



Company registration number: 201224643D

BOLDTEK HOLDINGS LIMITED

**Unaudited Condensed interim financial statements
For the six months and full year ended 30 June 2023**



Company registration number: 201224643D

TABLE OF CONTENTS

Page

A.	Condensed interim consolidated statement of profit or loss and other comprehensive income	1
B.	Condensed interim statements of financial position	2
C.	Condensed interim statement of changes in equity	3
D.	Condensed interim consolidated statement of cash flows	4
E.	Notes to the condensed interim consolidated financial statements	5
	For the Other information required pursuant to Appendix 7C of the Catalyst Rules	16

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-23 ("FY2023") S\$'000	30-Jun-22 ("FY2022") S\$'000	%	30-Jun-23 ("FY2023") S\$'000	30-Jun-22 ("FY2022") S\$'000	%
Revenue	5	(7,794)	22,151	NM	12,841	52,651	(75.6)
Cost of works		(14,941)	(21,866)	NM	(33,222)	(49,398)	(32.7)
Gross (loss)/profit		(22,735)	285		(20,381)	3,253	(726.5)
Other income	6	627	110	NM	924	1,829	(49.5)
Other expenses	7	(34,951)	(3,084)	NM	(35,537)	(3,292)	979.5
Distribution and marketing costs		5	(50)	(110.0)	-	(75)	(100.0)
Administrative expenses		(4,235)	(4,068)	4.1	(6,704)	(7,804)	(14.1)
Reversal impairment of financial assets and contract assets		-	95	NM	-	95	NM
Bad debts written off		-	(210)	NM	-	(210)	NM
Finance costs	8	(226)	(468)	(51.7)	(558)	(942)	(40.8)
Share of result of a joint venture company		645	(136)	NM	521	(195)	NM
Loss before income tax	9	(60,870)	(7,526)	NM	(61,735)	(7,341)	NM
Income tax (expense) / credit	10	(1)	667	NM	(1)	667	NM
Loss for the year		(60,871)	(6,859)	NM	(61,736)	(6,674)	NM
<u>Loss attributable to:</u>							
Owners of the Company		(60,867)	(6,794)	NM	(61,736)	(6,542)	NM
Non-controlling interests		(4)	(65)	NM	-	(132)	NM
		(60,871)	(6,859)	NM	(61,736)	(6,674)	NM
Other comprehensive income / (loss):							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Exchange differences on translation of foreign operations		349	47	NM	672	48	NM
Total comprehensive income / (loss) for the year		(60,522)	(6,812)	NM	(61,064)	(6,626)	NM
Total comprehensive loss attributable to:							
Owners of the Company		(60,522)	(6,692)	NM	(61,064)	(6,490)	NM
Non-controlling interests		-	(120)	(93.8)	-	(132)	(75.8)
		(60,522)	(6,812)	NM	(61,064)	(6,626)	NM
Earnings / (loss) per share for profit / (loss) attributable to the owners of the company:							
Basic & diluted (in cents)		<u>(21.05)</u>	<u>(3.66)</u>		<u>(21.35)</u>	<u>(3.52)</u>	

NM denotes not meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		30-Jun-23 S\$'000	30-Jun-22 S\$'000	30-Jun-23 S\$'000	30-Jun-22 S\$'000
ASSETS					
Current assets					
Cash and bank balances		280	774	2	10
Trade and other receivables	11	7,582	8,737	20,119	4,917
Inventories		5	5	-	-
Contract assets		14,612	59,334	-	-
Completed properties for sale		11,758	5,206	-	-
Grant receivable		-	-	-	-
Other current assets		615	940	18	14
Total current assets		34,852	74,996	20,139	4,941
Non-current assets					
Investments in subsidiaries		-	-	-	-
Investment in a joint venture company		822	301	500	500
Property, plant and equipment	12	7,008	7,811	-	-
Investment properties	13	-	14,215	-	-
Deferred tax assets		-	-	-	-
Total non-current assets		7,830	22,327	500	500
Total		42,682	97,323	20,639	5,441
LIABILITIES					
Current liabilities					
Trade and other payables	14	47,792	38,228	17,906	2,372
Contract liabilities		197	381	-	-
Lease liabilities		238	174	-	-
Borrowings	15	26,426	23,341	980	1,100
Deferred grant		-	-	-	-
Current tax payable		-	-	-	-
Total current liabilities		74,653	62,124	18,886	3,472
Non-current liabilities					
Borrowings	15	-	5,930	-	-
Lease liabilities		1,393	1,779	-	-
Deferred tax liabilities		-	-	-	-
Total non-current liabilities		1,393	7,709	-	-
Total liabilities		76,046	69,833	18,886	3,472
NET (LIABILITIES)/ ASSETS		(33,364)	27,490	1,753	1,969
Equity					
Share capital	16	26,518	26,518	26,518	26,518
Retained profits		(58,048)	3,688	(25,161)	(24,945)
Currency translation reserve		660	(11)	-	-
Capital reserve		(876)	(876)	-	-
Share option reserve		396	396	396	396
Merger reserve		(2,014)	(2,014)	-	-
Equity attributable to owner of the Company		(33,364)	27,701	1,753	1,969
Non-controlling interests		-	(211)	-	-
Total		(33,364)	27,490	1,753	1,969

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 2022	26,518	3,688	(11)	-	(876)	396	(2,014)	27,701	(211)	27,490
Total comprehensive income for the year:										
Loss for the financial year	-	(61,525)	-	-	-	-	-	(61,525)	-	(61,525)
Other comprehensive income for the year	-	(211)	671	-	-	-	-	460	211	671
Total	-	(61,736)	671	-	-	-	-	(61,065)	211	(60,854)
Issue of share capital, net of transaction costs	-	-	-	-	-	-	-	-	-	-
Recognition of share-based payments, representing transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-
At 30 June 2023	26,518	(58,048)	660	-	(876)	396	(2,014)	(33,364)	-	(33,364)
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:										
Profit for the financial year	-	(6,542)	-	-	-	-	-	(6,542)	(132)	(6,674)
Other comprehensive income	-	-	48	-	-	-	-	48	-	48
Total	-	(6,542)	48	-	-	-	-	(6,494)	(132)	(6,626)
Property revaluation reserve - reclassified to retained profits upon disposal of investment properties	-	424	-	(424)	-	-	-	-	-	-
Issue of shares, net of share issue costs	8,842	-	-	-	-	-	-	8,842	-	8,842
At 30 June 2022	26,518	3,688	(11)	-	(876)	396	(2,014)	27,701	(211)	27,490
The Company										
At 1 July 2022	26,518	(24,945)	-	-	-	396	-	1,969	-	1,969
Loss for the year, representing total comprehensive loss for the year	-	(216)	-	-	-	-	-	(216)	-	(216)
Issue of share capital, net of transaction costs	-	-	-	-	-	-	-	-	-	-
Recognition of share-based payments, representing transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-
At 30 June 2023	26,518	(25,161)	-	-	-	396	-	1,753	-	1,753
At 1 July 2021	17,676	(467)	-	-	-	396	-	17,605	-	17,605
Loss for the year, representing total comprehensive loss for the year	-	(24,478)	-	-	-	-	-	(24,478)	-	(24,478)
Issue of shares, net of share issue costs	8,842	-	-	-	-	-	-	8,842	-	8,842
At 30 June 2022	26,518	(24,945)	-	-	-	396	-	1,969	-	1,969

* denotes amount less than \$1,000

D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended	
	30-Jun-23 ("FY2023") S\$'000	30-Jun-22 ("FY2022") S\$'000
Operating activities		
Loss before income tax	(61,735)	(7,341)
<u>Adjustments for:</u>		
Depreciation for property, plant and equipment	666	987
Gain on disposal of property, plant and equipment	(162)	(23)
Interest expense	558	942
Impairment of completed properties for sale	-	364
Changes in fair value of investment properties	6,741	2,439
Share-based payment expenses	-	-
Impairment/(Reversal) on financial assets and contract assets	27,469	(95)
Bad debts written off	-	210
Share of result of a joint venture company	(521)	195
Government grants	-	(1,168)
Unrealised currency translation differences	(143)	452
Operating cash flows before movements in working capital	(27,127)	(3,038)
Contract assets	17,253	(1,789)
Other current assets	325	(132)
Trade and other receivables	1,366	4,006
Trade and other payables	8,203	(4,526)
Contract liabilities	(184)	(884)
Inventories	-	30
Government grants received	-	1,029
Cash used in operations	(164)	(5,304)
Income tax paid	-	-
Net cash used in operating activities	(164)	(5,304)
Investing activities		
Due from JV company	-	(621)
Acquisition of property plant and equipment	-	(51)
Proceeds from disposal of investment properties	-	520
Proceeds from disposal of property plant and equipment	333	23
Investments in a joint venture	-	-
Net cash from/(used in) investing activities	333	(129)
Financing activities		
Advances from directors	3,116	4,146
Proceeds from Rights and Placement Shares	-	5,237
Repayment of leases liabilities	(374)	(324)
Proceeds from borrowings	1,622	43,093
Repayment of borrowings	(4,231)	(46,429)
Interest paid	(558)	(942)
Net cash (used in) / from financing activities	(425)	4,781
Net decrease in cash and bank balances	(256)	(652)
Cash and bank balances at beginning of financial period/ year	(257)	404
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	-	(9)
Cash and bank balances at end of financial year	(513)	(257)

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, and manufacture of articles of cement, concrete and plaster.

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 2023 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 2022.

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.

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 2022. 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 2022. 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 policies

Impairment 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.

E. Notes to the condensed interim consolidated financial statements

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.

Completed 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

6 months ended 30 June 2023								
Analysis by business segment	General building S\$'000	Precast manufacturing S\$'000	Properties development and investment S\$'000	Fire door manufacturing S\$'000	Soil investigation and treatment S\$'000	Unallocated segments S\$'000	Elimination S\$'000	Total S\$'000
Revenue								
External	(7,868)	-	-	74	-	-	-	(7,794)
Inter-segment	-	-	-	-	-	-	-	-
	(7,868)	-	-	74	-	-	-	(7,794)
Gross profit	(22,717)	-	-	(18)	-	-	-	(22,735)
Other income								627
Unallocated costs								(38,536)
Finance costs								(226)
Loss before income tax								(60,870)
Taxation								(1)
Loss for the period								(60,871)
Loss for the year includes:								
Depreciation of property, plant and equipment and right-of-use	269	39	-	-	-	-	-	308
Impairment allowance on completed properties for sale	-	-	6,312	-	-	-	-	6,312
Segment assets	24,413	229	12,416	-	-	5,624	-	42,682
Total segment assets includes								
Additions to property, plant and equipment and right-of-use	-	-	-	-	-	-	-	-
Segment liabilities	56,022	154	2,148	-	-	17,722	-	76,046



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

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

4.1 Reportable segments (continued)

Analysis by business segment	6 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	Fire door manufacturing S\$'000	Unallocated segments S\$'000	Elimination S\$'000	
Revenue								
External	21,697	-	-	-	454	-	-	22,151
Inter-segment	-	-	-	-	-	-	-	-
	21,697	-	-	-	454	-	-	22,151
Gross profit / (loss)	394	(137)	-	-	28	-	-	285
Other income								110
Unallocated costs								(7,453)
Finance costs								(468)
Profit before income tax								(7,526)
Taxation								667
Profit for the period								(6,859)
Profit for the year includes:								
Depreciation of property, plant and equipment	401	101	-	-	-	-	-	502
Reversal of impairment loss on financial assets and contract assets								
Impairment of property, plant and equipment	(95)	-	-	-	-	-	-	(95)
Bad debts written off	210	-	-	-	-	-	-	210
Changes in fair value of investment properties	180	-	2,259	-	-	-	-	2,439
Gain on disposal of property plant and equipment	(23)	-	-	-	-	-	-	(23)
Impairment allowance on completed properties for sale	-	-	364	-	-	-	-	364
Segment assets	71,691	415	19,783	4	-	5,430	-	97,323
Total segment assets includes Additions to property, plant and equipment and right-of-use assets	-	-	-	-	-	-	-	-
Segment liabilities	51,955	131	3,567	8	-	14,172	-	69,833



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

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

4.1 Reportable segments (continued)

Analysis by business segment	12 months ended 30 June 2023							Total S\$'000
	General building S\$'000	Precast manufacturing S\$'000	Properties development and investment S\$'000	Soil investigation and treatment S\$'000	Fire door manufacturing S\$'000	Unallocated segments S\$'000	Elimination S\$'000	
Revenue	12,050	-	-	-	791	-	-	12,841
External	-	-	-	-	-	-	-	-
Inter-segment	-	-	-	-	-	-	-	-
	12,050	-	-	-	791	-	-	12,841
Gross profit	(20,637)	-	-	-	256	-	-	(20,381)
Other income								924
Unallocated costs								(41,720)
Finance costs								(558)
Profit before income tax								(61,735)
Taxation								(1)
Profit for the year								(61,736)
Profit 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	24,413	229	12,416	-	-	5,624	-	42,682
Total segment assets includes								
Additions to property, plant and equipment and right-of-use			-	-	-	-	-	-
Segment liabilities	56,022	154	2,148	-	-	17,722	-	76,046



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

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 and investment S\$'000	Investigation and treatment S\$'000	Fire door manufacturing S\$'000	Unallocated segments S\$'000	Elimination S\$'000	
Revenue								
External	52,096	-	-	-	555	-	-	52,651
Inter-segment	-	-	-	-	95	-	(95)	-
	52,096	-	-	-	-	-	(95)	52,651
Gross profit / (loss)	3,283	(137)	-	-	107	-	-	3,253
Other income								1,829
Unallocated costs								(11,481)
Finance costs								(942)
Profit before income tax								(7,341)
Taxation								667
Profit for the year								(6,674)
Profit for the year includes:								
Depreciation of property, plant and equipment	781	206	-	-	-	-	-	987
Reversal of impairment loss on financial assets and contract assets	(95)	-	-	-	-	-	-	(95)
Bad debts written off	210	-	-	-	-	-	-	210
Changes in fair value of investment properties	180	-	2,259	-	-	-	-	2,439
Gain on disposal of property plant and equipment	(23)	-	-	-	-	-	-	(23)
Impairment allowance on completed properties for sale	-	-	364	-	-	-	-	364
Segment assets	71,691	415	19,783	4		5,430	-	97,323
Total segment assets includes								
Additions to property, plant and equipment and right-of-use assets	85	-	-	-	-	-	-	85
Segment liabilities	51,955	131	3,567	8		14,172	-	69,833

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, investment in a joint venture company and the Company's PPE, and amounts due from a joint venture Company. Unallocated liabilities comprise of Company's borrowings, GST payables other payables and accrued operating expenses.

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-23 S\$'000	30-Jun-22 S\$'000	Change %
7,830	7,823	0.1
-	14,504	NM
7,830	22,327	NM

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

5 Revenue

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
(a) Revenue from contracts with customers		
- Construction and maintenance works	12,050	52,096
- Precast manufacturing	-	-
- Fire door manufacturing	791	555
	12,841	52,651

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
(b) Geographical information		
- Singapore	12,841	52,651
- Malaysia	-	-
	12,841	52,651

A breakdown of sales as follows:

	Group		
	Full year ended 30 June		
	2023	2022	Change
	\$'000	\$'000	%
<u>Sales reported for:</u>			
The first half year	20,635	30,500	(32.3)
The second half year (see item 3 of F Other information required pursuant to Appendix 7C)	(7,794)	22,151	NM
	12,841	52,651	(75.6)

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

The first half year	(865)	185	NM
The second half year	(60,871)	(6,859)	NM
	(61,736)	(6,674)	NM

6 Other income

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
Equipment handling income	235	315
Rental income	228	267
Government grants	115	1,168
Insurance compensation	43	-
Gain on disposal of property, plant and equipment	215	23
Gain on liquidation of subsidiary	-	-
Other	88	56
	924	1,829

7 Other expenses

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
Changes in fair value of investment properties	-	2,439
Impairment of completed properties for sale	6,312	364
Provision for contract assets (see item 3 of F Other information required pursuant to Appendix 7C)	27,469	-
Currency translation loss	1,756	489
	35,537	3,292

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

8 Finance costs

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
Interests on borrowings	544	861
Interests on lease liabilities	14	81
	558	942

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	
	2023	2022
	\$'000	\$'000
Purchase of material	4,236	7,603
Sub-contractor charges	20,841	27,469
Worksite and factory expenses	3,265	6,127
Fees on audit services paid/payable to:		
Auditor of the Company	95	95
Other auditor	-	32
Fees on non-audit services paid/payable to:		
Auditor of the Company	3	14
Other auditor	-	16
Depreciation of property, plant and equipment and right-of-use assets	666	987
Director's fees	139	139
Donation	27	27
<u>Staff costs</u>		
Directors		
Salaries and bonuses	996	996
Employer's contribution to defined contribution plans	31	32
Key Management Personnel (other than Directors)		
Salaries and bonuses	213	213
Employer's contribution to defined contribution plans	25	25
Other than directors and key management personnel		
Salaries and bonuses	7,161	9,792
Employer's contribution to defined contribution plans	432	687
Other short-term benefits	132	233
Property and land tax	78	159
(Reversal) / Impairment of financial assets and contract assets	27,469	(95)

10 Income tax expense / (credit)

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
Current taxation	-	-
(Over)/Under provision of current taxation in respect of prior financial years	-	(78)
Deferred taxation	-	(589)
Under provision of deferred taxation in respect of prior financial years	-	-
	-	(667)

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

11 Trade and other receivables

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
<u>Trade receivables</u>		
- Non-related parties, net	3,659	4,983
<u>Other receivables:</u>		
- Non-related parties	258	136
- Joint venture company	3,329	3,279
- Advances	315	152
- Goods and services tax ("GST") receivables	21	187
	7,582	8,737

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	
	2023	2022
	\$'000	\$'000
<u>At fair value</u>		
At beginning of financial year	14,215	17,541
Changes in fair value included in profit or loss	-	(2,439)
Disposal of investment properties	(7,903)	(520)
Impairment on investment properties	(6,312)	-
Exchange difference on translation	-	(367)
At end of financial year	-	14,215

14 Trade and other payables

	Group	
	Full year ended 30 June	
	2023	2022
	\$'000	\$'000
<u>Trade payables</u>		
- Non-related parties	27,209	19,603
<u>Other payables:</u>		
- Non-related parties	-	48
- Directors	15,363	12,247
Deposits from customer	1,064	143
Accrued operating expenses and GST payables	4,156	6,187
	47,792	38,279

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

15 Borrowings

	Group		Company	
	Full year ended 30 June 2023	2022	Full year ended 30 June 2023	2022
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand (Secured)	26,426	23,341	980	1,100
Amount repayable after one year (Secured)	-	5,930	-	-
	26,426	29,271	980	1,100

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; and
- (2) Bank borrowings are secured by corporate guarantees, and finance lease payables are secured over the underlying leased assets.

16 Share Capital

	No. of ordinary shares		Amount	
	Full year ended 30 June 2023	2022	Full year ended 30 June 2023	2022
	'000	'000	\$'000	\$'000
<u>Issued and fully paid, with no par value</u>				
Balance at beginning and at end of financial year	353,666	185,625	26,518	17,676
Issued during the year	-	168,041	-	8,842
Balance at end of the financial year	353,666	353,666	26,518	26,518

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 2022 and 30 June 2023.

There were no treasury shares held as at 30 June 2023 and 30 June 2022.

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 2023	2022	Full year ended 30 June 2023	2022
Net asset value per ordinary share based on issued share capital (Singapore cents)	(9.43)	14.81	0.50	1.06

19 Subsequent events

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

- a The Group's wholly owned subsidiary, Logistics Construction Pte Ltd ("LCPL"), has on 21 July 2023 made an application in the General Division of the High Court of Singapore for the grant of a moratorium under Section 64 of the Insolvency Restructuring and Dissolution Act 2018 (No. 40 of 2018) (the "IRDA"). The Court has, on 14 August 2023 granted a 3 month moratorium under IRDA.
- b The Group has made an application to the Accounting and Corporate Regulatory Authority of Singapore on 19 September 2023 to strike off its dormant wholly owned subsidiary MSC Engineering Pte Ltd.
- c The Group has filed an application under Section 91 of the Insolvency, Restructuring and Dissolution Act 2018 in the General Division of the High Court for LCPL to be placed under judicial management and for a judicial manager to be appointed to manage the affairs, business and property of LCPL.

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 2023 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.

As disclosed in the Company's annual report on 13 January 2023, the Company's Independent Auditor, Foo Kon Tan LLP ("External Auditors"), had in their Independent Auditor's Report dated 13 January 2023, expressed amongst others, a qualified opinion on the Company's audited financial statements for the financial year ended 30 June 2022 ("FY2022") in relation to the following:

Contract assets and revenue recognition

(a) Construction works

This relates to the recoverability of the contract assets aggregating to \$8,577,000 as at 30 June 2022.

The management having reviewed its financial position, has made provisions for its contract assets having considered the slow collections and challenges encountered from its customers. Nonetheless, it is still negotiating with its relevant customers to recover such amounts.

(b) Building and maintenance

This relates to the manner in which the Group had applied the percentage of completion method (cost-based input approach) to recognise revenue for its term contracts with its customers, resulting in an over recognition of S\$10,809,000 in prior years and S\$1,116,000 for FY2022.

Having reviewed its financial position, the Company had accordingly has reversed the recognition of contract assets to reflect lower certified amount.

Saved as disclosed, the Board confirm that, to the best of their knowledge, the impact of all outstanding audit issues on the financial statement have been adequately disclosed.

Subsequent to that, the Company has disclosed on 15 August 2023 that a key subsidiary of the Company, LCPL, has been granted a moratorium for a period of three months, and LCPL is in the early stages of restructuring with a view towards implementing a scheme of arrangement. The Company subsequently conducted a review of the Group's financial affairs in respect of the restructuring.

- 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\$(7.8) million for 2H2022 as compared to \$22.2 million for the corresponding period last year (2H2022). The FY2023 revenue decreased by S\$39.8 million or 75.6% to S\$12.8 million from S\$52.6 million in FY2022. The decreased in revenue for 2H2023 and lower revenue for FY2023 was mainly due to reversal of S\$15.1 million contract assets to reflect the lower certified amount.

Cost of sales related to construction works decreased by S\$7.0 million from S\$21.9 million in 2H2022 to S\$14.9 million in 2H2023. The FY2023 cost of sales decreased by S\$16.2 million from S\$49.4 million in FY2022 to S\$33.2 million in FY2023. This is due to decrease in revenue.

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

Properties development and investment - Nil revenue because there was no sale of the freehold three storey terraced service industrial in the Senai Industrial Park in Malaysia ("Malaysia terraced service industrial") in FY2023 (FY2022 Nil).

As a result of the above, gross loss was S\$20.4 million for FY2023 compared to gross profit S\$3.2 million for FY2022.

Other income

The Group's other income decreased by approximately S\$0.9 million mainly due to decrease in grants and aids received from government.

Other expenses

The Group's other expenses increased by S\$31.8 million for 2H2023 and S\$32.2 million for FY2023 mainly due to

- i) impairment of \$6.3 million made to its investment properties to its recoverable amount, and;
- ii) provision made for contract assets of S\$27.5 million mainly pertains to those projects that have either received final payment certificates, or were long outstanding. The Group has also taken into consideration the slow collections, and challenges encountered from these customers. The Group made the provision on its contract assets upon review of its financial affairs in respect of the restructuring; and
- iii) exchange losses of S\$1.8 million from intercompany balances resulted from a weakening Malaysia Ringgit.

Income tax credit

The Group reversed an overprovision of income tax credit of approximately S\$667,000 in FY2022.

Share of result of a joint venture company

The share of result of a joint venture company of approximately S\$521,000 (FY2022: S\$195,000 loss) 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, the Group reported loss after tax of approximately S\$61.7 million.

REVIEW OF FINANCIAL POSITION

Current assets

The Group's current assets decreased by approximately S\$40.1 million which is mainly due to decrease in contract assets. The decreased in contract assets were mainly due to lesser ongoing projects and provision made on contract assets of S\$27.5 million. The Group conducted a review of its financial affairs and its contract assets recoverability and made the provision. The provision made for contract assets of S\$27.5 million mainly pertains to those projects that have either received final payment, were long outstanding, or slow in payments. The Group has also taken into consideration the challenges encountered from these customers. The Group made the provision upon review of its financial affairs.

Non-current assets

The Group's non-current assets decreased by approximately S\$14.4 million which is mainly due to reclassification of investment properties from non current to current assets. On 23 April 2023, the Group has entered into a Sales and Purchase Agreement for the sale of its investment properties. Therefore, accordingly, the investment properties has been reclassified from non current to current assets as Completed properties for sale.

Current liabilities

The Group's current liabilities increased by approximately S\$12.5 million mainly due to increase in trade and other payables and amount due to director.

Borrowings decreased mainly due to repayment of loans.

Non-current liabilities

The Group's non-current liabilities decreased by approximately S\$6.3 million mainly due to payment of borrowings.

REVIEW OF CASH POSITION

Operating activities

Net cash used in operating activities was approximately S\$164,000 mainly due to increase in trade and other payables and contract assets.

Investing activities

Net cash generated in investing activities was approximately S\$333,000 mainly due to proceeds from sale of property plant and equipment.

Financing activities

Net cash generated from financing activities was approximately S\$425,000 mainly due to loans from directors which is partly offset by repayment of borrowings and interest paid.

As a result, the Group recorded a cash and bank balances of approximately S\$280,000 as at 30 June 2023.



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

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

The Company has on 15 August 2023 disclosed that a key subsidiary of the Company, Logistics Construction Pte Ltd (the "LCPL") has been granted a moratorium for a period of three months and is in the early stages of restructuring. The Company conducted a review of its financial affairs in respect of restructuring. Thereafter, provisions were made on those contract assets which had received final payments, were long outstanding, or slow in payments, and reversal of contract assets to reflect lower amount certified. Besides that, there are also lesser ongoing projects. On 19 November 2023, the Group announced it has filed an application under Section 91 of the Insolvency, Restructuring and Dissolution act 2018 ("IRDA") in the General Division of the High Court of the Republic of Singapore for LCPL to be placed under judicial management.

On 21 April 2023, the Company announced the sale of properties in the ordinary course of business and the Group is expected to recognize losses from the sale. The Group recognized losses by writing down the investment properties to its net realizable value.

The above factors contributed to the losses which in turn resulted in a net liability position as the total liabilities have exceeded the total assets of the Group.

As announced on 16 November 2023, the Company entered into a non-binding term sheet with Mr Ee Chin Keong in relation to the divestment of LCPL.

6 Dividend

(a) Current Financial Period Reported On

No

(b) Corresponding Period of the Immediately Preceding Financial Year

No

(c) Date payable:

Not applicable



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

(d) Books closure date:

Not applicable

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

No dividend has been declared (recommended) for FY2023, 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 FY2023.
The Group does not have a general mandate from shareholders for IPTs.

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



BOLDTEK HOLDINGS LIMITED
Company registration number: 201224643D

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	38
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

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer

15-12-2023

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"). 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.

The contact person for the Sponsor is Mr Leong Weng Tuck, Registered Professional, RHT Capital Pte. Ltd. 36 Robinson Road, #10-06, Singapore 068877, sponsor@rhtgoc.com.