2021

ANNUAL REPORT

OIO HOLDINGS LIMITED

CONTENTS

CORPORATE INFORMATION

Company Registration Number	201726076W
Registered Office	140 Paya Lebar Road #08-07 AZ @ Paya Lebar Singapore 409015
Company Website	https://oio.sg/
Investor Relations Contact	enquiry@oio.sg
Board of Directors	- Fan Chee Seng (Executive Chairman) - Yusaku Mishima (Executive Director) - Foo Kia Juah (Lead Independent Non-Executive Director) - Chong Kah Nam (Independent Non-Executive Director) - Tee Hian Chong (Independent Non-Executive Director)
Company Secretary	Pan Mi Keay Chan Soek Wei (Appointed on 28 July 2021)

CORPORATE INFORMATION

Share Registrar and Share Transfer Office	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) 80 Robinson Road #11-02 Singapore 068898
Audit Committee	- Chong Kah Nam (Chairman) - Tee Hian Chong - Foo Kia Juah
Nominating Committee	- Foo Kia Juah (Chairman) - Tee Hian Chong - Chong Kah Nam
Remuneration Committee	- Foo Kia Juah (Chairman) - Tee Hian Chong - Chong Kah Nam

CORPORATE INFORMATION

Auditors	Foo Kon Tan LLP Public Accountants and Chartered Accountants 24 Raffles Place, #07-03 Clifford Centre Singapore 048621 Partner-in-charge: Ong Soo Ann (w.e.f financial year ended 31 December 2021)
Listing Information	Share Listing: Singapore Exchange Ltd Stock Code: SGXE73993458
Sponsor	PrimePartners Corporate Finance Pte. Ltd. 16 Collyer Quay, #10-00 Income at Raffles Singapore 049318

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors (the "**Board**") of OIO Holdings Limited. ("OIO" or the "Company" and together with its subsidiaries, the "Group"), we are pleased to present to you the Group's annual report for the financial year ended 31 December 2021 ("FY2021").

In FY2021, the Group expanded its blockchain technology services with the acquisition of Moonstake Pte Ltd and its subsidiary, Moonstake Limited (collectively, "**Moonstake**") being completed on 31st May 2021. Moonstake is in the business of providing staking-related wallet services for digital assets to retail customers, as well as, research and software development services related to blockchain-based finance including staking to enterprise customers. In FY2021, the revenue of the blockchain technology services segment exceeded S$4.5million and the profit before tax from the segment was in the region of S$0.6million.

The liquidation of the dormant and unprofitable mechanical and electrical ("**M&E**") engineering services subsidiaries, ACMES Properties Pte Ltd and ACMES-Power Building Services Pte Ltd, has been completed in FY2021 to enhance its focus on its growing blockchain technology services segment.

BUSINESS REVIEW

The Group's operating environment for the FY2021 makes up of 3 segments, namely in the blockchain technology services, M&E engineering services and project management services segments. No revenue was recorded from project management services for FY2021.

Total revenue was approximately S$5.0 million in FY2021, an increase of 242.2% as compared to financial year ended 31 December 2020 ("FY2020") because of the growth of the revenue from the blockchain technology services segment. The acquisition of Moonstake significantly contributed to this revenue growth with S$4.4 million revenue recorded for FY2021.

The Group's gross profit was S$4.3 million for FY2021, compared with S$0.26 million for FY2020. The administrative expenses for FY2021 of S$3.24 million was 79.1% higher than in FY2020. The Group's registered a S$1.1 million loss after tax in FY2021 as compared to S$0.91 million loss after tax in FY2020.

DIVIDENDS

In view of the loss position, the Board is not recommending a dividend for FY2021.

OUTLOOK FOR 2022

Following the completion of the acquisition of Moonstake on 31 May 2021, the staking business generated S$4.4 million revenue for the Group for FY2021. The management is confident that business synergies between the blockchain business and staking solutions will continue to strengthen the performance of the Group in 2022 onwards.

In FY2021, the Group raised a total of US$5,342,000 from these series of placement of ordinary shares.

- US$2,400,000 through issuance of convertible notes announced on 29 March 2021, which were converted to the ordinary shares on 31 May 2021
- US$400,000 through issuance of new ordinary shares announced on 9 September 2021
- US$2,542,000 through issuance of new ordinary shares announced on 20 October 2021

Utilising a part of the proceeds from these exercises, the Group will continue to work on various initiatives in the fast-moving blockchain and digital asset sectors for our long-term growth. We will work towards achieving organic growth of this segment, while we will also explore the opportunities to acquire businesses/assets in the blockchain industry which are attractive for the interests of our shareholders.

In view of the COVID-19 situations, there are some on-going disruptions to the operations of the M&E engineering business such as quarantine of the Group's construction workers and slowdown of the construction projects in Singapore. Other than this, COVID-19 is not expected to materially affect the Group's operations or financial position for FY2022.

APPRECIATION

On behalf of the Board, I would like to thank our management and staff for their contribution, understanding and dedication in helping the Group to overcome the many obstacles. Despite the challenging FY2021 period, I would also like to express my gratitude to our customers and business partners for their support and faith in us. I look forward to working together with everyone to continue building on the trust and confidence of our business.

We appreciate all stakeholders and shareholders' trust towards a better future for OIO in the years to come.

OIO Holdings Ltd
Fan Chee Seng

OPERATION AND FINANCIAL REVIEW

Our Group is a Singapore-based blockchain services and M&E engineering services and solutions service provider. Our businesses are in the provisions of (1) blockchain agency and consulting services, (2) staking services, (3) M&E engineering services, and (4) project management services.

Our Group operates as a provider of blockchain agency and consulting services and it relates to sales agency services to blockchain companies in respect of their blockchain-related products and services, software development outsource agency services to blockchain companies for their software development projects, consultancy services to blockchain companies in respect of the strategy, sales and marketing, technology and operation of their blockchain-related products, and commercialization of blockchain-related products.

In addition to blockchain agency and consulting services, our Group also provides staking services which relate to provision of digital wallets and staking services to retail customers, as well as research and development services to enterprise customers in relation to their staking and decentralized finance businesses. The staking services are provided by our wholly owned subsidiaries Moonstake Pte Ltd and Moonstake Ltd (collectively, “Moonstake”), which was acquired by our Group on 31 May 2021.

Our Group also operates as a sub-contractor for our M&E engineering services and project management services. We have developed extensive expertise as an M&E engineering services and solutions provider, and have built up a strong network with well-established customers who are often engaged in projects in Singapore and the region.

Revenue and Expenses

Total revenue was approximately S$5.0 million in FY2021, an increase of 242.2% as compared to FY2020 primarily attributable to the revenue derived from the newly acquired subsidiaries of Moonstake that provide staking services. The revenue from Moonstake only commenced from the month of June 2021 since the acquisition was completed on 31 May 2021. The revenue generated from the M&E engineering services increased by approximately S$0.3 million in FY2021 as compared to FY2020. The increase in revenue was partly offset by the decrease in the revenue from blockchain agency and consulting services by approximately S$1.2 million as compared to FY2020.

The Group’s cost of sales mainly comprised the commission expenses and the costs of outsourcing consulting services from the blockchain business. Cost of sales was approximately S$0.8 million, approximately 15.2% of our total revenue for FY2021. Cost of sales decreased by 37.0% as compared to FY2020 due to lower costs incurred from the new business segment of staking services and decrease in the costs of outsourcing consulting services in FY2021.

The Group’s gross profit was approximately S$4.3 million for FY2021, which increased by approximately S$4.0 million from approximately S$0.3 million for FY2020. The overall gross profit margin (“GPM”) increased from 17.4% in FY2020 to 84.8% in FY2021. The overall gross profit generated in FY2021 was mainly contributed by the blockchain business, of which the GPM was approximately 90.6% in FY2021. The cost of sales incurred by this business segment was mainly the cost of outsourcing consulting services and commission expenses.

The M&E engineering services business generated a gross profit and GPM of approximately S$0.1 million and approximately 27.0% respectively in FY2021 in contrast to a gross loss and Gross Loss Margin (“GLM”) of approximately S$0.2 million and approximately 194.6% respectively in FY2020. The gross loss incurred in FY2020 was mainly due to credit note issued to customers for a cancelled project in Q4 2020.

The Group's other operating income in FY2021 mainly arose from (i) amount owing to the two liquidated subsidiaries, ACMES-Power Buildings Services Pte Ltd and ACMES Properties Pte Ltd, of approximately S$0.3 million written off following the formal dissolution of these subsidiaries in FY2021; (ii) government grants received in FY2021 which was primarily from the jobs growth incentive and job support scheme for the COVID-19 situation; (iii) a reversal of impairment loss on trade and other receivables in FY2021 as a result of repayment from customers; and (iv) gain on disposal of the right-of-use assets following the disposal of a motor vehicle in FY2021.

The Group's selling and distribution expenses were approximately S$1.2 million in FY2021, increased from approximately S$0.2 million in FY2020. The expenses mainly comprised marketing consultancy and advertising services, and salaries for sales and marketing staff. The increase in selling and distribution expenses was mainly due to increase in headcount and expenses incurred to promote the Group's blockchain business.

The administrative expenses in FY2021 comprised mainly staff salaries, directors' remuneration, audit and professional fees, amortisation of software development costs, outsourcing fees incurred for product development, software maintenance fees, depreciation charges, recruitment expenses and investor's relation consultancy expenses. The administrative expenses for FY2021 of approximately S$3.2 million were 79.1% higher than in FY2020, mainly due to (i) higher staff costs of approximately S$0.4 million due to an increase in headcount in FY2021; (ii) higher audit and professional fees of approximately S$0.3 million following the acquisition of the new subsidiaries in May 2021; (iii) amortisation of software development costs of approximately S$0.1 million (FY2020: Nil); (iv) outsourcing fees incurred for product development of approximately S$0.3 million (FY2020: Nil); (v) higher software maintenance fees of approximately S$0.2 million; and (vi) higher fees incurred on investor's relation consultancy of approximately S$0.1 million in FY2021.

Other operating expenses in FY2021 comprised mainly impairment loss on crypto assets and loss on disposal of crypto assets. Other operating expenses in FY2021 were approximately S$1.5 million, which were higher as compared to FY2020 of approximately S$0.1 million. Finance costs in FY2021 comprised mainly interest expenses for finance lease. The decrease in finance costs was due to full repayment of the bank borrowings in FY2020.

The Group incurred income tax expenses of approximately S$0.1 million in FY2021, as compared to an income tax credit of approximately S$0.2 million in FY2020, mainly due to the reversal of deferred tax assets, and adjustment for under provision of income tax expenses in prior years.

The Group registered a higher loss of approximately S$1.1 million after tax in FY2021 as compared to approximately S$0.9 million loss after tax in FY2020.

Balance Sheet

Non-current assets increased by approximately S$13.4 million to approximately S$13.6 million as at 31 December 2021 from approximately S$0.2 million as at 31 December 2020. The increase was mainly due to recognition of goodwill of approximately S$7.1 million and intangible assets of approximately S$6.4 million that arose from the acquisition of Moonstake Pte Ltd and Moonstake Limited on 31 May 2021. Intangible assets comprised crypto assets of approximately S$5.4 million and software development costs of approximately S$1.0 million.

OPERATION AND FINANCIAL REVIEW

Current assets increased by approximately S$5.7 million to approximately S$6.2 million as at 31 December 2021 from approximately S$0.5 million as at 31 December 2020. The increase was mainly due to increase in cash and bank balances of approximately S$5.5 million, which primarily derived from proceeds received from the issuance of convertible notes of approximately S$3.2 million, proceeds received from an interest free shareholder's loan of approximately S$2.7 million, and proceeds received from the issuance of new ordinary shares of approximately S$4.0 million. The increase in cash and bank balances was partly offset by repayment of a shareholder's loan of S$0.5 million, and payment of expenses incurred in FY 2021. In addition, there was an increase in trade and other receivables of approximately S$0.2 million, mainly due to increase in trade receivables of approximately S$0.1 million and government grant receivable of approximately S$0.1 million.

Non-current liabilities decreased by approximately S$1.0 million to approximately S$0.6 million as at 31 December 2021 from approximately S$1.6 million as at 31 December 2020. The decrease was mainly due to reclassification of (i) a trade payable of approximately S$0.9 million, and (ii) a shareholder's loan of approximately S$0.7 million, both due within 1 year, from non-current liabilities to current liabilities. The decrease was partly offset by contract liabilities of approximately S$0.4 million and provision for contingent liability of approximately S$0.3 million following the acquisition of Moonstake.

Current liabilities increased by approximately S$6.8 million to approximately S$9.7 million as at 31 December 2021 from approximately S$2.9 million as at 31 December 2020. The increase was primarily due to (i) increase in shareholder's loan of approximately S$2.9 million as a result from the reclassification from non-current liabilities to current liabilities, (ii) increase in trade and other payables of approximately S$3.5 million mainly due to short-term advances received from a third party of approximately S$2.0 million and the reclassification of a trade payable of approximately S$0.9 million from non-current liabilities to current liabilities, (iii) advance payment in crypto assets received from customers of approximately S$0.7 million, and (iv) contract liabilities of approximately S$0.6 million which relates to an agency service fee collected in advance and advance payment from customers (31 December 2020: Nil). The increase was partially offset by lower current tax liabilities of approximately S$0.2 million.

The shareholders' equity increased by approximately S$13.3 million from the deficit of approximately S$3.8 million as at 30 December 2020 to approximately S$9.4 million as at 31 December 2021. This was primarily attributable to the increase in share capital that arose from issuance of consideration shares of approximately S$7.1 million for the acquisition of Moonstake Pte Ltd, the conversion of convertible notes to share capital of approximately S$3.2 million and issuance of ordinary shares of approximately S$4.0 million. The increase was partially offset by total comprehensive loss incurred for the financial year of approximately S$1.1 million.

FINANCIAL HIGHLIGHTS

For the Year	2021 $	2020 $	% Change
Revenue			
1st Half	1,641,113	677,825	142.1%
2nd Half	3,380,421	789,735	328.0%
Total	5,021,534	1,467,560	242.2%
Profit / (Loss) After Tax			
1st Half	(638,682)	(378,674)	68.7%
2nd Half	(481,095)	(530,715)	-9.3%
Total	(1,119,777)	(909,389)	23.1%
Equity			
Share Capital	23,830,385	9,499,017	
Reserves	(2,556,773)	(2,621,264)	
Accumulated losses	(11,763,202)	(10,656,842)	
Total Equity attributable to owners of the Company	9,510,410	(3,779,089)	
Borrowings	3,403,400	1,200,000	
Total Assets	19,746,186	634,525	
Net Assets/ (Liabilities)	9,452,622	(3,823,460)	
Financial Ratio			
Net Assets/ (Liabilities) Value Per Share (cents)	5.06	(3.16)	
Total Debt to Total Equity	1.09	Not meaningful[1]	
Basic Loss Per Share	(0.71)	(0.69)	
Diluted Loss Per Share	(0.68)	(0.69)	

Notes:

1 Not presented as the Group had a deficit in equity in FY2020.

DIRECTORS AND KEY EXECUTIVES

Mr Fan Chee Seng is the Executive Chairman, Executive Director and founder of our Group. He was appointed as Director of our Company on 3 May 2018. Mr Fan is responsible for leading and implementing our Group's long-term strategy, vision and mission and the overall management, strategic planning and business development of our Group.

Mr Fan has been instrumental in the development of our Group over the years and he is responsible for the overall management and operations of the business of our Group. Mr Fan is also responsible for securing major mechanical and electrical engineering projects of our Group from customers including luxury hotels such as Sheraton Towers Singapore and hospitals such as Sengkang General Hospital.

Mr Fan had more than 15 years of experience in working for various multinational corporations which are in the business of manufacturing and/or the supply of pumps. Prior to establishing our Group, Mr Fan worked in Gadelius Pte Ltd from 1982 to 1986 as a sales executive and Grundfos Singapore Pte Ltd from 1986 to 1990 as a sales manager. From 1990 to 1993, he worked in STA-Rite Industries, LLC where he was in charge of establishing the Singapore branch office. From 1993 to 1998, he was with Ebara Corporation where he was in charge of sales of pumps in the regional markets.

Mr Fan holds a Graduate Diploma in Shipbuilding and Repair Technology from Ngee Ann Technical College.

Mr Yusaku Mishima is an Executive Director of our Group and he was appointed as the Non-Executive Director of the Company on 12 December 2019 and was redesignated as an Executive Director on 7 April 2021. Mr Mishima is responsible for monitoring and expanding the blockchain agency and consulting business.

Prior to joining the Group, Mr Mishima was working in the Embassy of Japan in Kingdom of Bahrain (2010 - 2012) as an Administrative Officer, Daiichi Seiko Co., Ltd. (2013 - 2014) as an Marketing Officer, Backoffice Co., Ltd. (2015 - 2018) as an Senior Consultant and several Infinity Blockchain Group of companies (2018 - 2021) as a Chief Executive Officer.

Mr Mishima graduated with a Bachelor of Science in Biochemistry with minor in Economics from McGill University.

Mr Foo Kia Juah is the Lead Independent Non-Executive Director of our Group and he was appointed to our Company on 12 December 2019. He is the Chairman of both the Remuneration Committee and Nominating Committee and is a member of the Audit Committee.

Mr Foo is a retired senior police officer, who had contributed three decades of service to the Singapore Police Force. During his stint with the Singapore Police Force, he had served as Chief Investigating Officer in the Commercial Crime Division, CID and various other commander positions, which included Commander of Jurong Police Division and Central Police Division. He also held the positions of Director Training, Director Police Academy and Director of Public Affairs Department. One of the accolades he received was the Public Service Star for his role in the successful rescue of all the passengers and crew of a Singapore Airline plane hijacked in 1991.

Mr Foo is presently holding directorships of Bin Keow Brickworks Pte Ltd and Bin Keow Industrial Pte Ltd. They are unlisted Singapore incorporated companies.

Mr Foo graduated from Nanyang University with an Honours degree in Government & Public Administration.

DIRECTORS AND KEY EXECUTIVES

Mr Tee Hian Chong is an Independent Non-Executive Director of our Group and he was appointed to our Company on 12 December 2019. He is a member of the Remuneration Committee, Nominating Committee and Audit Committee.

Mr Tee is currently the Managing Director of Eightyeight Solutions Pte Ltd and he is responsible to overseeing the operations and financial management of the company who is a provider of technical IT services for Small and Medium Enterprises. Mr Tee was previously working in Singapore Workforce Development Agency (WDA) from year 2008 to 2013 as a Senior Manager.

Mr Tee has an interesting blend of experiences and knowledge – from old school banking sector to new technologies like blockchain, AI, which is aligned with the new controlling shareholder's background as a technology company. In addition, Mr Tee has also previously been in the Singapore public sector (with the Singapore Workforce Development Agency).

Mr Tee holds a Bachelor of Business Administration from Monash University (Australia).

Mr Chong Kah Nam currently sits on the board of our Group as an Independent Non-Executive Director and was appointed to our company on 18 February 2022. He is the Chairman of the Audit Committee and also a member of the Remuneration Committee and Nominating Committee.

Mr Chong was formerly an Executive Director and Senior Executive Officer of First Eastern Capital Limited, a regulated entity registered in the Dubai International Financial Centre, Dubai, U.A.E. He has also served as a Non-Executive Director of Siam Select Fund Ltd, a fund which was listed on the Irish Stock Exchange.

Mr Chong has over 30 years of work experience with more than 24 years of overseas work exposure. He was previously a portfolio manager of a private family office based in Dubai, U.A.E. Prior to that, he was the investment manager of MCIS Zurich Insurance, Malaysia. Mr Chong was also the treasury accountant in Genting Berhad, Malaysia. He has also served in the corporate division with Bank of America, Malaysia.

Mr Chong graduated from the University of Miami, Coral Gables, USA with a Master of Business Administration and obtained his Bachelor of Arts in Business Studies (Honours) from University of East London, UK.

Mr Taku Edatsune is Head of Finance and Administration of our Group. He was appointed as Head of Finance and Administration of our Group on 12 March 2020. He is responsible for our Group's financial and accounting matters and its compliance with financial reporting and regulatory requirements. He also handles other general affairs and administrative matters of the Company.

Prior to joining our Group, Mr. Edatsune was working as Finance Manager at Infinity Blockchain Holdings Pte Ltd, Corporate Planning Manager at MIMS Pte Ltd and Assistant Manager at Deloitte LLP, UK.

Mr. Edatsune holds a Master of Business Administration, London Business School, Bachelor of Liberal Arts, University of Tokyo and has passed all the necessary examinations and working experience requirement for the Japanese Institute of Certified Public Accountants.

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or "**Directors**") of OIO Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") are strongly committed to high standards of corporate governance which are essential to the stability and sustainability of the performance of the Company and its subsidiaries, promotion of corporate transparency, accountability and integrity of the Group, protection of the interests of the Company's shareholders ("**Shareholders**") and maximisation of long-term shareholder value.

The Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") requires all listed companies to describe in their annual reports, their corporate governance practices, with specific reference to the principles and/or provisions as set out in the Code of Corporate Governance 2018 (the "**Code 2018**") issued on 6 August 2018, as well as guidelines from Code of Corporate Governance 2012 ("**Code 2012**") which are still in effect as required under the Catalist Rules.

The Company is pleased to report on its corporate governance processes and activities as required by the Code ("**Report**"). For easy of reference, sections of the Code under discussion in this Report are specifically identified. However, this Report should be read as a whole as other sections of this Report may also have an impact on the specific disclosures.

The Board confirmed that for the financial year ended 31 December 2021 ("**FY2021**"), the Company has generally adhered to the principles and provisions as set out in the Code, save as otherwise explained below. The Company is also guided by the voluntary Practice Guidance which was issued to complement the Code 2018 and Code 2012 and which sets out best practice standards for companies.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Our Policy and Practices:

The principal functions of the Board, apart from its statutory responsibilities, are:

- Reviewing and approving the corporate policies, strategies, budgets and financial plans of the Company;
- Monitoring financial performance, including approval of the full year and interim financial reports of the Company;
- Approving major investment and funding decisions;
- Reviewing the evaluation process on the adequacy of internal controls, risk management, financial reporting and compliance;
- Overseeing the business and affairs of the Company, establishing the strategies and financial objectives to be implemented by the Management and monitoring the performance of the Management;
- Identifying the key stakeholder groups whose perceptions affect the Company's reputation;
- Setting the Company's values and standards, and ensuring that obligations to shareholders and other stakeholders are understood and met;
- Considering sustainability issues such as environmental and social factors, as part of its strategic formulation;
- Provide entrepreneurial leadership, set strategic aims and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- Establish a framework of prudent and effective controls which enables the identification, assessment and management of risks, including safeguarding of Shareholders' interests and the Group's assets; and

- Provide oversight of the proper conduct of the Group's business and assume responsibility for corporate governance.

More than one-third of the Board is made up of Independent Directors who are independent of the Management and substantial shareholders.

The Board recognises the importance of appropriate orientation training and continuing education for its Directors. Every Executive Director receives appropriate training to develop individual skills in order to discharge his duties. The Group also provides information about its history, mission and values to the Directors. The Directors may, at any time, visit the Group's construction sites and also being brief on the blockchain business in order to gain a better understanding of business operations. There are also update sessions to inform the Directors on new legislations and/or regulations which are relevant to the Group. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with regulatory changes, where these changes have an important bearing on the Company's or Directors' disclosure obligations, Directors are briefed at Board meetings.

All the Directors are informed and encouraged to attend seminars, courses and other programmes, particularly on relevant new laws, regulations and changing commercial risks, from time to time, in order to discharge their duties as directors. The training programmes are conducted by the Singapore Institute of Directors ("**SID**"), the SGX-ST, and business and financial institutions and consultants in areas such as accounting, legal and industry specific knowledge, where appropriate, in connection with their duties. They also attended briefings on the roles and responsibilities as directors of a listed company in Singapore. All the costs are borne by the Company.

Newly-appointed Directors will be briefed on the business and organisation structure of the Group and its strategic plans and objectives. Directors may, at any time, request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business issues from the Management. The Company will also provide training within one year from the date of appointment for any Director who has no prior experience as a director of a Singapore public listed company as prescribed by the SGX-ST under Rule 406(3)(a) and Practice Note 4D of the Catalist Rules.

A first-time director with no prior experience as a director of a listed company will be required to attend certain specific modules of the Listed Entity Director ("**LED**") Programme conducted by the SID in order to acquire the relevant knowledge of what is expected of a listed company director, this being a mandatory requirement under the Listing Rules of the SGX-ST.

Mr Chong Kah Nam, having joined the Group as its Independent Non-Executive Director effective 18 February 2022 has been given briefings by the Management on the business activities of the Group and its strategic directions as well as its corporate governance practices. Mr Chong will endeavour to attend and complete the LED courses conducted by SID as required under Rule 406(3)(a) and Practice Note 4D of the Catalist Listing Manual.

As at the date of this Report, the Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Fan Chee Seng - Executive Chairman
Yusaku Mishima - Executive Director
Foo Kia Juah - Lead Independent Non-Executive Director
Tee Hian Chong - Independent Non-Executive Director
Chong Kah Nam (1) - Independent Non-Executive Director

(1) Mr Chong Kah Nam had been appointed as Independent Non-Executive Director of the Company with effect from 18 February 2022.

Every company should be headed by an effective Board to lead and control the company. The Board understands the Group's business as well as its duties and is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board. The Board oversees the Management of the Company. It focuses on strategies and policies, with particular attention paid to growth and financial performance. It delegates the formulation of business policies and day-to-day management to the Executive Director.

CORPORATE GOVERNANCE REPORT

Every Director is expected, in the course of carrying out his duties, to act in good faith to provide insights and objectively take decisions in the interest of the Company. Any Director facing a conflict of interests will recuse himself from discussions and decisions involving the issue of conflict.

To assist the Board in the execution of its responsibilities, various Board committees, namely, the Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") that are headed by Independent Directors, have been established and delegated with certain functions. The chairman of the respective committees will report to the Board on the outcome of the committee meetings and their recommendations on the specific agendas mandated to the committees by the Board. Further details of the scope and functions of the various committees are provided below in this Report.

The Board holds at least two scheduled meetings each year to review and deliberate on the key activities and business strategies of the Group, including significant acquisitions and disposals, annual budget, financial performance and to endorse the release of the half-yearly and annual financial results. Where necessary, additional meetings are held to address significant transactions or issues arising from the business operations of the Group.

The Constitution of the Company provides for Directors to conduct meetings by teleconferencing, videoconferencing, audio-visual or other electronic means of communication. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees may also make decisions through circulating resolutions.

The attendance of the Directors at meetings of the Board and the Board committees during FY2021 is tabulated below:-

	Board	Audit Committee	Nominating Committee	Remuneration Committee
Total number of meetings held	3	3	1	1
Number of meetings attended by respective directors				
Executive Directors				
Mr Fan Chee Seng	3	3*	1*	1*
Mr Yusaku Mishima (1)	3	1 & 2*	1	1
Independent Directors				
Mr Foo Kia Juah (2)	3	2 & 1*	1	1
Mr Kok Cheang Hung (3)	3	3	1*	1*
Mr Tee Hian Chong	3	3	1	1
Mr Chong Kah Nam (4)	–	–	–	–

* By Invitation

(1) My Yusaku Mishima had been re-designation to Executive Director of the Company with effect from 7 April 2021.

(2) Mr Foo Kiah Juah had been reconstituted as a member of the Audit Committee with effect from 7 April 2021.

(3) Mr Kok Cheang Hung resigned as Independent Non-Executive Director with effect from 31 January 2022 and relinquished his position as Chairman of Audit Committee as well as member of Nominating Committee and Remuneration Committee with effect from the same date.

(4) Mr Chong Kah Nam has been appointed as an Independent Non-Executive Director with effect from 18 February 2022. He has also been appointed as Chairman of Audit Committee as well as member of Nominating Committee and Remuneration Committee with effect from the same date.

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments. In support of their candidature for directorship or re-election, Directors are to provide the NC with details of their other commitments and an indication of the time involved. In addition, Directors should consult the NC before accepting any new appointments as directors. The NC has addressed the competing time commitments faced by Directors serving on multiple boards and is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. The Board has determined that a Director may hold up to 5 listed company board representations. None of the Directors of the Company sits on the boards of more than 5 listed companies.

The profile of each Director and other relevant information as at the date of this Report are set out on pages 10 to 11 of the Annual Report. All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the interest of the Company.

Material matters which specifically require the Board's decision or approval are clearly communicated with the Management in writing which include the following corporate matters:

(i) Announcement of financial statements;

(ii) Interested persons transactions;

(iii) Declaration of interim dividends and proposal of final dividends;

(iv) Convening of shareholders' meetings;

(v) Change in business direction;

(vi) Share issuance and corporate or financial re-structuring;

(vii) Authorisation of merger and acquisition transactions; and

(viii) Authorisation of major transactions.

The Board is provided with adequate and timely information prior to Board meetings and on an on-going basis and Board papers are distributed in advance of each meeting to enable the Directors to make informed decisions and discharge their duties and responsibilities. The Company circulates copies of the minutes of the meetings of all board committees to all members of the Board to keep them informed of on-going developments within the Group.

The Directors have separate and independent access to the Company's Senior Management, the Company Secretary, and external advisers (where necessary) at the Company's expense. Should the Directors, whether as a group or individually, require independent professional advices, such professionals (who will be selected with the approval of the Board Chairman or the Chairman of the Committees requiring such advice) will be appointed at the Company's expenses.

The Company Secretary attends the Company's Board, AC, RC and NC meetings and is responsible for ensuring that Board procedures are followed. The Company Secretary's role is also to advise the Board on governance matters and to assist the Board in ensuring that the Company complies with rules and regulations which are applicable to the Company. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board currently has five (5) Directors comprises two (2) executive Directors and three (3) independent non-executive Directors.

The Board is supported by various board committees, namely, the NC, AC and RC whose functions are described below. The non-executive directors have been able to exercise objective judgement independently from Management and substantial shareholders and no individual or small group of individuals dominate the decisions of the Board.

The Board has adopted the Code's criteria of an independent director in its review. An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the directors' independent business judgment in the best interests of the Company.

As such, the Board has a strong and independent element with majority of the Board being made up of independent and non-executive Directors.

CORPORATE GOVERNANCE REPORT

As the Chairman of the Board is not independent, the Company fulfils the Code's requirements with a majority of the Board being made up of Independent Non-executive Directors. The Company also believe that the Independent Directors should be selected for their diverse expertise so that they can provide a balance of views.

The Group recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance. The Board believes that board diversity is more than just about gender diversity and embraces other factors such as a need for individuals from all backgrounds, skill-sets, life experiences, abilities and beliefs for a better Board performance. The Group will finalise and adopt a Board Diversity Policy by 31 December 2022 as required under the Catalist Rules.

The independence of each Independent Director will be reviewed annually by the NC and the Board. Each independent director is required to complete a checklist annually to confirm his independence based on the provisions as set out in the Code. The independence of any director who has served on the Board beyond nine years from the date of his first appointment will be subject to more rigorous review. The NC and the Board are of the view that all its Independent Non-executive Directors have satisfied the criteria of independence as a result of its review.

There are no Independent Directors who has served on the Board beyond nine (9) years from the date of his first appointment.

The Board of the Company comprises the following Directors: -

Name of Director	Position held on the Board	Date of first appointment to the Board	Date of last re-election as Director	Nature of appointment
Fan Chee Seng	Chairman	03.05.2018	26.06.2020	Executive/Non-independent
Yusaku Mishima	Director	12.12.2019	26.06.2020	Executive/Non-Independent
Foo Kia Juah	Lead Independent Director	12.12.2019	29.04.2021	Non-executive/Independent
Chong Kah Nam	Director	18.02.2022	N/A	Non-executive/Independent
Tee Hian Chong	Director	12.12.2019	26.06.2020	Non-executive/Independent

The NC is of the view that the Board has the requisite blend of expertise, skills and attributes to oversee the Group's business. Collectively, they have competencies in areas which are relevant and valuable to the Group, such as accounting, corporate finance, business development, management, sales and strategic planning. In particular, the Executive Director who has more than 20 years of experience in the M&E industry including business and management, engineering and industry as well as in the government and public sectors. Some Directors have relevant financial management experiences while other Directors have in-depth experiences and knowledge in new technologies such as in the blockchain industry. The NC considers that the Board's present size is adequate for effective debate, strategic decision-making and in exercising accountability to Shareholders and delegating authority to the Management, taking into account the nature and scope of the Group's operations. As the Group's activities continue to grow, the NC will continuously review the composition of the Board so that it will have the necessary competency to be effective. The NC will further consider other aspects of diversity such as gender and age, and assist the Board to put in place a board diversity policy and progress for implementation of such policy, so as to avoid groupthink and foster constructive debate.

The profiles of each of the Directors are provided on pages 10 to 11 of this Annual Report. Accordingly, the current Board comprises persons who as a group, have core competencies necessary to lead and oversee the Company.

The non-executive Directors are also involved in reviewing the corporate strategies, business operations and practices of the Group, as well as reviewing and monitoring the performance of Management in achieving agreed goals and objectives. The non-executive Directors do confer with the external auditors at least once a year and whenever necessary to discuss issues without the presence of Management.

The Independent Directors will meet or communicate amongst themselves without the presence of the Management and provide feedback to the management following the meeting. The current Independent Directors have met up with the external auditors once without the presence of Management during FY2021.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Mr Fan Chee Seng, the Executive Chairman of the Company, is responsible for formulating corporate strategies, oversee the overall management of the Group, leading the Group's marketing and business development activities as well as ensuring the smooth operation of the Group. There is no chief executive officer being appointed currently.

The Board is of the view that as all major decisions are made in consultation with the Board and with the establishment of the three Board Committees, there are adequate safeguards in place to ensure accountability and unfettered decision-making, as well as to prevent an uneven concentration of power and authority in a single individual.

The Chairman, in consultation with the Board, ensures:

(i) leading the Board to ensure its effectiveness on all aspects of its role;

(ii) setting the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;

(iii) promoting a culture of openness and debate at the Board;

(iv) ensuring that the Directors receive complete, adequate and timely information;

(v) ensuring effective communication with Shareholders;

(vi) encouraging constructive relations within the Board and between the Board and the management;

(vii) facilitating the effective contribution of Non-Executive Directors;

(viii) encouraging constructive relations between Executive Directors and Non-Executive Directors; and

(ix) promoting high standards of corporate governance.

In view that the Executive Chairman is not being regarded as independent, Mr Foo Kia Juah as Lead Independent Director will be available to Shareholders where they have concerns for which contact through normal channels of communication with the Executive Chairman or management are inappropriate or inadequate. In addition to the above, when it is necessary, the Independent Directors shall meet without the presence of the other Directors and the Lead Independent Director shall provide feedback to the Chairman after such meetings. Shareholders can send their enquiries through email at fookj@oio.sg.

To enhance and encourage communication, Shareholders and investors can send their enquiries through email at enquiry@oio.sg.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises the following members, all of whom are Non-Executive and Independent.

Mr Foo Kia Juah	(Chairman of NC and Lead Independent Non-Executive Director)
Mr Tee Hian Chong	(Member and Independent Non-Executive Director)
Mr Chong Kah Nam	(Member and Independent Non-Executive Director)

The NC's key terms of reference, describing its responsibilities, include:-

(a) Reviewing and recommending the appointment and re-appointment of the Directors having regard to the Director's contribution and performance, including attendance, preparedness and participation;

(b) Determining on an annual basis whether or not a Director is independent in accordance to the Code;

(c) Reviewing the training and professional development programs for the Board;

(d) Reviewing a Director's multiple board representations on various companies and deciding whether or not such Director is able to and has been adequately carrying out his duties as director;

(e) Deciding on how the Board's performance is to be evaluated and proposing objective performance criteria subject to the approval by the Board; and

(f) The review of succession plans for the Company's Directors, in particular, the appointment and/or replacement of the Executive Chairman and key management personnel.

The NC leads the process and makes recommendations to the Board for the selection and approval of appointment of new Directors as follows:

(i) reviewing and approving key executive employment of related persons and proposed terms of their employment;

(ii) evaluates the balance of skills, knowledge and experience on the Board and, in the light of such evaluation and in consultation with the management, prepares a description of the role and the essential and desirable competencies for a particular appointment;

(iii) while existing Directors and the management may make suggestions, seeks external help where necessary to source for potential candidates;

(iv) meets with short-listed candidates to assess their suitability and to ensure that the candidate(s) are aware of the expectations and the level of commitment required; and

(v) makes recommendations to the Board for approval.

At present, no alternative Director has been appointed to the Board.

The NC's assessment of the independence of a Director is guided by the Code and takes into account factors such as relationship with the Company, its related corporations, its substantial shareholders or its officers and whether these relationships interfere with his business judgements. The NC has reviewed the independence of Mr Foo Kia Juah, Mr Tee Hian Chong and Mr Chong Kah Nam and is satisfied that there are no relationships which would deem any of them not to be independent.

Regulations 104 and 106(1) of the Constitution of the Company provide that one-third of the Directors (or, if their number is not three or a multiple of three, the number nearest one-third) shall retire from office by rotation and are eligible for re-election at each annual general meeting ("**AGM**"). All Directors are required to retire from office at least once in every three (3) years. Newly appointed Directors shall hold office only until the next AGM and are eligible for re-election at the AGM pursuant to Regulation 114 of the Constitution of the Company. Shareholders approve the election and re-election of Board members at the AGM.

The NC also determines whether a Director with multiple board representations is able to and has been adequately carrying out his duties as a Director of the Company. The NC takes into account the results of the assessment undertaken in relation to the effectiveness of the individual Director and the respective Director's actual conduct on the Board. The NC is satisfied that all the Directors have been able to and have adequately carried out their duties as Director notwithstanding their multiple board representations.

The NC and the Board are of the view that there should not be any restriction to the number of board representations that each Director may take up as multiple board representations do not necessarily hinder the Directors from carrying out their duties. The NC and the Board are of the view that multiple board representations may be beneficial as these widen the experience of the Directors and broaden the perspective of the Directors and the Board.

The NC assesses and recommends to the Board the retiring directors to be re-elected at the forthcoming AGM, having regard to their contribution and performance.

The NC has recommended and the Board has agreed for the following directors to retire and seek for re-election at the forthcoming AGM:

a) Mr Tee Hian Chong (retiring under Regulation 104 of the Constitution of the Company);

b) Mr Yusaku Mishima (retiring under Regulation 104 of the Constitution of the Company); and

c) Mr Chong Kah Nam (retiring under Regulation 114 of the Constitution of the Company).

Mr Tee Hian Chong (Independent Non-Executive Director) will, upon re-election as Director of the Company, remain as a member of the Audit Committee and Nominating Committee as well as Remuneration Committee and he will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist of the SGX-ST.

Mr Yusaku Mishima will, upon re-election as Director, remain as Executive Director.

Mr Chong Kah Nam (Independent Non-Executive Director) will, upon re-election as Director of the Company, continue to serve as the Chairman of the Audit Committee and a member of Nominating Committee as well as Remuneration Committee and he will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist of the SGX-ST.

Each member of the Nominating Committee will not participate and shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as director of the Company. In the event that any member of the Nominating Committee has an interest in a matter being deliberated upon by the Nominating Committee, he will abstain from participating in the review and approval process relating to that matter.

Particulars of Directors pursuant to the Code:

Name of Director	Professional Membership/ Qualifications	Board Appointment Executive/ Non-Executive	Board Committees as Chairman or Member	Directorship/ Chairmanship in other listed companies in Singapore	Other Principal Commitments
Fan Chee Seng	Diploma in Shipbuilding and Repair Technology and Diploma in Marketing from the Marketing Institute of Singapore.	Chairman and Executive	–	–	–
Yusaku Mishima	International Baccalaureate and Bachelor of Science in Biochemistry with minor in Economics	Executive	–	–	–
Foo Kia Juah	Honours degree in Government & Public Administration	Independent Non-Executive	Chairman: Remuneration Committee and Nominating Committee Member: Audit Committee	–	– Bin Keow Brickworks Pte. Ltd. – Bin Keow Industrial Pte. Ltd.

CORPORATE GOVERNANCE REPORT

Name of Director	Professional Membership/ Qualifications	Board Appointment Executive/ Non-Executive	Board Committees as Chairman or Member	Directorship/ Chairmanship in other listed companies in Singapore	Other Principal Commitments
Chong Kah Nam	Master of Business Administration and Bachelor of Arts in Business Studies (Honours)	Independent Non-Executive	Chairman: Audit Committee Member: Remuneration Committee and Nominating Committee	–	–
Tee Hian Chong	Bachelor of Business Administration	Independent Non-Executive	Member: Audit Committee as well as Remuneration Committee and Nominating Committee	–	– Eightyeight Solutions Pte Ltd – Eightyeight Consultancy Pte Ltd

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC is responsible for assessing the effectiveness of the Board as a whole and its Board Committees, as well as the contribution of each individual Director to the effectiveness of the Board, and has adopted the guidelines for formal annual assessment of such. The NC has performed this formal annual assessment for FY2021. All NC members have abstained from the voting or review process of any matters in connection with the assessment of his performance

The NC has also established a review process and proposed performance criteria set out in assessment checklists which are approved by the Board. These performance criteria will not be changed from year to year and where circumstances deem it necessary for any of the criteria to be changed, the onus will be on the Board to justify such changes.

The NC takes into consideration the following measures and evaluation tools in its assessment of competing time commitments of Directors:

- Declarations by individual Directors of their other listed company board directorships and principal commitments;
- Annual confirmations by each Director on his/her ability to devote sufficient time and attention to the Company's affairs, having regard to his/her other principal commitments; and
- Periodic assessment of the individual Directors' performance based on the criteria set out in assessment checklists for the Board evaluation

The NC has reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole, and the individual Directors' performance, for FY2021 and is of the view that the performance of the Board as a whole, the Board Committees and each individual Director, have been satisfactory and the Board has met its performance objectives.

The NC has full authority to engage external facilitator to assist the NC to carry out the evaluation process, if the need arises. The NC has not appointed any external facilitator in the evaluation process in FY2021.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises entirely of non-executive Directors, all of whom, including the Chairman, are independent:-

Mr Foo Kia Juah	(Chairman of RC and Lead Independent Non-Executive Director)
Mr Tee Hian Chong	(Member and Independent Non-Executive Director)
Mr Chong Kah Nam	(Member and Independent Non-Executive Director)

The principal functions of the RC, regulated by written terms of reference and undertaken by the RC during FY2021, include the following:

(a) To recommend to the Board all matters relating to the specific remuneration packages, including but not limited to directors' fees, salaries, allowances, bonuses and benefits-in-kind, of the Directors and key management personnel as well as to ensure the termination terms are fair;

(b) To review and ensure that the remuneration framework of the Directors and key management personnel should be aligned with the long-term interest and risk policies of the Company;

(c) To structure a significant and appropriate proportion of Executive Director's and key management personnel's remuneration so as to link rewards to corporate and individual performances. Such remuneration should also be aligned with the interests of shareholders and promote the long-term success of the Company; and

(d) To review and ensure that the remuneration of Non-executive Directors should be appropriate to the level of contribution, taking into account factors such as effort and time spent and responsibilities of the directors and they should not be over-compensated to the extent that their independence may be compromised.

The RC is responsible for ensuring a formal and transparent procedure for developing an appropriate executive remuneration policy and a competitive framework. The RC has recommended to the Board a framework of remuneration which covers various aspects of remuneration, including but not limited to, directors' fees, salaries, allowances, bonuses, and benefits-in-kind, and the specific remuneration packages for each Executive Director and key management personnel in order to retain and motivate each of them to run the business and operations successfully.

The RC's recommendations are submitted for endorsement by the entire Board. No Director is involved in deciding his own remuneration. The Company has not engaged any remuneration consultants to seek advice on matters during FY2021. External remuneration consultant's advice will be sought, where necessary, when a major remuneration review is conducted.

Each member of the RC will abstain from voting on any resolutions in respect of his remuneration package.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

In recommending a remuneration framework, the RC takes into account the performance of the Group as well as the Directors and key management personnel, aligning their interests with those of Shareholders and linking rewards to corporate and individual performance as well as industry benchmarks.

The remunerations of the Non-Executive Directors and Independent Directors are set out in accordance with a framework comprising basic directors fees and Board Committees' fees. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account. Directors' fees are paid subject to approval of Shareholders at each Annual General Meeting.

There are no contractual provisions to allow the Company to reclaim incentive components of remunerations from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Director in the event of such breach of fiduciary duties.

The Company had entered into separate service agreement with the Executive Chairman, Mr Fan Chee Seng in which the terms of his employment is stipulated. His initial term of employment is for a period of three (3) years from the date of admission of the Company to the Catalist (being 25 July 2018) and thereafter, his employment is renewed annually subject to termination clauses in the service agreement. The service agreement may be terminated by either party by giving not less than six (6) months' prior written notice. Under the service agreement, he will also be entitled to an annual performance bonus based on the consolidated profit before tax for each financial year of the Group's Mechanical and electrical services business segment.

The Company had also entered into separate service agreement with the Executive Director, Mr. Yusaku Mishima in which the terms of his employment is stipulated. His initial term of employment is for a period of three (3) years from the date of his appointment, being 7 April 2021, and thereafter, his employment is renewed annually subject to termination clauses in the service agreement. The service agreement may be terminated by either party by giving not less than six (6) months' prior written notice.

The Non-Executive Directors (including the Independent Directors) are paid a base fee. An additional fee can be paid to Non-Executive Directors for serving on any of the board committees. Such fees are pro-rated if a Director serves for less than one (1) year. The Directors' fees are subject to approval by Shareholders at the AGM.

The Company has adopted the Employee Share Option Scheme (the "**ESOS**") on 19 June 2018 prior to its listing on the Catalist board of the SGX-ST. The ESOS shall be administered by the RC. The purpose of the ESOS is to provide an opportunity for full-time employees of the Group and Directors (excluding Independent Directors) who have met performance targets (the "**Selected Person**") to participate in the equity of the Company (in addition to cash bonuses) so as to motivate them towards greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. The ESOS, which forms an integral and important component of a compensation plan, is designed to primarily reward and retain employees whose services are vital to the success of the Group. Provided always that the aggregate number of the shares arising from ESOS shall not exceed 15% of the total number of issued Shares of the Company from time to time, the Selected Person would receive the same benefit from a contingent award under the scheme ("**Award**") in respect of fewer shares as they would receive if share options were granted instead of a larger number of shares. The ESOS would therefore allow the Company to provide the incentive to employees while reducing the dilutive effect on shareholders.

Under the rules of the ESOS, the options that are granted may have exercise prices that are, at the RC's discretion, set at the price ("**Market Price**") equal to the average of the last dealt prices for the Company's ordinary shares ("**Shares**") on the Catalist for the five consecutive trading days immediately preceding the relevant date of grant of the relevant option, or (provided that Shareholders' approval is obtained in a separate resolution) at a discount to the Market Price (subject to a maximum discount of 20% or such other percentage or amount as may be determined by the RC and as permitted by the SGX-ST).Options which are fixed at the Market Price may be exercisable at any time by the participant after the first anniversary of the date of grant of that option while options granted at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the Scheme will have a life span of ten (10) years. The options may be exercisable in whole or in part, on payment of the exercise price. Since its adoption till the date of this report, no option has been granted under the ESOS.

In addition to the ESOS, the Company has adopted the Performance Share Plan (the "**PSP**") on 19 June 2018 prior to its listing on the Catalist board of the SGX-ST. The PSP was implemented to complement the ESOS and to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to promote higher performance, goals and recognise exceptional performance. The purpose of adopting the PSP is to give the Company greater flexibility to align the interests of employees, especially key executives, with the interests of Shareholders. The PSP is managed by the RC. The awards granted under the PSP allow a participant to receive fully-paid Shares free of consideration upon achieving the performance target(s) prescribed by the RC at its absolute discretion. The selection of a participant and the number of Shares which are the subject of each award granted to a participant in accordance with the PSP shall be determined at the absolute discretion of the RC. RC plans to exercise this discretion judiciously, taking into account criteria such as his rank, job performance, years of service and potential for further development, his contribution to the success and development of the Company and the extent of effort required to achieve the performance target within the performance period.

At the end of the financial year, details of the performance shares granted under the PSP to the following employees of the Company are as below:-

Name	Number of shares	Date of Performance shares granted	Performance shares vested	Performance shares outstanding as at 31 December 2021 (4)(5)
Taku Edatsune (1) (Head of Finance and Administration)	186,415	1 April 2021	–	186,415
Yusaku Mishima (2) (Executive Director)	186,415	7 April 2021	–	186,415
An employee of the Company who is not related to any director and controlling shareholder (and each of their associates) (3)	79,121	31 December 2021	–	79,121

<u>Notes</u>:

(1) *The Company has allotted and issued 186,415 new ordinary shares to Mr Taku Edatsune on 1 April 2022.*

(2) *The Company has allotted and issued 186,415 new ordinary shares to Mr Yusaku Mishima on 7 April 2022.*

(3) *The vesting date of the awards is 31 December 2022.*

(4) *On 31 January 2022, the Company announced total awards of 73,470 shares to an employee of the Company who is not related to any director and controlling shareholder (and each of their associates) under the performance share plan; the vesting date of the awards is 31 January 2023.*

(5) *On 31 March 2022, the Company announced total awards of 138,272 shares to Mr Yusaku Mishima (Executive Director) under the performance share plan; 49,383 shares will vest on 31 December 2022 and 88,889 shares will vest on 31 March 2023.*

In setting remuneration packages, the Company keeps in mind the pay and employment conditions within the industry and in comparable companies. The level and structure of remuneration should be aligned with the Company's long-term interest and risk policies and appropriate to attract, retain and motivate the Directors and the key management personnel to respectively provide good stewardship of the Company and manage the Company effectively. If required, the Company will engage professional advice to provide guidance on remuneration matters.

DISCLOSURE ON REMUNERATION

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

A breakdown showing the level and mix of the remuneration of the Directors paid or payable in respect of FY2021 is as follows:

Name	Base/ Fixed Salary	Performance related income (Performance Shares)	Directors' Fees 2021(1)	Benefit-in -Kind	Total
Mr Fan Chee Seng	180,000	–	–	–	180,000
Mr Yusaku Mishima	61,727	27,352	9,546	–	98,625
Mr Foo Kia Juah	–	–	36,000	–	36,000
Mr Kok Cheang Hung	–	–	36,000	–	36,000
Mr Tee Hian Chong	–	–	36,000	–	36,000

Note:

(1) In respect of FY2022, the amount of Directors' Fees proposed to be payable to the Non-Executive Directors (including the Independent Directors) are subject to the approval of Shareholders at the forthcoming AGM.

The remuneration of the Key Management Personnel for the financial year 31 December 2021 are as follows:

Name of Key Executives	Salary	Performance-related income (Performance Shares)	Fees
Mr Taku Edatsune	156,720	27,352	–

The aggregate amount of remuneration paid to Key Management Personnel was approximately S$184,072 in FY2021.

The Executive Director and key management personnel are not entitled to any benefits upon termination, retirement or post-employment.

Save as disclosed above there are no employees who are substantial shareholders of the Company, or are immediate family members of a Director or a substantial shareholder and whose remuneration exceeds S$100,000 during FY2021.

No options or shares have been issued under the ESOS and Performance Share Plan respectively during FY2021.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Company does not have a separate risk management committee. The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board oversees the Management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

The internal auditors conduct annual reviews of the effectiveness of the Group's key internal controls, including financial, operational, compliance and information technology controls, and risk management. Any material non-compliance or lapses in internal controls, together with recommendations for improvement, are reported to the AC and the Board. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored.

The Company has appointed the internal auditor, Wensen Consulting Asia (S) Pte. Ltd., to conduct internal audit review based on an agreed scope of review for FY2021.

The Board has received assurance from the Executive Chairman and the Head of Finance and Administration (a) that the financial records have been properly maintained and the financial statements for the financial year ended 31 December 2021 give a true and fair view of the Company's operations and finances, and (b) regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

Based on the assurance from the Executive Chairman and the Head of Financial Administration referred to in the preceding paragraph, the various internal controls put in place by the Group, the work performed and reports submitted by the external and internal auditors of the Group and the reviews carried out by the Board and the AC, the Board, with the concurrence of the AC, is satisfied with the adequacy and effectiveness of the Group's the risk management and internal control systems (including financial, operational, compliance and information technology controls and risk management systems) as at 31 December 2021.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises three members, all of whom are Non-Executive Directors:–

Mr Chong Kah Nam	(Chairman of AC and Independent Non-Executive Director)
Mr Foo Kia Juah	(Member and Lead Independent Non-Executive Director)
Mr Tee Hian Chong	(Member and Independent Non-Executive Director)

All of the AC, including the chairman of the AC, is independent. No former partner or director of the Company's existing audit firm or auditing corporation is a member of the AC. Most of the members of the AC have sufficient accounting or financial management expertise, as interpreted by the Board in its business judgment, to discharge the AC's functions. The AC holds at least two meetings in each financial year.

CORPORATE GOVERNANCE REPORT

The written terms of reference of the AC have been approved and adopted, and they include the following:–

(a) reviewing the audit plans and scope of work of the external auditors and the internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls, the management letters on the internal controls and the Management's response, and monitoring the implementation of the internal control recommendations made by the external and internal auditors;

(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems, prior to the incorporation of such results in the Company's annual report;

(c) reviewing the interim financial results and annual consolidated financial statements and the external auditors' report on the annual consolidated financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore financial reporting standards (international) as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of Management to ensure the integrity of the financial statements of the Group and any announcements relating to the Company's financial performance, where necessary, before submission to the Board for approval;

(d) reviewing and discussing with the external and internal auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

(e) reviewing and ensuring the co-ordination between internal auditors, external auditors and the Management, including the assistance given by the Management to the auditors;

(f) reviewing the audit plan of the external auditor and the result of the external auditor's review and evaluation of the Group's system of internal accounting controls that are relevant to the statutory audit;

(g) making recommendations to the Board on the proposals to the Shareholders with regard to the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(h) reviewing the audit plan of the internal auditor, including the results of the internal auditor's review and evaluation of the Group's system of internal controls;

(i) reviewing and ratifying any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules, and approving interested person transactions where the value thereof amount to 3% or more of the latest audited NTA of the Group, where the NTA is positive, or based on the Company's latest market capitalization, where the NTA is negative, or whichever is the appropriate benchmark,(either individually or as part of a series or are aggregated with other transactions involving the same interested person during the same financial year), or any agreement or arrangement with an interested person that is not in the ordinary course of business of the Group, prior to the Group's entry into the transaction, agreement or arrangement;

(j) reviewing potential conflicts of interests (if any);

(k) reviewing the policy and arrangements by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC, concerns about possible improprieties in financial reporting or other matters and ensuring that there are arrangements in place for such concerns to be safely raised and independently investigated, and for appropriate follow-up action to be taken;

(l) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

(m) recommending to the Board on the proposals to shareholders on the appointment and removal of external auditor and reviewing the scope and results of the external audit and its cost effectiveness and the independence and objectivity of the external auditor, and where the external auditor also provides a substantial volume of non-audit services to the Company, keeping the nature and extent of such services under review, seeking to maintain objectivity;

(n) reviewing the assurance from the Managing Director and the Head of Finance and Administration on the financial records and financial statements; and

(o) undertaking such other reviews and projects as may be requested by the Board and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC.

The AC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any Director, executive officer or other employee of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

The Group has in place a whistle-blowing policy which allows employees to raise concerns about possible improprieties in matters of financial reporting or other matters. The Board, with the support of the AC, maintain oversight of any major issue arising from the policy and/or other enquiries into the conduct of the whistle-blowing process. The Group will be making efforts to align its policies pursuant to the amended (18A) and (18B) of the SGX Catalist Rules as a stringent guide. As such the Company have made the following efforts towards displaying compliance with the Rules:

a) The issuer has designated an independent function to investigate whistleblowing reports made in good faith.

To ensure independent investigation of such matters and for appropriate follow-up action, all whistle-blowing reports will be addressed to the AC members. All employees and others are required to report any ongoing or suspected wrongful activities or wrongdoings at the earliest possible stage through an independent committee comprising of members of the AC so that immediate action can be taken. If the follow up actions are deemed inadequate, the whistleblower can also directly write to the Board.

In any case, the Company have provided for all employees an avenue for any possible violation to reach out to the following AC Chairman:

To: Audit Committee Chairman (main contact person)
Email: s.chong@oio.sg
Mobile: +60 12-979 6188

Equally, in the efforts of the Company taking a serious and proactive approach to whistleblowing, the Company have provided an alternate reporting line should the AC Chairman is not available, as per the below:

To: Audit Committee Member (alternate contact person)
Email: t@oio.sg
Mobile: +65 9048 6883

b) The issuer ensures that the identity of the whistleblower is kept confidential.

The whistle-blowing policy provides a structured and systematic reporting mechanism to safeguard the information and the identity of the whistleblower. All reports of violation or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct adequate investigation, unless otherwise required by law. Every effort will be made to protect the whistleblower's identity.

c) The issuer discloses its commitment to ensure protection of the whistleblower against detrimental or unfair treatment

The Group commits that the whistleblowers are protected from harassment or victimisation within the Company, dismissal, disciplinary procedures or any other form of retaliatory action, that may arise as a result of their act of reporting in good faith.

Any employee who shows the act of retaliation against the whistleblower who has reported a violation in good faith will be subjected to disciplinary action by the Group in accordance with the Code of Ethics and Conduct of the Group which includes termination of employment.

d) The Audit Committee is responsible for oversight and monitoring of whistleblowing.

The main roles and responsibilities of the AC includes the following:

- Reviews preliminary reports provided by the Whistleblowing Committee, establish whether there are any grounds for further action and provide recommendation of matters to be investigated when required;

- For issues that require immediate attention, the AC make decision on the corrective or remedial actions, or (as the case may be) disciplinary actions or to pursue any legal actions, to be taken; when required; and

- Review and report to the Board the results of the investigations and recommendations for corrective or remedial actions, or (as the case may be) disciplinary actions or to pursue any legal actions, to be taken.

On an ongoing basis, the AC will assist the Board to review the whistle-blowing policy and update the necessary, so as to be consistent with the Catalist Rules requirement. Aligning to best practices, the Group is also taking steps to publish the whistle-blowing policy on the Company's website so it is made available to the public. No whistle-blowing concerns were reported for FY2021.

The AC has met with the external auditors and internal auditors without the presence of the Company's management to review any matter that might be raised.

The external auditors update the AC on any changes in accounting standards impacting the financial statements of the Group before an audit commences. Significant matters that were discussed with the Management and the external auditors have been included as key audit matters in the Auditors' Report for FY2021 on pages 38 to 44 of this Annual Report.

The AC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees paid to them. The annual audit fee of S$175,000 and non-audit fee of S$24,000 were incurred during FY2021. The non-audit fee relates to services rendered by the external auditors for review of the quarterly results announcement in FY2021.

AC has reviewed the objectivity and independence of the external auditors and recommended to the Board that Foo Kon Tan LLP be nominated for re-appointment as external auditors at the forthcoming AGM.

The Company has complied with Rules 712 and 715 of the Catalist Rules in relation to its external auditors.

The Company outsources the internal audit function to an external professional firm to perform the review and test of controls of the Group's processes.

The AC approves the appointment of the internal auditors, with the primary reporting line of the internal audit function to the AC. The internal auditors have full access to the Company's documents, records, properties and personnel. The AC is satisfied that the internal audit firm is staffed by suitably qualified and experienced persons.

The internal auditors plan its internal audit schedules in consultation with, but independent of, the Management. The internal audit plan is submitted to the AC for approval prior to the commencement of the internal audit. The AC will review the activities of the internal auditors, including overseeing and monitoring of the implementation of improvements required on internal control weaknesses identified. The internal auditors carry out their work in accordance with International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The AC has reviewed and is satisfied with the independence, adequacy and effectiveness of the Company's internal audit function.

SHAREHOLDER RIGHTS and engagement

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholders are informed of the general meetings through notice contained in the Company's annual report or circulars sent to all Shareholders. These notices are also posted onto the SGXNet within the mandatory period. For FY2021, due the COVID-19 outbreak, the Company's AGM on 29 April 2021 ("**2021 AGM**") and Extraordinary General Meeting ("**EGM**") on 27 August 2021 ("**2021 EGM**") were held by way of electronic means, through "live webcast" and "audio-only means". The notices of AGM and EGM were not published on the newspaper, but were instead disseminated to Shareholders through publication on SGXNet and the Company's website. The Company had also published a letter to Shareholders, together with the notice of 2021 AGM and 2021 EGM, detailing the alternative arrangements for the 2021 AGM and 2021 EGM, during the COVID-19 pandemic. Shareholders participated in the 2021 AGM and 2021 EGM via electronic means, and were given the opportunities to raise queries in relation to any resolutions set out in the notices of 2021 AGM and 2021 EGM prior to the meetings. However, there were no questions raised by Shareholders. In view of the continuing COVID–19 situation, the Company will be conducting the forthcoming annual general meeting in similar manner.

All resolutions are put to vote by poll and Shareholders are entitled to vote in accordance with established voting rules and procedures. An announcement of the detailed results is made after the conclusion of the AGM. The Board notes that there should be separate resolutions at general meetings on each substantially separate issue and supports the Code's principles as regards "bundling" of resolutions. In the event that there are resolutions which are interlinked, the Board will provide reasons and material implications.

All Directors attend the general meetings of shareholders, and the external auditors will also be present to assist in addressing queries from Shareholders relating to the conduct of audit and the preparation and content of the auditor's report. For FY2021, all Directors were present at the last 2021 AGM and 2021 EGM.

The minutes of 2021 AGM and 2021 EGM have been released on the SGXNET and the Company's website within one month from the respective general meetings. The Company will be publishing the meeting minutes in similar for its upcoming general meetings.

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate. There was no dividend declared for FY2021 as the Group incurred a net loss for the year.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company strives for timeliness and consistency in its disclosures to Shareholders. The Company has an internal investor relations function to facilitate communications with all stakeholders and to keep stakeholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. Shareholders are provided with an update on the Group's performance, position and prospects through the Company's annual report.

To enable the stakeholders to contact the Company easily, the contact details of the investor relations function have been set out in page 2 of this Annual Report as well as on the Company's website. The Company have put in place procedures to respond to investors' queries.

Shareholders are given the opportunity to pose questions to the Board or the Management at the general meetings. The members of the AC, NC and RC will be present at the AGM to answer questions relating to matters overseen by the respective committees.

The Company currently does not have a formal investor relations policy but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to Shareholders via SGXNet. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

The Company maintains a website at https://www.oio.sg/ to communicate and engage with stakeholders.

Further details on the Group's sustainability efforts and performance in this regard will be set out in the Sustainability Report FY2021, which will be issued no later than 5 months from the end of FY2021. It will be published on a standalone basis latest by 31 May 2022.

DEALINGS IN SECURITIES

The Group has implemented appropriate guidelines on dealings in the Company's securities in compliance with the best practices as set out in Rule 1204(19) of the Catalist Rules. All Directors and staff of the Group are not allowed to trade in the Company's securities during the periods commencing one month before the announcement of the Company's half year and full year financial results respectively. To facilitate compliance, reminders are issued to all Directors and staff prior to the applicable trading black-outs. Our Directors and staff, who are expected to observe insider trading laws at all times, are also discouraged from dealing in the Company's securities on short-term considerations.

NON-SPONSOR FEES

No non-sponsor fees were paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. during FY2021.

INTERESTED PERSON TRANSACTIONS

The Group has procedures governing all Interested Persons Transactions ("**IPT**") to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There was no interested person transaction, as defined in Chapter 9 of the Catalist Rules, above S$100,000 entered into by the Group during FY2021.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of its Directors or controlling shareholders which are either still subsisting at the end of FY2021 or if not then subsisting, entered during the period under review.

USE OF PROCEEDS

A. Use of Proceeds from Convertible Notes

(1) Use of Proceeds from Convertible Notes

On 29 March 2021, the Company announced that it had entered into subscription agreements with several investors (the "**Subscribers**") (the "**Subscription Agreement**") for the issuance by the Company to the Subscribers of 8.00% convertible notes due 2021 (the "**Notes**") up to an aggregate principal amount of US$2,400,000 ("**Proposed Subscription**"). Subsequently, on 9 April 2021, the Company announced that the issuance by the Company of the Notes with an aggregate principal amount of US$2,400,000 to the Subscribers had been completed in accordance with the terms and conditions of the Subscription Agreements After deducting the estimated expenses of US$31,000 in relation to the Proposed Subscription, the net proceeds received was US$2,369,000 (the "**Net Proceeds**").

On 31 May 2021, the Notes were automatically converted into 17,932,584 fully paid ordinary shares in the capital of the Company at the conversion price of S$0.178 per Conversion Share in accordance with the terms and conditions of the Notes.

As at the date of this report, the Net Proceeds have been utilised as follows:-

Purposes	**Allocation of Net Proceeds Received (US$)**	**Amount Utilised (US$)**	**Balance (US$)**
Working capital for Moonstake Pte Ltd and Moonstake Limited including sales and marketing expenses and software development/ maintenance expenses	1,500,000	(1,500,000)	–
Working capital (including working capital required by the Group's newly set-up blockchain subsidiary, OIO Singapore Pte. Ltd.) and general corporate purposes (including the repayment of the Company's liabilities including recurring professional fees)	869,000	(869,000)	–
Total	2,369,000	(2,369,000)	–

A breakdown on the Net Proceeds utilised for working capital and general corporate purposes is as follows:-

Purposes	**US$**
Software development/ maintenance expenses	969,276
Sales/marketing expenses and other miscellaneous expenses	530,724
Total	1,500,000

The above utilisation is in accordance with the intended use of the Net Proceeds, as stated in the Company's announcement dated 29 March 2021.

(2) Use of Proceeds from issuance of Ordinary Shares

(i) On 9 September 2021, the Company announced that it had entered into a subscription agreement with an investor (the "**Subscriber**"), pursuant to which the Subscriber will subscribe for, and the Company will allot and issue to the Subscriber, an aggregate of 894,841 new ordinary in the capital of the Company at an issue price of S$0.601 per share, amounting to a consideration of US$400,000 (the "**Net Proceeds**"). The shares subscription was completed on 28 September 2021.

As at the date of this report, the Net Proceeds have been utilised as follows:-

Purposes	**Allocation of Net Proceeds Received (US$)**	**Amount Utilised (US$)**	**Balance (US$)**
Financing the Group's business expansion (including organic expansion and mergers and acquisitions)	240,000	(240,000)	–
Working capital and general corporate purposes (including the repayment of the Group's liabilities)	160,000	(160,000)	–
Total	400,000	(400,000)	–

A breakdown on the Net Proceeds utilised for working capital and general corporate purposes is as follows:-

Purposes	**US$**
Repayment of the Company's liabilities including emoluments and professional fee	84,068
Payment of monthly personnel costs and professional fees	75,932
Total	160,000

The above utilisation is in accordance with the intended use of the Net Proceeds, as stated in the Company's announcement dated 9 September 2021.

(ii) On 20 October 2021, the Company announced that it had entered into separate subscription agreements with several investors (the "**Subscribers**"), pursuant to which the Subscribers will subscribe for, and the Company will allot and issue to the Subscribers, an aggregate of 6,565,300 new ordinary shares (each a "**Subscription Shares**") in the capital of the Company at an issue price of S$0.527 for each Subscription Shares (the "**Issue Price**"), amounting to an aggregate gross consideration of US$2,542,000 (the "**Proposed Subscription**"). The shares subscription was completed on 3 November 2021.

As at the date of this report, the Net Proceeds have been utilised as follows:-

Purposes	Allocation of Net Proceeds Received (US$)	Amount Utilised (US$)	Balance (US$)
Financing the Group's business expansion (including organic expansion and mergers and acquisitions)	1,525,200	(63,354)	1,461,846
Working capital and general corporate purposes (including the repayment of the Group's liabilities)	1,016,800	(1,016,800)	–
Total	2,542,000	(1,080,154)	1,461,846

A breakdown on the Net Proceeds utilised for working capital and general corporate purposes is as follows:-

Purposes	US$
Repayment of the Company's liabilities including emoluments and professional fee	515,844
Payment of monthly personnel costs and professional fees	500,956
Total	1,016,800

The above utilisation is in accordance with the intended use of the Net Proceeds, as stated in the Company's announcement dated 20 October 2021.

STATEMENT OF COMPLIANCE

The Board confirms that for FY2021 and save as expressly disclosed herein, the Company has adhered to the principles and provisions as set out in the Code 2018.

Due to the COVID-19 restriction orders in Singapore, the Company will apply and adopt the alternative arrangements for the convening, holding and conducting of the AGM for FY2021 in accordance with the Order. Minutes of the AGM to be held on 29 April 2022 will be published on the SGXNet and also on the Company's corporate website within one (1) month after the AGM date.

DIRECTORS' STATEMENT

The directors submit this statement to the members together with the audited consolidated financial statements of the OIO Holdings Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") for the financial year ended 31 December 2021.

In our opinion:

(a) the financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967, and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, having regard to the information as disclosed in Note 2(a) to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Names of directors

The directors in office at the date of this report are:

Fan Chee Seng	(Executive Chairman)
Yusaku Mishima	(Executive Director)
Foo Kia Juah	(Lead Independent Non-Executive Director)
Chong Kah Nam	(Independent Non-Executive Director)
Tee Hian Chong	(Independent Non-Executive Director)

Arrangements to enable directors to acquire shares or debentures

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the object was to enable the directors to acquire benefits through the acquisition of shares, debentures, warrants or options of the Company or any other corporate body, other than as disclosed in this report.

Directors' interest in shares or debentures

The following Directors, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in the shares of the Company and related corporations (other than wholly-owned subsidiaries), as stated below:

	Shares registered in the name of director	
The Company - OIO Holdings Limited	**As at 1.1.2021**	**As at 31.12.2021**
Fan Chee Seng	26,778,260	22,840,960

Directors' interest in shares or debentures (Cont'd)

Mr Fan Chee Seng, who by virtue of his interest in not less than 20% of the issued share capital of the Company, is deemed to have an interest in the shares of the wholly-owned subsidiaries held by the Company and in the following subsidiary that is not wholly-owned by the Group.

	As at 1.1.2021 No.of shares	As at 31.12.2021 No.of shares
DLF Prosper Venture Pte Ltd	100,000	100,000

There are no changes to the above shareholdings or debentures between the end of the financial year and 21 January 2022.

Share options

Employee Share Option Scheme (the "ESOS")

The Company has adopted the Employee Share Option Scheme (the "**ESOS**") on 19 June 2018 prior to its listing on the Catalist board of the SGX–ST. The ESOS shall be administered by the RC. The purpose of the ESOS is to provide an opportunity for full–time employees of the Group and Directors (excluding Independent Directors) who have met performance targets (the "**Selected Person**") to participate in the equity of the Company (in addition to cash bonuses) so as to motivate them towards greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. The ESOS, which forms an integral and important component of a compensation plan, is designed to primarily reward and retain employees whose services are vital to the success of the Group. Provided always that the aggregate number of the shares arising from ESOS shall not exceed 15% of the total number of issued Shares of the Company from time to time, the Selected Person would receive the same benefit from a contingent award under the scheme ("**Award**") in respect of fewer shares as they would receive if share options were granted instead of a larger number of shares. The ESOS would therefore allow the Company to provide the incentive to employees while reducing the dilutive effect on shareholders.

Under the rules of the ESOS, the options that are granted may have exercise prices that are, at the RC's discretion, set at the price ("**Market Price**") equal to the average of the last dealt prices for the Company's ordinary shares ("**Shares**") on the Catalist for the five consecutive trading days immediately preceding the relevant date of grant of the relevant option, or (provided that Shareholders' approval is obtained in a separate resolution) at a discount to the Market Price (subject to a maximum discount of 20% or such other percentage or amount as may be determined by the RC and as permitted by the SGX–ST). Options which are fixed at the Market Price may be exercisable at any time by the participant after the first anniversary of the date of grant of that option while options granted at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the Scheme will have a life span of ten (10) years. The options may be exercisable in whole or in part, on payment of the exercise price. Since its adoption till the date of this report, no option has been granted under the ESOS.

Performance Share Plan (the "PSP")

In addition to the ESOS, the Company has adopted the Performance Share Plan (the "**PSP**") on 19 June 2018 prior to its listing on the Catalist board of the SGX–ST. The PSP was implemented to complement the ESOS and to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to promote higher performance, goals and recognise exceptional performance. The purpose of adopting the PSP is to give the Company greater flexibility to align the interests of employees, especially key executives, with the interests of Shareholders. The PSP is managed by the RC. The awards granted under the PSP allow a participant to receive fully-paid Shares free of consideration upon achieving the performance target(s) prescribed by the RC at its absolute discretion. The selection of a participant and the number of Shares which are the subject of each award granted to a participant in accordance with the PSP shall be determined at the absolute discretion of the RC. RC plans to exercise this discretion judiciously, taking into account criteria such as his rank, job performance, years of service and potential for further development, his contribution to the success and development of the Company and the extent of effort required to achieve the performance target within the performance period. No shares were issued under the PSP plan from the agreement date to 31 December 2021.

Share options (Cont'd)

Performance Share Plan (the "PSP") (Cont'd)

No options were granted during the financial year to take up unissued shares of the Company or any subsidiary.

No shares were issued during the financial year to which this report related by virtue of the exercise of options to take up unissued shares of the Company or any subsidiary.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

At the end of the financial year, details of the performance shares granted under the PSP to the following employees of the Company are as below:-

Name	Number of shares	Date of Performance shares granted	Performance shares vested	Performance shares outstanding as at 31 December 2021 (4) (5)
Taku Edatsune (1) (Head of Finance and Administration)	186,415	1 April 2021	–	186,415
Yusaku Mishima (2) (Executive Director)	186,415	7 April 2021	–	186,415
An employee of the Company who is not related to any director and controlling shareholder (and each of their associates) (3)	79,121	31 December 2021	–	79,121

Notes:

(1) *The Company has allotted and issued 186,415 new ordinary shares to Mr Taku Edatsune on 1 April 2022.*

(2) *The Company has allotted and issued 186,415 new ordinary shares to Mr Yusaku Mishima on 7 April 2022.*

(3) *The vesting date of the awards is 31 December 2022.*

(4) *On 31 January 2022, the Company announced total awards of 73,470 shares to an employee of the Company who is not related to any director and controlling shareholder (and each of their associates) under the performance share plan; the vesting date of the awards is 31 January 2023.*

(5) *On 31 March 2022, the Company announced total awards of 138,272 shares to Mr Yusaku Mishima (Executive Director) under the performance share plan; 49,383 shares will vest on 31 December 2022 and 88,889 shares will vest on 31 March 2023.*

Audit Committee

The audit committee at the end of the financial year comprises the following members:

Chong Kah Nam (Chairman)
Tee Hian Chong
Foo Kia Juah

Audit Committee (Cont'd)

The audit committee performs the functions set out in Section 201B (5) of the Singapore Companies Act, Cap.50, the Catalist Rules of the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the audit committee reviewed the following:

- overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;

- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

- effectiveness of the Company's material internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditors;

- met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the audit committee;

- reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

- reviewed the cost effectiveness and the independence and objectivity of the external auditor;

- reviewed the nature and extent of non-audit services provided by the external auditor;

- reviewed statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2021 as well as the auditor's report thereon; and

- reviewed interested person transactions (as defined in Chapter 9 of the Catalist Rules of the Listing Manual of the Singapore Exchange).

The audit committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The audit committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The audit committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the Report on Corporate Governance.

In appointing our auditors for the Company and its subsidiaries, we have complied with Catalist Rules 712 and 715 of the SGX Listing Manual.

Independent auditor
The independent auditor, Foo Kon Tan LLP, has expressed its willingness to accept re-appointment.

On behalf of the Directors

FAN CHEE SENG	FOO KIA JUAH

Dated: 14 April 2022

INDEPENDENT AUDITORS' REPORT

To the Members of OIO Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of OIO Holdings Limited and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967, (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) to the financial statements. The Group incurred a net loss of $1,119,777 (2020: $909,389) and reported net operating cash outflows of $3,074,224 (2020: $492,603) for the financial year ended 31 December 2021. As at 31 December 2021, the Group and the Company had net current liabilities of $3,484,152 (2020: $2,419,940) and $1,379,837 (2020: $2,833,099), respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern and for its listing status to be maintained.

If the Group and the Company were unable to continue in operational existence, the Group and the Company may be unable to discharge their liabilities in the normal course of business, and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Group and the Company may need to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to the financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters (Cont'd)

Revenue from staking services (digital wallets and staking services) (Note 3 to the financial statements)

Risk:

Revenue from staking services is recognised at the point when the block creation or validation is complete, and the rewards are available for transfer. Revenue is measured based on the number of crypto assets received and the fair value of the crypto assets received at the date of recognition.

Due to the nature of this revenue source, significant audit effort is required to test the occurrence, accuracy and completeness of the revenue recognised, including the use of professionals with expertise in the industry. Consequently, we considered this a key audit matter.

Our response:

1. Updated our understanding of the internal control environment in operation for the staking revenue stream and undertaking a walk-through to ensure that the key controls within these systems have been operating in the period under audit.

2. Performed substantive transactional testing of income recognised in the financial statements, by vouching a sample of transactions within the group's wallets to the respective crypto assets and testing the fair value on initial recognition.

3. Vouched a sample of transactions directly from the blockchain back to the group's wallets to confirm completeness of revenue.

4. Tested the value of crypto assets received and recognised as revenue by comparing the price per crypto assets to the daily range of crypto assets prices listed on active crypto assets exchanges.

5. Undertook an analytical review of total revenue expected to be recognised within these financial statements by assessing the total block rewards and transaction fees issued over the year.

6. Performed a review of post year end crypto assets receipts to ensure completeness of income recorded in the accounting period.

7. Ensured disclosure in the financial statements is adequate.

Based on the procedures performed, no significant exception was noted. The staking services revenue (digital wallets and staking services) is supportable by available evidence.

Classification and valuation of crypto assets (Note 4 to the financial statements)

Risk:

This was determined to be a key audit matter as it required significant judgment in determining the classification, recognition and valuation of the crypto assets and confirming existence at reporting date.

The type and form of these assets can differ significantly with regard to the ability to make payments, trade or exchange. In addition, not all crypto assets have an active market whereby transactions in the digital currencies take place with sufficient frequency and volume in order to provide pricing information on an ongoing basis. Crypto assets can be subject to high levels of volatility. Therefore, there is a significant risk of material misstatement of said assets, due to both the significant management judgment and estimate involved and the volatility attributed to crypto assets.

The Group have holdings in a number of crypto assets currently held as intangible assets as disclosed in Note 4 to the financial statements.

Key Audit Matters (Cont'd)

Classification and valuation of crypto assets (Note 4 to the financial statements) (Cont'd)

There is no specific Singapore Financial Reporting Standards (International) which addresses the accounting treatment for crypto assets and as a result significant judgments are applied by management in determining the appropriate accounting policies based on the existing accounting framework.

Our response:

1. Understood the control environment through which crypto assets are held.

2. Evaluated and tested the key controls, including automated and manual controls, in the following areas:

    - information technology general controls, over the accounting system and key operating systems and applications that are considered relevant to the financial statement reporting process;

    - wallet management and security, including physical and logical access controls testing; and

    - reconciliations of crypto asset transactions and balances.

3. Performed the following substantive tests of details procedures on a sample basis:

    - tested management's reconciliations of wallet balances as at year end between the operating system, accounting system, and publicly sourced data on the blockchains. This included reconciling the wallet balances and transactions from the Group's books and records to data independently acquired by us;

    - reviewed the appropriateness of management's assessment and determination of principal market for each of the relevant digital assets. Tested the fair value of crypto assets adopted by management to external data quoted in the principal exchange market;

    - vouched a sample of crypto assets sold for fiat currency or separate crypto assets and recalculating the gain or loss on disposal; and

    - performed a recalculation of the gain or loss on the revaluation on crypto assets throughout the year and at the year end.

4. Assessing management's recognition and presentation of the crypto assets as intangible assets in accordance with the relevant accounting principles.

5. Assessing the adequacy of the disclosures in Note 4 to the financial statements.

Based on the procedures performed, no significant exception was noted.

Accounting for Business Combination and Purchase Price Allocation ("PPA") of acquisition of subsidiary – Moonstake Pte. Ltd. (Note 7 to the financial statements)

Risk:

On 31 May 2021, the Company completed the acquisition of the entire issued and paid-up share capital of Moonstake Pte Ltd and its subsidiary ("Moonstake") for a total consideration of $7,141,652 (Note 7). The Group performed a PPA exercise for the acquisition, where the purchase consideration was allocated to the fair value of the identifiable assets acquired and liabilities assumed, resulting in the recognition of goodwill of $7,138,481 on the investment in Moonstake. As part of the PPA exercise, management performed an estimation of the fair value of the identifiable assets acquired and liabilities assumed. In this exercise, management engaged independent valuers to perform the valuation of certain assets of Moonstake.

Key Audit Matters (Cont'd)

Accounting for Business Combination and Purchase Price Allocation ("PPA") of acquisition of subsidiary – Moonstake Pte. Ltd. (Note 7 to the financial statements) (Cont'd)

The Group's disclosure of the business combination accounting applied to the acquisition of Moonstake is set out in Note 7 to the financial statements.

We focused on this area because of the quantitative impact of the acquisition on the consolidated financial statements and that the PPA exercise, which involves the fair valuation of the consideration transferred, the identification of the acquired assets and liabilities and their respective fair values, requires the use of significant management judgement and estimates. Management has engaged an external valuation expert to assist them with the PPA exercise for the acquisition of Moonstake.

Our response:

1. Obtained an understanding of management's process related to the acquisition accounting. We reviewed the board resolution and sales and purchase agreement, assessed the accounting treatment in accordance with SFRS(I) 3 Business Combinations and identified critical terms with accounting impact, including the purchase consideration and determined the acquisition date to be 31 May 2021.

2. Obtained an understanding of the transactions, including an assessment of whether the transactions constituted an asset acquisition or business combination.

3. Assessed the competence, objectivity and capabilities of the external valuation expert engaged by the Group and evaluated the reasonableness of their conclusions in relation to the key assumptions used. This included assessing the completeness of assets and liabilities identified, and the appropriateness of the fair value of the consideration transferred and the identifiable assets acquired and liabilities assumed.

4. Involved our internal valuation specialist in evaluating the reasonableness of the key estimates used in the valuation and assessing the methodology applied in the PPA exercise and the appropriateness of the key assumptions used in determining the valuation of intangible assets.

Based on the procedures performed, no significant exception was noted.

Impairment assessment of Goodwill on acquisition (Note 4 to the financial statements)

Risk:

As at 31 December 2021, the Group's goodwill on acquisition amounted to $7,138,481, accounting for 36% of the Group's total assets. The goodwill arises from the acquisition of Moonstake Pte Ltd and its subsidiary ("MS Group") on 31 May 2021. The goodwill is attributable to the MS Group's strong position and profitability in staking solutions and synergies that are expected to arise after the Group's acquisition of the new subsidiaries. The Group is required to perform the goodwill impairment assessment at least on an annual basis by comparing the recoverable amount of the cash generating unit ("CGU") to the carrying amount. The Group assessed the recoverable amount for the CGU based on the discounted cash flow of the CGU which requires significant judgements in estimating key assumptions. As disclosed in Note 4, the Group's goodwill is allocated to one cash generating unit (CGU).

We focused on this area because of the complexity of the assessment process, significant judgements and estimation uncertainties included in the discounted cash flow projection.

Key Audit Matters (Cont'd)

Impairment assessment of Goodwill on acquisition (Note 4 to the financial statements) (Cont'd)

Our response:

1. In relation to management's goodwill impairment assessment, reviewed management's process for performing annual impairment assessment.

2. In respect of the discounted cash flows ("DCF"):

   - engaged an auditor's expert to assess the reasonableness of the forecasted cash flows by taking into consideration the relevant CGU's expected future operating performance (including revenue growth rates and net profit margins), as well as historical actual performance, and the general industry outlook;

   - assessed the reasonableness of the key assumptions, including the discount rates applied using commonly accepted methodologies and benchmarks;

   - assessed the adequacy of the disclosures relating to the underlying estimates and assumptions; and

   - tested the mathematical accuracy of the underlying calculations.

Based on the audit procedures performed above, we found management's judgement in relation to the goodwill impairment assessment to be appropriately supported.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

To the Members of OIO Holdings Limited

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ong Soo Ann.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
14 April 2022

STATEMENTS OF FINANCIAL POSITION

As At 31 December 2021

		The Group		The Company	
		31 December 2021	31 December 2020	**31 December 2021**	31 December 2020
	Note	**$**	$	**$**	$
ASSETS					
Non-Current Assets					
Intangible assets	4	**13,550,097**	–	**–**	–
Property, plant and equipment	5	**7,866**	30,188	**5,141**	3,198
Right-of-use assets	6	**–**	57,850	**–**	–
Subsidiaries	7	**–**	–	**9,325,853**	1
Deferred tax assets	8	**–**	96,489	**–**	–
Total non-current assets		**13,557,963**	184,527	**9,330,994**	3,199
Current Assets					
Trade and other receivables	9	**353,182**	111,629	**948,075**	20,257
Contract assets	10	**–**	–	**–**	–
Cash and bank balances	11	**5,835,041**	338,369	**4,439,145**	94,084
Total current assets		**6,188,223**	449,998	**5,387,220**	114,341
Total assets		**19,746,186**	634,525	**14,718,214**	117,540
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	12	**23,830,385**	9,499,017	**23,830,385**	9,499,017
Reserves	13	**(2,556,773)**	(2,621,264)	**–**	–
Accumulated losses		**(11,763,202)**	(10,656,842)	**(15,879,228)**	(13,878,917)
Total equity attributable to owners of the Company		**9,510,410**	(3,779,089)	**7,951,157**	(4,379,900)
Non-controlling interests		**(57,788)**	(44,371)	**–**	–
Total equity		**9,452,622**	(3,823,460)	**7,951,157**	(4,379,900)
Non-Current Liabilities					
Lease liabilities	14	**–**	38,047	**–**	–
Trade and other payables	15	**–**	850,000	**–**	850,000
Loans from shareholder	16	**–**	700,000	**–**	700,000
Contract liabilities	18	**370,505**	–	**–**	–
Provision for contingent liability	17	**250,684**	–	**–**	–
Total non-current liabilities		**621,189**	1,588,047	**–**	1,550,000
Current Liabilities					
Lease liabilities	14	**–**	36,583	**–**	–
Trade and other payables	15	**5,332,364**	1,795,286	**3,363,657**	2,447,440
Loans from shareholders	16	**3,403,400**	500,000	**3,403,400**	500,000
Contract liabilities	18	**550,251**	–	**–**	–
Current tax liabilities		**386,360**	538,069	**–**	–
Total current liabilities		**9,672,375**	2,869,938	**6,767,057**	2,947,440
Total liabilities		**10,293,564**	4,457,985	**6,767,057**	4,497,440
Total equity and liabilities		**19,746,186**	634,525	**14,718,214**	117,540

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2021

	Note	**2021**	2020
		$	$
Revenue	3	**5,021,534**	1,467,560
Cost of sales		**(763,613)**	(1,212,533)
Gross profit		**4,257,921**	255,027
Other operating income	19	**602,469**	786,388
Selling and distribution expenses		**(1,191,487)**	(207,965)
Reversal of impairment loss on trade receivables		**47,000**	12,919
Reversal of impairment loss on other receivables		**40,000**	–
Administrative expenses		**(3,236,323)**	(1,807,449)
Other operating expenses	20	**(1,538,018)**	(82,179)
Finance costs	21	**(5,387)**	(58,729)
Loss before taxation	22	**(1,023,825)**	(1,101,988)
Tax (expense)/ credit	24	**(95,952)**	192,599
Loss for the financial year		**(1,119,777)**	(909,389)
Other comprehensive income, after tax:			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences arising from foreign operations		**64,491**	–
Other comprehensive income for the year, net of tax		**64,491**	–
Total comprehensive loss for the year		**(1,055,286)**	(909,389)
Loss attributable to:			
Owners of the Company		**(1,106,360)**	(838,918)
Non-controlling interests		**(13,417)**	(70,471)
		(1,119,777)	(909,389)
Total comprehensive loss attributable to:			
Owners of the Company	7	**(1,041,869)**	(838,918)
Non-controlling interests	7	**(13,417)**	(70,471)
Total comprehensive loss for the year		**(1,055,286)**	(909,389)
		Cents	Cents
Loss per share:			
Basic	25	**(0.71)**	(0.69)
Diluted	25	**(0.68)**	(0.69)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2021

	Share capital	Other reserves	Foreign currency reserves	Accumulated losses	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	$	$	$	$	$	$	$
At 1 January 2020	9,499,017	(2,888,997)	267,733	(9,817,924)	(2,940,171)	26,100	(2,914,071)
Loss for the year	–	–	–	(838,918)	(838,918)	(70,471)	(909,389)
Total comprehensive loss for the year	–	–	–	(838,918)	(838,918)	(70,471)	(909,389)
At 31 December 2020	9,499,017	(2,888,997)	267,733	(10,656,842)	(3,779,089)	(44,371)	(3,823,460)
Loss for the year	**–**	**–**	**–**	**(1,106,360)**	**(1,106,360)**	**(13,417)**	**(1,119,777)**
Foreign currency translation differences	**–**	**–**	**64,491**	**–**	**64,491**	**–**	**64,491**
Total comprehensive (loss)/ profit for the year	**–**	**–**	**64,491**	**(1,106,360)**	**(1,041,869)**	**(13,417)**	**(1,055,286)**
Issuance of new shares	**14,331,368**	**–**	**–**	**–**	**14,331,368**	**–**	**14,331,368**
At 31 December 2021	**23,830,385**	**(2,888,997)**	**332,224**	**(11,763,202)**	**9,510,410**	**(57,788)**	**9,452,622**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2021

	Note	2021 $	2020 $
Cash Flows from Operating Activities			
Loss before income tax		**(1,023,825)**	(1,101,988)
Adjustment for:			
Amortisation of right-of-use assets	6	**39,468**	61,898
Amortisation of software development	4	**124,344**	–
Crypto assets received as revenue		**(3,800,585)**	–
Crypto asset payments for expenses		**539,062**	–
Depreciation of property, plant and equipment	5	**28,750**	54,348
Early lease liability settlement		**3,330**	–
Loan redemption charges		**–**	9,795
Impairment loss on property, plant and equipment	5	**–**	5,700
Impairment loss on crypto assets	4	**871,222**	–
Reversal of impairment loss on property, plant and equipment	5	**–**	(120,583)
Reversal of impairment loss on right-of-use assets	6	**–**	(54,323)
Reversal of impairment loss on trade receivables	9	**(47,000)**	(12,919)
Reversal of impairment loss on other receivables	9	**(40,000)**	–
Loss on disposal of crypto assets		**629,919**	–
Loss on disposal of property, plant and equipment		**–**	27,087
(Gain)/ Loss on disposal of right-of-use assets		**(28,618)**	49,392
Gain on liquidation of subsidiaries	7	**–**	(474,716)
Other receivables written off		**642**	–
Interest expense	21	**2,057**	48,934
Operating loss before working capital changes		**(2,701,234)**	(1,507,375)
Change in contract assets and liabilities		**–**	112,000
Change in trade and other receivables		**(184,761)**	(1,981,859)
Change in trade and other payables		**(35,472)**	2,906,109
Cash used in operations		**(2,921,467)**	(471,125)
Income tax paid		**(152,757)**	(21,478)
Net cash used in operating activities		**(3,074,224)**	(492,603)
Cash Flows from Investing Activities			
Additions of software development costs		**(405,510)**	–
Cash acquired via acquisition of subsidiaries settled in consideration shares [(1)]		**98,386**	–
Purchase of crypto assets		**(309,090)**	–
Purchase of property, plant and equipment (Note A)		**(6,428)**	(5,515)
Proceeds from disposal of property, plant and equipment		**–**	1,249,996
Proceeds from disposal of right-of-use assets		**3,845**	233,355
Liquidation of subsidiaries		**–**	(358)
Repayment of loan from non-controlling interest		**70,000**	–
Net cash (used in)/ generated from investing activities		**(548,797)**	1,477,478

(1) *Acquisition of the entire share capital of Moonstake Pte Ltd was fully satisfied by issuance of the consideration shares by the Company. Refer to Note 7(a) and Note 12 for further details.*

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2021

	Note	**2021**	2020
		$	$
Cash Flows from Financing Activities			
Early lease liability settlement		**(3,330)**	–
Loan redemption charges		**–**	(9,795)
Advances to director		**(45,397)**	–
Proceeds from issuance of convertible notes		**3,229,420**	–
Proceeds from issuance of shares		**3,997,716**	–
Repayment of bank loan		**–**	(576,756)
Repayment of loans from shareholder		**(500,000)**	–
Proceeds from shareholders loan		**2,694,400**	500,000
Repayment of lease liabilities		**(35,842)**	(113,507)
Interest paid	21	**(2,057)**	(48,934)
Net cash generated from/ (used in) financing activities		**9,334,910**	(248,992)
Net increase in cash and cash equivalents		**5,711,889**	735,883
Cash and cash equivalents at beginning of the year		**338,369**	(397,514)
Effect of exchange rate changes on balances held in foreign currencies		**(215,217)**	–
Cash and cash equivalents at end of the year	11	**5,835,041**	338,369

Note:

A. Property, plant and equipment

During the financial year ended 31 December 2021, the Group acquired property, plant and equipment with an aggregate cost of $6,428 (2020 - $5,515). Cash payments of $6,428 (2020 - $5,515) were made to purchase property, plant and equipment.

B. The following are the disclosures of the reconciliation of liabilities arising from financing activities, excluding equity items:

		Cash flows			Non-cash changes				
	As at 1 January 2021	**Proceeds received**	**Principal repayment**	**Interest paid**	**Interest expense**	**Disposal of lease liabilities**	**Conversion of convertible notes to share capital**	**Foreign exchange movement**	**As at 31 December 2021**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Lease liabilities (Note 14)	**74,630**	**–**	**(35,842)**	**(5,387)[(2)]**	**5,387[(2)]**	**(38,788)**	**–**	**–**	**–**
Convertible notes (Note 12)	**–**	**3,229,420**	**–**	**–**	**–**	**–**	**(3,192,000)**	**(37,420)**	**–**
Loans from shareholders (Note 16)	**1,200,000**	**2,694,400**	**(500,000)**	**–**	**–**	**–**	**–**	**9,000**	**3,403,400**

		Cash flows			Non-cash changes		
	As at 1 January 2020	Proceeds received	Principal repayment	Interest paid	Interest expense	Over provision of lease liability	As at 31 December 2020
	$	$	$	$	$	$	$
Lease liabilities (Note 14)	190,836	–	(113,507)	(5,088)	5,088	(2,699)	74,630
Loan from shareholders (Note 16)	700,000	500,000	–	(29,181)	29,181	–	1,200,000
Bank loans (Note 13)	576,756	–	(576,756)	(24,460)	24,460	–	–

(2) Includes interest expense of $2,057 and early lease liability settlement charges of $3,330.

Note (Cont'd):

C. Crypto assets

During the financial year ended 31 December 2021, the Company acquired crypto assets with an aggregate cost of $4,807,998. Cash payment of $309,090 (2020: Nil) were made to purchase crypto assets.

During the financial year ended 31 December 2021, the Company sold crypto assets with an aggregate cost of $4,029,879. Cash receipt of Nil (2020: Nil) were received for the disposal of crypto assets.

During the financial year ended 31 December 2021, the Company made partial repayment of short-term advances to third party amounting to $896,433. Cash payment of Nil (2020: Nil) were made for the partial repayment of short-term advances to third party because the payment was made in crypto assets.

During the year, the non-cash working capital changes of crypto assets and liabilities as follows:

	Note	**2021**	2020
		$	$
Loan in crypto assets to third party	9	**54,068**	–
Advances from customers in crypto assets	15	**667,027**	–
Short-term advances in crypto assets	15	**2,009,158**	–

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2021

1. General information

The financial statements of the Group and of the Company for the year ended 31 December 2021 were authorized for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated as a private company and domiciled in the Republic of Singapore. The Company was listed on 25 July 2018 in the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and place of business is located at 140 Paya Lebar Road, #08-07 AZ @ Paya Lebar, Singapore 409015.

The principal activities of the Company are those of investment holding. The principal activities of the subsidiaries are disclosed in Note 7.

Its immediate and ultimate holding company is North Ventures Pte Ltd (formerly known as QRC Pte Ltd), a company incorporated in Singapore.

With effect from 7 July 2020, following the Extraordinary General Meeting of the Company held on 26 June 2020, the name of the Company was changed from "DLF Holdings Limited" to "OIO Holdings Limited".

2(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International) ("SFRS(I)"), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars which is the Company's functional currency. All financial information has been presented in Singapore dollars, unless otherwise stated.

<u>Going concern assumption</u>

The Group incurred a net loss of $1,119,777 (2020: $909,389) and reported net operating cash outflows of $3,074,224 (2020: $492,603) for the financial year ended 31 December 2021. As at 31 December 2021, the Group and the Company had net current liabilities of $3,484,152 (2020: $2,419,940) and $1,379,837 (2020: $2,833,099), respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern and for its listing status to be maintained.

Notwithstanding the above, it was considered appropriate to prepare these financial statements on a going concern basis after considering the following:

(a) The current liabilities include items which won't lead to the actual cash payment by the company including advance payment from customers of $667,027 (included in the trade and other payables), liabilities related to the non-cash share-based compensation of $54,702 (included in the trade and other payables) and agency service fee collected in advance of $328,914 to be recognised to profit or loss over the remaining period of the agreement (included in contract liabilities);

(b) The crypto-currencies of $5,453,379 which can be converted to fiat currencies easily are included in the intangible assets in the non-current assets;

(c) Based on the expected cashflow forecast, including those from our blockchain business, the Group has sufficient cash to fulfil its current obligations as and when they fall due; and

(d) On 24 March 2022, the Company entered into an agreement with North Ventures Pte Ltd to extend the repayment date of the interest free loans of (i) S$400,000 and (ii) US$2,000,000 (S$2,703,400) respectively to after 15 April 2023.

2(a) Basis of preparation (Cont'd)

Going concern assumption (Cont'd)

If the Group and the Company were unable to continue in operational existence, the Group and the Company may be unable to discharge their liabilities in the normal course of business, and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Group and the Company may need to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to the financial statements.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgments made in applying accounting policies

Determination of operating segments (Note 29)

Management will first identify the Chief operating decision maker ("CODM"). Then it should identify their business activities (which may not necessarily earn revenue or incur expenses). Management will further determine whether discrete financial information is available for the business activities and whether that information is regularly reviewed by the CODM. Judgment is applied by management of the aggregation criteria to operating segments.

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

Income taxes (Note 24)

Significant judgement is involved in determining the Group 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 issue 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.

2(a) Basis of preparation (Cont'd)

Judgments made in applying accounting policies (Cont'd)

Accounting for government assistance (Note 9)

SFRS(I) 1-20 Accounting for Government Grants and Disclosures of Government Assistance shall be applied when there is a transfer of resources from the government to an entity in return for meeting the stipulated conditions related to the operating activities of the entity and there is no service or goods provided back to the government by the entity. Government grant is recognised when there is reasonable assurance that it will comply with the conditions attached to them and the grants will be received. Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Significant judgement is required in determining the systematic basis, and timing of recognition of grant receivable and realisation to profit or loss.

Included in the government grant income for the current year and government grant receivable at the reporting date are $149,353 (2020: $94,550) and $58,416 (2020: $16,420) respectively related to the Jobs Growth Incentive and Jobs Support Scheme announced by the Singapore Government to provide wage support to employers during the period of economic uncertainty caused by the COVID-19 situation. In determining the timing of recognition of the JSS grant income, management has evaluated and assessed that the adverse impact of this economic uncertainty to the Group commenced in March 2020 when significant volume of retail sales and construction activities declined following the lockdown measures, travel restrictions and supply chain disruption in Singapore where the Group's operations are primarily situated in.

Accounting of Crypto assets (Note 4)

Management notes that the topic of digital assets and the accounting for digital assets continues to be considered by the International Accounting Standards Board (IASB) and continues to monitors new comments and interpretations released by the Board and other standard setters from around the world.

In line with this, the Group has considered its position for the year ending 31 December 2021 and had to make judgement that the most applicable standard would be SFRS (I) 38 Intangible Assets, based on the Group's understanding of the characteristics of the assets.

Management treatment continues to be to measure crypto assets at fair value (unless otherwise disclosed and provided certain conditions are met) under the respective accounting standards.

Key sources of estimation uncertainty

Revenue recognition (Note 3)

With regard to big projects for which performance obligations are satisfied over time, the Group recognises revenue as the project progresses using the percentage-of-completion method. The percentage of completion is estimated by reference to the stage of completion based on the value of the contract sum as certified by third party quantity surveyors and the estimated total project value to complete. Significant judgement is required in determining the estimated total contract value which include contracts awarded, estimation of variation works, if any, and the experience of qualified project managers.

Impairment of financial assets (Note 9)

The Group uses a provision matrix to calculate ECL for the trade receivables. The provision matrix is based on the Group's historical default rates taking into consideration reasonable and supportable forward-looking information that is available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables which are credit impaired are assessed for ECL individually. The provision of ECL is sensitive to changes in estimates.

2(a) Basis of preparation (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Depreciation of property, plant and equipment and right-of-use assets (Note 5, 6)

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over their estimated useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

A 5% (2020 – 5%) difference in the expected useful lives of these assets from management's estimates would not have any material effect on the financial statements.

Fair value of Crypto assets

Crypto assets are measured at fair value using the quoted price in United States dollars from a number of different sources with the primary being CoinMarketCap (www.coinmarketcap.com) at closing Coordinated Universal Time. Management considers this fair value to be a Level 1 input under the AASB 13 Fair Value Measurement fair value hierarchy as the price on the quoted price (unadjusted) in an active market for identical assets.

Amortisation of intangible assets (Note 4)

Intangible assets, comprising software development costs, are accounted for using the cost model. The capitalised costs of these intangible assets are amortised on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these intangible assets to be 5 years. After initial recognition, the intangible assets are carried at cost less accumulated amortisation and impairment, if any. In addition, the intangible assets are subject to impairment testing if there are any indicators of impairment, and are written off when, in the opinion of management, no further economic benefits are expected to arise. The carrying amount of the Group's intangible assets, comprising software development costs, are disclosed in Note 4. In 2021, a change of 10% in the amortisation rate of these intangible assets will not lead to significant change in the amortisation expense for the year and their carrying amount at the reporting date.

Impairment of non-financial assets (Note 4, 5, 6, 7)

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Determination of incremental borrowing rate for leases (Note 6, 14)

The Group recognises a lease liability at the present value of the remaining lease payments using the Group's incremental borrowing rate for the underlying lease asset; and recognises a right-of-use asset, on a lease-by-lease basis at an amount equal to the lease liability. Management applies significant estimates and assumptions in determining the incremental borrowing rate, with key inputs to the computation comprising the term of the lease, nature and quality of the security, economic environment and credit spread.

2(b) Adoption of new and revised SFRS(I) effective for the current financial year

On 1 January 2021, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods, except as discussed below:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	COVID-19 *Related Rent Concessions*	1 June 2020
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16	*Interest Rate Benchmark Reform – Phase 2*	1 January 2021

Amendments to SFRS(I) 16 COVID-19 Related Rent Concessions

The amendments provide relief to lessees from applying SFRS(I) 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under SFRS(I) 16 if the change were not a lease modification. The amendments are applicable on a modified retrospective basis for annual reporting periods beginning on or after 1 June 2020. Early application is permitted.

It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's and the Company's financial statements in the period of initial application.

Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2

The amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The changes relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying SFRS(I) 7 to accompany the amendments regarding modifications and hedge accounting.

On modification of financial assets, financial liabilities and lease liabilities, a practical expedient is available to allow for modifications required by the IBOR reform as a direct consequence and made on an economically equivalent basis to be accounted for by updating the effective interest rate prospectively. All other modifications are accounted for using current SFRS(I) requirements. A similar practical expedient is provided for lessee accounting applying SFRS(I) 16. SFRS(I) 4 is also amended to require insurers that apply the temporary exemption from SFRS(I) 9 to apply the amendments in accounting for modifications directly required by the reform.

On hedge accounting, certain amendments are made to generally permit hedge accounting continuation solely because of the IBOR reform provided that the amended hedging relationships meet all the qualifying criteria to apply hedge accounting including effectiveness requirements. The amendments enable entities to amend the formal designation and documentation of a hedging relationship to reflect changes required by the IBOR reform without discontinuing the hedging relationship or designating a new hedging relationship. Permitted changes include designating an alternative benchmark rate (contractually or non-contractually specified) as a hedged risk, amending the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged, or amending the description of the hedging instrument to refer to an alternative benchmark rate, and for those applying SFRS(I) 1-39, amending the description of how the entity shall assess hedge effectiveness.

2(b) Adoption of new and revised SFRS(I) effective for the current financial year (Cont'd)

Amendments to SFRS(I) 7 outline disclosure requirements to allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBOR to alternative benchmark rates, and how the entity is managing this transition.

The amendments are effective for annual periods beginning on or after 1 January 2021 with early application permitted. The amendments apply retrospectively but provide relief from restating comparative information. An entity may restate prior period figures if, and only if, it is possible to do so without the use of hindsight.

It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's and the Company's financial statements in the period of initial application.

2(c) New and revised SFRS(I) in issue but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application, except as discussed below:

Reference	**Description**	**Effective date (Annual periods beginning on or after)**
Amendments to SFRS(I) 16	*COVID-19-Related Rent Concessions beyond 30 June 2021*	1 April 2021
Amendments to SFRS(I) 3	*Reference to the Conceptual Framework*	1 January 2022
Amendments to SFRS(I) 1-16	*Property, Plant and Equipment – Proceeds before Intended Use*	1 January 2022
Amendments to SFRS(I) 1-37	*Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
Amendments to SFRS(I) 1-8	*Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I) 1-1	*Classification of Liabilities as Current or Non-current*	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS (I) Practice Statement 2	*Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I) 1-12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023

Amendments to SFRS(I) 16 COVID-19-Related Rent Concessions beyond 30 June 2021

As a result of the evolving COVID-19 situation, rent concessions continue to be granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. The amendment provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. The application period of the above practical expedient has been extended by one year to help lessees accounting for COVID-19-related rent concessions.

The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic, and only if all of the following conditions are met:

a. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

b. any reduction in lease payments affects only payments due on or before 30 June 2022; and

c. there is no substantive change to other terms and conditions of the lease.

2(c) New and revised SFRS(I) in issue but not yet effective (Cont'd)

Entities applying the practical expedient must disclose this fact, whether the expedient has been applied to all qualifying rent concessions, and the nature of the contracts to which it has been applied, as well as the amount recognised in profit or loss arising from the rent concessions.

The amendment is effective for annual periods beginning on or after 1 April 2021 with early application permitted.

Amendments to SFRS(I) 3 Reference to the Conceptual Framework

The amendments update SFRS(I) 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Conceptual Framework. According to the amendments, for obligations within the scope of SFRS(I) 1-37, the acquirer shall apply SFRS(I) 1-37 to determine whether a present obligation exists at the acquisition date as a result of past events, and for a levy within the scope of SFRS(I) INT 21 Levies, the acquirer shall apply SFRS(I) INT 21 to determine whether the obligating event giving rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer shall not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if the entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

Amendments to SFRS(I) 1-16 Property, Plant and Equipment – Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. An entity shall recognise such sales proceeds and related costs in profit or loss and measure the cost of those items in accordance with SFRS(I) 1-2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly' and specify this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

2(c) New and revised SFRS(I) in issue but not yet effective (Cont'd)

Amendments to SFRS(I) 1-37 Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (e.g. direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (e.g. depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted. The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

Amendments to SFRS(I) 1-1 Classification of Liabilities as Current or Non-current

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on the rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise the right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

There is no material impact expected to the Group's and the Company's financial statements on initial application.

2(d) Summary of significant accounting policies

Consolidation

(i) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and investees (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company or its subsidiary:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company or its subsidiary reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2(d) Summary of significant accounting policies (Cont'd)

Consolidation (Cont'd)

(i) Basis of consolidation (Cont'd)

When the Company or its subsidiary has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company or its subsidiary considers all relevant facts and circumstances in assessing whether or not the Company's or its subsidiary's voting rights in an investee are sufficient to give it power, including:

- size of the Company's or its subsidiary's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company or its subsidiary, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances which indicate that the Company or its subsidiary has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company or its subsidiary obtains control over the subsidiary or investee and ceases when the Company or its subsidiary loses control of the subsidiary or investee. Specifically, income and expenses of a subsidiary or an investee acquired or disposed during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company or its subsidiary gains control until the date when the Company or its subsidiary ceases to control the subsidiary or investee.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries and investees are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries or investees to bring their accounting policies in line with the Group's accounting policies.

(ii) Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

2(d) Summary of significant accounting policies (Cont'd)

Consolidation (Cont'd)

(ii) Changes in the Group's ownership interests in existing subsidiaries (Cont'd)

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Business combinations

Business combination is accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional 'concentration test' is met, and the acquired set of activities and assets is not a business, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date on which the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 Income Taxes and SFRS(I) 1-19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 Share-based Payment at the acquisition date; and

- disposal groups that are classified as held for sale in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

2(d) Summary of significant accounting policies (Cont'd)

Business combinations (Cont'd)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

<u>Business combinations involving businesses or entities under common control</u>

Business combinations involving businesses or entities under common control are accounted for by applying the pooling of interest method which involves the following:

- Assets, liabilities, reserves, revenue and expenses of consolidated business or entities are reflected at their existing amounts;

- The retained earnings recognised in the consolidated financial statements are the retained earnings of the combining entities or businesses immediately before the combination; and

- No additional goodwill is recognised as a result of the combination.

The statement of comprehensive income reflects the results of the combining entities or businesses for the full year, irrespective of when the combination took place. Comparatives are presented as if the entities or businesses had always been combined since the date the entities or businesses had come under common control.

Currencies

<u>Functional and presentation currency</u>

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Company is Singapore Dollars.

The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore Dollars. The choice of presentation currency is to better reflect the currency that mainly determines economic effects of transactions, events and conditions of the Group.

<u>Foreign currency transactions and balances</u>

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the date of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of reporting period are recognised in the profit or loss, unless they arise from borrowings in foreign currencies and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the consolidated financial statements and transferred to the profit or loss as part of the gain or loss on disposal of the foreign operation.

2(d) Summary of significant accounting policies (Cont'd)

Currencies (Cont'd)

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions.

Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) and the Company that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities (including comparatives) are translated at the closing exchange rates at the end of reporting period;

(ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the dates of transactions; and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

(iv) Goodwill and fair value adjustment arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the reporting date.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill arising from acquisition of associates and joint ventures represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates and joint ventures is included in the carrying amount of the investments.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, an associate or a joint venture, the attributable amount of goodwill is included in the determination of the gain or loss on disposal of the entity or the relevant cash-generating unit.

2(d) Summary of significant accounting policies (Cont'd)

Intangible assets

(i) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination, including software development costs, are identified and initially recognised at cost separately from goodwill. The cost of these intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, software development costs with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

(ii) Intangible assets acquired separately

Intangible assets acquired separately, including software development costs, are initially recognised at cost. Such costs include the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the assets for their intended use.

Subsequent to initial recognition, software development costs with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 5 years, which is the shorter of their remaining estimated useful lives and periods of contractual rights.

(iii) Internally-generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the development costs incurred from the date when the intangible asset first meets the recognition criteria listed above. Such development costs include purchase of materials and services and payroll-related costs of employees directly involved in the project. Where no internally-generated intangible asset can be recognised, development cost is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated development costs are carried at cost less accumulated amortisation and accumulated impairment losses. These development costs are amortised to profit or loss using the straight-line method over 5 years, which is their estimated useful lives.

The amortisation period and amortisation method of intangible assets with finite useful lives, including software development costs, are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2(d) Summary of significant accounting policies (Cont'd)

Crypto assets

The crypto assets held by the Group are accounted for as intangible assets with indefinite useful lives, and are initially measured at cost. Crypto assets accounted for as intangible assets are not amortised, but assessed for impairment annually, or more frequently, when events or changes in circumstances occur indicating that it is more likely than not that the infinite-lived asset is impaired. Impairment exists when the carrying amount exceeds its fair value, which is measured using the quoted price of the crypto asset at the time its fair value is being measured. Impairment expense is reflected in other operating expenses in the consolidated statements of operations. The Group assigns costs to transactions on a first-in, first-out basis.

Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2(d) Summary of significant accounting policies (Cont'd)

Leases (Cont'd)

The Group as lessee (Cont'd)

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to Nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Office premises	4.5 years
Motor vehicles	5 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2(d) Summary of significant accounting policies (Cont'd)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Computers	3 years
Office equipment	2 to 5 years
Furniture, fixture and fittings	3 years
Renovations	3 years

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before that expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the income statement.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

  Initial recognition and measurement

  Financial assets are recognised when, only when the entity becomes party to the contractual provisions of the instruments.

  The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition.

2(d) Summary of significant accounting policies (Cont'd)

Financial instruments (Cont'd)

- **Financial assets (Cont'd)**

Initial recognition and measurement (Cont'd)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated as fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

<u>Financial assets at amortised cost (debt instruments)</u>

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process. The financial instruments at amortised costs comprised trade and other receivables, excluding prepayments and goods and services tax recoverable.

<u>Fair value through other comprehensive income (FVOCI)</u>

Financial assets that are held for collection of contractual of cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised. The Group and the Company do not have this investment.

2(d) Summary of significant accounting policies (Cont'd)

Financial instruments (Cont'd)

- **Financial assets (Cont'd)**

Subsequent measurement (Cont'd)

<u>Financial assets designated as fair value through other comprehensive income (OCI) (equity instruments)</u>

The Group subsequently measures all equity instruments at fair value. On initial recognition of an equity instruments that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument - by - instrument basis. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in fair value of financial assets at fair value through profit or loss are recognised in profit or loss. Changes in fair value of financial assets at FVOCI are recognised in OCI are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment. The Group and the Company do not have this investment.

<u>Financial assets fair value through profit and loss</u>

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss statement in the period in which it arises. Interest income from these financial assets is included in the finance income.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investment which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity instruments are also recognised as other income in the statement of comprehensive income when the right of payment has been established.

The Group and the Company do not have this investment.

2(d) Summary of significant accounting policies (Cont'd)

Financial instruments (Cont'd)

- **Financial assets (Cont'd)**

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables and contract assets, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses as at the reporting date, the credit risk has not increased significantly since initial recognition. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The internal credit ratings have been mapped to external credit ratings determined by credit rating agencies such as Moody's and Fitch, so as to determine the appropriate expected credit loss rates.

2(d) Summary of significant accounting policies (Cont'd)

Financial instruments (Cont'd)

- **Financial assets (Cont'd)**

Impairment of financial assets (Cont'd)

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

<u>Significant increase in credit risk</u>

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations, namely real estate, industrial construction and engineering materials.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an external (if any) or internal credit rating of "investment grade" as per globally understood definition.

2(d) Summary of significant accounting policies (Cont'd)

Financial instruments (Cont'd)

- **Financial assets (Cont'd)**

Impairment of financial assets (Cont'd)

Significant increase in credit risk (Cont'd)

For loan commitments and financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition, (i) for a loan commitment, the Group considers changes in the risk of a default occurring on the loan to which a loan commitment relates; (ii) for financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty;
- having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

2(d) Summary of significant accounting policies (Cont'd)

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts (if any). Bank overdrafts (if any) are included within borrowings in current liabilities in the statement of financial position.

Borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost or fair value. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Crypto assets borrowed from counterparties are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at fair value.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Convertible notes

Convertible notes were issued by the Group which include embedded derivatives (options to convert to a variable number of shares). Convertible notes are initially recognised as financial liabilities at fair value.

On initial recognition the fair value of the convertible notes equated to the proceeds received and subsequently the convertible note is measured at fair value. The movements are recognised in profit and loss as finance costs except to the extend the movement is attributed to changes in the Groups own credit risk status in which case it is recognised in Other Comprehensive Income.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from customer. If customer pays consideration before the Group transfers good or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2(d) Summary of significant accounting policies (Cont'd)

Non-derivative financial liabilities

Initial recognition and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Financial liabilities include trade and other payables, lease liabilities, bank loans, bank overdraft and loans from shareholders.

Subsequent measurement

They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation.

Impairment losses recognised for cash-generating units, are charged pro-rata to the assets in the cash-generating unit.

Any impairment loss is charged to the profit or loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

2(d) Summary of significant accounting policies (Cont'd)

Impairment of non-financial assets (Cont'd)

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to define contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Share-based payments

Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. As at each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share option reserve.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Group obtains the goods or the counterparty renders the service.

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction.

2(d) Summary of significant accounting policies (Cont'd)

Income taxes (Cont'd)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and

(b) based on the tax consequence that will follow from the manner in which the Group expects, at the date of the financial position, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors are considered key management personnel.

Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the asset.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Executive Chairman who makes strategic resources allocation decisions.

2(d) Summary of significant accounting policies (Cont'd)

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) has control or joint control over the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

2(d) Summary of significant accounting policies (Cont'd)

Revenue recognition (Cont'd)

Project revenue

The Group provides maintenance, replacement and repairing engineering services to customers through fixed-price contracts for big projects or purchase orders for small projects. Revenue is recognised when the promised service has been transferred to the customer.

With regard to projects for which performance obligations are satisfied over time, the Group recognises revenue as the project progresses using the percentage-of-completion method. The percentage-of-completion is estimated by reference to the stage of completion based on the value of the contract sum as certified by third party quantity surveyors and the estimated total project value to complete. Significant judgement is required in determining the estimated total contract value which include contracts awarded, estimation of variation works, if any, and the experience of qualified project managers.

Revenue from sale of goods/services rendered

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, usually on delivery of goods and acceptance by customers. Revenue from services is recognised when services are rendered and accepted by customers.

Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated cost or the possible return of goods.

Blockchain agency and consulting services

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, usually on delivery of goods and acceptance by customers. Revenue from services is recognised when services are rendered and accepted by customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated cost or the possible return of goods.

Staking [(1)] services

For digital wallets and staking services, revenue is recognised at the point when the block creation or validation is complete and the rewards are available for transfer. Revenue is measured based on the number of tokens received and the fair value of the token at the date of recognition.

For research and development services, revenue is recognised when services are rendered and accepted by customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated cost or the possible return of goods.

For agency service fee collected in advance, revenue is recognised to the profit or loss over the remaining period of the agency service agreement.

(1) Staking is a technical feature of blockchain technologies which utilises Proof of Stake ("PoS") as a validation mechanism by rewarding token holders who had staked their tokens for the validation process. A staking pool aggregates digital assets from multiple token holders to increase the token holders' likelihood of receiving the blockchain validation rewards under the PoS system. The MS Group provides a proprietary software platform, including a user-friendly web wallet and mobile wallet services, in order to provide a full range of staking functions, and to serve a larger pool of tokens for holders to stake the cryptocurrencies they hold.

Proof of Stake produces and validates new blocks in blockchains through the process of staking, allowing new blocks to be produced without relying on specialised mining hardware. While mining requires a significant investment in hardware, under staking, holders participate in generating a block by delegating the cryptocurrencies they already hold.

3 Revenue

The Group	2021 $	2020 $
Staking services		
- Digital wallets and staking services	**2,563,115**	–
- Research and development services	**1,674,224**	–
- Agency service fee	**191,406**	–
Total staking services	**4,428,745**	–
Project revenue	**459,831**	121,019
Blockchain agency and consulting services	**132,958**	1,346,541
	5,021,534	1,467,560
Timing of revenue recognition		
At a point in time		
- Staking services	**4,237,339**	–
- Blockchain agency and consulting services	**53,285**	–
	4,290,624	–
Over time		
- Staking services	**191,406**	–
- Project revenue	**459,831**	121,019
- Blockchain agency and consulting services	**79,673**	1,346,541
	730,910	1,467,560
	5,021,534	1,467,560

The Group	2021 $	2020 $
Geographical segments		
Singapore	**1,732,884**	1,467,560
Others	**3,288,650**	–
	5,021,534	1,467,560

4 Intangible assets

	The Group			
	Goodwill on Acquisition $	Crypto Assets $	Software Development $	Total $
2021				
Cost				
At 1 January 2021	–	–	–	–
Acquisition of subsidiaries	6,985,857	6,394,853	846,087	14,226,797
Additions	–	4,807,998	405,510	5,213,508
Disposal	–	(4,029,879)	–	(4,029,879)
Loan to third party [(1)]	–	(54,744)	–	(54,744)
Partial repayment of short-term advances to third party [(2)]	–	(896,433)	–	(896,433)
Currency translation differences	152,624	101,489	18,485	272,598
At 31 December 2021	7,138,481	6,323,284	1,270,082	14,731,847
Accumulated Amortisation				
At 1 January 2021	–	–	–	–
Acquisition of subsidiaries	–	–	(183,319)	(183,319)
Additions	–	–	(124,344)	(124,344)
Currency translation differences	–	–	(4,182)	(4,182)
At 31 December 2021	–	–	(311,845)	(311,845)
Accumulated Impairment				
At 1 January 2021	–	–	–	–
Additions	–	(871,222)	–	(871,222)
Currency translation differences	–	1,317	–	1,317
At 31 December 2021	–	(869,905)	–	(869,905)
Carrying Amount				
At 31 December 2021	7,138,481	5,453,379	958,237	13,550,097

(1) Relates to a short-term loan in crypto assets extended to a third party. The loan is bearing interest of 1% per annum and repayable in June 2022.

(2) Relates to partial repayment of short-term advances in crypto assets received from a third party. The short-term advances are non-interest bearing and repayable on demand.

(i) Goodwill on Acquisition

The Group recognised a goodwill of $7,138,481 following the acquisition of new subsidiaries, Moonstake Pte Ltd and Moonstake Limited ("MS Group"), on 31 May 2021. Please refer to Note 7(a) for the details of the acquisition.

Goodwill is monitored by management at the level of the operating segments (Note 29). A segment-level summary of the goodwill allocation is presented below:

	2021 $
The Group	
Blockchain technology services	**7,138,481**

4 Intangible assets (Cont'd)

(i) Goodwill on Acquisition (Cont'd)

The Group tests whether goodwill has suffered any impairment on an annual basis. For the 2021 reporting period, the recoverable amount of the cash-generating units ("CGU") is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

	Blockchain technology services 2021
The Group	
Sales volume (% annual growth rate)	Ranging from 0.37% to 2.00%
Annual capital expenditure ($'000)	Approximately $400,000
Discount rate (%)	39.23%
Terminal growth rate (%)	1.46%

Management has determined the values assigned to each of the above key assumptions as follows:

Key assumption	**Approach**
Sales volume (% annual growth rate)	Average annual growth rate over the five-year forecast period. Based on past performance and management's expectations of market development.
Sales price (% annual growth rate)	Average annual growth rate over the five-year forecast period. Based on current industry trends and including long-term inflation forecasts for each territory.
Budgeted gross profit margin (%)	Based on past performance and management's expectations for the future.
Annual capital expenditure	Expected cash costs in the CGUs. Based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
Terminal growth rate (%)	Weighted average growth rate used to extrapolate cash flows beyond the budget period. Consistent with forecasts included in industry reports.
Discount rate (%)	Reflect specific risks relating to the relevant segments and the countries in which they operate.

4 Intangible assets (Cont'd)

(ii) Crypto Assets

The crypto assets held by the Group are accounted for as intangible assets with indefinite useful lives, and are initially measured at cost. Crypto assets accounted for as intangible assets are not amortised, but assessed for impairment annually, or more frequently, when events or changes in circumstances occur indicating that it is more likely than not that the infinite-lived asset is impaired. Impairment exists when the carrying amount exceeds its fair value, which is measured using the quoted price of the crypto asset at the time its fair value is being measured. Impairment expense is reflected in other operating expenses in the consolidated statements of operations. The Group assigns costs to transactions on a first-in, first-out basis.

The Group tests whether crypto assets have suffered any impairment on an annual basis. As at the end of reporting period, the recoverable amount of the crypto assets is determined based on fair value at year end using the quoted price in United States dollars from a number of different sources with the primary being CoinMarketCap (www.coinmarketcap.com) at closing Coordinated Universal Time. As at year end, the impairment loss amounting to $869,905 (2020: Nil) is recognised in profit or loss.

(iii) Software Development

Software development relates to software development costs capitalised for MS Group's staking pool protocol and blockchain nodes setup and implementation, staking services management system and digital wallet solutions.

Software development is stated at cost less accumulated amortisation and impairment losses, if any. The cost is amortised using the straight-line method over the estimated useful life of 5 years. The remaining useful life of the software development as at 31 December 2021 is between 3.5 years to 5 years (2020: Nil).

The amortisation of software development costs is included in administrative expenses in the profit or loss.

5 Property, plant and equipment

The Group	999–year leasehold land	Property	Motor vehicles	Computers	Office equipment	Furniture, fixture and fittings	Air conditioner	Renovations	Total
	$	$	$	$	$	$	$	$	$
Cost									
At 1 January 2020	1,130,000	200,000	34,074	135,187	103,017	214,574	6,500	66,636	1,889,988
Additions	–	–	–	5,515	–	–	–	–	5,515
Disposal	(1,130,000)	(200,000)	–	–	–	–	–	–	(1,330,000)
At 31 December 2020	**–**	**–**	**34,074**	**140,702**	**103,017**	**214,574**	**6,500**	**66,636**	**565,503**
Additions	–	–	–	6,428	–	–	–	–	6,428
Disposal	–	–	–	–	(28,500)	–	–	–	(28,500)
At 31 December 2021	**–**	**–**	**34,074**	**147,130**	**74,517**	**214,574**	**6,500**	**66,636**	**543,431**
Accumulated depreciation									
At 1 January 2020	–	45,417	34,074	124,631	77,326	199,195	6,500	41,041	528,184
Depreciation for the year	–	7,500	–	14,518	9,700	8,669	–	13,961	54,348
Disposals	–	(52,917)	–	–	–	–	–	–	(52,917)
At 31 December 2020	**–**	**–**	**34,074**	**139,149**	**87,026**	**207,864**	**6,500**	**55,002**	**529,615**
Depreciation for the year	–	–	–	4,169	6,391	6,556	–	11,634	28,750
Disposals	–	–	–	–	(22,800)	–	–	–	(22,800)
At 31 December 2021	**–**	**–**	**34,074**	**143,318**	**70,617**	**214,420**	**6,500**	**66,636**	**535,565**
Accumulated impairment									
At 1 January 2020	–	120,583	–	–	–	–	–	–	120,583
Impairment loss for the year	–	–	–	–	5,700	–	–	–	5,700
Reversal of impairment	–	(120,583)	–	–	–	–	–	–	(120,583)
At 31 December 2020	**–**	**–**	**–**	**–**	**5,700**	**–**	**–**	**–**	**5,700**
Reversal of impairment	–	–	–	–	(5,700)	–	–	–	(5,700)
At 31 December 2021	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Carrying amount									
At 31 December 2021	**–**	**–**	**–**	**3,812**	**3,900**	**154**	**–**	**–**	**7,866**
At 31 December 2020	–	–	–	1,553	10,291	6,710	–	11,634	30,188

5 Property, plant and equipment (Cont'd)

The Company

	Computers	Total
	$	$
Cost		
At 1 January 2020	–	–
Additions	4,124	4,124
At 31 December 2020	**4,124**	**4,124**
Additions	3,903	3,903
At 31 December 2021	**8,027**	**8,027**
Accumulated depreciation		
At 1 January 2020	–	–
Depreciation for the year	926	926
At 31 December 2020	**926**	**926**
Depreciation for the year	1,960	1,960
At 31 December 2021	**2,886**	**2,886**
Carrying amount		
At 31 December 2021	**5,141**	**5,141**
At 31 December 2020	3,198	3,198

Impairment testing

The recoverable amount of the Group's property, plant and equipment are determined based on the higher of fair value less costs to sell and value-in-use. The recoverable amounts of the Group's property, plant and equipment are based on the fair value less costs to sell, which are higher than value-in-use, as determined by a valuation expert. Level 3 fair value hierarchy.

During the financial year ended 31 December 2021, the Group recognised an impairment loss of Nil (2020: $5,700) and reversal of impairment loss of $5,700 (2020: $120,583) on property, plant and equipment as the office equipment was disposed.

The office equipment disposed was no longer in working order and hence, management has decided to write off the fully impaired office equipment amounting to $28,500 (2020: Nil).

6 Right-of-use assets

The Group	Motor vehicles $	Office premises $	Total $
Cost			
At 1 January 2020	672,349	94,847	767,196
Disposal	(593,569)	–	(593,569)
At 31 December 2020	**78,780**	**94,847**	**173,627**
Disposal	**(78,780)**	**–**	**(78,780)**
At 31 December 2021	**–**	**94,847**	**94,847**
Accumulated depreciation			
At 1 January 2020	329,134	35,567	364,701
Depreciation	26,331	35,567	61,898
Disposal	(310,822)	–	(310,822)
At 31 December 2020	**44,643**	**71,134**	**115,777**
Depreciation	**15,755**	**23,713**	**39,468**
Disposal	**(60,398)**	**–**	**(60,398)**
At 31 December 2021	**–**	**94,847**	**94,847**
Accumulated impairment			
At 1 January 2020	54,323	–	54,323
Reversal of impairment loss for the year	(54,323)	–	(54,323)
At 31 December 2020 and 31 December 2021	**–**	**–**	**–**
Carrying amount			
At 31 December 2021	–	–	–
At 31 December 2020	34,137	23,713	57,850

During the financial year ended 31 December 2021, the Group disposed a motor vehicle with a net book value of $18,382 acquired under finance lease arrangement (Note 14).

Impairment testing

The recoverable amount of the Group's right-of-use assets related to motor vehicles acquired under lease arrangements are based on fair value less costs to sell, which are higher than value-in-use, as determined by a valuation expert. The fair value is based on the market value, being the estimated amount for which an asset could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction. The valuation is based on direct comparison method which involves the analysis of comparable assets and adjusting the sale prices to that reflective of the subject assets.

The fair value of the office lease is based on the present value of the remaining lease payments using the incremental borrowing rate from a market participant's perspective. During the financial year ended 31 December 2021, the office lease has ended and been replaced by a 1-year short term office lease.

During the year ended 31 December 2021, the Group recorded a reversal of impairment loss of Nil (2020: $54,323) to the income statement as the motor vehicle was disposed.

7 Subsidiaries

The Company	Note	2021 $	2020 $
Unquoted equity investments, at cost		**1,246,914**	1,246,914
Add: Acquisition of subsidiaries	(i)	**7,141,652**	–
Add: Additions	(ii)	**2,184,200**	–
Less: Impairment of investment in subsidiaries		**(1,246,913)**	(1,246,913)
		9,325,853	1

(i) On 31 May 2021, the Company acquired Moonstake Pte Ltd (which in-turn owns the entire share capital of Moonstake Limited) with the fair value of the purchase consideration of $7,141,652.

(ii) In June 2021, the Company increased its investment in Moonstake Pte Ltd by $1,984,200 and OIO Singapore Pte Ltd by $200,000 respectively.

The Company	2021 $	2020 $
Impairment on the investment in subsidiaries		
At 1 January	**1,246,913**	4,993,204
Impairment recognised in profit and loss	**–**	–
Reclassification	**–**	(3,746,291)
At 31 December	**1,246,913**	1,246,913

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Percentage of interest held 2021	Percentage of interest held 2020	Principal activities
<u>Held by the Company</u>				
DLF Pte. Ltd. (1)	Singapore	**100%**	100%	Procurement of equipment and components such as offloading hoses and the provision of logistic services to offshore oil rigs
DLF Prosper Venture Pte. Ltd.("DLFPV") (1)	Singapore	**80%**	80%	Installation of industrial machinery and equipment, mechanical engineering works
OIO Singapore Private Limited (1),(2)	Singapore	**100%**	100%	Sales agency services, software development agency services and consulting services
DLF Engineering Pte Ltd (1)	Singapore	**100%**	100%	Provision of building and construction services

7 Subsidiaries (Cont'd)

Name of subsidiary	Country of incorporation	Percentage of interest held		Principal activities
Held by the Company				
Moonstake Pte. Ltd. (1),(3)	Singapore	**100%**	–	Management of the MS Group; holding and managing the intellectual property rights related to the MS Group's businesses; sales and marketing activities in relation to the staking solutions offered by MS Group to enterprise customers; and staking and blockchain finance related consulting services to enterprise customers
Moonstake Limited (1),(3)	Cayman Island	**100%**	–	Provision of digital wallets and staking services to both retail and enterprise customers
Held by the subsidiary- DLF Engineering Pte Ltd				
Acmes-Kings Corporation Pte. Ltd. (1),(4)	Singapore	**100%**	100%	Provision of plumbing, non-electric heating and air-conditioning services
Acmes Properties Pte Ltd (5)	Singapore	**–**	–	Property owning
Acmes-Power Building Services Pte Ltd (5)	Singapore	**–**	–	General contractors (building construction including major upgrading works)

(1) Audited by Foo Kon Tan LLP, Singapore.

(2) Incorporated on 5 August 2020.

(3) Acquired on 31 May 2021. Information about the Group's acquisition of subsidiaries is disclosed in Note 7(a).

(4) Applied for voluntary creditors' liquidation on 21 February 2022.

(5) Applied for voluntary creditors' liquidation on 23 November 2020. Fully dissolved on 28 September 2021.

(a) Acquisition of subsidiaries

On 31 May 2021, the Company acquired the entire issued share capital in Moonstake Pte Ltd from a third party for an aggregate consideration of $7,141,652. Moonstake Pte Ltd in-turn owns the entire issued share capital of its subsidiary, Moonstake Limited. The aggregate consideration was arrived at an arm's length basis between the vendor and Company after an assessment of the MS Group's financial position. Roma Appraisals Limited (the "Independent Valuer"), was commissioned by the Company to provide an independent valuation of the MS Group.

The aggregate consideration of $7,141,652 was satisfied by the issuance of 40,348,314 ordinary shares in the Company to the vendor at an issue price of $0.177 per consideration share. The fair valuation of the consideration share was assessed to be $7,141,652, or $0.177 per consideration share based on valuation derived from the purchase price allocation exercise performed by Roma Appraisals Limited.

7 Subsidiaries (Cont'd)

(a) Acquisition of subsidiaries (Cont'd)

Moonstake Pte Ltd is an entity incorporated in Singapore with its principal activities include (i) management of the MS Group; (ii) holding and managing the intellectual property rights related to the MS Group's businesses; (iii) sales and marketing activities in relation to the staking solutions offered by MS Group to enterprise customers and (iv) staking and blockchain finance related consulting services to enterprise customers. Moonstake Limited's principal activities, on the other hand, include providing digital wallet and staking services to both retail and enterprise customers, and qualifies as a business defined in SFRS(I)3.

Moonstake Pte Ltd was acquired primarily to accelerate the growth of the blockchain business from the receipt of additional revenue streams and existing orders of the MS Group, which is in line with its diversification mandate in relation to the commercialisation of blockchain-related products. In addition, having cultivated a strong business relationship with the MS Group through the provision of sales agency and consulting services, the Board believes that there are mutually beneficially business synergies between the Group's blockchain business and the MS Group's existing business. With the growing interest in blockchain and digital assets, the Board is of the view that the acquisition is financially and strategically beneficial for the Group and its stakeholders.

Details of the consideration paid, fair value of the identifiable assets and liabilities and goodwill arising, and the effects on the cash flows of the Group are as follows:

	Note	$
Consideration transferred		
Shares consideration	(i)	7,141,652
Fair value of the identifiable assets and liabilities		
At fair value		
Intangible asset – Software development		662,768
Intangible asset – Crypto assets		6,394,853
Trade and other receivables		71,136
Cash and cash equivalents		98,386
Trade and other payables		(615,697)
Other payables in crypto assets	(ii)	(2,875,064)
Contract Liabilities (Note 18)		(872,229)
Loan in crypto assets	(iii)	(2,528,471)
Contingent liability recognised (Note 17)		(332,511)
Net identifiable assets acquired		3,171
Goodwill arising		
Consideration transferred		7,141,652
Less: Fair value of the net identifiable assets		(3,171)
Goodwill arising from acquisition	(iv)	7,138,481

	$
Effects on cash flows of the Group	
Shares consideration	–
Add: Cash and cash equivalents in acquiree	98,386
Cash inflow on acquisition	98,386

7 Subsidiaries (Cont'd)

(a) <u>Acquisition of subsidiaries</u> (Cont'd)

(i) Share consideration refers to 40,348,314 ordinary shares at fair valuation of $0.177 per consideration share.

(ii) Relates to short-term advances in crypto assets received from a third party. The short-term advances are non-interest bearing and repayable on demand.

(iii) Loan in crypto assets was fully repaid in June 2021.

(iv) The goodwill is attributable to the MS Group's strong position and profitability in staking solutions and synergies that are expected to arise after the Company's acquisition of the new subsidiaries.

The Group incurred acquisition related costs of $98,041 relating to external legal fees and due diligence costs and these have been classified as 'administrative expenses' in the condensed consolidated statement of profit or loss.

MS Group contributed revenue of $4,428,744 and net profit after tax of $1,104,646 for the period from 31 May 2021 to 31 December 2021 (since acquisition date to reporting period).

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

Goodwill arose in the acquisition of Moonstake Pte Ltd because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development of MS Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(b) <u>Creditors' liquidation of subsidiaries</u>

For the financial year ended 31 December 2020, the Company applied for creditors' voluntary liquidation for Acmes Power Building Services Pte Ltd and Acmes Properties Pte Ltd. These subsidiaries are consolidated until the date they cease to be subsidiaries of the Company. There was a gain of $474,716 recorded at the Group level. Both companies were fully dissolved on 28 September 2021.

On 21 February 2022, the Company applied for creditors' voluntary liquidation for Acmes-Kings Corporation Pte. Ltd.

(c) <u>Impairment testing of investments in subsidiaries</u>

For the financial year ended 31 December 2021, management of the Company had carried out an impairment assessment over the investments in subsidiaries and identified the following significant cash generating units ("CGUs"). These were considered to have indications of possible impairment issues at 31 December 2021 and 2020 as they were in a loss-making position and having negative net worth for the past few years. The review led to an accumulated impairment loss of $1,246,913 (2020: $1,246,913).

As at 31 December 2020, the recoverable amounts of subsidiaries were determined based on the higher of fair value less cost to sell and value-in-use. The fair value less cost to sell was determined based on the financials of the subsidiaries which comprised mainly cash balances, trade and other receivables and trade and other payables which were current and approximated fair value at the reporting date. Based on the impairment testing, the Company recognised an impairment loss of Nil (2020: $4,993,204) in the profit or loss for the financial year ended 31 December 2021.

7 Subsidiaries (Cont'd)

(c) Impairment testing of investments in subsidiaries (Cont'd)

As at 31 December 2021, the carrying amount of the investments in subsidiaries amounted to $9,325,853 (2020: $1). As at 31 December 2020, as part of the liquidation process of the subsidiaries, the Company reclassified its cost of investments in its subsidiaries and related impairment loss in the subsidiaries totalling $3,746,291 out of the respective impairment and cost of investment.

Summarised financial information

Carrying value of non-controlling interests ("NCI") in DLF Prosper Venture Pte Ltd

The Group	**2021** **$**	2020 $
Total assets	**70,000**	126,489
Total liabilities	**(358,945)**	(348,348)
Net liabilities	**(288,945)**	(221,859)
Net liabilities attributable to NCI	**(57,788)**	(44,371)
Revenue	**–**	–
Loss for the year	**(67,085)**	(352,357)
Revenue	**–**	–
Other comprehensive income ("OCI")	**–**	–
Total comprehensive loss	**(67,085)**	(352,357)
Attributable to NCI:		
- Loss	**(13,417)**	(70,471)
- OCI	**–**	–
Total comprehensive loss	**(13,417)**	(70,471)
Dividends paid to NCI	**–**	–
Cash flows used in operating activities	**–**	–
Cash flows used in investing activities	**–**	–
Net movement in cash and cash equivalents	**–**	–

8 Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

Deferred tax assets are attributable to the following:

	The Group	
	2021 **$**	2020 $
Deferred tax assets		
Trade receivables	**–**	96,489

8 Deferred tax assets and liabilities (Cont'd)

Movement in temporary differences during the year:

	The Group	
	2021	2020
	$	$
Deferred tax assets		
At beginning of year	**96,489**	189,885
Reversal in profit or loss	**(96,489)**	(93,396)
At end of year	**–**	96,489

Settlement of deferred tax assets and liabilities is as follows:

	The Group	
	2021	2020
	$	$
To be settled within one year		
Deferred tax assets	**–**	96,489

9 Trade and other receivables

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Trade receivables	**116,081**	111,333	**–**	–
Impairment of trade receivables	**(57,645)**	(104,644)	**–**	–
Trade receivables (net)	**58,436**	6,689	**–**	–
Other receivables	**219,354**	1,793,268	**24,650**	1,670,285
Amount due from subsidiaries (non-trade)	**–**	–	**2,943,317**	1,928,052
Government grant receivable	**58,416**	16,420	**11,333**	9,060
Loan to non-controlling interest	**60,000**	130,000	**–**	–
Loan to non-controlling interest's holding company	**300,000**	300,000	**–**	–
Loan in crypto assets to third party	**54,068**	–	**–**	–
Deposits	**44,871**	30,234	**6,687**	–
	736,709	2,269,922	**2,985,987**	3,607,397
Impairment of other receivables	**(507,633)**	(2,184,463)	**(2,055,332)**	(3,589,532)
Other receivables (net)	**229,076**	85,459	**930,655**	17,865
Goods and services tax receivables	**28,163**	11,720	**9,961**	–
Prepayments	**37,507**	7,761	**7,459**	2,392
	353,182	111,629	**948,075**	20,257

The non-trade amounts and loan due from related parties are unsecured, interest-free and repayable on demand.

The loan in crypto assets to a third party is bearing interest of 1% per-annum and repayable in June 2022.

Trade receivables have credit terms of between 30 and 90 (2020 - 30 and 90) days.

9 Trade and other receivables (Cont'd)

Trade and other receivables are denominated in Singapore and United States Dollars.

The Group's credit risk exposure in relation to debtors as at 31 December 2021 and 2020 are set out as follows:

	The Group				
	Current	**1 to 3 months**	**3 to 6 months**	**More than 6 months**	**Total**
31 December 2021	**$**	**$**	**$**	**$**	**$**
Expected loss rate	**–**	**–**	**–**	**100%**	**100%**
Trade receivables	**15,441**	**37,196**	**4,783**	**58,661**	**116,081**
Loss allowance	**–**	**–**	**–**	**(57,645)**	**(57,645)**
31 December 2020					
Expected loss rate	–	–	–	100%	100%
Trade receivables	3,699	2,333	–	105,301	111,333
Loss allowance	–	–	–	(104,644)	(104,644)

Movements in allowance for impairment loss on trade receivables

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Allowance for impairment				
At 1 January	**104,644**	2,033,449	**–**	–
Net reversal during the year	**(47,000)**	(12,919)	**–**	–
Reclassification to (Note A)	**–**	(1,915,886)	**–**	–
Others	**1**	–	**–**	–
At 31 December	**57,645**	104,644	**–**	–

Note A: Amount reclassified due to liquidation of 2 subsidiaries.

Movements in allowance for impairment loss on other receivables

	The Group				
	Current	**1 to 3 months**	**3 to 6 months**	**More than 6 months**	**Total**
2021	**$**	**$**	**$**	**$**	**$**
Expected loss rate	**21%**	**–**	**–**	**79%**	**100%**
Other receivables	**157,355**	**–**	**–**	**579,354**	**736,709**
Loss allowance	**–**	**–**	**–**	**(507,633)**	**(507,633)**
2020					
Expected loss rate	–	–	–	100%	100%
Other receivables	–	–	–	2,223,268	2,223,268
Loss allowance	–	–	–	(2,184,463)	(2,184,463)

9 Trade and other receivables (Cont'd)

Movements in allowance for impairment loss on other receivables

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Allowance for impairment				
At 1 January	**2,184,463**	24,650	**3,589,532**	3,062,084
Allowance made	**–**	–	**102,630**	527,448
Net reversal during the year	**(40,000)**	–	**–**	–
Reclassification	**–**	2,159,813	**–**	–
Write off amount due from liquidated subsidiaries (Note A)	**(1,636,830)**	–	**(1,636,830)**	–
At 31 December	**507,633**	2,184,463	**2,055,332**	3,589,532

Note A: Following the full dissolution of 2 subsidiaries on 28 September 2021, amount due from liquidated subsidiaries were written off.

The Group recorded a reversal of impairment loss of $87,000 (2020: $12,919) on trade and other receivables in the profit or loss for the financial year ended 31 December 2021.

The Company recorded an impairment loss of $102,630 (2020: $527,448) in the profit or loss for the year ended 31 December 2021.

Trade and other receivables are denominated in the following currencies:

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Singapore dollar	**194,749**	111,629	**948,075**	20,257
United States dollar	**158,433**	–	**–**	–
	353,182	111,629	**948,075**	20,257

10 Contract assets

	The Group	
	2021	2020
	$	$
Contract assets		
Analysed as:		
Current	**–**	567,582
Less: Impairment for contract assets	**–**	(567,582)
	–	–

.

10 Contract assets (Cont'd)

Contract assets

The contract assets relate primarily to the Group's right to recognise revenue for percentage of work completed but not billed before the end of the reporting period on its projects performed that is recognised over time.

There are changes in the contract asset balances amounting to Nil (2020: $112,000) during the reporting period.

Analysis of credit risk is set out in Note 27.

11 Cash and bank balances

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Cash at bank	**5,833,710**	338,030	**4,439,145**	94,084
Cash on hand	**1,331**	339	**–**	–
	5,835,041	338,369	**4,439,145**	94,084

Cash and bank balances are denominated in the following currencies:

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Singapore dollar	**597,682**	337,224	**431,072**	92,939
United States dollar	**5,237,359**	1,145	**4,008,073**	1,145
	5,835,041	338,369	**4,439,145**	94,084

12 Share capital

		2021		2020	
The Group and The Company	Note	**No. of ordinary shares**	**$**	No. of ordinary shares	$
Ordinary shares issued and fully paid, with no par value:					
Balance at beginning of year		**121,108,700**	**9,499,017**	121,108,700	9,499,017
Issuance of new ordinary shares	(i)	**40,348,314**	**7,141,652**	–	–
Conversion of convertible notes	(ii)	**17,932,584**	**3,192,000**	–	–
Issuance of new ordinary shares	(iii)	**894,841**	**537,800**	–	–
Issuance of new ordinary shares	(iv)	**6,565,300**	**3,459,916**	–	–
Balance at end of year		**186,849,739**	**23,830,385**	121,108,700	9,499,017

(i) On 31 May 2021, the Company issued 40,348,314 ordinary shares ("**Consideration Shares**") at the issue price of $0.177 per share for the acquisition of the entire share capital in Moonstake Pte Ltd (which in-turn owns the entire share capital of Moonstake Limited) ("**Moonstake Completion**").

12 Share capital (Cont'd)

(ii) On 9 April 2021, the Company issued 8.00% convertible notes due 30 September 2021 at an aggregate principal amount of US$2,400,000, with the principal terms summarised as follows:-

Optional Conversion

Each subscriber has the right to convert all but not some of its convertible notes to fully-paid ordinary shares in the capital of the Company at the conversion price ("Optional Conversion Right"). The subscriber may exercise the Optional Conversion Right any time prior to the maturity date of 30 September 2021.

Automatic Conversion

The principal amount of the convertible notes is to be automatically converted into ordinary shares of the Company ("Conversion Shares") if the Company's acquisition of Moonstake Pte Ltd and Moonstake Ltd is completed prior to the maturity date of 30 September 2021.

Conversion Price

The conversion price is $0.177 per Conversion Share, with a fixed exchange rate of US$1.00 = $1.33 applicable on conversion of the convertible notes.

The new ordinary shares, upon issue, ranked pari passu with the existing ordinary shares of the Company. The convertible notes are redeemable at their principal amount plus aggregate interest of 8% per annum of the principal amount at maturity.

The convertible notes recognised as at 31 May 2021 are analysed as follows:

	$
Liability component as at initial recognition	**3,145,993**
Derivative financial instruments	**46,007**
Face value of convertible notes issued, net of transaction costs	**3,192,000**
Less: Notes converted	**(3,192,000)**
Fair value of convertible notes	**–**

Following the Moonstake Completion on 31 May 2021, all (2020: Nil) of the convertible notes have been converted into 17,932,584 (2020: Nil) new ordinary shares of the Company at the conversion price of $0.177 per Conversion Share.

(iii) On 28 September 2021, the Company issued 894,841 ordinary shares at the issue price of $0.601 per share to finance the Group's business expansion, working capital and general corporate purposes.

(iv) On 3 November 2021, the Company issued 6,565,300 ordinary shares at the issue price of $0.527 per share to finance the Group's business expansion, working capital and general corporate purposes.

13 Reserves

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Merger reserve	**(2,888,997)**	(2,888,997)	**–**	–
Foreign currency translation reserve (1)	**332,224**	267,733	**–**	–
	(2,556,773)	(2,621,264)	**–**	–

Merger reserve represents the difference between the value of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling-of-interest method.

Foreign currency translation reserve records exchange differences arising from the translation of the financial statements of a subsidiary whose functional currencies is different from that of the Group's presentation currency.

(1) Movement in foreign currency translation reserve

	The Group	
	2021	2020
	$	$
Balance at beginning of year	**267,733**	267,733
Exchange differences	**64,491**	–
	332,224	267,733

14(A) Lease liabilities

	2021	2020
The Group	**$**	$
Undiscounted lease payments due:		
- Year 1	**–**	37,615
- Year 2	**–**	38,047
		75,662
Less: Unearned interest cost	**–**	(1,032)
Lease liabilities	**–**	74,630
Presented as:		
- Non-current	**–**	38,047
- Current	**–**	36,583
	–	74,630

Interest expense on lease liabilities of $2,057 (2020: $48,934) and early lease liability settlement charges of $3,330 (2020: Nil) are recognised in the profit and loss.

Leases liabilities in financial year 2020 of $50,062 are secured by the lessor's charge over the leased assets (Note 6).

14(B) Leases

(i) The Group as lessee

(a) Office premise

The Group leases office for operation purposes.

This office is recognised within the Group's right-of-use assets (Note 6).

The Group makes monthly lease payments for the use of office.

There are no externally imposed covenants on this office lease arrangement.

During the financial year ended 31 December 2021, the office lease has ended and been replaced by a 1-year short term office lease.

(b) Motor vehicle

These plant and equipment are recognised as the Group's right-of-use assets (Note 6).

During the year ended 31 December 2021, the Group disposed a motor vehicle with a net book value of $18,382 acquired under finance lease arrangement.

Information regarding the Group's right-of-use assets and lease liabilities are disclosed in Notes 6 and 14(A), respectively.

15 Trade and other payables

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Current				
Trade payables	**202,254**	209,040	**–**	–
Other payables	**349,020**	767,041	**40,713**	375,464
Advances from customers in crypto assets	**667,027**	–	**–**	–
Amount due to director (non-trade)	**226,171**	125,122	**79,724**	125,122
Amount due to subsidiaries (non-trade)	**–**	–	**1,647,744**	1,514,346
Accrued expenses	**954,557**	616,412	**745,476**	432,508
Loan	**850,000**	–	**850,000**	–
Short term advances in crypto assets	**2,009,158**	–	**–**	–
	5,258,187	1,717,615	**3,363,657**	2,447,440
Goods and services tax payable	**74,177**	77,671	**–**	–
Current	**5,332,364**	1,795,286	**3,363,657**	2,447,440
Non-current				
Loan	**–**	850,000	**–**	850,000
Total	**5,332,364**	2,645,286	**3,363,657**	3,297,440

15 Trade and other payables (Cont'd)

Trade and other payables are denominated in the following currencies:

	The Group		The Company	
	2021	2020	**2021**	2020
	$	$	**$**	$
Singapore dollar	**2,247,303**	2,645,286	**3,363,657**	3,297,440
United States dollar	**3,085,061**	–	**–**	–
	5,332,364	2,645,286	**3,363,657**	3,297,440

Included in current liability as at 31 December 2021 is a trade payable of $850,000 to a company associated with the controlling shareholder, which is repayable up to 1 May 2022. This has been reclassified to non-current liabilities to current liabilities.

Included in current liability as at 31 December 2021 are short term advances in crypto assets received from a third party of $2,009,158. The short-term advances are non-interest bearing and repayable on demand.

16 Loans from shareholders

The $3,403,400 (2020: $500,000) loan classified as current liability is from North Ventures Pte Ltd ("NVPL") (Formerly known as QRC Pte Ltd), the holding company.

Subsequent to 31 December 2021, the Company entered into an agreement with NVPL on 24 March 2022 to extend the repayment date of the interest free loans of (i) S$400,000 and (ii) US$2,000,000 (S$2,703,400) respectively to after 15 April 2023.

The $700,000 loan classified as non-current liability as at 31 December 2020 is from North Ventures Pte Ltd ("NVPL") (Formerly known as QRC Pte Ltd), the holding company. It is repayable up to or after 31 May 2022.

The $500,000 loan classified as current liability as at 31 December 2020 is from the executive chairman, who is also a shareholder of the Company. It was fully repaid during the financial year 2021.

The loans from shareholders are interest-free and unsecured.

17 Provisions

	The Group	
	2021	2020
	$	$
Provision for revenue sharing	**250,684**	–
Presented as:		
Current	**–**	–
Non-current	**250,684**	–
	250,684	–

17 Provisions (Cont"d)

Provision for revenue sharing

	The Group	
	2021	2020
	$	$
At 1 January	**–**	–
Acquisition of subsidiaries	**332,512**	–
Reclassification of revenue sharing obligations to other payables	**(89,093)**	–
Currency translation differences	**7,265**	–
At 31 December	**250,684**	–

In 2020, a lender (the "Lender") extended loans totalling approximately $1.6 million to Moonstake Pte Ltd and Moonstake Limited (the "Original Loans"). The provision for revenue sharing of approximately $250,684 arose from the Deed of Novation entered into by Moonstake Pte Ltd, Moonstake Limited, the Lender and a third party as part of the conditions precedent to be fulfilled, with terms and conditions being satisfactory to the Company prior to the completion of the acquisition of Moonstake Pte Ltd.

The entry into the Deed of Novation is to transfer fully the loan liabilities of approximately $1.6 million to a third party with a consideration to share 2.2% of Moonstake Limited's revenue with the transferee for the period from 1 September 2020 to 31 December 2026. The Lender continued to have loan receivables which had the same principle amounts with the Original Loans from the third party.

18 Contract Liabilities

	The Group	
	2021	2020
	$	$
At 1 January	**–**	–
Acquisition of subsidiaries	**872,230**	–
Recognise as revenue - non-refundable agency fee	**(194,265)**	–
Currency translation differences	**21,454**	–
	699,419(1)	–
Advances from customers	**221,337**(2)	–
	920,756	–

(1) Agency service fee collected in advance. The Group recognises the contract liabilities to profit or loss over the remaining period of the agreement.

(2) Amounts received in advance for consulting services.

	The Group	
	2021	2020
	$	$
Analysed as		
- Current(3)	**550,251**	–
- Non-current	**370,505**	–
	920,756	–

(3) Includes agency service fee collected in advance of $328,914 to be recognised to profit or loss over the remaining period of the agreement.

18 Contract Liabilities (Cont'd)

	The Group		
	2021	2020	2020
	$	$	$
Contract liabilities			
- Amounts received in advance	**920,756**	–	–
Total contract liabilities	**920,756**	–	–

(i) Revenue recognised in relation to contract liabilities

	2021	2020
	$	$
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period:		
- Amounts received in advance	**–**	–

(ii) Unsatisfied performance obligations

	2021	2020
	$	$
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December		
- Amounts received in advance	**920,756**	–

Management expects that the transaction price allocated to unsatisfied performance obligations as at 31 December 2021 and 2020 may be recognised as revenue in the next reporting periods as follows:

	2021	**2022**	**2023**	**2024**	**Total**
	$	**$**	**$**	**$**	**$**
Partial and fully unsatisfied performance obligations as at:					
31 December 2021	**–**	**550,251**	**328,914**	**41,591**	**920,756**
31 December 2020	–	–	–	–	–

19 Other operating income

The Group	2021 $	2020 $
Government grants	**183,073**	122,906
Reversal of impairment loss on property, plant and equipment	**–**	120,583
Reversal of impairment loss on right-of-use asset	**–**	54,323
Gain on disposal of right-of-use asset	**28,618**	–
Gain on liquidation of subsidiaries	**–**	474,716
Bad debt recovered	**–**	4,496
Foreign currency exchange gain, net	**–**	103
Sundry income	**3,200**	9,261
Amount owing to liquidated subsidiaries written off	**325,284**	–
Amount owing to non-trade payable written off	**62,294**	–
	602,469	786,388

20 Other operating expenses

The Group	2021 $	2020 $
Foreign currency exchange loss, net	**36,235**	–
Loss on disposal of crypto assets	**629,919**	–
Loss on disposal of right-of-use assets	**–**	49,393
Loss on disposal of property, plant and equipment	**–**	27,086
Impairment loss on property, plant and equipment	**–**	5,700
Impairment loss on crypto assets	**871,222**	–
Other receivables written off	**642**	–
	1,538,018	82,179

21 Finance costs

The Group	2021 $	2020 $
Interest expense on:		
- Lease liabilities	**2,057**	5,088
- Bank overdraft	**–**	24,460
- Bank loan	**–**	19,386
- Early lease liability settlement	**3,330**	–
- Loan redemption charges	**–**	9,795
	5,387	58,729

22 Loss before taxation

The following items have been included in arriving at loss for the year:

The Group	Note	2021 $	2020 $
Audit fees paid to auditors of the Company		**194,058**	83,000
Amortisation of software development		**124,344**	–
Depreciation of right-of-use assets	6	**39,468**	61,898
Depreciation of property, plant and equipment	5	**28,750**	54,348
Directors' fee		**120,546**	144,000
Employee benefits expense	23	**1,549,424**	852,265
Maintenance of computer and software		**188,565**	–
Marketing costs		**614,342**	48,064
Professional fees		**544,648**	407,054
Operating lease expense		**17,400**	–
Outsourcing fee for product development		**291,287**	–
Recruitment expense		**124,817**	19,411
Cost of sales		**763,613**	1,212,533

Depreciation of right-of-use assets and property, plant and equipment of $39,468 (2020: $61,898) and $28,750 (2020: $54,348) and directors' fee amount of $120,546 (2020: $144,000) were recorded under administrative expenses.

23 Employee benefits expense

The Group	2021 $	2020 $
Key management personnel's remuneration		
- Short term benefits	**266,078**	285,000
- Defined contribution plan	**6,480**	6,480
	272,558	291,480
Other than key management personnel		
- Short term benefits	**1,164,784**	511,257
- Defined contribution plan	**112,082**	49,528
	1,276,866	560,785
	1,549,424	852,265
Employee benefits expense were included within:		
Selling and distribution expenses	**566,546**	153,899
Administrative expenses	**982,878**	698,366
	1,549,424	852,265

24 Taxation

The Group	2021 $	2020 $
Current tax expense/ (credit)		
Current year	**(1,585)**	(97,246)
Adjustment for prior years	**1,048**	(1,957)
	(537)	(99,203)
Deferred tax expense		
Origination and reversal of temporary differences	**96,489**	(93,396)
Tax expense/ (credit)	**95,952**	(192,599)

Reconciliation of tax expense

The Group	Note	2021 $	2020 $
Loss before taxation		**(1,023,825)**	(1,101,988)
Tax at statutory rate of 17% (2020 - 17%)		**(174,050)**	(187,338)
Tax effect on non-deductible expenses	(a)	**40,345**	295,532
Tax rebates and tax incentives		**(2,435)**	–
Non-taxable income	(b)	**(92,970)**	(182,031)
Deferred tax assets on tax losses previously not recognised		**–**	(93,396)
Reversal of deferred tax assets		**96,489**	–
Difference in tax rates of overseas subsidiaries		**(148,791)**	–
Adjustment for prior years		**1,048**	(1,957)
Deferred tax assets on losses not recognised		**379,486**	–
Group tax relief		**(3,170)**	(23,409)
		95,952	(192,599)

(a) Expenses not deductible for tax purposes mainly relates to amortisation, depreciation and other disallowed expenses incurred in the ordinary course of business.

(b) Non-taxable income mainly relates to amount owing to liquidated subsidiaries written off, government grants and reversal of impairment loss on trade and other receivables.

Subject to the agreement by the tax authorities, at the reporting date, the group has unused tax losses of $2,232,269 (2020: Nil) available for offset against future profits. No deferred tax asset has been recognized from the unused tax losses as it is not considered probable that there will be future taxable profits available.

25 Loss per share

The Group	**2021** **$**	2020 $
Loss attributable to ordinary shareholders of the Company	**(1,106,360)**	(838,918)
Weighted average number of ordinary shares in issue during the year	**156,732,688**	121,108,700
Basic loss per share (cents per share)	**(0.71)**	(0.69)

The Group	**2021** **$**	2020 $
Loss attributable to ordinary shareholders of the Company	**(1,106,360)**	(838,918)
Add back:		
-Interest expense on convertible bonds, net of tax	**–**	–
Loss attributable to ordinary shareholders of the Company used to determine diluted earnings per share	**(1,106,360)**	(838,918)
Weighted average number of ordinary shares outstanding for basic earnings per shares	**156,732,688**	121,108,700
Adjustment for:		
- Conversion of convertible bonds	**5,895,644**	–
Weighted average number of ordinary shares (diluted) used to determine diluted earnings per share	**162,628,332**	121,108,700
Diluted loss per share (cents per share)	**(0.68)**	(0.69)

26 Related party transactions

There were transactions with the following related parties during the financial year ended 31 December 2021

The Group	**2021** **$**	2020 $
Transactions with related party		
Revenue from providing blockchain service	**–**	150,000
Cost from outsourcing IT consulting services	**–**	856,000
Professional and consulting fee	**56,897**	–

Related parties are those entities which have common controlling shareholder as the Company.

27 Financial risk management

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include: credit risk, liquidity risk, interest rate risk, and foreign currency risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

The carrying amounts of financial assets and financial liabilities at the reporting date by categories are as follows:

The Group	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	$	$	$
31 December 2021			
Financial assets			
Trade and other receivables*	**233,444**	**–**	**233,444**
Cash and bank balances	**5,835,041**	**–**	**5,835,041**
	6,068,485	**–**	**6,068,485**
Financial liabilities			
Trade and other payables **	**–**	**2,582,002**	**2,582,002**
Loans from shareholders	**–**	**3,403,400**	**3,403,400**
	–	**5,985,402**	**5,985,402**
31 December 2020			
Financial assets			
Trade and other receivables*	92,148	–	92,148
Cash and bank balances	338,369	–	338,369
	430,517	–	430,517
Financial liabilities			
Trade and other payables**	–	2,567,615	2,567,615
Lease liabilities	–	74,630	74,630
Loans from shareholders	–	1,200,000	1,200,000
	–	3,842,245	3,842,245

* excluded prepayments, loan in crypto assets to third party and goods and services tax receivable

** excluded goods, advances from customers in crypto assets, short term advances in crypto assets and goods and services tax payable

27 Financial risk management (Cont'd)

The Company	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	$	$	$
2021			
Financial assets			
Trade and other receivables*	**930,655**	**–**	**930,655**
Cash and bank balances	**4,439,145**	**–**	**4,439,145**
	5,369,800	**–**	**5,369,800**
Financial liabilities			
Trade and other payables**	**–**	**3,363,657**	**3,363,657**
Loans from shareholders	**–**	**3,403,400**	**3,403,400**
	–	**6,767,057**	**6,767,057**
2020			
Financial assets			
Trade and other receivables*	17,865	–	17,865
Cash and bank balances	94,084	–	94,084
	111,949	–	111,949
Financial liabilities			
Trade and other payables**	–	3,297,440	3,297,440
Loans from shareholders	–	1,200,000	1,200,000
	–	4,497,440	4,497,440

* excluded prepayments and goods and services tax receivable

** excluded goods and services tax payable

Credit risk

Credit risk refers to the risk that counterparties may default on their contractual obligations resulting in financial loss to the Group. The Group's exposure to credit risk arises primarily from trade and other receivables.

The Group's objective is to seek continual growth while minimising losses arising from credit risk exposure. The Group has adopted the policy of dealing only with creditworthy counterparties. Receivable balances and payment profile of the debtors are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

At the reporting date, other than as disclosed in Notes 9 no allowances for impairment is necessary in respect of trade and other receivables past due and not past due.

<u>Significant concentrations of credit risk</u>

The maximum exposure to credit risk is represented by the carrying amount of each financial asset. As at 31 December 2021, 3 (2020 - 1) customers collectively accounted for approximately 80% (2020 – 93%) of the Group's total trade receivables. Except as disclosed, there were no other significant concentrations of credit risk at the reporting date.

Cash is held with banks of high credit ratings.

27 Financial risk management (Cont'd)

Exposure to credit risk

The tables below detail the credit quality of the Group's and the Company's financial assets and other items, as well as maximum exposure to credit risk by internal credit rating grades:

The Group	**Note**	**12–month/ Lifetime ECL**	**Gross carrying amount**	**Loss allowance**	**Net carrying amount**
			$	**$**	**$**
2021					
Trade receivables	(1)	Lifetime ECL	**116,081**	**(57,645)**	**58,436**
Other receivables	(2)	Lifetime ECL	**736,709**	**(507,633)**	**229,076**
Contract assets	(3)	Lifetime ECL	**–**	**–**	**–**
2020					
Trade receivables	(1)	Lifetime ECL	111,333	(104,644)	6,689
Other receivables	(2)	Lifetime ECL	2,269,922	(2,184,463)	85,459
Contract assets	(3)	Lifetime ECL	567,582	(567,582)	–
The Company					
2021					
Amount due from subsidiaries	(4)	12–month ECL	**2,943,317**		
Other receivables	(4)	12–month ECL	**42,670**		
			2,985,987	**(2,055,332)**	**930,655**
2020					
Amount due from subsidiaries	(4)	12–month ECL	1,928,052		
Other receivables	(4)	12–month ECL	1,679,345		
			3,607,397	(3,589,532)	17,865

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit risk without taking into account of the value of any collateral obtained.

(1) Trade receivables

Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade receivables are estimated using a provision matrix by reference to payment history, current financial situation of the debtor, debtor-specific information obtained directly from the debtor and public domain, where available, and an assessment of the current and future wider economic conditions and outlook for the industry in which the debtor operates at the reporting date. At the reporting date, no loss allowance for trade receivables was required except as disclosed.

(2) Other receivables

Loss allowance for other receivables is measured at an amount equal to lifetime expected credit losses (ECL), which is consistent with the approach adopted for trade receivables. The ECL on other receivables are estimated by reference to track record of the counterparties, their business and financial conditions where information is available, and knowledge of any events or circumstances impeding recovery of the amounts. At the reporting date, no loss allowance for other receivables was required except as disclosed.

27 Financial risk management (Cont'd)

Exposure to credit risk (Cont'd)

(3) Contract assets

Loss allowance for contract assets is measured at an amount equal to lifetime expected credit losses, similar to that for trade receivables. Consideration receivable for work performed (net of progress billings to be billed to customers) is recognised as contract assets. At the reporting date, no loss allowance for contract assets was required except as disclosed.

(4) Amount due from subsidiaries

The use of advances to assist with the related parties' cash flow management is in line with the Group's capital management. In determining the ECL, management has taken into account the finances and business performance of the related parties, and a forward-looking analysis of the financial performance of investments and projects undertaken by the related parties.

Market price risk

The Group transacts business in various crypto assets, therefore is exposed to market price risk of crypto assets.

As at each reporting date, the carrying amounts of crypto assets and liabilities are as follows:

		2021	2020
Assets		**$**	$
Crypto assets			
Cardano	ADA	**1,732,388**	–
Ethereum	ETH	**667,180**	–
IOST	IOST	**302,146**	–
Ontology Gas	ONG	**230,393**	–
Ontology	ONT	**186,463**	–
Orbs	ORBS	**61,433**	–
Tezos	XTZ	**864,085**	–
Tether	USDT	**1,337,502**	–
Others (Individually lesser than 1%)		**71,789**	–
		5,453,379	–
Trade and other receivables			
Loan to third party in crypto assets			
Tether	USDT	**54,068**	–
Liabilities			
Trade and other payables			
Advances from customers in crypto assets			
Ethereum	ETH	**(667,027)**	–
Short term advances in crypto assets			
Cardano	ADA	**(972,683)**	–
Harmony	ONE	**(1,365)**	–
Ontology	ONT	**(233,168)**	–
Tezos	XTZ	**(801,942)**	–
		(2,009,158)	–

27 Financial risk management (Cont'd)

Market price risk (Cont'd)

A 10% (2020: 10%) weakening of market prices of the above crypto assets (except USDT) against the functional currencies of the Group entities at the reporting date would have had the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

		31-Dec-21		31-Dec-20	
		Increase/ (Decrease)			
The Group		**Loss before tax**	**Equity**	Loss before tax	Equity
		$	**$**	$	$
Cardano	ADA	**(75,970)**	**75,970**	–	–
Ethereum	ETH	**(15)**	**15**	–	–
IOST	IOST	**(30,215)**	**30,215**	–	–
ONE	ONE	**137**	**(137)**	–	–
Ontology Gas	ONG	**(23,039)**	**23,039**	–	–
Ontology	ONT	**4,670**	**(4,670)**	–	–
Orbs	ORBS	**(6,143)**	**6,143**	–	–
Others		**(7,179)**	**7,179**	–	–

The Group is dependent on the state of the crypto asset market and general sentiment of crypto assets as a whole. The Group monitors the crypto assets prices on a constant basis.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group is not exposed to interest rate risk as there are no variable rate bank loans, bank overdraft or interest-bearing amounts due to director held by the Group.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are dominated in foreign currencies.

The Group is exposed to currency risk on financial assets and financial liabilities that are denominated in a currency other than the functional currencies of the respective Group entities. The currencies that give rise to foreign currency risk are the United States dollar ("USD") and Singapore dollar ("SGD").

At the reporting date, the carrying amounts of significant monetary assets and monetary liabilities denominated in currencies other than the respective entities' functional currencies were as follows:

27 Financial risk management (Cont'd)

Foreign currency risk (Cont'd)

The Group	USD $	SGD $	Total $
2021			
Cash and cash equivalents	**5,237,359**	**597,682**	**5,835,041**
Trade and other receivables	**97,403**	**136,041**	**233,444**
Trade and other payables	**(382,736)**	**(2,199,266)**	**(2,582,002)**
Net exposure	**4,952,026**	**(1,465,543)**	**3,486,483**
2020			
Cash and cash equivalents	1,145	337,224	338,369
Trade and other receivables	–	111,629	111,629
Trade and other payables	–	(2,645,286)	(2,645,286)
Net exposure	1,145	(2,196,433)	(2,195,288)

The Company	USD $	SGD $	Total $
2021			
Cash and cash equivalents	**4,008,073**	**431,072**	**4,439,145**
Trade and other receivables	**–**	**938,113**	**938,113**
Trade and other payables	**–**	**(3,363,657)**	**(3,363,657)**
Net exposure	**4,008,073**	**(1,994,472)**	**2,013,601**
2020			
Cash and cash equivalents	1,145	92,939	94,084
Trade and other receivables	–	20,257	20,257
Trade and other payables	–	(3,297,440)	(3,297,440)
Net exposure	1,145	(3,184,244)	(3,183,099)

Sensitivity analysis - Foreign currency risk

1 analysis assumes that all other variables, in particular interest rates, remain constant and does not take into account the associated tax effects.

	2021		2020	
	← Increase/ (Decrease) →			
The Group	**Loss before tax $**	**Equity $**	Loss before tax $	Equity $
USD	**(247,601)**	**247,601**	(57)	57

A 5% (2020 - 5%) weakening of the above currencies against the functional currencies of the Group entities at the reporting date would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

27 **Financial risk management (Cont'd)**

Foreign currency risk (Cont'd)

Sensitivity analysis - Foreign currency risk (Cont'd)

The Company	2021 Increase/ (Decrease) Loss before tax $	2021 Equity $	2020 Loss before tax $	2020 Equity $
USD	**(200,404)**	**200,404**	(57)	57

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group updates cashflow projections on a regular basis and closely monitors the crypto asset market on a daily basis. Accordingly, the Group's controls over expenditure are carefully managed, in order to maintain its cash reserves.

The table below analyses the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flow, including estimated interest payments.

The Group		Contractual undiscounted cash flows			
	Carrying amount	Total	Less than 1 year	Between 2 and 5 years	Over 5 years
2021	**$**	**$**	**$**	**$**	**$**
Trade and other payables	**2,582,002**	**2,582,002**	**2,582,002**	**–**	**–**
Loans from shareholders	**3,403,400**	**3,403,400**	**3,403,400**	**–**	**–**
	5,985,402	**5,985,402**	**5,985,402**	**–**	**–**
2020					
Trade and other payables	2,567,615	2,567,615	2,567,615	–	–
Lease liabilities	74,630	75,662	37,615	38,047	–
Loans from shareholders	1,200,000	1,200,000	500,000	700,000	–
	3,842,245	3,843,277	3,105,230	738,047	–

The Company		Contractual undiscounted cash flows			
	Carrying amount	Total	Less than 1 year	Between 2 and 5 years	Over 5 years
2021	**$**	**$**	**$**	**$**	**$**
Trade and other payables	**3,363,657**	**3,363,657**	**3,363,657**	**–**	**–**
Loans from shareholders	**3,403,400**	**3,403,400**	**3,403,400**	**–**	**–**
	6,767,057	**6,767,057**	**6,767,057**	**–**	**–**
2020					
Trade and other payables	3,297,440	3,297,440	3,297,440	–	–
Loans from shareholders	1,200,000	1,200,000	500,000	700,000	–
	4,497,440	4,497,440	3,797,440	700,000	–

27 Financial risk management (Cont'd)

Technology leakage risk

The Group's key competitive advantage lies in its blockchain-related technology IP and trade secrets. Should its IP and trade secrets be compromised, the Group could face risks in its ability to remain competitive and execute its strategy.

Technology leakage risks are mitigated by controls of information, ability to defend against intrusion into the Group's technology infrastructure, IP protection and prevention of leakage of sensitive data.

Risks related to source of funds and anti-money laundering

Crypto assets are exchangeable directly between parties through decentralized networks that allow anonymous transactions; such transactions create complex technical challenges with respect to issues such as identification of parties involved and asset ownership. The Group complies with the relevant rules and regulations in each jurisdiction it operates.

28 Fair value measurement

Definition of fair value

FRSs define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of variable rate bank loans approximate their fair values.

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

(b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(c) Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

28 Fair value measurement (Cont'd)

Fair value hierarchy (Cont'd)

	Note	Level 1 $	Level 2 $	Level 3 $	Total $
2021					
Non-financial assets					
Crypto assets	4	**5,453,379**	**–**	**–**	**5,453,379**
Loan in crypto assets to third party	9	**54,068**	**–**	**–**	**54,068**
Non-financial liabilities					
Advances from customers in crypto assets	15	**667,027**	**–**	**–**	**667,027**
Short-term advances in crypto assets	15	**2,009,158**	**–**	**–**	**2,009,158**
2020					
Non-financial assets					
Crypto assets	4	–	–	–	–
Loan in crypto assets to third party	9	–	–	–	–
Non-financial liabilities					
Advances from customers in crypto assets	15	–	–	–	–
Short-term advances in crypto assets	15	–	–	–	–

Lease liabilities

The carrying amounts of finance leases approximate their fair values as they bear interest at rates which approximate the current incremental borrowing rate for similar types of leasing arrangements.

Fair value measurement of other financial instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables (excluding advance payment to suppliers, prepaid income tax and prepayments), cash and bank balances, trade and other payables (excluding goods and services tax payable), and borrowings) approximate their fair values because of the short period to maturity.

28 Fair value measurement (Cont'd)

28.1 Fair value measurement of non-financial assets

The following table shows the Group's valuation technique used in measuring the fair value of the non-financial instruments, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Property, plant and equipment	Direct comparison approach Cost approach	Adjustment factor Price trend indexes Obsolescence factor	The estimated fair value would increase/ (decrease) if: - Adjustment factor was favourable/ (not favourable) - Price trend indexes were higher (lower) - Obsolescence factor was lower (higher)
Right-of-use assets	Direct comparison approach Discounted cash flow method	Adjustment factor Incremental borrowing rate	The estimated fair value would increase (decrease) if: - Adjustment factor was favourable/ (not favourable) - Incremental borrowing rate was lower (higher)
Crypto assets	The crypto asset is quoted in unit of United States dollar ("USD") on the CoinMarketCap Price of the crypto assets at level 1 fair value is referenced to quoted price on CoinMarketCap.	Quoted price of crypto assets on CoinMarketCap	Changes in price of crypto assets quoted on CoinMarketCap would change the price of these digital assets measured at level 1 fair value proportionately.

28 Fair value measurement (Cont'd)

28.2 Financial assets and financial liabilities subject to offsetting and enforceable master netting arrangements

The Company regularly pays expenses on behalf of the subsidiaries and the Company sells parts and machineries to its subsidiaries. Both parties have an arrangement to settle the intercompany balances due to or from each other on a net basis.

The amounts of due to and from holding company that are off-set are as follows:

	Gross carrying amounts $	Gross amounts offset in the statement of financial position $	Net amounts in the statement of financial position $
2021			
Amounts due from subsidiaries	**2,943,317**	**–**	**2,943,317**
Amounts due to subsidiaries	**(1,647,744)**	**–**	**(1,647,744)**
2020			
Amounts due from subsidiaries	1,928,052	–	1,928,052
Amounts due to subsidiaries	(1,514,346)	–	(1,514,346)

29 Operating segments

For management reporting purposes, the Group is organised into the following reportable operating segments which are the Group's strategic business units as follows:

(1) Mechanical and electrical services segment relates to provision of solutions and services in fire protection systems, plumbing and sanitary systems, and heating, ventilation and air-conditioning systems. Our customers include main contractors, property developers, luxury hotels, statutory boards, listed companies and government bodies;

(2) Management services segment relates to provision of contract work management and fulfilment services;

(3) Blockchain technology services relate to:

(i) Blockchain agency and consulting services which relate to sales agency services to blockchain companies in respect of their blockchain-related products and services, software development outsource agency services to blockchain companies in respect of their software development projects, consultancy services to blockchain companies in respect of the strategy, sales and marketing, technology and operation of their blockchain-related businesses, products and services and commercialisation of blockchain-related products which are conducted by OIO Singapore Pte Ltd; and

(ii) Staking services relate to provision of digital wallets and staking services to retail customers as well as research and development services to enterprise customers in relation to their staking and decentralised finance businesses, which are conducted by Moonstake Pte Ltd and Moonstake Limited acquired by the Group on 31 May 2021; and

29 Operating segments (Cont'd)

(4) Turnkey contracting services segment relates to provision of one-stop solutions and services for the entire span of a construction project from planning and design, coordination and supervision and implementation. Turnkey consulting services were liquidated in September 2021.

The chief operating decision-maker monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the chief operating decision-maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Intersegment pricing is determined on an arm's length basis.

The Group	**Mechanical and electrical engineering services**	**Management services**	**Blockchain technology services**	**Unallocated**	**Total**
2021	**$**	**$**	**$**	**$**	**$**
Revenue	459,832	–	4,561,702	–	5,021,534
Segment results	224,979	29,404	624,861	(1,897,682)	(1,018,438)
Profit/ (Loss) before tax	219,592	29,404	624,861	(1,897,682)	(1,023,825)
Segment assets	129,950	–	15,136,510	4,479,726	19,746,186
Segment liabilities	850,762	8,696	4,314,794	5,119,312	10,293,564
Other information					
Finance costs	(5,387)	–	–	–	(5,387)
Realised foreign exchange (loss)/ gain, net	–	–	(745)	(29,336)	(30,081)
Unrealised foreign exchange gain/ (loss), net	–	–	1,309	(7,464)	(6,155)
Amortisation of software development	–	–	(124,344)	–	(124,344)
Purchase of property, plant and equipment	–	–	(2,525)	(3,903)	(6,428)
Depreciation of right-of-use assets	(39,468)	–	–	–	(39,468)
Depreciation of property, plant and equipment	(25,948)	–	(842)	(1,960)	(28,750)
Reversal of impairment loss on trade receivables	47,000	–	–	–	47,000
Reversal of impairment loss on other receivables	–	40,000	–	–	40,000
Gain on disposal of right-of-use assets	28,618	–	–	–	28,618
Impairment loss on crypto assets	–	–	(871,222)	–	(871,222)
Loss on disposal of crypto assets	–	–	(629,919)	–	(629,919)
Other receivables written off	(642)	–	–	–	(642)

29 Operating segments (Cont'd)

2020	Mechanical and electrical services $	Turnkey contracting Services* $	Management services $	Blockchain agency and consulting services $	Unallocated $	Total $
Revenue	121,019	–	–	1,346,541	–	1,467,560
Segment results	(93,514)	441,461	(412,628)	487,391	(1,465,969)	(1,043,259)
Loss before tax	(152,243)	441,461	(412,628)	487,391	(1,465,969)	(1,101,988)
Segment assets	390,501	–	126,489	–	117,535	634,525
Segment liabilities	1,468,893	–	4,000	2,000	2,983,092	4,457,985
Other information						
Finance costs	(58,729)	–	–	–	–	(58,729)
Exchange gain/ (loss)	84	30	–	–	(11)	103
Purchase of property, plant and equipment	–	–	–	–	(5,515)	(5,515)
Gain on disposal for liquidation	–	474,716	–	–	–	474,716
Depreciation of right-of-use assets	(61,898)	–	–	–	–	(61,898)
Depreciation of property, plant and equipment	(53,420)	–	–	–	(926)	(54,346)
Impairment loss on property, plant and equipment	(5,700)	–	–	–	–	(5,700)
Reversal of impairment loss on right-of-use assets	54,320	–	–	–	–	54,320
Reversal of impairment loss on trade and other receivables, net	12,919	–	–	–	–	12,919
Reversal of impairment loss on property, plant and equipment	120,583	–	–	–	–	120,583
Loss on disposal of property, plant and equipment	(27,086)	–	–	–	–	(27,086)
Loss on disposal of right-of-use assets	(49,393)	–	–	–	–	(49,393)

* Disclosure on discontinued operation was not presented as the impact of the discontinued operation on the group financial statements is not material.

29 Operating segments (Cont'd)

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

	2021	2020
	$'000	$'000
Revenue		
Total revenue for reportable segments	**5,021,534**	1,467,560
Consolidated revenue	**5,021,534**	1,467,560

	2021	2020
	$	$
Profit or loss		
Total profit/ (loss) for reportable segments from operations	**873,857**	363,981
Government grant	**46,925**	74,086
Foreign exchange loss, net	**(36,799)**	(11)
Other income	**62,294**	2,061
Selling and distribution expenses	**3,854**	(201,963)
Depreciation of property, plant and equipment	**(1,960)**	(926)
Impairment loss on other receivables	**–**	(22,001)
Other administrative expenses	**(1,971,996)**	(1,317,215)
Consolidated loss before tax	**(1,023,825)**	(1,101,988)

	2021	2020
Segment assets	**$**	$
Total assets for reportable segments	**15,266,460**	516,990
Property, plant and equipment	**5,141**	3,198
Trade and other receivables	**35,440**	20,253
Cash and bank balances	**4,439,145**	94,084
Consolidated total assets	**19,746,186**	634,525

	2021	2020
Segment liabilities	**$**	$
Total liabilities for reportable segments	**5,174,252**	1,474,893
Trade and other payables	**1,715,912**	1,783,092
Loans from shareholders	**3,403,400**	1,200,000
Consolidated total liabilities	**10,293,564**	4,457,985

Unallocated costs are related to OIO Holdings Limited.

29 Operating segments (Cont'd)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Singapore $	Others $	Total $
2021			
Revenue	**1,732,884**	**3,288,650**	**5,021,534**
Non-current assets	**8,828,024**	**4,729,939**	**13,557,963**
2020			
Revenue	1,467,560	–	1,467,560
Non-current assets	184,527	–	184,527

Information about major customers

During the financial year ended 31 December 2021, sales to 5 (2020 - 1) customers accounted for more than 83% (2020: 68%) of the Group's total revenue from non-staking services.

30 Capital management

The Group's objectives when managing capital are:

(a) To safeguard the Group's ability to continue as a going concern;

(b) To support the Group's stability and growth;

(c) To provide capital for the purpose of strengthening the Group's risk management capability; and

(d) To provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital management and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Group currently does not adopt any formal dividend policy.

The Group is not subject to externally imposed capital requirements.

The Group monitors capital using Gearing Ratio, which is calculated using total liabilities divided by total equity.

The Group	**2021 $**	2020 $
Total liabilities (A)	**10,293,564**	4,457,985
Total equity (B)	**9,452,622**	(3,823,460)
Gearing ratio (A)/(B)	**1.09**	#

\# Not presented as the Group has a deficit in equity.

31 Share options

Employee Share Option Scheme (the "ESOS")

The Company has adopted the Employee Share Option Scheme (the "ESOS") on 19 June 2018 prior to its listing on the Catalist board of the SGX–ST. The ESOS shall be administered by the RC. The purpose of the ESOS is to provide an opportunity for full–time employees of the Group and Directors (excluding Independent Directors) who have met performance targets (the "Selected Person") to participate in the equity of the Company (in addition to cash bonuses) so as to motivate them towards greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. The ESOS, which forms an integral and important component of a compensation plan, is designed to primarily reward and retain employees whose services are vital to the success of the Group. Provided always that the aggregate number of the shares arising from ESOS shall not exceed 15% of the total number of issued Shares of the Company from time to time, the Selected Person would receive the same benefit from a contingent award under the scheme ("Award") in respect of fewer shares as they would receive if share options were granted instead of a larger number of shares. The ESOS would therefore allow the Company to provide the incentive to employees while reducing the dilutive effect on shareholders.

Under the rules of the ESOS, the options that are granted may have exercise prices that are, at the RC's discretion, set at the price ("Market Price") equal to the average of the last dealt prices for the Company's ordinary shares ("Shares") on the Catalist for the five consecutive trading days immediately preceding the relevant date of grant of the relevant option, or (provided that Shareholders' approval is obtained in a separate resolution) at a discount to the Market Price (subject to a maximum discount of 20% or such other percentage or amount as may be determined by the RC and as permitted by the SGX–ST).Options which are fixed at the Market Price may be exercisable at any time by the participant after the first anniversary of the date of grant of that option while options granted at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the Scheme will have a life span of ten (10) years. The options may be exercisable in whole or in part, on payment of the exercise price. Since its adoption till the date of this report, no option has been granted under the ESOS.

Performance Share Plan (the "PSP")

In addition to the ESOS, the Company has adopted the Performance Share Plan (the "PSP") on 19 June 2018 prior to its listing on the Catalist board of the SGX–ST. The PSP was implemented to complement the ESOS and to increase the Company's flexibility and effectiveness in its continuing eff orts to reward, retain and motivate employees to promote higher performance, goals and recognise exceptional performance. The purpose of adopting the PSP is to give the Company greater flexibility to align the interests of employees, especially key executives, with the interests of Shareholders. The PSP is managed by the RC. The awards granted under the PSP allow a participant to receive fully-paid Shares free of consideration upon achieving the performance target(s) prescribed by the RC at its absolute discretion. The selection of a participant and the number of Shares which are the subject of each award granted to a participant in accordance with the PSP shall be determined at the absolute discretion of the RC. RC plans to exercise this discretion judiciously, taking into account criteria such as his rank, job performance, years of service and potential for further development, his contribution to the success and development of the Company and the extent of effort required to achieve the performance target within the performance period. No shares were issued under the PSP plan from the agreement date to 31 December 2021.

31 Share options (Cont'd)

At the end of the financial year, details of the performance shares granted under the PSP to the following employees of the Company are as below:-

Name	Number of shares	Date of Performance shares granted	Performance shares vested	Performance shares outstanding as at 31 December 2021 (4) (5)
Taku Edatsune (1) (Head of Finance and Administration)	186,415	1 April 2021	–	186,415
Yusaku Mishima (2) (Executive Director)	186,415	7 April 2021	–	186,415
An employee of the Company who is not related to any director and controlling shareholder (and each of their associates) (3)	79,121	31 December 2021	–	79,121

Notes:

(1) The Company has allotted and issued 186,415 new ordinary shares to Mr Taku Edatsune on 1 April 2022.

(2) The Company has allotted and issued 186,415 new ordinary shares to Mr Yusaku Mishima on 7 April 2022.

(3) The vesting date of the awards is 31 December 2022.

(4) On 31 January 2022, the Company announced total awards of 73,470 shares to an employee of the Company who is not related to any director and controlling shareholder (and each of their associates) under the performance share plan; the vesting date of the awards is 31 January 2023.

(5) On 31 March 2022, the Company announced total awards of 138,272 shares to Mr Yusaku Mishima (Executive Director) under the performance share plan; 49,383 shares will vest on 31 December 2022 and 88,889 shares will vest on 31 March 2023.

32 Events after the reporting period

On 21 February 2022, the Company applied for creditors' voluntary liquidation for Acmes-Kings Corporation Pte. Ltd.

On 1 April 2022 and 7 April 2022, the Company allotted and issued 186,415 ordinary shares and 186,415 ordinary shares respectively under the Performance Share Plan (PSP).

The Company entered into an agreement with NVPL on 24 March 2022 to extend the repayment date of the interest free loans of (i) S$400,000 and (ii) US$2,000,000 (S$2,703,400) respectively to after 15 April 2023.

STATISTICS OF SHAREHOLDINGS

As At 25 March 2022

SHARE CAPITAL INFORMATION

Issued and fully paid-up capital	:	$23,830,385
Number of Shares	:	186,849,739
Class of shares	:	Ordinary Shares
Voting rights	:	One vote per share

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information available to the Company as at 25 March 2022, approximately 24.61% of the issued Ordinary Shares of the Company is being held by the public and therefore, Rule 723 of Section B: Rules of Catalist of the SGX-ST Listing Manual (the "Catalist Rules") has been complied with.

SUBSTANTIAL SHAREHOLDERS AS AT 25 MARCH 2022

	Direct Interest	%	Deemed Interest	%
North Ventures Pte. Ltd. (f.k.a. QRC Pte Ltd)	77,670,840	41.57	–	–
Enomoto Hiroyuki	–	–	77,670,840	41.57
Mitsuru Tezuka	40,348,314	21.59	–	–
Fan Chee Seng	22,840,960	12.22	–	–

Notes:

Pursuant to Section 4 of the Securities and Futures Act (Cap 289), Enomoto Hiroyuki is treated as having interest in the shares in the Company held by North Ventures Pte. Ltd. (f.k.a. QRC Pte Ltd) for 77,670,840 ordinary shares.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 25 MARCH 2022

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	28	4.75	14,200	0.01
1,001 - 10,000	262	44.48	1,942,000	1.04
10,001 - 1,000,000	290	49.24	19,021,090	10.18
1,000,001 and above	9	1.53	165,872,449	88.77
TOTAL	**589**	**100.00**	**186,849,739**	**100.00**

STATISTICS OF SHAREHOLDINGS

As At 25 March 2022

TWENTY LARGEST SHAREHOLDERS AS AT 25 MARCH 2022

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	NORTH VENTURES PTE LTD	77,670,840	41.57
2	IFAST FINANCIAL PTE LTD	47,474,757	25.41
3	FAN CHEE SENG	22,840,960	12.22
4	AKIHITO KAWAMURA	8,219,101	4.40
5	FINANCIAL CREATIVE CONSULTING LIMITED	3,735,955	2.00
6	WONG YAI MOW	2,000,000	1.07
7	PHILLIP SECURITIES PTE LTD	1,655,200	0.89
8	DBS NOMINEES PTE LTD	1,144,400	0.61
9	BEST AMENITY CO., LTD.	1,131,236	0.61
10	LIM AND TAN SECURITIES PTE LTD	865,800	0.46
11	UOB KAY HIAN PTE LTD	690,000	0.37
12	NOBORU OHSHIMA	679,258	0.36
13	ARASHI MASUDA	565,618	0.30
14	TAN BUCK LIANG	548,600	0.29
15	YEO SENG BUCK	500,000	0.27
16	TADAKI NAGAMURA	495,884	0.27
17	TATSUYA KIMURA	495,884	0.27
18	TIGER BROKERS (SINGAPORE) PTE. LTD.	472,400	0.25
19	RAFFLES NOMINEES (PTE) LIMITED	440,300	0.24
20	YEUNG SHUN YUN	379,600	0.20
	Total:	**172,005,793**	**92.06**

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Tee Hian Chong, the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2022 (“**AGM**”) (the “**Retiring Director**”).

Pursuant to Rule 720(5) of the Rules of Catalist, the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Listing Manual of the SGX-ST:

Date of Appointment	12 December 2019
Date of last re-appointment	26 June 2020
Age	46
Country of principal residence	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“**NC**”) and has reviewed and considered the qualification, work experience and suitability of Mr Tee Hian Chong for re-appointment as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Tee Hian Chong possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director as well as a Member of the Audit Committee, Remuneration Committee and Nominating Committee.
Professional qualifications	Mr Tee Hian Chong obtained a Bachelor of Business Administration from Monash University (Australia).
Working experience and occupation(s) during the past 10 years	1) Singapore Workforce Development Agency (WDA) (2008 – 2013) – Senior Manager 2) Eightyeight Solutions Pte Ltd (2013 – Present) – Managing Director
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships#	Nil
Past (for the last 5 years)	None
Present	• Eightyeight Solutions Pte Ltd • Eightyeight Consultancy Pte Ltd

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
c)	Whether there is any unsatisfied judgment against him?	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Yusaku Mishima, the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2022 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(5) of the Rules of Catalist, the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Listing Manual of the SGX-ST:

Date of Appointment	12 December 2019
Date of last re-appointment	26 June 2020
Age	34
Country of principal residence	Japan
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experience and suitability of Mr Yusaku Mishima for re-appointment as Executive Director of the Company. The Board have reviewed and concluded that Mr Yusaku Mishima possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director
Professional qualifications	In 2006, Mr Yusaku Mishima obtained the International Baccalaureate from United World College of the Adriatic and in 2009, he graduated with a Bachelor of Science in Biochemistry with minor in Economics from McGill University.
Working experience and occupation(s) during the past 10 years	● Embassy of Japan in Kingdom of Bahrain (2010 - 2012) - Administrative Officer ● Daiichi Seiko Co., Ltd. (2013 - 2014) - Marketing Officer ● Backoffice Co., Ltd. (2015 - 2018) - Senior Consultant ● QRC JP Co., Ltd. (2018 - 2020) - Chief Executive Officer ● QRC Pte Ltd (2018 - 2020) - Chief Executive Officer ● Infinity Blockchain Labs Limited (2019 - 2020) - Chief Executive Officer ● OIO Holdings Limited (2019 - 2021) - Non Independent Non Executive Director ● QRC JP Co., Ltd. (2020 - 2021) - IT Consultant
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 186,415
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	Nil 1) QRC JP Co., Ltd. 2) QRC Pte Ltd 3) Infinity Blockchain Labs Limited Nil

a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
c)	Whether there is any unsatisfied judgment against him?	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No

h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).		N.A.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Chong Kah Nam, the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2022 (“**AGM**”) (the “**Retiring Director**”).

Pursuant to Rule 720(5) of the Rules of Catalist, the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Listing Manual of the SGX-ST:

Date of Appointment	18 February 2022
Date of last re-appointment	Not Applicable
Age	62
Country of principal residence	Malaysia
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors had accepted the recommendation of the Nominating Committee who had reviewed Mr Chong Kah Nam’s qualifications and working experiences and approved his appointment as Independent Non-executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, Chairman of Audit Committee as well as Member of Remuneration Committee and Nominating Committee.
Professional qualifications	• 1980 to 1984 - Graduated from University of East London, UK with a Bachelor of Arts in Business Studies (Honours). • 1984 to 1985 - Graduated from University of Miami, USA with a Master of Business Administration.
Working experience and occupation(s) during the past 10 years	2009 to 2020 - Senior Executive Officer and Executive Director of First Eastern Capital Ltd. 2009 to 2020 - Vice president of FEIB Holdings Limited. 2014 to 2020 - Non-Executive Director of Siam Select Fund Ltd. 2005 to 2009 - Investment Manager of Al Mojil Investment Ltd. 2004 to 2005 - Investment Manager & investment committee member of MCIS Zurich Insurance Berhad, Malaysia 2003 to 2004 - Investor of TNM Worldwide Sdn Bhd. 1991 to 2002 - Portfolio manager, strategist and FX trader of Al-Mojil International Investment.
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	Nil • First Eastern Capital Ltd, DIFC, Dubai, UAE • Siam Select Fund Ltd, Cayman Islands Nil

a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No For full disclosure, First Eastern Capital Limited (DIFC, Dubai) was placed under a voluntary liquidation on 26 March 2020and was dissolved on 18 November 2020. The decision was made voluntarily by the 100% owned parent company.
c)	Whether there is any unsatisfied judgment against him?	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held by way of electronic means on Friday, 29 April 2022 at 2.30 p.m. to transact the following businesses:-

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2021 and the Auditors' Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' Fees of S$250,000 for the financial year ending 31 December 2022 (2021: S$230,000) to be paid monthly in arrears. **(Resolution 2)**

3. To re-elect the following Directors retiring pursuant to Regulation 104 of the Company's Constitution:-

   (a) Mr Tee Hian Chong **(Resolution 3)**

   (b) Mr Yusaku Mishima **(Resolution 4)**

   (See Explanatory Note 1)

4. To re-elect Mr Chong Kah Nam, a Director retiring pursuant to Regulation 114 of the Company's Constitution. **(Resolution 5)**

   (See Explanatory Note 1)

5. To re-appoint Messrs Foo Kon Tan LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, the following Ordinary Resolutions, with or without modifications:

6. **AUTHORITY TO ALLOT AND ISSUE SHARES** **(Resolution 7)**

   "THAT pursuant to Section 161 of the Companies Act and subject to Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), authority be and is hereby given to the Directors of the Company to issue and allot new ordinary shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise) and/or make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS that:

   (1) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company are not given the opportunity to participate in the same on a pro-rata basis, then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time such authority was conferred, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) new Shares arising from exercising share options or vesting share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8; and

(c) any subsequent bonus issues, consolidation or subdivision of Shares;

Any adjustments made in accordance with sub-paragraphs (2)(a) or (2)(b) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution of the Company for the time being; and

(4) such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note 2]

7. **AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE OIO EMPLOYEE SHARE OPTION SCHEME** **(Resolution 8)**

"THAT pursuant to Section 161 of the Companies Act, approval be and is hereby given to the Directors of the Company to allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be issued pursuant to the exercise of options granted in accordance with the provisions of the OIO Employee Share Option Scheme (the "**ESOS**"), provided always that the aggregate number of the ESOS Shares shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note 3]

8. **AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE OIO PERFORMANCE SHARE PLAN** **(Resolution 9)**

"That pursuant to Section 161 of the Companies Act, approval be and is hereby given to the Directors of the Company to allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be issued pursuant to the vesting of awards under the OIO Performance Share Plan (the "**PSP**"), provided always that the aggregate number of additional new Shares to be allotted and issued pursuant to the PSP and other share scheme(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note 4]

9. **OTHER BUSINESS**

To transact any other ordinary business that may be properly transacted at an AGM of the Company.

BY ORDER OF THE BOARD

Pan Mi Keay
Company Secretary
14 April 2022

Explanatory Notes:-

1. Mr Tee Hian Chong (Independent Non-Executive Director) will, upon re-election as Director of the Company, remain as a member of the Audit Committee and Nominating Committee as well as Remuneration Committee and he will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist of the SGX-ST.

   Mr Yusaku Mishima will, upon re-election as Director, remain as Executive Director of the Company.

   Mr Chong Kah Nam (Independent Non-Executive Director) will, upon re-election as Director of the Company, continue to serve as the Chairman of the Audit Committee and a member of Nominating Committee as well as Remuneration Committee and he will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist of the SGX-ST.

   Detailed information of Mr Tee Hian Chong, Mr Yusaku Mishima and Mr Chong Kah Nam can be found under the "Board of Directors" and "Disclosures of information on seeking re-election pursuant to Rule 720(5) of the Catalist Rules" sections in the Company's Annual Report 2021.

2. Ordinary Resolution 7, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM, to allot and issue Shares and/or Instruments (as defined above). The aggregate number of new Shares (including Shares to be issued in pursuance of Instruments made or granted) which the Directors may issue under this Resolution shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of this Resolution. For issue of Shares and convertible securities other than on a pro-rata basis, the aggregate number of Shares and convertible securities to be issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of this Resolution. This authority will, unless revoked or varied at a general meeting, expire on the date of the next AGM of the Company or on the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

NOTICE OF ANNUAL GENERAL MEETING

3. Ordinary Resolution 8, if passed, will empower the Directors of the Company to allot and issue new Shares pursuant ESOS provided that the aggregate number of new Shares to be allotted and issued pursuant to the ESOS and other share-based incentive scheme(s) or plan(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

4. Ordinary Resolution 9, if passed, will empower the Directors of the Company to allot and issue new Shares pursuant to PSP, provided that the aggregate number of new Shares to be allotted and issued pursuant to the PSP and other share scheme(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

Notes:-

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2021. Printed copies of this notice of AGM (the "Notice") will not be sent to members. This Notice will be published via an announcement on the SGX website at the URL https://www.sgx.com/securities/companyannouncements and may be accessed at the Company's website at the URL https://www.oio.sg.

2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions related to the resolutions to be tabled for approval at the AGM and if necessary, any subsequent clarifications sought, or follow-up questions in respect of such questions at or prior to the AGM, and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the Company's announcement accompanying this Notice dated 14 April 2022. This announcement may be accessed at the Company's website at the URL https://www.oio.sg, and on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. Due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19, members will not be able to attend the AGM in person. A member (whether individual or corporate) must submit his/her/its proxy form appointing the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The accompanying proxy form for the AGM will not be sent out physically but will be announced together with this Notice and may be accessed at the Company's website at the URL https://www.oio.sg, and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

   Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

   CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the AGM, **latest by 20 April 2022 at 2.30 p.m.**

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (i) if sent personally or by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #11-02, Singapore 068898; or

   (ii) if by email, be received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com,

   in either case, **by 2.30 p.m. on 26 April 2022** (being 72 hours before the time fixed for the AGM), and in default the instrument of proxy shall not be treated as valid.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

6. Physical Annual Report 2021 will not be sent out and may be accessed at the Company's website at the URL https://www.oio.sg and on the SGX website at the URL https://www.sgx.com/securities/annual-reports-related-documents.

7. Members will not be able to ask questions during the live audio-visual webcast or audio-only stream of the AGM. Members who wish to ask questions relating to the resolutions to be tabled at the AGM must pre-register and submit their questions in advance of the AGM.

8. Questions must be submitted to the Company in the following manner **by 2:30 p.m. on 21 April 2022**:

   (i) via the pre-registration website at the URL http://oholdings.availeasemgdwebinar.com;

   (ii) in hard copy by sending personally or by post and lodging the same at the Company's principal place of business at 140, Paya Lebar Road, #08-07, AZ @ Paya Lebar, Singapore 409015; or

   (iii) via the following email address at investor.relations@oio.sg, with your full name, number of shares held and manner in which you hold shares (via CDP or SRS).

   When sending questions, members should also provide their full name as it appears on the CDP/CPF/ SRS records, address, contact number, email address, number of shares in the Company and the manner in which the shares are held in the Company (e.g. via CDP, CPF or SRS) for verification.

   Printed copy of the question form will not be sent to members. A member who wishes to submit the question form can download, complete and sign the questions form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for shareholders to submit completed questions forms by post, shareholders are strongly encouraged to submit completed questions forms electronically via email.

9. The Management and the Board of Directors of the Company will address all substantial and relevant questions **by 2:30 p.m. on 24 April 2022** received from members by publishing the responses to those questions on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL https://www.oio.sg. Where substantial and relevant questions submitted by members are unable to be addressed prior to the AGM, the Company will address them during the AGM through the live audio-visual webcast and live audio-only stream.

   Minutes of the AGM to be held on 29 April 2022 will be published on the SGXNet and also at the Company's corporate website within one (1) month after the AGM date.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, takeover rules, regulations and/or guidelines.

QUESTIONS FORM

OIO HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Registration No. 201726076W)

QUESTIONS FORM
ANNUAL GENERAL MEETING

Event : Annual General Meeting ("**AGM**")
Date : Friday, 29 April 2022
Time : 2:30 p.m. Singapore time

Please note that shareholders will not be able to ask questions during the live audio-visual webcast or live audio-only stream of the AGM. As such, shareholders who wish to ask questions related to the resolutions to be tabled at the AGM are to complete and submit this questions form. Please complete all fields below. We regret to inform that any incomplete or incorrectly completed forms will not be processed. Please read the notes overleaf which contain instructions on, inter alia, the submission of questions ahead of the AGM and the timeframe for submission of questions.

Full Name (as per CDP / CPF / SRS / Scrip-based / DA records)	
NRIC / Passport No. / Company Registration No.	
Shareholding Type*	CDP Direct Account Holder / CPF / SRS Investment Account Holder / Physical Scrip Holder / Holder through Depository Agent

**Delete as applicable*

Questions for the Board of Directors and Management:

Note: Questions should be related to the resolutions to be tabled at the AGM. Please include additional pages as necessary.

Question 1 In relation to Resolution No. __________ of AGM

Question 2 In relation to Resolution No. __________ of AGM

Dated this ________ day of ____________________ 2022

____
Signature(s) of member(s) or
Common Seal of Corporate Shareholder

Notes:

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2021. Printed copies of this notice of AGM (the "Notice") will not be sent to members. This Notice will be published via an announcement on the SGX website at the URL https://www.sgx.com/securities/companyannouncements and may be accessed at the Company's website at the URL https://www.oio.sg

2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions related to the resolutions to be tabled for approval at the AGM and if necessary, any subsequent clarifications sought, or follow-up questions in respect of such questions at or prior to the AGM, and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the Company's announcement accompanying this Notice dated 14 April 2022. This announcement may be accessed at the Company's website at the URL https://www.oio.sg, and on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. Members will not be able to ask questions during the live audio-visual webcast or audio-only stream of the AGM. Members who wish to ask questions relating to the resolutions to be tabled at the AGM must pre-register and submit their questions in advance of the AGM.

4. Questions must be submitted to the Company in the following manner **by 2:30 p.m. on 21 April 2022**:

   (i) via the pre-registration website at the URL http://oholdings.availeasemgdwebinar.com;

   (ii) in hard copy by sending personally or by post and lodging the same at the Company's principal place of business at 140, Paya Lebar Road, #08-07, AZ @ Paya Lebar, Singapore 409015; or

   (iii) via the following email address at investor.relations@oio.sg, with your full name, number of shares held and manner in which you hold shares (via CDP or SRS).

   A member who wishes to submit the question form can download, complete and sign the questions form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for shareholders to submit completed questions forms by post, shareholders are strongly encouraged to submit completed questions forms electronically via email.

5. The Management and the Board of Directors (the "Board") of OIO Holdings Limited (the "Company") will address all substantial and relevant questions **by 2.30 p.m. on 24 April 2022** received from shareholders by publishing the responses to those questions at the Company's website at the URL https://www.oio.sg and on the SGX website at the URL https://www.sgx.com/securities/company-announcements before the deadline to submit the proxy forms. Where substantial and relevant questions are submitted by members after the deadline to submit the proxy forms, the Company will publish the responses to those questions on SGXNET at the URL and the Company's website at the URL https://www.oio.sg after the AGM.

6. By completing and submitting this questions form, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of processing, administration, analysis and facilitation by the Company (or its agents or service providers) of the member's participation at the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes (including questions and answers) and other documents relating to the AGM (including any adjournment thereof) and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

Fold along this line

Affix Postage Stamp Here

OIO HOLDINGS LIMITED
Company's Share Registrar
Tricor Barbinder Share Registration Services
80 Robinson Road
#11-02
Singapore 068898

Fold along this line

PROXY FORM

OIO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 201726076W)

IMPORTANT

1. The Annual General Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2021. Printed copies of the Notice of Annual General Meeting and Proxy Form will not be sent to members. The Notice of Annual General Meeting and Proxy Form will be published by electronic means via announcement on the SGX website at the URL https://www.sgx.com/securities/companyannouncements and may be accessed at the Company's website at the URL https://www.oio.sg.
2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the Annual General Meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions related to the resolutions to be tabled for approval at the AGM and if necessary, any subsequent clarifications sought, or follow-up questions in respect of such questions at or prior to the Annual General Meeting, and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting are set out in the Company's announcement accompanying the Notice of Annual General Meeting dated 14 April 2022. The aforesaid announcement may be accessed at the Company's website at the URL http://www.oio.sg, and on the SGX website at the URL https://www.sgx.com/securities/company-announcements.
3. Due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19, members will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.
4. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the AGM, latest by **20 April 2022 at 2.30 p.m.**
5. By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 April 2022.
6. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM as a member's proxy to vote on his/her/its behalf at the AGM.

I/We, ______________________________ (Name) ____________________ NRIC/Passport No.

of ____ (Address)
being a member/members of OIO Holdings Limited (the "Company") hereby appoint the Chairman of the AGM of the Company as *my/our *proxy to vote for *me/us on *my/our behalf at the AGM of the Company to be held by way of electronic means on Friday, 29 April 2022 at 2.30 p.m. and at any adjournment thereof in the following manner:

No.	Ordinary Resolutions	For**	Against**	Abstain**
1.	To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2021.			
2.	To approve the Directors' fees of S$250,000 for the financial year ending 31 December 2022 (2021: S$230,000) to be paid monthly in arrears.			
3.	To re-elect Mr Tee Hian Chong, a Director retiring pursuant to Regulation 104 of the Company's Constitution.			
4.	To re-elect Mr Yusaku Mishima, a Director retiring pursuant to Regulation 104 of the Company's Constitution.			
5.	To re-elect Mr Chong Kah Nam, a Director retiring pursuant to Regulation 114 of the Company's Constitution.			
6.	To re-appoint Foo Kon Tan LLP as auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act, 1967 of Singapore			
8.	To authorise the allotment and issuance of shares under the Employee Share Option Scheme.			
9.	To authorise the allotment and issuance of shares under the Performance Share Plan.			

* Delete as appropriate

** Voting will be conducted by poll. If you wish the Chairman of the AGM as your proxy to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes for or against in the "For" or "Against" box in respect of that resolution. If you wish the Chairman of the AGM as your proxy to abstain from voting on a resolution, please indicate with an "X" in the "Abstain from Voting" box provided in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the AGM as your proxy is directed to abstain from voting in the "Abstain From Voting" box in respect of that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

Dated this ________ day of __________________ 2022

Total number of Shares in	Number of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s) or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy (the "Proxy Form") will be deemed to relate to all the shares held by the member.

2. Due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19, members will not be able to attend the Annual General Meeting ("AGM") in person. A member (whether individual or corporate) must submit his/her/its Proxy Form appointing the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. The Proxy Form for the AGM will be announced together with the Notice of AGM and may be accessed at the Company's website at the URL https://www.oio.sg and the SGX website at the URL https://www.sgx.com/securities/companyannouncements.

   CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the AGM, latest **by 20 April 2022 at 2.30 p.m.**

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The Proxy Form must be submitted to the Company in the following manner:

   (i) if sent personally or by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #11-02, Singapore 068898; or

   (ii) if by email, be received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com,

   in either case, **by 2.30 p.m. on 26 April 2022** (being 72 hours before the time fixed for the AGM), and in default the instrument of proxy shall not be treated as valid.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.

6. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.

8. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form (or any related attachment) if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Fold along this line

Affix Postage Stamp Here

OIO HOLDINGS LIMITED
Company's Share Registrar
Tricor Barbinder Share Registration Services
80 Robinson Road
#11-02
Singapore 068898

Fold along this line

OIO Holdings Limited

Company Registration No. 201726076W

140 Paya Lebar Road
#08-07 AZ @ Paya Lebar
Singapore 409015

www.oio.holdings

cre8
Tel: (65) 63278398