

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

GRANT OF FURTHER EXTENSION OF TIME BY THE SINGAPORE EXCHANGE REGULATION (“SGX REGCO”) (I) TO ISSUE THE ANNUAL REPORT FOR FY2022; (II) TO HOLD THE ANNUAL GENERAL MEETING FOR FY2022; AND (III) TO ISSUE SUSTAINABILITY REPORT FOR FY2022

Unless otherwise specified, all capitalised terms shall have the same meaning ascribed to the announcements dated 22 August 2022, 29 August 2022, 22 September 2022 and 5 December 2022 in relation to the Extension Application, grant of extension of time by SGX RegCo and ACRA and Further Extension Application (the “Announcements”).

The Board of Directors (the “**Board**”) of Boldtek Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Singapore Exchange Regulation (the “**SGX RegCo**”) has on 14 December 2022, informed that it has no objection to the Company’s Further Extension Application for the following;

- i) issue the Annual Report (“**AR**”) for financial year ended 30 June 2022 (“**FY2022**”) by 16 January 2023 pursuant to Rule 707(2) of the Listing Manual – Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”);
- ii) hold the Annual General Meeting (“**AGM**”) for FY2022 AGM by 31 January 2023, pursuant to Rule 707(1) of Catalist Rules; and
- iii) issue the Sustainability Report (“**SR**”) for FY2022 by 28 February 2023, pursuant to Rule 711A of Catalist Rules.

(collectively, the “**Waivers**”)

The Waivers are subject to the following conditions:

- i) the Company announcing the Waiver granted, the reasons for the Waiver, the conditions as required under Catalist Listing Rules 106 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- ii) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors’ decision which has yet to be announced by the Company;
- iii) The Company convening the FY2022 AGM by 31 January 2023; and
- iv) The Company is required to announce whether and when it had applied to the Accounting and Corporate Regulatory Authority for the Waiver and the outcome of its application.

(collectively, the “**Waiver Conditions**”).

The Waivers will not be effective if any of the Waiver Conditions have not been fulfilled.

The reasons for seeking the Further Extension Application are as set out below:

1. Following the Extension Application, however, during the course of audit, certain accounting issues have been identified by the Auditors. The Auditors reviewed the financials of a key subsidiary of the Group i.e. Logistics Construction Pte Ltd and requested the management of the subsidiary to evaluate all its major Term Contracts with its customers to ascertain whether the services stipulated under each Term Contract is distinct in accordance with paragraph 27 and 29 of SFRS(I) 15 and split each of the work order performed under the Term Contract and measure its progress towards complete satisfaction of the performance obligation. The revenue arising from such work orders can be broadly categorised as follows:
 - i) Recurring maintenance work that is expected to be completed over a short period of time and thus revenue should be measured towards the complete satisfaction of the performance obligation over time if appropriate.

- ii) For standalone work service on addition & alteration work to existing structure requiring longer period of completion, revenue is likely to be recognised under the percentage of completion (“**POC**”) method using input method (i.e. actual cost incurred to-date divided by the budgeted cost), which is also consistently applied to other long term project work of similar nature of the Group. Auditors had further informed for the management that they may need to estimate a separate budgeted cost so that the POC % will provide a more 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 (i.e. each separate work order).

The Group also needs to gather information from the progress claims prepared to accrue for unbilled receivables relating to work performed up to 30 June 2022 but not yet billed to customer(s). As the Company has always been treating all of its revenue the same way currently and in the past, this is a new development which the Company had not anticipated prior to and leading up to the Extension Application. Nonetheless, the Company had agreed to provide such information as requested by the Auditors for their review.

The Auditors are also of the view that the impact arising from the above evaluation is expected to be material and thus management will need to relook into this matter to ensure the proper accounting for revenue recognition under SFRS(I) 15.

The Company is currently performing its evaluation for the above matter and are in the midst of providing the necessary documents to the Auditors for review, such additional work requires more time as the Company had not previously been required to conduct such work or provide such information before.

2. After the Company has provided the information, the Auditors, as part of their audit procedures, will need to review the major sales contracts/agreement of the significant subsidiary of the Group to ascertain whether there are any changes in the scope of work or services provided to the customers of the subsidiary and assess the appropriate accounting for the revenue to be recognised from its contract with customers. The Auditors estimate a turnaround time of at least 3 weeks (to review, assess and complete the audit) from the date of receipt of all the required information and documents from the Group/management.
3. Aside from the financial sections, the Company also need to revise other non-financial sections in the AR such as Corporate Information, and Company profile which may make reference to the financial sections. The Company is already in the midst of updating and completing other sections of the AR but as this is a key section of the AR, they would only be able to complete this once all the work mentioned above has been finalised.
4. Based on the foregoing, the AR of the Company for FY2022 would not be ready in time for issuance to shareholders by 12 December 2022, being the approved extended date by SGX Regco for the Company to issue its AR for FY2022.
5. The Company will subsequently make immediate announcement on material differences between unaudited full year results announced and audited financial statements for FY2022 including the explanations for the changes.
6. The Company is also seeking a corresponding extension of time for the Company to issue its SR for FY2022 on or before 28 February 2023. As the Company’s SR makes references to information to be set out in the AR to give shareholders a comprehensive review of the Company’s activities in the past financial year and therefore should be read together with the AR, it will not be practical for the SR to be issued ahead of the AR.

The Company confirms that it is not aware of any information that will have material bearing on investors’ decision which has yet to be announced by the Company. A written confirmation has been submitted

The Board confirms that the Company’s Further Extension Application is not and will not be in contravention of any laws and regulations governing the Company and its constitution (or the equivalent in the Company’s country of incorporation) arising from the Waivers.

The Company confirms that it has fulfilled Waiver Conditions (i) and (ii), and will endeavour to comply with Waiver conditions (iii) and (iv).

The Company has also made an announcement on 5 December 2022 that it has concurrently applied to ACRA for further extension of time to hold its AGM for FY2022 under Section 175(1) of the Companies Act 1967 and to lodge its Annual Return for FY2022 under Section 197(1) of the Companies Act 1967. The Company will provide updates to its shareholders on the outcome of the further extension of time from ACRA in due course.

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer
14 December 2022

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant 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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