take three months or longer.
- 3.6 As the Company's SR has traditionally been included in its annual report to allow shareholders a comprehensive review of the Company's activities in the past financial year, the Company had sought an extension of time for the issuance of its SR together with its annual report.

4. UPDATE ON SPECIAL AUDIT

Further to the above, the Company has been seeking updates from its special auditor PricewaterhouseCoopers Risk Services Pte Ltd ("**PwC**") on the Special Audit Report, and understands from PwC that the special audit engagement involved interviews with multiple parties whose recollection of events may not have been consistent with each other and in many instances there was no documentary evidence to corroborate their recollection. PwC therefore had to conduct multiple follow up interviews. Further, some of the parties concerned did not immediately respond to PwC's requests for interviews so PwC had to follow up and allow a reasonable amount of time for them to respond. Some interviewees were overseas and with COVID-19 restrictions being mandated in the midst of their work, arrangements for interviews were even more difficult especially during the maxwellisation process.

The Company also understands from PwC that one important aspect of the special audit engagement involved the review of the escrow account. For one of the key parties associated with the transactions under review, special clearance procedures had to be obtained to interview him and for him to formally revert subsequently. The elapsed time in between was long and not within PwC's control.

The factors stated in the above added to the time normally required to complete such a special audit, resulting in further time being required for the preparation and release of the Special Audit Report.

5. GENERAL

The Company confirms that as of the date of this announcement, the Extension Application does not contravene any laws and regulations governing the Company and the Constitution of the Company.

The Company has submitted an application to ACRA for an extension of time to hold its AGM.

The Company will provide further updates to shareholders on the outcome of the ACRA Application in due course.

BY ORDER OF THE BOARD

Leow Wee Kia Clement
Chief Executive Officer and Executive Director
15 April 2021

*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes 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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