



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

PROPOSED PLACEMENT OF 15,625,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF BOLDTEK HOLDINGS LIMITED

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Boldtek Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 18 December 2017 entered into a placement agreement (“**Placement Agreement**”) with 11 placees, namely Buk Mum Fatt, Tan Choon Kwang, Tan Eng Seng, Chew Thong Hin, Lim Lai Hiong, Lim Chye Kim, Lim Chin Tong, Tan Cheng Guan, Liu Zhi Rui, Teo Hai Lee and Boh Geok Ling (each a “**Placee**” and collectively, the “**Placees**”).

2. THE PROPOSED PLACEMENT

2.1. Overview

Under the Placement Agreement, the Company intends to issue to the Placees an aggregate of 15,625,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of S\$0.160 per Placement Share (the “**Issue Price**”), for an aggregate consideration of S\$2,500,000 (the “**Proposed Placement**”).

The Issue Price represents a discount of 9.553% to the volume weighted average price of S\$0.1769 for trades done on the issued and paid-up ordinary shares in the capital of the Company (“**Shares**”) on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 18 December 2017 (being the full market day on which the Placement Agreement is signed).

The Proposed Placement would not result in any transfer of controlling interest in the Company.

2.2. Authority To Issue The Placement Shares

The Placement Shares will be allotted and issued pursuant to a general share issue mandate (the “**General Mandate**”) obtained from the shareholders of the Company (the “**Shareholders**”) at the annual general meeting of the Company held on 27 October 2017 (“**2017 AGM**”).

The General Mandate authorises the Directors to allot and issue new Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares) as at the date of the 2017 AGM, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing Shareholders shall not exceed 50% of the Company’s total number of issued Shares (excluding treasury shares).

As at the date of the 2017 AGM and the date of this announcement, the number of issued Shares was 170,000,000. As no Shares had previously been issued pursuant to the General Mandate, the total number of new Shares that may be issued other than on a pro-rata basis is 85,000,000 Shares. The proposed allotment and issuance of an aggregate of 15,625,000 Placement Shares will fall within the limits of the General Mandate.

The Placement Shares, when allotted and issued in full, will represent approximately 9.191% of the issued share capital of the Company as at the date of the 2017 AGM and the date of this announcement, and approximately 8.418% of the enlarged issued and paid-up share capital of the Company upon completion of the Proposed Placement.

2.3. Terms of the Proposed Placement

(i) The Placement Shares

The Placement Shares, when issued, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights and entitlements similar to the existing Shares, except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of the issue of the Placement Shares.

(ii) Conditions Precedent

The Proposed Placement is subject to certain conditions, including amongst others, the in-principle approval and the listing and quotation notice (the “**Listing and Quotation Notice**”) for the listing and quotation of the Placement Shares on the Catalist of SGX-ST being obtained from the SGX-ST.

The Company will be making an application to the SGX-ST through its sponsor for the listing of and quotation for the Placement Shares on the Catalist of the SGX-ST, and will make the necessary announcement upon receipt of the Listing and Quotation Notice from the SGX-ST.

(iii) Long-Stop Date

Under the Placement Agreement, there is a long-stop date of six (6) months from the date of the Placement Agreement or such other date as the Placees and the Company may agree, failing which the Placement Agreement shall for such Placee *ipso facto* cease and be terminated and neither such Placee nor the Company shall have any claim against the other for costs, expenses, damages, losses, compensation or otherwise in respect of the Proposed Placement without affecting the rights or liabilities under the Placement Agreement arising out of any antecedent breach of the Placement Agreement.

(iv) Completion

Completion of the Proposed Placement between the Company and each Placee shall proceed independently, and shall not be conditional upon successful or concurrent completion by any other Placee. The Company shall be entitled to proceed with completion of the Proposed Placement for each Placee on different completion dates independently of the other Placee(s), on satisfaction or waiver of the conditions precedent as set forth in the Placement Agreement and subject to any conditions set out in the Listing and Quotation Notice.

Completion of the Proposed Placement shall, for each Placee, be on a date as decided by the Company being a date falling at least five (5) clear Market Days (being a day on which the SGX-ST is open for securities trading) after the satisfaction of the conditions precedents.

(v) Subscription of the Placement Shares

Pursuant to the Proposed Placement, the Company will issue and allot to the Placees the number of Placement Shares set out against their respective names as below:-

Name of the Placee	Number of Placement Shares to be subscribed for	As a percentage of the Company's issued and paid-up share capital as at the date of this announcement ⁽¹⁾	As a percentage of the Company's enlarged issued and paid-up share capital after the completion of the Proposed Placement ⁽²⁾
Boh Geok Ling	3,312,500	1.949%	1.785%
Buk Mum Fatt	2,500,000	1.471%	1.347%
Tan Eng Seng	2,500,000	1.471%	1.347%
Tan Choon Kwang	1,875,000	1.103%	1.010%
Chew Thong Hin	1,250,000	0.735%	0.673%
Lim Lai Hiong	1,000,000	0.588%	0.539%

Name of the Placee	Number of Placement Shares to be subscribed for	As a percentage of the Company's issued and paid-up share capital as at the date of this announcement ⁽¹⁾	As a percentage of the Company's enlarged issued and paid-up share capital after the completion of the Proposed Placement ⁽²⁾
Lim Chye Kim	1,000,000	0.588%	0.539%
Lim Chin Tong	1,000,000	0.588%	0.539%
Tan Cheng Guan	500,000	0.294%	0.269%
Liu Zhi Rui	375,000	0.221%	0.202%
Teo Hai Lee	312,500	0.184%	0.168%

Notes:

(1) Based on the Company's existing issued and paid-up share capital of 170,000,000 Shares.

(2) Based on the Company's enlarged issued and paid-up share capital of 185,625,000 Shares after the completion of the Proposed Placement.

3. INFORMATION ON THE PLACEES

Save for Chew Thong Hin who is a Malaysian citizen, all of the Placees are Singapore citizens. All of the Placees are businessmen. In addition:

- (i) Lim Chye Kim and Boh Geok Ling are common directors and shareholders of Logistics and Management Pte. Ltd., which is principally engaged in business and management consultancy services;
- (ii) Tan Eng Seng and Tan Cheng Guan are common directors of Win Ta Construction Pte Ltd, an investment holding company. They are also common directors and shareholders of South East Asia Communication Pte Ltd, which is principally engaged in general wholesale trade;
- (iii) Lim Lai Hiong and Lim Chin Tong are common directors and shareholders in various private companies that are involved in the lighting and interior design services;
- (iv) Tan Eng Seng is a director and 10% shareholder of an indirect 60%-owned subsidiary of the Company, New Soil Technologies Pte Ltd ("**New Soil**"), which is involved in soil investigation, treatment and stabilization, research and experimental development on engineering. New Soil is not a principal subsidiary of the Company at this juncture; and
- (v) Tan Eng Seng is also a director of Modern Heritage Sdn Bhd, which supplies raw materials i.e. sand and aggregates to the Company's wholly-owned subsidiary CCL Precast (M) Sdn Bhd. The total transacted amount with Modern Heritage Sdn Bhd for the financial years ended 30 June 2015, 30 June 2016 and 30 June 2017 were approximately MYR1,472,000, MYR962,000 and MYR1,925,000 respectively.

The Placees are business associates of Mr Phua Lam Soon and they were approached by Mr Phua Lam Soon to participate in the Proposed Placement for investment purposes.

No placement agent has been appointed in relation to the Proposed Placement and no commission or finder's fee is payable by the Company to any person in relation to the Proposed Placement.

Each of the Placees has in the Placement Agreement represented and warranted to the Company that none of them is within the category of persons set out under Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST ("**Catalist Rules**") and/or acting in concert with any other Placee(s) or any existing shareholders of the Company. Save as disclosed above, none of the Placees has any connection or business relationship with any other Placee(s) or Directors or substantial shareholders of the Company.

The Placees have expressed keen interest to invest in the Group in view of the Group's current business and future developments and the Placement Shares are to be issued and allotted to the Placees purely for investment purposes by the Placees.

4. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The financial effects of the Proposed Placement as presented herein:

- (a) are purely for illustrative purposes only and is not a projection of the actual future financial performance or financial position of the Group after the Proposed Placement; and
- (b) are based on the audited consolidated financial statement of the Group for the financial year ended 30 June 2017 (“FY2017”).

4.1. Net Tangible Assets (“NTA”) per Share

Assuming that the Proposed Placement had been effected on 30 June 2017, the effects of the Proposed Placement on the Group’s NTA per Share would be as follows:

	Before the Proposed Placement	After the Proposed Placement
NTA (S\$’000)	24,264	26,764
Number of Shares	170,000,000	185,625,000
NTA per Share (Singapore Cents)	14.27	14.42

4.2. Loss per Share (“LPS”)

Assuming that the Proposed Placement had been effected on 1 July 2016, the effects of the Proposed Placement on the Group’s LPS would be as follows:

	Before the Proposed Placement	After the Proposed Placement
Loss attributable to shareholders (S\$’000)	1,066	1,066
Number of Shares	170,000,000	185,625,000
LPS (Singapore Cents)	0.63	0.57

4.3. Share Capital

As at the date of this announcement, the issued and paid up capital of the Company is S\$15,195,670.00 consisting of 170,000,000 Shares. When allotted and issued in full, the Proposed Placement will increase the existing issued and paid-up share capital of the Company by approximately S\$2,500,000 to S\$17,695,670, divided into 185,625,000 Shares.

5. RATIONALE AND USE OF PROCEEDS

The Company is undertaking the Proposed Placement to strengthen its financial and working capital position. The estimated net proceeds from the Proposed Placement, after deducting estimated expenses pertaining to the Proposed Placement of approximately S\$23,000, would be approximately S\$2,477,000 (the “**Net Proceeds**”). The Group, after taking into account its working capital position, intends to apply the Net Proceeds for general working capital purposes. The Company intends to use the Net Proceeds for operating and administrative expenses (including staff salaries) and related expenses as well as trade and non-trade payments.

Pending utilisation of the Net Proceeds for the above purposes, the Group may place the Net Proceeds as deposits and/or short term investments with banks and/or financial institutions.

Each of the Placees and the Company may agree to a deposit before the completion of the Proposed Placement by the Placee of part or all of the aggregate consideration to be paid by the Placee for the subscription of the Placement Shares.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when such funds are materially disbursed, and provide a status report on the use of the Net Proceeds from the Proposed Placement in the Company’s half and full year

financial statements issued under Rule 705 of the Catalyst Rules and annual report. Where the Net Proceeds have been used for working capital purposes, the Company will disclose a breakdown with specific details on how the Net Proceeds have been applied in the announcements and annual reports. Where there is any material deviation from the stated use of Net Proceeds, the Company will announce the reasons for such deviation.

The Directors are of the opinion that, after taking into consideration the present bank facilities and Net Proceeds of the Proposed Placement, the working capital available to the Group is sufficient to meet its present requirements.

6. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Proposed Placement will be undertaken pursuant to a private placement exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.

7. INTERESTS OF PLACEES, DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

	Before the Proposed Placement ⁽¹⁾				After the Proposed Placement ⁽²⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of shares	% ⁽¹⁾	No. of shares	% ⁽¹⁾	No. of shares	% ⁽²⁾	No. of shares	% ⁽²⁾
Placees								
Boh Geok Ling	293,400	0.173	-	-	3,605,900	1.943	-	-
Buk Mum Fatt	100,000	0.059	-	-	2,600,000	1.401	-	-
Tan Eng Seng	5,000	0.003	-	-	2,505,000	1.349	-	-
Tan Choon Kwang	-	-	-	-	1,875,000	1.010	-	-
Chew Thong Hin	-	-	-	-	1,250,000	0.673	-	-
Lim Lai Hiong	5,416,000	3.186	-	-	6,416,000	3.456	-	-
Lim Chye Kim	5,719,700	3.365	-	-	6,719,700	3.620	-	-
Lim Chin Tong	3,237,000	1.904	-	-	4,237,000	2.283	-	-
Tan Cheng Guan	-	-	-	-	500,000	0.269	-	-
Liu Zhi Rui	-	-	-	-	375,000	0.202	-	-
Teo Hai Lee	-	-	-	-	312,500	0.168	-	-
Directors								
Phua Lam Soon ⁽³⁾⁽⁴⁾	14,701,600	8.648	103,273,600	60.749	14,701,600	7.920	103,273,600	55.636
Ong Eng Siew ⁽³⁾⁽⁵⁾	14,873,600	8.749	103,101,600	60.648	14,873,600	8.013	103,101,600	55.543
Ng Kok Seng	1,490,000	0.876	-	-	1,490,000	0.803	-	-
Foo Shiang Ping	130,000	0.076	-	-	130,000	0.070	-	-
Pao Kiew Tee	-	-	-	-	-	-	-	-
Chen Timothy Teck-Leng	-	-	-	-	-	-	-	-
Substantial Shareholders (Other than Directors and Placees)								
Yi Investment Pte Ltd ⁽⁶⁾	88,400,000	52.000	-	-	88,400,000	47.623	-	-
Asian Trust Investment Pte Ltd	1,112,500	0.654	8,400,000	4.941	1,112,500	0.599	8,400,000	4.525
Pai Pheng ⁽⁷⁾ Keng	-	-	9,512,500	5.596	-	-	9,512,500	5.125
Pai Hian ⁽⁸⁾ Kheng	-	-	9,512,500	5.596	-	-	9,512,500	5.125

Notes:

- (1) Based on the Company's existing issued and paid-up share capital of 170,000,000 Shares.
- (2) Based on the Company's enlarged issued and paid-up share capital of 185,625,000 Shares after the completion of the Proposed Placement.

- (3) Yi Investment Pte. Ltd. is an investment holding company incorporated in the Republic of Singapore. The shareholders of Yi Investment Pte. Ltd. are our CEO, Phua Lam Soon (50.00%) and our Executive Director, Ong Siew Eng (50.00%). Accordingly, Phua Lam Soon and Ong Siew Eng are deemed to be interested in 88,400,000 Shares held by Yi Investment Pte. Ltd.
- (4) Our CEO, Phua Lam Soon, is the spouse of our Executive Director, Ong Siew Eng. Accordingly, Phua Lam Soon is deemed to be interested in 14,873,600 Shares held by Ong Siew Eng.
- (5) Our Executive Director, Ong Siew Eng, is the spouse of our CEO, Phua Lam Soon. Accordingly, Ong Siew Eng is deemed to be interested in 14,701,600 Shares held by Phua Lam Soon.
- (6) The deemed interest of Asian Trust Investment Pte Ltd is held through a custodian account with UOB Kay Hian Pte Ltd.
- (7) Pai Keng Pheng holds 50.0% shareholding interests in Asian Trust Investment Pte Ltd and is therefore deemed interested in 9,512,500 Shares held by Asian Trust Investment Pte Ltd.
- (8) Pai Kheng Hian holds 50.0% shareholding interests in Asian Trust Investment Pte Ltd and is therefore deemed interested in 9,512,500 Shares held by Asian Trust Investment Pte Ltd.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement, save through their respective shareholdings in the Company (if any).

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

9. TRADING CAUTION

Shareholders and potential investors should exercise caution when trading in shares of the Company in relation to this announcement as there is no certainty that the Proposed Placement will be completed as it is subject to the fulfillment of terms and conditions as set out in the Placement Agreement. When in doubt as to the action they should take, shareholders and potential investors should consult their financial, tax or other professional adviser immediately.

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer

18 December 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or

correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).