



Press Release

OIO returns to black with a S\$0.8 million net profit for 3Q FY2021

- 3Q FY2021 revenue jumps 286.8%, from S\$0.3 million to S\$2.0 million year-on-year, mainly due to contributions from the blockchain business segment.
- Moonstake, Asia's second-largest staking network, continues to be the main contributor, since its acquisition by OIO on 31 May 2021.
- OIO continues to ramp up its marketing and business development efforts in the rapidly growing blockchain and digital assets space.

Financial Highlights (Unaudited)	3QFY2021 (S\$)	3QFY2020 (S\$)	Change (%)	9MFY2021 (S\$)	9MFY2020 (S\$)	Change (%)
Revenue	2,017,482	267,924	653.0	3,658,595	945,749	286.8
Gross Profit	1,825,416	47,710	N.M	3,060,617	450,556	579.3
Gross Profit Margin	90.5%	17.8%	72.7 ppts*	83.7%	47.6%	36.1 ppts*
Other Income	475,600	37,248	N.M	569,019	266,832	N.M
Net Profit/ (Loss)	784,005	(329,881)	N.M	145,323	(708,555)	N.M

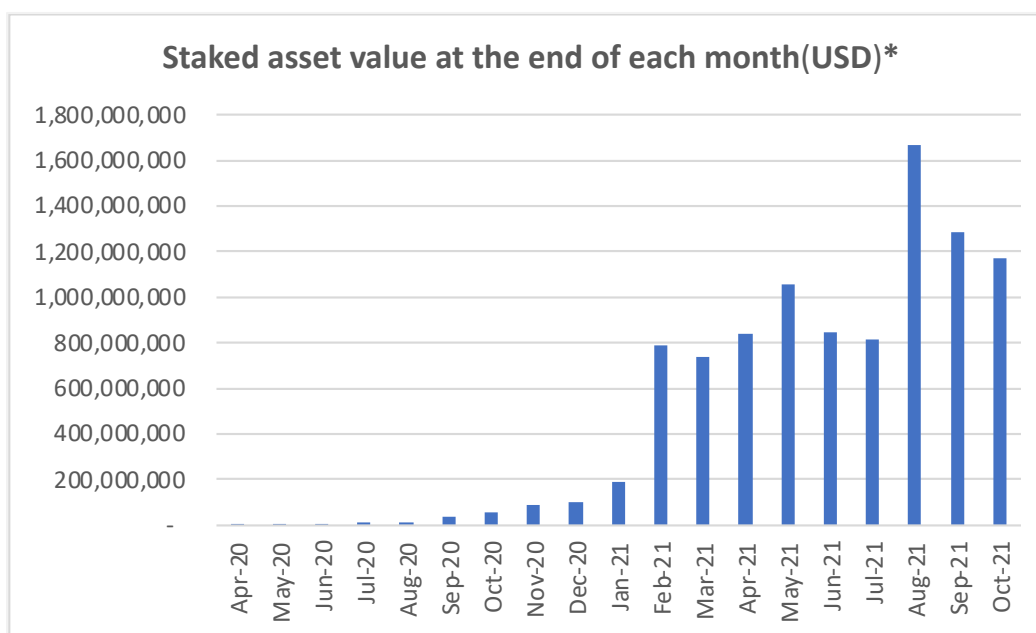
N.M denotes not meaningful

*ppts denotes percentage points

Singapore — 12 November 2021 — OIO Holdings Limited ("OIO"), a blockchain solutions provider listed on the SGX, announced today a positive set of financial results for the third quarter of its financial year ending 30 September 2021 (3Q FY2021).

OIO recorded a revenue of approximately S\$2.0 million for the 3Q FY2021, a 653% year-on-year (yoy) increase over the 3Q FY2020 revenue of S\$0.3 million. The increase was largely due to the S\$2.0 million contribution from staking business operates by Moonstake¹, which OIO acquired on 31 May 2021. Moonstake generates revenue for OIO by charging its customers a commission-based fee for their staked assets, as well as by providing consulting and software development services to enterprise customers in relation to staking and other decentralised finance projects. As of end October 2021, our staked asset pool value was in excess of US\$1.1 billion.

¹ Moonstake refers to Moonstake Pte Ltd and its subsidiary, Moonstake Limited.



* Value of crypto assets staked through the Moonstake staking pool at the end of each month

With the added contribution from Moonstake, gross profit margin increased from 17.8% to 90.5% in 3Q FY2021. The relatively higher margin is due to the business nature of staking, where the cost of sales were mainly due to certain outsourced consulting services and commission expenses.

In addition to the higher gross profit achieved of approximately S\$1.8 million, there were one-off gains arising from other payables written-off of S\$0.3 million, a gain arising from the reversal of impairment loss on crypto assets of S\$0.1 million as well as employment-related grants from the government of S\$0.06 million in 3Q FY2021. Despite the higher staff related costs, promotional expenses incurred for blockchain business, loss on disposal of crypto assets, amortisation of software development costs, software maintenance costs and administrative expenses incurred of approximately S\$1.2 million, the Group achieved S\$0.8 million of net profit for 3Q FY2021, improving from a net loss of S\$0.3 million for 3Q FY2020.

OIO has also secured additional funding of approximately US\$2.5 million from a group of entrepreneurs and experienced investors in blockchain and digital asset areas, as announced on 20 October 2021. This funding has strengthened OIO's financial position and provide flexibility to capitalise on further growth opportunities in the blockchain industry through potential business investments and/or acquisitions.

Looking Ahead with Moonstake

OIO recognises Moonstake's growth as an important pillar in OIO's growth plans. By being a blockchain-based finance platform, OIO is poised to capture a growing staked asset pool associated with the rising usage of digital assets in Asia.

The adoption of digital currency by both investors and authorities across the globe has increased significantly in recent months, demonstrated by the issuance of the futures-pegged bitcoin ETFs in late October and El Salvador adopting Bitcoin as a legal tender. As one of the major cryptocurrency hubs in Asia, Singapore has continued to reiterate its receptiveness towards cryptocurrencies at the Asia Financial Market Forum, with the Monetary Authority of Singapore believing that digital assets can be fully adopted in Singapore with proper regulations.²

Commenting on the results, Mr. Yusaku Mishima, Executive Director supervising the entire blockchain business operation of OIO Holdings Limited, added, *“Moonstake demonstrated strong growth following our acquisition and it continues to contribute to the growth of our Group in 3Q FY2021. From our observation, an increasing number of investors, including traditional and institutional investors – enter the digital asset space, we are happy that our blockchain expertise is helping more customers who are operating in the blockchain industry. We will also leverage on our strong management team and expertise to launch new services through our subsidiary, OIO Singapore, as well as increasing our scope of services on our Moonstake platform to cater to the increasing appetite of investors.*

Aligned with Singapore’s emergence as a major cryptocurrency hub in Southeast Asia, OIO is well positioned to continue contributing to the growth of blockchain-based finance in the region.”

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About OIO Holdings Limited

OIO Holdings Limited is a Singapore-based holding company whose core business units are blockchain technology services and mechanical and engineering (“M&E”) services. The group’s blockchain arm aims to expand blockchain technology and accelerate its integration by offering B2B consulting and software development services to various industries.

Following the acquisition of Moonstake Pte Ltd in May 2021, OIO Holdings extends its business beyond the corporate level by providing digital wallets and staking solutions.

Apart from the blockchain-related businesses, the Group has an extensive expertise as a M&E engineering service and solution provider, and has built up a strong network with well-established customers in Singapore.

For more information, please visit the website at: <https://ir.oio.sg>

² The Business Times - There is a place for crypto in Singapore if regulated: Tharman
(<https://www.businesstimes.com.sg/banking-finance/there-is-a-place-for-crypto-in-singapore-if-regulated-tharman>)

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