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

DISPOSAL OF SHARES IN BOLDTEK PROJECTS PTE. LTD.

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1. INTRODUCTION

1.1 Boldtek Holdings Limited (Under Judicial Management) ("**Company**", together with its subsidiaries, the "**Group**") has been placed under judicial management since 8 April 2024, under the care of Messrs Tan Wei Cheong and Lim Loo Khoon of Deloitte & Touche LLP ("**Judicial Managers**" or "**JMs**").

1.2 The Company had, on 18 October 2024, entered into a conditional sale and purchase agreement ("**Agreement**") for the Company to dispose all of its shareholdings ("**Boldtek Project Shares**") in Boldtek Projects Pte. Ltd. ("**Boldtek Projects**") to Mr Yee Wei Meng ("**Buyer**") ("**Proposed Disposal**"). Following the completion of the Proposed Disposal ("**Completion**"), the Company will cease to hold any direct or indirect interest in Boldtek Projects.

1.3 To the knowledge of the Company, the Buyer is not an interested person[1] vis-a-vis the Company, and not related in any way to the Judicial Managers, the Company, its director(s) and/or its substantial shareholder(s).

The Buyer is an individual investor keen on furthering their interest in Singapore's built industry. He currently serves as Managing Director on the Board of Fontern International Group of companies and Transgrow Group of companies, which are involved in multiple industries including steel & hardware trading, oil palm & rubber plantations, plantation development, hospitality, property investment & development and business acquisition.

2. INFORMATION ON DISPOSAL ASSETS

Boldtek Projects is one of the operating subsidiaries of the Company and is incorporated in Singapore. Boldtek Projects is in the interior designing and fitting out services. Boldtek Projects' active projects require a substantial amount of working capital to sustain, which it is currently not able to do so given the distressed state of the Company and Group.

3. RATIONALE FOR PROPOSED DISPOSAL

Based on the latest management accounts of BPPL as of 30 June 2024 ("**FY2024**"), BPPL is in a net loss position of S$2.1 million for FY2024, with a negative tangible asset position of S$2.8 million after making provision for intercompany balances due from other Boldtek Group entities which are insolvent. BPPL's management has also highlighted that due to slow receipts for a major project, cashflow remains challenging at BPPL and BPPL may be required to seek further shareholder capital injection to support its working capital.

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[1] As defined in Rule 904(4) of the Listing Manual of the Singapore Exchange Securities Limited ("**SGX-ST**") (Section B: Rules of Catalist) ("**Catalist Rules**").

As the Company is not in a position to contribute further capital, this may lead to further dilution of the Company's equity shares in BPPL.

4. PRINCIPAL TERMS OF THE AGREEMENT

The following are the salient terms and conditions contained in the Agreement:

4.1 Consideration for the Proposed Disposal

The consideration for the Proposed Disposal (the "**Consideration**") is S$230,000 and shall be satisfied by the Buyer as follows:

(a) a non-refundable deposit of 15% of the Consideration, amounting to S$34,500 to be paid on the date of the Agreement; and

(b) the second and final payment of 85% of the Consideration, amounting to S$195,500, to be paid on Completion Date, which would be a mutually agreed date by the Company and Buyer falling on or before the the long-stop date of 8 November 2024, unless such other date is mutually agreed upon by the Company and Buyer.

The Consideration is negotiated and arrived at after arm's length negotiations between the Company and the Buyer on a "willing buyer willing seller" basis, having regard to the absence of other offers being presented to the JMs for Boldtek Projects thus far. Having considered that the subject-matter of the Proposed Disposal is fast deteriorating and requires a quick sale process for a more advantageous realisation of value, the lack of funds for a valuation, and that a valuation is unlikely to be meaningful in the context of a distressed sale (if there is no bid or offer received at the valuation price), an independent valuation has not been commissioned by the Company.

All payments made by the Buyer to the Company shall be by way of a cashier's order drawn on a bank licensed in Singapore (or in such other manner as may be agreed between the Buyer and the Company in writing).

The sale proceeds will form part of the Company's assets which will be utilised for professional fees, including towards achieving the judicial management's objectives and/or any subsequent recovery to stakeholders, in the event of a winding up of the Company.

4.2 Conditions Precedent

Completion of the Proposed Disposal is conditional upon the fulfilment (or waiver by the Buyer and/or Company) of the following conditions:

(a) there being no judicial manager, receiver or liquidator being appointed over BPPL or substantially the whole of the undertaking of BPPL prior to Completion;

(b) all authorisations, consents, clearances, permissions, waivers and approvals as are necessary or required by the Company, including under any and all Applicable Laws, its constitutive documents, contracts and/or from all Relevant Authorities for the entry into this Agreement and all transactions contemplated herein;

(c) all authorisations and approvals in writing as are necessary or required by the Judicial Managers, including under any and all Applicable Laws, its constitutive documents,

contracts and/or from all Relevant Authorities for the entry into this Agreement and all transactions contemplated herein;

(d) all authorisations and approvals in writing as are necessary or required by BPPL, including under any and all Applicable Laws, its constitutive documents, contracts and/or from all Relevant Authorities for the entry into this Agreement and all transactions contemplated herein; and

(e) each of the representations, undertakings and warranties of the Company and the Buyer under this Agreement remaining true and not misleading in any material respect as at the Completion Date, as if repeated as at the Completion Date and at all times between the date of this Agreement and as at the Completion Date,

The Agreement shall terminate by the long-stop date of 8 November 2024 if the aforesaid condition are not fulfilled (or waived) by such date, unless such other date is agreed upon by the Company and Buyer.

4.3 **Passing of Title on Completion**

All rights, title and interests in the Boldtek Projects Shares shall transfer and pass from the Company to the Buyer on Completion.

5. RELATIVE FIGURES PURSUANT TO RULE 1006 OF THE CATALIST RULES

5.1 The relative figures for the Proposed Disposal set out in paragraph 5.2 below are computed on the bases set out in Rule 1006 of the Catalist Rules and the latest announced consolidated financial statements as at 31 December 2023 (the "**1H2024 Financial Statements**").

5.2 The relative figures are as follows:

Rule	Basis	Relative figures (%)
1006(a)	The net asset value ("**NAV**") of the assets to be disposed of, compared with the group's NAV.	5.3 Notes (1) and (2)
1006(b)	The net profits/(losses) attributable to the assets disposed of, compared with the group's net profits/(losses).	-9.5 Notes (1) and (3)
1006(c)	The aggregate value of the consideration received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	1.9 Note (4)
1006(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
1006(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.	Not applicable

Notes:

(1) Figures attributable to Boldtek Projects and Group are derived from its unaudited management accounts and announced unaudited condensed interim financial statements as at 31 December 2023 respectively.

(2) NAV of Boldtek Projects as at 31 December 2023 of -S$2.1 million excludes Group intercompany net receivables amounting to S$5.2 million. Due to the uncertainty in the Group's solvency across its other subsidiaries and the Company's winding up application hearing on 21 October 2024, such amount has been excluded from the NAV. The Group's NAV is -S$40.1 million as at 31 December 2023.

(3) The net profit/(loss) of Boldtek Projects and the Group for the half year period ending 31 December 2023 (1H FY2024) is S$0.64 million and -S$6.74 million respectively. Under the Catalist Rules Practice Note 10A (Negative Relative Figures under Rule 1006), Chapter 10 of the Catalist Rules would still be applicable.

(4) Market capitalisation is derived from the last traded price of S$0.035 prior to the suspension of trading of the Group's shares on 16 January 2023, multiplied by 353,666,000 issued outstanding ordinary shares.

5.3 As the relative absolute figures computed for Catalist Rules 1006(a) and 1006(b) exceed 5%, but do not exceed 50%, the Proposed Disposal constitutes a "disclosable transaction" for the purposes of Chapter 10 of the Catalist Rules. As the absolute relative figures computed involve negative figures which falls within the situations set out in Paragraphs 4.4(c) of the Catalist Rules Practice Note 10A, that is (i) the absolute relative figure computed on the basis of Rule 1006(c) of the Catalist Rules exceed 5% but does not exceed 50%; and (ii) the Proposed Disposal does not result in a loss on disposal, Rule 1014 of the Catalist Rules would not apply to the Proposed Disposal and hence, the approval of shareholders of the Company is not required for the Proposed Disposal. However, the Company must immediately announce the information required pursuant to Paragraph 4.4 of Practice Note 10A of the Catalist Rules.

6. ILLUSTRATIVE FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The pro forma financial effects as set out below are prepared purely for illustrative purposes only and do not reflect the actual financial position of the Company following the Proposed Disposal.

These pro forma financial effects have been prepared based on the latest audited accounts of the Company for financial year ended 30 June 2022, being the most recently completed financial years.

6.1 Book Value

The book value and the net tangible assets ("**NTA**") value of the Boldtek Projects Shares as at 30 June 2022 are as follows:

	Boldtek Projects Shares (S$)
Book Value	NIL*
NTA Value	(3.5) million

*An impairment test as at 30 June 2022 was conducted on the book value of the Company's

investment in Boldtek Projects. Based on the recoverable amount (i.e. the higher of fair value less cost to sell and value-in-use), the Company wrote down the carrying book value of its shares in Boldtek Projects to S$ NIL.

The Consideration represents a surplus of approximately S$0.23 million above the carrying book value of the Boldtek Projects Shares of S$ NIL.

6.2 **Gain on Disposal**

The Group would expect to realise an attributable net gain on disposal and a gain of the proceeds above the aggregate book value of the Boldtek Projects Shares as follows:

	Boldtek Projects Shares (S$)
Gain on Disposal	0.23 million

6.3 **NTA per Share**

For the purposes of illustrating the financial effects of the Proposed Disposal on the NTA of the Company per Share, it is assumed that the Proposed Disposal was completed on 30 June 2022:

	Before the Proposed Disposal	**After the Proposed Disposal**
NTA (S$' million)	2.0	2.2
NTA per Share (S$' cents)	0.6	0.6

6.4 **Loss per Share**

For the purposes of illustrating the financial effects of the Proposed Disposal on the loss of the Group per Share of the Company, it is assumed that the Proposed Disposal was completed on 30 June 2022.

	Before the Proposed Disposal	**After the Proposed Disposal**
(Loss) attributable to shareholders (S$' million)	(6.7)	(6.4)
(Loss) per Share (S$' cents)	(1.9)	(1.8)

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

To the knowledge of the Company, none of the Judicial Managers, directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Disposal other than through their respective directorships and/or shareholding interests in the Boldtek Projects and the Company.

8. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into by the Company in connection with the Proposed Disposal.

9. DOCUMENT FOR INSPECTION

The Agreement is available for inspection during normal business hours at the registered office of the JMs at 6 Shenton Way #33-00 OUE Downtown 2, Singapore 068809, for a period of three (3) months from the date of this announcement.

10. FURTHER ANNOUNCEMENTS

Further announcements on the Agreement will be made in due course as and when there are material developments.

SUBMITTED BY THE JUDICIAL MANAGERS

Tan Wei Cheong and Lim Loo Khoon
Joint and Several Judicial Managers
18 October 2024

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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