



Company registration number: 201224643D

BOLDTEK HOLDINGS LIMITED

**Unaudited Condensed Interim Financial Statements
For the six months and full year ended 30 June 2022**



Company registration number: 201224643D

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group		Change	Group		Change
		6 months ended			12 months ended		
		30-Jun-22 ("2H2022") S\$'000	30-Jun-21 ("2H2021") S\$'000		30-Jun-22 ("FY2022") S\$'000	30-Jun-21 ("FY2021") S\$'000	
				%			%
Revenue	5	22,882	37,224	(38.5)	53,382	60,255	(11.4)
Cost of works		(21,305)	(33,744)	(36.9)	(48,837)	(55,469)	(12.0)
Gross profit		1,577	3,480	(54.7)	4,545	4,786	(5.0)
Other income	6	123	1,005	(87.8)	1,842	3,913	(52.9)
Other expenses	7	(899)	(337)	166.8	(1,107)	(337)	228.5
Distribution and marketing costs		13	(59)	(122.0)	(12)	(128)	(90.6)
Administrative expenses		(3,992)	(3,260)	22.5	(7,728)	(6,590)	17.3
Finance costs	8	(441)	(496)	(11.1)	(915)	(995)	(8.0)
Share of result of a joint venture company		(182)	-	NM	(241)	(4)	NM
Profit / (Loss) before income tax	9	(3,801)	333	NM	(3,616)	645	NM
Income tax (expense) / credit	10	88	(29)	NM	88	(32)	NM
Profit / (Loss) for the year		(3,713)	304	NM	(3,528)	613	NM
Profit / (Loss) attributable to:							
Owners of the Company		(3,709)	369	NM	(3,397)	629	NM
Non-controlling interests		(4)	(65)	(93.8)	(131)	(16)	718.8
		(3,713)	304	NM	(3,528)	613	NM
Other comprehensive income / (loss):							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Exchange differences on translation of foreign operations		47	(13)	NM	48	1	NM
Total comprehensive income / (loss) for the year		(3,666)	298	NM	(3,480)	614	NM
Total comprehensive income / (loss) attributable to:							
Owners of the Company		(3,541)	302	NM	(3,348)	630	NM
Non-controlling interests		(125)	(4)	(93.8)	(132)	(16)	(75.8)
		(3,666)	298	NM	(3,480)	614	NM
Earnings / (loss) per share for profit / (loss) attributable to the owners of the company:							
Basic & diluted (in cents)		(1.28)	0.20		(1.17)	0.34	

NM denotes not meaningful

B. Condensed interim statements of financial position

	Note	Group		Change	Company		Change
		30-Jun-22	30-Jun-21		30-Jun-22	30-Jun-21	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
ASSETS							
<u>Current assets</u>							
Cash and bank balances	11	242	898	-73%	10	25	-60%
Trade and other receivables		8,875	12,516	-29%	8,690	5,321	63%
Inventories		5	35	-86%	-	-	
Contract assets		57,930	57,279	1%	-	-	
Completed properties for sale		5,206	5,702	-9%	-	-	
Grant receivable		-	71	NM	-	-	
Other current assets		-	808	NM	-	3	
Total current assets		72,258	77,309		8,700	5,349	
<u>Non-current assets</u>							
Investments in subsidiaries	12	-	-		16,972	16,972	0%
Investment in a joint venture company		254	496	-49%	500	500	0%
Property, plant and equipment		7,812	8,657	-10%	1	1	0%
Investment properties		16,427	17,541	-6%	-	-	
Deferred tax assets		-	132	-100%	-	-	
Total non-current assets		24,493	26,826		17,473	17,473	
Total assets		96,751	104,135		26,173	22,822	
LIABILITIES							
<u>Current liabilities</u>							
Trade and other payables	14	34,428	42,279	-19%	2,372	3,917	-39%
Contract liabilities		381	1,265	-70%	-	-	
Lease liabilities		100	225	-56%	-	-	
Borrowings	15	22,386	21,463	4%	1,100	1,300	-15%
Deferred grant		-	210	NM	-	-	
Current tax payable		-	78	NM	-	-	
Total current liabilities		57,295	65,520		3,472	5,217	
<u>Non-current liabilities</u>							
Borrowings	15	6,389	10,666	-40%	-	-	
Lease liabilities		1,853	1,954	-5%	-	-	
Deferred tax liabilities		579	721	-20%	-	-	
Total non-current liabilities		8,821	13,341		-	-	
Total liabilities		66,116	78,861		3,472	5,217	
NET ASSETS		30,635	25,274		22,701	17,605	
<u>Equity</u>							
Share capital	16	26,518	17,676	50%	26,518	17,676	50%
Retained profits		6,409	9,806	-35%	(4,213)	(467)	NM
Currency translation reserve		(11)	(59)	-81%	-	-	
Property revaluation reserve		424	424	0%	-	-	
Capital reserve		(876)	(876)	0%	-	-	
Share option reserve		396	396	0%	396	396	
Merger reserve		(2,014)	(2,014)	0%	-	-	
Equity attributable to owner of the Company			30,846	25,353		22,701	17,605
Non-controlling interests		(211)	(79)		-	-	
Total		30,635	25,274		22,701	17,605	

C. Condensed interim statements of changes in equity

	Share capital S\$'000	Retained profits S\$'000	Currency translation reserve S\$'000	Property revaluation reserve S\$'000	Capital reserve S\$'000	Share options reserve S\$'000	Merger reserve S\$'000	Equity attributable to owner of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
The Group										
At 1 July 2021	17,676	9,806	(59)	424	(876)	396	(2,014)	25,353	(79)	25,274
Total comprehensive income for the year:										
Loss for the financial year	-	(3,397)	-	-	-	-	-	(3,397)	(132)	(3,529)
Other comprehensive income for the year	-	-	48	-	-	-	-	48	-	48
Total	-	(3,397)	48	-	-	-	-	(3,349)	(132)	(3,481)
Issue of share capital, net of transaction costs	8,842	-	-	-	-	-	-	8,842	-	8,842
Recognition of share-based payments, representing transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-
At 30 June 2022	26,518	6,409	(11)	424	(876)	396	(2,014)	30,846	(211)	30,635
At 1 July 2020	17,676	9,177	(60)	424	(876)	282	(2,014)	24,609	(63)	24,546
Total comprehensive income for the year:										
Profit for the financial year	-	629	-	-	-	-	-	629	(16)	613
Other comprehensive income	-	-	1	-	-	-	-	1	-	1
Total	-	629	1	-	-	-	-	630	(16)	614
Recognition of share-based payments, representing transactions with owners, recognised directly in equity	-	-	-	-	-	114	-	114	-	114
At 30 June 2021	17,676	9,806	(59)	424	(876)	396	(2,014)	25,353	(79)	25,274
The Company										
At 1 July 2021	17,676	(467)	-	-	-	396	-	17,605	-	17,605
Loss for the year, representing total comprehensive loss for the year	-	(3,746)	-	-	-	-	-	(3,746)	-	(3,746)
Issue of share capital, net of transaction costs	8,842	-	-	-	-	-	-	8,842	-	8,842
Recognition of share-based payments, representing transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-
At 30 June 2022	26,518	(4,213)	-	-	-	396	-	22,701	-	22,701
At 1 July 2020	17,676	1,196	-	-	-	282	-	19,154	-	19,154
Loss for the year, representing total comprehensive loss for the year	-	(1,663)	-	-	-	-	-	(1,663)	-	(1,663)
Issue of share capital, representing transactions with owners, recognised directly in equity	-	-	-	-	-	114	-	114	-	114
At 30 June 2021	17,676	(467)	-	-	-	396	-	17,605	-	17,605

* denotes amount less than \$1,000

D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended	
	30-Jun-22 ("FY2022") S\$'000	30-Jun-21 ("FY2021") S\$'000
Operating activities		
Profit / (Loss) before income tax	(3,616)	645
<u>Adjustments for:</u>		
Depreciation for property, plant and equipment	725	892
Gain on disposal of property, plant and equipment	(23)	-
Interest expense	915	995
Impairment of completed properties for sale	364	-
Changes in fair value of investment properties	180	204
Share-based payment expenses	-	114
Impairment/(Reversal) on financial assets and contract assets	189	(454)
Share of result of a joint venture company	242	4
Government grants	(1,227)	(3,147)
Unrealised currency translation differences	595	136
Operating cash flows before movements in working capital	(1,656)	(611)
Contract assets	(840)	(15,414)
Other current assets	808	39
Trade and other receivables	4,262	(2,624)
Trade and other payables	(5,477)	8,543
Contract liabilities	(884)	(162)
Inventories	30	90
Government grants received	1,088	3,292
Cash generated / (used in) operations	(2,669)	(6,847)
Income tax paid	-	(201)
Net cash from / (used in) operating activities	(2,669)	(7,048)
Investing activities		
Due from JV company	(621)	-
Acquisition of property plant and equipment	-	(2,658)
Proceeds from disposal of investment properties	520	(486)
Proceeds from disposal of property plant and equipment	23	-
Investments in a joint venture	-	(500)
Net cash used in investing activities	(78)	(3,644)
Financing activities		
Advances from directors	1,254	8,790
Proceeds from Rights and Placement Shares	5,237	-
Repayment of leases liabilities	(128)	(241)
Proceeds from borrowings	43,625	23,773
Repayment of borrowings	(46,485)	(23,566)
Interest paid	(915)	(995)
Net cash (used in) / from financing activities	2,588	7,761
Net (decrease) / increase in cash and bank balances	(159)	(2,931)
Cash and bank balances at beginning of financial period/ year	404	3,336
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	(7)	(1)
Cash and bank balances at end of financial year	238	404

E. Notes to the condensed interim consolidated financial statements**1 Corporation information**

Boldtek Holdings Limited is listed on the Catalist, the sponsor-supervised listing platform of The Singapore Exchange Securities Trading Limited ("SGX-ST"), and incorporated and domiciled in Singapore.

The registered office is located at 72 Senoko Drive, Singapore 758240.

The principal activities of the Company is an investment holding company. The principal activities of its subsidiaries are general contractors, real estate developers, manufacture of articles of cement, concrete and plaster and soil investigation.

2 Basis of Preparation**2.1 Statement of compliance**

The condensed consolidated financial statements for the second half year and full year ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and the performance of the Group since the last interim consolidated financial statements for the half year ended 31 December 2021.

The accounting policies adopted are consistent with those of previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The management has prepared cash flow forecast for the next 12 months. Based on the forecast, the directors believe the Group has sufficient working capital and financial resources to enable them to meet their liabilities as and when they fall due and continue as going concern for at least 12 months from the end of the reporting period. Accordingly, the directors are of the view that the going concern assumption is appropriate for the presentation of these financial statements.

2.2 New and amended standards adopted by the Group

The Group and the Company have adopted all the new and revised SFRS(I)s and SFRS(I) Interpretations that are relevant to its operations and effective for annual period beginning on 1 July 2021. The adoption of the new and revised standards and interpretations is assessed to have no material financial effect on the performance and financial position of the Group and of the Company for the current financial period reported on. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these new and revised standards and interpretations.

2.3 Functional and presentation currencies

The financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Uses of estimates and judgements

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2021. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that will have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

E. Notes to the condensed interim consolidated financial statements

Construction contracts

The Group recognises revenue from construction contracts by reference to the Group's progress towards completing the performance obligation in the contract with its customers. Significant judgement is required in determining the stage of completion by reference to the contract costs incurred to date in proportion to the total estimated contract costs for each construction contract.

Management has determined that a cost-based input method for these services provides a faithful depiction of the Group's performance in transferring control of the services promised to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the contract. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the performance obligation within the contract.

The estimated total contract costs are based on contracted amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the project managers and quantity surveyors to make estimates of the amounts to be incurred.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Income taxes

The Group has exposure to income taxes in Singapore and Malaysia. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred taxation on investment properties

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, management has reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under the business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Instead, the investment properties are recovered through sale. Therefore, in determining the Group's deferred taxation on investment properties, management determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has not recognised any deferred taxation on the changes in fair value of investment properties held in Singapore as the Group is not subject to any income taxes on the fair value changes of the investment properties upon disposal.

Critical accounting estimates and assumptions used in applying accounting policiesImpairment of investments in subsidiaries

The recoverable amounts of the investments in subsidiaries are reviewed at the end of each reporting period to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less cost to sell and value in use.

In assessing value in use, management needs to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate applied in order to calculate the present value of the future cash flows.

Valuation of investment properties

Investment properties are stated at fair value based on independent professional valuers. In determining the fair value, the valuers have used valuation techniques including the cost method and direct comparison method.

The valuers have considered valuation techniques (including direct comparison method and/or cost method) in arriving at the open market value as at the end of the reporting period. The direct comparison method involves the analysis of comparable sales of similar properties and adjusting prices to those reflective of the investment properties. Cost method involves summation of value components of the land and costs of building and adjusting relevant factors such as location and land size to ascertain the valuation of the investment properties.

The estimated fair value may differ from the price at which the Group's assets could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers.

E. Notes to the condensed interim consolidated financial statementsCompleted properties for sale

Completed properties for sale are stated at lower of cost and estimated net realisable value. When it is probable that the total development costs will exceed the total projected revenue, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value of the properties is subject to assumptions in respect of development plans, timing of sale and the prevailing market conditions. The Group estimated selling prices by comparing these with transacted prices of comparable properties in the vicinity or against valuation performed by independent professional valuers.

Impairment of contract assets and trade receivables

The Group uses a provision matrix to calculate expected credit loss ("ECLs") for trade receivables and contract assets. The provision rates are based on days past due for groupings of customer with similar credit risk pattern. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction sector, the historical default rates are adjusted. At the end of each reporting period, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is an estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E. Notes to the condensed interim consolidated financial statements
4 Segment information

The Group's operating segments are its strategic business units which offer different services and are managed separately. Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer that are used to make strategic decisions, allocate resources and assess performance. Currently the business segments operate in Singapore and Malaysia.

Other services included in Singapore are investment holding, which are not included within the reportable operating segments, as these are not included in the reports provided to the Board of Directors. The results of these operations, if any, are included in the "unallocated segments".

The Group's activities comprise the following reportable segments:

General building which involved the construction and building and maintenance works such as excavation, piling, sub-structures and superstructures works, architectural works, aluminium cladding and curtain walling, mechanical and engineering works, supply and installation of furniture/interior fitting-out works, external works, and landscaping;

Precast manufacturing which involved the manufacturing and trading of concrete precast products;

Properties development and investment involved investment in and trading of and development of industrial and residential properties; and

Soil investigation and treatment which involved providing consultation services. Although this segment does not meet the quantitative threshold required by SFRS(I) 8 *Operating Segments* for the reportable segments, management has concluded that this segment should be reported, as it is closely monitored by the Board of Directors as a potential growth operating segment and is expected to contribute to the Group's revenue in the future.

4.1 Reportable segments

Analysis by business segment	6 months ended 30 June 2022						
	General building S\$'000	Precast manufacturing S\$'000	Properties development and investment S\$'000	Soil investigation and treatment S\$'000	Unallocated segments S\$'000	Elimination S\$'000	Total S\$'000
Revenue							
External	22,884	(2)	-	-	-	-	22,882
Inter-segment	-	-	-	-	-	-	-
	22,884	(2)	-	-	-	-	22,882
Gross profit	1,577	-	-	-	-	-	1,577
Other income							123
Unallocated costs							(5,060)
Finance costs							(441)
Loss before income tax							(3,801)
Taxation							88
Loss for the period							(3,713)
Loss for the year includes:							
Depreciation of property, plant and equipment and right-of-use	199	39	-	-	1	-	239
Changes in fair value of investment properties	(180)	-	364	-	-	-	184
Segment assets	70,163	28	23,000	2	3,558	-	96,751
Total segment assets includes Additions to property, plant and equipment and right-of-use	-	-	-	-	-	-	-
Segment liabilities	61,511	23	1,635	292	2,655	-	66,116

E. Notes to the condensed interim consolidated financial statements (continued)
4.1 Reportable segments (continued)

Analysis by business segment	6 months ended 30 June 2021						Total S\$'000
	General building S\$'000	Precast manufacturing S\$'000	Properties development and investment S\$'000	Soil investigation and treatment S\$'000	Unallocated segments S\$'000	Elimination S\$'000	
Revenue							
External	37,226	(2)	-	-	-	-	37,224
Inter-segment	-	-	-	-	-	-	-
	37,226	(2)	-	-	-	-	37,224
Gross profit / (loss)	3,480	-	-	-	-	-	3,480
Other income							1,005
Unallocated costs							(3,656)
Finance costs							(496)
Profit before income tax							333
Taxation							(29)
Profit for the period							304
Profit for the year includes:							
Depreciation of property, plant and equipment	391	110	-	-	1	-	502
Impairment of property, plant and equipment	(180)	-	324	-	-	-	90
Changes in fair value of investment properties	-	-	651	-	-	-	651
Segment assets	75,403	547	23,044	6	5,135	-	104,135
Total segment assets includes							
Additions to property, plant and equipment and right-of-use assets	-	-	-	-	-	-	-
Segment liabilities	60,016	564	3,942	4	14,335	-	78,861

E. Notes to the condensed interim consolidated financial statements (continued)
4.1 Reportable segments (continued)

Analysis by business segment	12 months ended 30 June 2022						Total S\$'000
	General building S\$'000	Precast manufacturing S\$'000	Properties development and investment S\$'000	Soil investigation and treatment S\$'000	Unallocated segments S\$'000	Elimination S\$'000	
Revenue							
External	53,382	-	-	-	-	-	53,382
Inter-segment	-	-	-	-	-	-	-
	53,382	-	-	-	-	-	53,382
Gross profit	4,545	-	-	-	-	-	4,545
Other income							1,842
Unallocated costs							(9,088)
Finance costs							(915)
Loss before income tax							(3,616)
Taxation							88
Loss for the year							(3,528)
Loss for the year includes:							
Depreciation of property, plant and equipment and right-of-use	646	78	-	-	1	-	725
Changes in fair value of investment properties	(180)	-	324	-	-	-	144
Segment assets	70,163	28	23,000	2	3,558	-	96,751
Total segment assets includes Additions to property, plant and equipment and right-of-use			-	-	-	-	-
Segment liabilities	61,511	23	1,635	292	2,655	-	66,116

E. Notes to the condensed interim consolidated financial statements (continued)
4.1 Reportable segments (continued)

Analysis by business segment	12 months ended 30 June 2021						Total S\$'000
	General building S\$'000	Precast manufacturing S\$'000	Properties development and investment S\$'000	Soil investigation and treatment S\$'000	Unallocated segments S\$'000	Elimination S\$'000	
Revenue							
External	60,037	218	-	-	-	-	60,255
Inter-segment	-	168	-	-	-	(168)	-
	60,037	386	-	-	-	(168)	60,255
Gross profit / (loss)	4,812	(26)	-	-	-	-	4,786
Other income							3,913
Unallocated costs							(7,059)
Finance costs							(995)
Profit before income tax							645
Taxation							(32)
Profit for the year							613
Profit for the year includes:							
Depreciation of property, plant and equipment	729	162	-	-	1	-	892
Reversal of impairment of property, plant	(454)	-	-	-	-	-	(454)
Changes in fair value of investment properties	(120)	-	324	-	-	-	204
Segment assets	75,403	547	23,044	6	5,135	-	104,135
Total segment assets includes							
Additions to property, plant and equipment and right-of-use assets	309	381	-	-	-	-	690
Segment liabilities	60,016	564	3,942	4	14,335	-	78,861

The Board of Directors assess the performance of the operating segments based on the gross profit. Administrative expenses, distribution and marketing costs, taxation, finance costs, other expenses and other income are not allocated to segments.

Segment assets and liabilities are allocated based on the operations of the segments and presented net of inter-segment balances. Unallocated assets comprise of cash and bank balances, other current assets, other receivables, deferred tax assets and the Company's PPE.

Unallocated liabilities comprise of other payables, current tax payables, deferred tax liabilities, the Company's borrowing and trade payables.

Geographical segment

Segment assets are based on the geographical location of the assets. The Group's general building activities are domiciled in Singapore and its precast manufacturing subsidiary corporation was established in Johor, Malaysia since September 2013. The properties development and investment activities are domiciled in Singapore and Malaysia.

Singapore
Malaysia

Non-current assets		
30-Jun-22 S\$'000	30-Jun-21 S\$'000	Change %
7,800	9,410	(17.1)
16,693	17,345	(3.8)
24,493	26,755	NM

E. Notes to the condensed interim consolidated financial statements (continued)

5 Revenue

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
(a) Revenue from contracts with customers		
- Construction and maintenance works	53,382	60,037
- Precast manufacturing	-	218
	53,382	60,255

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
(b) Geographical information		
- Singapore	53,382	59,890
- Malaysia	-	365
	53,382	60,255

A breakdown of sales as follows:

	Group		
	Full year ended 30 June		
	2022	2021	Change
	\$'000	\$'000	%
<u>Sales reported for:</u>			
The first half year	30,500	23,031	32.4
The second half year	22,882	37,224	(38.5)
	53,382	60,255	(11.4)

Operating profit / (loss) after tax before deducting non-controlling interests reported for:

The first half year	185	309	(40.1)
The second half year	(3,713)	304	NM
	(3,528)	613	NM

6 Other income

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
Equipment handling income	328	500
Rental income	261	127
Government grants	1,113	3,147
Insurance compensation	-	21
Gain on disposal of property, plant and equipment	23	-
Other	117	118
	1,842	3,913

7 Other expenses

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
Changes in fair value of investment properties	180	204
Impairment of completed properties for sale	364	-
Currency translation loss	563	133
	1,107	337

E. Notes to the condensed interim consolidated financial statements (continued)

8 Finance costs

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
Interests on borrowings	834	915
Interests on lease liabilities	81	80
	915	995

9 Profit / (Loss) before income tax

The following items have been included in arriving at profit / (loss) before tax:

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
Purchase of material	7,696	7,932
Sub-contractor charges	36,521	36,033
Worksite and factory expenses	3,830	5,393
Fees on audit services paid/payable to:		
Auditor of the Company	92	95
Other auditor	-	16
Fees on non-audit services paid/payable to:		
Auditor of the Company	-	18
Other auditor	-	29
Depreciation of property, plant and equipment and right-of-use assets	725	892
Director's fees	139	139
Donation	-	40
<u>Staff costs</u>		
Directors		
Salaries and bonuses	996	996
Employer's contribution to defined contribution plans	31	31
Key Management Personnel (other than Directors)		
Salaries and bonuses	164	213
Employer's contribution to defined contribution plans	32	25
Other than directors and key management personnel		
Salaries and bonuses	9,497	8,168
Employer's contribution to defined contribution plans	877	469
Other short-term benefits	-	321
Property and land tax	159	157
(Reversal) / Impairment of financial assets and contract assets	188	(454)

10 Income tax expense / (credit)

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
Current taxation	-	70
(Over)/Under provision of current taxation in respect of prior financial years	(88)	2
	(88)	72
Deferred taxation	-	(60)
Under provision of deferred taxation in respect of prior financial years	-	20
	(88)	32

E. Notes to the condensed interim consolidated financial statements (continued)

11 Trade and other receivables

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
<u>Trade receivables</u>		
- Non-related parties, net	4,382	9,025
<u>Other receivables:</u>		
- Non-related parties	211	142
- Joint venture company	3,279	2,658
- Advances paid to suppliers	915	654
- Goods and services tax ("GST") receivables	88	37
	8,875	12,516

12 Property, plant & equipment

The decreased in property, plant and equipment was mainly due to depreciation.

13 Investment properties

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
<u>At fair value</u>		
At beginning of financial year	17,541	17,837
Changes in fair value included in profit or loss	-	(204)
Disposal of investment properties	(700)	-
Exchange difference on translation	(414)	(92)
At end of financial year	16,427	17,541

14 Trade and other payables

	Group	
	Full year ended 30 June	
	2022	2021
	\$'000	\$'000
<u>Trade payables</u>		
- Non-related parties	20,544	22,969
<u>Other payables:</u>		
- Non-related parties	-	38
- Directors	12,235	11,711
Deposits	191	122
GST payables	36	247
Accrued operating expenses	1,422	7,192
	34,428	42,279

E. Notes to the condensed interim consolidated financial statements (continued)

15 Borrowings

	Group		Company	
	Full year ended 30 June		Full year ended 30 June	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand (Secured)	22,386	21,463	-	1,300
Amount repayable after one year (Secured)	6,389	10,666	-	-
	28,775	32,129	-	1,300

Details of any collateral

The total secured borrowings included the following:

- (1) Bank borrowing obtained for a leasehold building is secured over the leasehold building;
- (2) Bank borrowings and finance lease payables are secured by corporate guarantees; and
- (3) Bank borrowings obtained for development properties are secured by insurance coverage, rights title, interest and sales proceed.

16 Share Capital

	No. of ordinary shares		Amount	
	Full year ended 30 June		Full year ended 30 June	
	2022	2021	2022	2021
	'000	'000	\$'000	\$'000
<u>Issued and fully paid, with no par value</u>				
Balance at beginning and at end of financial year	185,625	185,625	17,676	17,676
Issued during the year	168,041	-	8,842	-
Balance at end of the financial year	353,666	185,625	26,518	17,676

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Outstanding Convertibles

The Company had on 29 October 2018 adopted the Boldtek Employee Share Option Scheme ("**Scheme**") and on 26 November 2018 granted an aggregate of 5,568,750 options under the Scheme which are exercisable into 5,568,750 new ordinary shares of the Company. Save for the aforementioned options, there were no other outstanding convertibles as at 30 June 2021 and 30 June 2022.

There were no treasury shares held as at 30 June 2022 and 30 June 2021.

17 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

18 Net asset value

	Group		Company	
	Full year ended 30 June		Full year ended 30 June	
	2022	2021	2022	2021
Net asset value per ordinary share based on issued share capital (Singapore cents)	8.66	13.62	6.42	9.48

19 Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. Other information required pursuant to Appendix 7C of the Catalyst Rules

1 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed consolidated statement of financial position of Boldtek Holdings Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for six-month and twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

2 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

2A Where the latest financial statements are subjected to an adverse opinion, qualified opinion or disclaimer of opinion: -

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The auditor did not expressed a modified opinion on the Group's latest audited financial statements for FY2021.

3 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF FINANCIAL PERFORMANCE

Revenue and cost of works

The Group reported revenue from construction works of S\$22.9 million for second half year ended 30 June 2022 ("2H2022") as compared to \$37.2 million for the corresponding period last year ("2H2021"). The full year revenue decreased by approximately S\$9.0 million or 11.4% from S\$60.2 million in financial year ended 30 June 2021 ("FY2021") to S\$53.4 million in financial year ended 30 June 2022 ("FY2022"). The decrease in revenue during the year is mainly due to lesser construction related works completed during the year.

Cost in relation to construction works decreased by approximately S\$12.4 million or 36.9% from S\$33.7 million in 2H2021 to S\$21.3 million in 2H2022. The full year cost of sales decreased by approximately S\$6.7 million or 12.0% from S\$55.5 million in FY2021 to S\$48.8 million in FY2022. The decreases in cost in relation to construction works is in line with decrease in revenue.

Precast manufacturing - There was no revenue from precast manufacturing for the year.

Properties development and investment - There was no sale of the freehold three storey terraced service industrial in the Senai Industrial Park in Malaysia ("Malaysia terraced service industrial") in FY2022 (FY2021: Nil) due to COVID-19 restrictions in Malaysia.

As a result of the above, gross profit decreased to approximately S\$4.5 million in FY2022.

Other income

The Group's other income decreased by approximately S\$1.7 million mainly due to decrease in grants and aids received from government.

Other expenses

The Group's other expenses increased by approximately S\$0.7 million mainly due to impairment of completed properties for sale of S\$0.3 million, and exchange losses from intercompany balances resulted from a weakening Malaysia Ringgit.

Administrative expenses

The Group's administrative expenses increased by approximately S\$1.1 million mainly due to higher staff salary and fees incurred for the Company's Rights issues and placement exercise.

Income tax credit

The Group reversed an overprovision of income tax credit of approximately S\$88,000 due to overprovision in prior year.

Share of result of a joint venture company

The share of result of a joint venture company of approximately S\$241,000 (FY2021: S\$4,000) related to recognition of the Group's proportionate share of loss on a residential development company, NNB 8 Development Pte Ltd owned by the Group's joint venture company in Singapore, NNB Global Development Pte Ltd.

Loss for the year

As a result of lower revenue during the year, decrease in other income coupled with rising staff and material costs, impairment of completed properties for sale and foreign exchange losses, the Group reported loss after tax of approximately S\$3.5 million.

REVIEW OF FINANCIAL POSITION**Current assets**

The Group's current assets decreased by approximately S\$5.1 million which is mainly due to decrease in trade and other receivables of approximately S\$ 3.6 million as revenue has decreased during the year

Non-current assets

The Group's non-current assets decreased by approximately S\$2.3 million mainly due to decrease in property plant and equipment resulted from depreciation, decrease in investment properties due to translation of a parcel of land in Malaysia which is denominated in Malaysia Ringgit and disposal of the 2 Singapore industrial units.

Current liabilities

The Group's current liabilities decreased by approximately S\$8.2 million mainly due to decrease in trade and other payables of approximately S\$7.9 million, decrease in contract liabilities and lease liabilities, offset by increase in current borrowings of S\$ 0.9 million due to higher borrowings for imports.

Non-current liabilities

The Group's non-current liabilities decreased by approximately S\$4.5 million mainly due to decrease in borrowings of approximately S\$4.3 million due to repayment of loan during the year, and decreased in lease liabilities and deferred tax liabilities.

REVIEW OF CASH POSITION**Operating activities**

Net cash used in operating activities was approximately S\$2.7 million mainly due to negative operating cash flow before movements in working capital of \$1.7 million and negative working capital of \$1 million.

Investing activities

Net cash used in investing activities was approximately S\$78,000 mainly due to proceeds from sale of investment properties offset by increase in amount due from JV company, NNB8 Development Pte Ltd as the Group funded the JV company working capital

Financing activities

Net cash generated from financing activities was approximately S\$2.6 million mainly due to funds raised from issuance of shares from Rights Issue and Placement and loans from directors which is partly offset by repayment of borrowings and interest paid.

As a result, the Group recorded a net decrease in cash and bank balances of approximately S\$0.2 million



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

F. Other information required pursuant to Appendix 7C of the Catalyst Rules (continued)

4 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

5 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Media release by Ministry of Trade and Industry Singapore on 11 August 2022, the construction sector grew by 3.3% year-on-year, from the 2.4% registered in the previous quarter. The sector's growth was on account of an expansion in both public and private sector construction output.

However, the construction industry is still facing a lot of difficulties. The COVID-19 is still ongoing. Labour suppliers are still a concern. There is still a lot of uncertainties and volatilities in construction materials and labors costs. In this regard, the Group expects the outlook to continue to be challenging.

Nevertheless, the Group will attempt to win more contracts despite the challenging environment. In view of the ongoing COVID-19 pandemic and challenging economy outlook, the Group expects that the construction industry and its prospects to remain challenging due to the above mentioned factors. The Group will continue to complete its existing projects, manage its costs and labour needs. The Group's order book stands at approximately S\$79.4 million as at 25 October 2022.

6 Dividend

(a) Current Financial Period Reported On

No

(b) Corresponding Period of the Immediately Preceding Financial Year

No

(c) Date payable:

Not applicable

(d) Books closure date:

Not applicable

7 If no dividend has been declared (recommended), a statement to that effect and reason(s) to the decision.

No dividend has been declared (recommended) for FY2022, taking into account the cash requirement of the Group.

8 If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There were no IPT of S\$100,000 and above for FY2022
 The Group does not have a general mandate from shareholders for IPTs.



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Company registration number: 201224643D

- 9 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

- 10 In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the operating segments.

Please refer to section 3.

- 11 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous year as follows:

(a) Ordinary

Not applicable

(b) Preference

Not applicable

(c) Total

Not applicable



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- 12** Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there is no such persons, the issuer must make an appropriate negative statement.

Name	Loy Yan Ru
Age	37
Family relationship with any director, CEO and/or substantial shareholder	Niece of Phua Lam Soon, Chief Executive Officer of the Company and Ong Siew Eng, Executive Director of the Company.
Current position and duties, and the year the position was first held	Administration and Human Resource Manager since May 2009. Oversees the Group's human resource management and administrative matters including recruitment, staff remuneration and staff insurance matters. In addition, she is also involved in dealing with feedback from the public in relation to certain upgrading and home improvement projects undertaken by the Group.
Details of changes in duties and position held, if any, during the year	Not applicable

- 13** Disclosures required pursuant to Rule 706A of the Catalyst Rules

Updates on members' voluntary winding up of dormant indirect subsidiary

As announced on 6 July 2022, the dormant indirect wholly-owned subsidiary, Le Premier Development Pte Ltd has been placed under members' voluntary winding up ("Voluntary Winding Up") and Sim Hang Khiang of Jee Ah Chian & Co. has been appointed as the liquidator.

As of the date of this announcement, the Company would like to update that the Voluntary Winding Up is still in progress.

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer

28 October 2022

This announcement has been prepared by Boldtek Holdings Limited (the "Company" and together with its subsidiaries, the "Group") 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 (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 correctness of any of the statements or opinions made or reports contained in this announcement.

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