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

RESPONSE TO QUERIES RECEIVED FROM THE SGX-ST RELATING TO THE 11 JANUARY 2022 ANNOUNCEMENT

The Board of Directors (the "**Board**") of Boldtek Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**")") sets out below its responses to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 12 January 2023 in relation to the Company's announcement dated 11 January 2023 (the "**Announcement**") regarding the receipt by the Group's wholly-owned subsidiary, Logistics Construction Pte Ltd ("**LCPL**") of an Originating Claim and Statement of Claim (collectively, the "**Claim**") in the High Court of the Republic of Singapore.

Unless otherwise specified, capitalized terms shall have the meanings ascribed to them in the Announcement.

Query 1

How material is the Claim to the Group's financial position?

Query 2

Is the disruption to existing business operations expected to have material adverse impact on the Group's financials?

Company's response:

In the Announcement, the Company had indicated that the Claim may have a short term impact on the ability of the Company to continue its existing business operations until the Company is able to reach a resolution or a new contractor is engaged.

Having had time to further assess the Claim and to obtain legal advice, the Company now wishes to clarify as follows:-

(i) the value of the Claim is equal to approximately 3.03% of the Group's latest audited net tangible assets for the financial year ended 30 June 2022 ("**FY2022**");

(ii) the amount of the Claim has already been accrued for in the audited financial statements of the Group for FY2022 (the "**FY2022 Financial Statements**"); and

(iii) the Claim relates to work done in relation to an already completed term contract.

As such, the Claim is unlikely to have a material impact on the operations and/or financial position of the Group, taking into account developments that have materialized to date.

Query 3

Does the Company have other contractors beside the Claimant?

Query 4

How long does it take for the Company to secure a new contractor?

Company's Response:

The Company sources sub-contractors for its term contracts and/or construction projects on a project-by-project basis. The Claim relates to work done for a term contract, and as the Company does not foresee any difficulties in procuring other subcontractors who would be able to perform similar services as the Claimant for future projects or future term contracts, the Claim is not expected to have a material adverse effect the Company's operations.

Query 5

Please provide the Board's assessment and justifications on the Group's ability to continue as a going concern, taking into account factors that have materialized to date

Company's Response:

Please refer to the Company's announcements dated 14 January 2022 in relation to the Material uncertainty related to going concern highlighted by the Company's independent auditor (the "**Auditor**"), which sets out the Board's view on the appropriateness for the Group's FY2022 audited accounts to be prepared and presented on a going concern basis.

Query 6

Please provide the Board of Directors' views as to whether sufficient information has been disclosed to enable trading of the Company's shares to continue in an orderly manner and the bases for its views

Company's Response:

As disclosed in the Company's announcements released on SGXNet on 14 January 2023, the Company will be requesting to convert the trading halt to a voluntary suspension with effect from 16 January 2023.

Query 7

Please provide the Sponsor's assessment and justifications on the Group's ability to continue as a going concern, taking into account factors that have materialized to date.

Sponsor response:

Taking into account the Auditor's opinion and given that the Company is still engaging with the Auditors with the matters highlighted in the bases of the Auditor's opinion, the Sponsor is of the view that trading in the Company's shares should be suspended until further clarity on the financial position of the Group can be reasonably assessed and ensure that sufficient information has been disclosed.

By Order of the Board

Phua Lam Soon
Chief Executive Officer
15 January 2023

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