



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

**MATERIAL VARIANCES DIFFERENCES BETWEEN THE PRELIMINARY UNAUDITED RESULTS
AND AUDITED RESULTS FOR THE FULL YEAR ENDED 30 JUNE 2019**

The Board of Directors (the "Board") of Boldtek Holdings Limited (the "Company") together with its subsidiaries (the "Group") refers to the Company's announcement dated 29 August 2019 in relation to the unaudited full year financial results announcement (the "Unaudited Financial Statements") for financial year ended 30 June 2019 ("FY2019").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist ("Catalist Rules") of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Board of the Company wishes to highlight that subsequent to the release of the Unaudited Financial Statements for FY2019, there were certain material differences between the audited consolidated financial statements of the Group for FY2019 and financial position of the Company as at 30 June 2019 and the Unaudited Financial Statements following the finalisation of the audit. Details and clarifications of the differences are set out as follow:

1 An income statement for the group

	Group		Variance S\$'000	Note
	FY2019 S\$'000 (Audited)	FY2019 S\$'000 (Unaudited)		
Revenue	78,778	78,778	-	
Cost of works	(68,827)	(68,827)	-	
Gross profit	9,951	9,951	-	
Other income	619	619	-	
Other expenses	(532)	(532)	-	
Distribution and marketing costs	(154)	(154)	-	
Administrative expenses	(7,740)	(7,740)	-	
Finance costs	(1,162)	(1,162)	-	
Profit before income tax	982	982	-	
Income tax expense	(198)	(8)	(190)	1
Profit for the year	784	974	(190)	1
Profit attributable to:				
Owners of the Company	817	1,007	(190)	1
Non-controlling interests	(33)	(33)	-	
	784	974	(190)	1

1(a) A statement of comprehensive income for the group

	Group		Variance S\$'000	Note
	FY2019 S\$'000 (Audited)	FY2019 S\$'000 (Unaudited)		
Profit for the year	784	974	(190)	1
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations	(94)	(94)	-	
Total comprehensive income for the year	690	880	(190)	1
Total comprehensive income attributable to:				
Owners of the Company	723	913	(190)	1
Non-controlling interests	(33)	(33)	-	
	690	880	(190)	1

2 Earnings per ordinary share of the group

	Group		Variance S\$'000	Note
	FY2019 S\$'000 (Audited)	FY2019 S\$'000 (Unaudited)		
Profit attributable to owners of the Company (S\$'000)	817	1,007	(190)	1
Weighted average number of ordinary shares used in the computation of basic and diluted earnings per share ("EPS") ('000)	185,625	185,625		
Basic and fully diluted EPS (Singapore cents)	0.44	0.54	(0.10)	1



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3 A statement of financial position (for the issuer and group)

	Group			Note	Company			Note
	30-Jun-19 S\$'000 (Audited)	30-Jun-19 S\$'000 (Unaudited)	Variance S\$'000		30-Jun-19 S\$'000 (Audited)	30-Jun-19 S\$'000 (Unaudited)	Variance S\$'000	
ASSETS								
Current assets								
Cash and bank balances	1,886	1,721	165	2	140	140	-	
Trade and other receivables	7,983	7,860	123	2	5,725	6,047	(322)	3
Inventories	30	30	-		-	-	-	
Contract assets	43,698	43,698	-		-	-	-	
Development properties	-	-	-		-	-	-	
Completed properties held for sale	5,775	5,775	-		-	-	-	
Other current assets	807	807	-		3	3	-	
Total current assets	60,179	59,891	288	2	5,868	6,190	(322)	3
Non-current assets								
Investment in subsidiaries	-	-	-		17,372	20,172	(2,800)	3
Property, plant and equipment	7,548	7,548	-		4	4	-	
Investment properties	18,587	18,587	-		-	-	-	
Deferred tax assets	21	21	-		-	-	-	
Total non-current assets	26,156	26,156	-		17,376	20,176	(2,800)	3
Total	86,335	86,047	288	2	23,244	26,366	(3,122)	3
LIABILITIES								
Current liabilities								
Trade and other payables	28,312	28,189	123	2	1,038	1,038	-	
Contract liabilities	1,066	1,066	-		-	-	-	
Borrowings	22,699	22,534	165	2	1,600	1,600	-	
Current income tax liabilities	295	105	190	1	6	6	-	
Total current liabilities	52,372	51,894	478	1 & 2	2,644	2,644	-	
Non-current liabilities								
Borrowings	4,590	4,590	-		-	-	-	
Deferred tax liabilities	955	955	-		-	-	-	
Total non-current liabilities	5,545	5,545	-		-	-	-	
Total liabilities	57,917	57,439	478	1 & 2	2,644	2,644	-	
NET ASSETS	28,418	28,608	(190)	1	20,600	23,722	(3,122)	3
Equity								
Share capital	17,676	17,676	-		17,676	17,676	-	
Retained profits	13,125	13,315	(190)	1	2,783	5,905	(3,122)	3
Currency translation reserve	(61)	(61)	-		-	-	-	
Property revaluation reserve	424	424	-		-	-	-	
Capital reserve	(876)	(876)	-		-	-	-	
Share options reserve	141	141	-		141	141	-	
Merger reserve	(2,014)	(2,014)	-		-	-	-	
Equity attributable to owner of the Company	28,415	28,605	(190)	1	20,600	23,722	(3,122)	3
Non-controlling interests	3	3	-		-	-	-	
Total	28,418	28,608	(190)	1	20,600	23,722	(3,122)	3

4 Net asset value (for issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer

	Group			Note	Company			Note
	30-Jun-19 (Audited)	30-Jun-19 (Unaudited)	Variance		30-Jun-19 (Audited)	30-Jun-19 (Unaudited)	Variance	
Net asset value per ordinary share based on issued share capital (Singapore cents)	15.31	15.41	(0.10)	1	11.10	12.78	(1.68)	3



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5 A statement of cash flows (for the group)

	FY2019 S\$'000 (Audited)	FY2019 S\$'000 (Unaudited)	Variance S\$'000	Note
Net cash generated from operating activities	2,904	2,904	-	
Net cash used in investing activities	(1,598)	(1,598)	-	
Net cash used in financing activities	(2,795)	(2,960)	165	2
Net decrease in cash and bank balances	(1,489)	(1,654)	165	2
Cash and bank balances at beginning of financial year	3,384	3,384	-	
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(9)	(9)	-	
Cash and bank balances at end of financial year	1,886	1,721	165	2

Explanatory Notes for the material variances:

- 1 The total difference of S\$0.19 million from current income tax liabilities is mainly due to additional tax information (ie. lower unutilised tax losses from previous financial years available for offset against current financial year taxable profits) received subsequent to 29 August 2019 (date of announcement of Unaudited Financial Statement for FY2019) and consequently additional current income tax liabilities is provided.
- 2 The variances are due to reclassification for presentation purposes.
- 3 The total difference of S\$2.8 million from investments in subsidiaries and S\$0.32 million from trade and other receivables are mainly due to the impairment in respect of the investment in and amount due from a wholly-owned subsidiary.

Management has carried out a review of the recoverable amount of the investments in and amount due from subsidiaries, having regard to the existing performance of these entities and the carrying value of the net assets in these entities.

After taking into consideration external auditor's opinion, the Company assessed that there is an additional impairment loss amounting to S\$2.8 million and allowance for doubtful debts of S\$0.32 million.

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer

9 October 2019

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 Catalyst Rules of the SGX-ST.

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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Leong Weng Tuck, Registered Professional, Continuing Sponsorship (Mailing Address: 9 Raffles Place, #29-01, Republic Plaza Tower 1, Singapore 048619 and Tel: +65 6381 6757).