BOLDTEK HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201224643D)

DISPOSAL OF SHARES IN A SUBSIDIARY

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1. INTRODUCTION

The Board of Directors ("**Board**") of Boldtek Holdings Limited ("**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its subsidiary, Boldtek Investment Pte Ltd (the "**BIPL**") has entered into an agreement ("**Sale Agreement**") on 26 June 2023 with Tan Eng Seng ("**Purchaser**") for the sale of 60,000 ordinary shares in its subsidiary, New Soil Technologies Pte Ltd ("**NST**"), representing its entire 60% equity interest ("**Sale Shares**") for an aggregate cash consideration of S$300,000 ("**Consideration**"), subject to the terms of the agreement ("**Proposed Disposal**") .

2. INFORMATION ON THE PURCHASER

Prior to the completion of the Proposed Disposal, the Purchaser is an individual and existing shareholder of NST holding 10% of NST shares. As of 19 December 2022, the Purchaser holds 1.15% shares in the Company.

Save for his shareholding in the NST and the Company, as of date of this announcement, to the best of the Company's knowledge, the Purchaser does not have any existing interest (whether direct or deemed) in shares of the Company and is not related to any of the Directors, chief executive officer or controlling shareholder and their associates.

3. INFORMATION ON NEW SOIL TECHNOLOGIES PTE LTD

NST is a private company incorporated in Singapore and limited by shares with a registered share capital of $100,000. The principal activities of NST involve soil investigation and treatment activities. Based on the unaudited accounts of NST, the net liabilities value of NST as at 31 December 2022 is $532,000.

Prior to the completion of the Proposed Disposal, BIPL holds 60% of the shares of NST. The remaining shares of NST are held by the Purchaser and another individual.

4. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL

The Consideration of $300,000 for the Proposed Disposal was agreed between the Purchaser and BIPL and arrived at after arm's length negotiations and on a willing buyer willing seller basis. No valuation was commissioned.

Subject to the terms and conditions of the Sale Agreement, completion of the Proposed Disposal will take place on a date agreed between the parties. Upon receipt of the Consideration, the BIPL will transfer the Sale Shares. The Proposed Disposal has been completed as of 27 June 2023.

5. RATIONALE FOR THE PROPOSED DISPOSAL AND USE OF PROCEEDS

The Board is of the view that the Proposed Disposal will help streamline the businesses of the Group and recycle back its capital. As the Proposed Disposal constitutes a disposal of non-core assets, the Proposed Disposal (the original net book value of the Sale Shares was $60,000 which was subsequently impaired in the prior years and the net liabilities position of NST) will allow the Company to realise a gain on disposal.

The Company intends to use the net proceeds arising from the Proposed Disposal for working capital purposes.

6. RELATIVE FIGURES BASED ON RULE 1006 OF THE CATALIST RULES IN RELATION TO THE PROPOSED DISPOSAL

The relative figures of the Proposed Disposal under Rule 1006 of the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") are computed based on the latest announced unaudited consolidated accounts of the Group for the six months financial period ended 31 December 2022 ("**1HY2023**") are as follows:

Rule 1006	Bases	Relative figures
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	(2.0%) [(1)]
(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits	0.4% [(2)]
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	2.4% [(3)]
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable

Notes:

(1) The net liabilities of NST as at 31 December 2022 was $(532,000) and the Group's net asset as at 31 December 2022 was $26,948,000.

(2) The net loss attributable to NST, calculated based on the BIPL's 60% equity interest in NST, was $(5,400) and the Group's unaudited loss for 1HFY2023 was $(863,000).

(3) The Consideration is $300,000. The market capitalization of approximately $12,378,310 was calculated by multiplying the total number of issued shares(excluding treasury shares) of 356,666,000 by the volume average price of the Company's shares of $0.035 per share, based on trades done on the SGX-ST on last full market day the Company's shares were traded prior to the trade suspension. The Company had effected a trade suspending of its shares on 16 January 2023.

With reference to paragraph 4.4(c) and 4.4(e) of Practice Note 10A of the Catalist Rules, the Proposed Disposal involves the disposal of a loss-making asset where both the Company and the asset has a negative NAV. In this regard, the absolute relative figure for the Proposed Disposal computed on Catalist Rule 1006(a), Catalist Rule 1006 (b) and Catalist Rule 1006(c) does not exceed 5%; and (b) the Company will expect a gain on disposal of $300,000. In view of the foregoing, the Company is required to announce the Proposed Disposal in accordance with Catalist Rule 1008(2).

7. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

For illustrative purposes only, the financial effects of the Proposed Disposal on the Group are as set out below ("**Financial Effects**"). The Financial Effects are presented for illustration purposes do not necessarily reflect the exact future financial position and performance of the Group immediately after completion of the Proposed Disposal. The Financial Effects have been calculated using the audited consolidated financial statements of the Group for the financial year ended 30 June 2022 and do not take into account any other corporate actions announced and undertaken by the Group; and any issuance of any new shares in the capital of the Company on or after 1 July 2022.

Net tangible assets

Assuming that the Proposed Disposal had been completed on 30 June 2022, the financial effect of the Proposed Disposal on the NTA per share of the Group as at 30 June 2022 is as follows:

	Before the Proposed Disposal	**After the Proposed Disposal**
NTA attributable to equity holders of the Company(1) ($'000)	27,701	28,227
Number of shares ('000)	353,666	353,666
NTA per share	0.08	0.08

Note:
(1) NTA refers to the net asserts value of the Group less intangible assets and goodwill.

Loss per share

Assuming that the Proposed Disposal had been completed on 1 July 2022, the financial effect on the loss per share of the Group are as follows:

	Before the Proposed Disposal	**After the Proposed Disposal**
Loss attributable to equity holders of the Company ($'000)	(6,542)	(6,214)
Weighted average number of shares ('000)	289,217	289,217
Loss per share (S$ cents)	(2.3)	(2.1)

8. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed to the Board of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and such person.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings in the Company.

10. DOCUMENT FOR INSPECTION

A copy of the Sale Agreement is available for inspection during normal business hours at the Company's registered office at 72 Senoko Drive, Singapore 758240 for three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer
30 June 2023

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**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 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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