

OIO HOLDINGS LIMITED

Company Registration No. 201726076W

Unaudited Condensed Interim Financial Statements

For the First Quarter Ended 31 March 2022

Background

OIO Holdings Limited (the “**Company**”) was incorporated in Singapore on 13 September 2017 under the Companies Act (Chapter 50) of Singapore as a company limited by shares under the name of “DLF Holdings Pte Ltd”. The Company was converted into a public company and changed its name to “DLF Holdings Limited” on 19 June 2018. The Company, its subsidiaries and (the “**Group**”) were formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) completed on 20 October 2017. On 25 July 2018, the Company was listed on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Following the approval at the Extraordinary General Meeting dated 26 June 2020, the Company has changed its name to “OIO Holdings Limited” on 2 July 2020 and diversified its business activities to include blockchain related business.

Pursuant to Rule 705(2C) of the SGX-ST Listing Manual (“**Catalist Rules**”), the Company is required by the SGX-ST to announce its quarterly financial statements in view of the material uncertainty related to going concern issued by the Company’s auditors in the latest audited financial statements for the financial year ended 31 December 2021.

OIO HOLDINGS LIMITED

<u>Table of Contents</u>	<u>Page</u>
A. Condensed interim consolidated income statement and other comprehensive income	3
B. Condensed interim statements of financial position (Group and Company)	4
C. Condensed interim consolidated statement of cash flows	5
D. Condensed interim Statements of changes in equity (Group and Company)	6
E. Notes to the condensed interim consolidated financial statements	7
F. Other information required by Appendix 7C of the Catalist Rules	23

OIO HOLDINGS LIMITED

INFORMATION REQUIRED FOR ANNOUNCEMENT OF FIRST QUARTER RESULTS

A. Condensed Interim Consolidated Income Statement and Other Comprehensive Income

		Group		
		3 months ended		
		31 March		
		1Q 2022	1Q 2021	Change
	Note	(Unaudited)	(Unaudited)	
		S\$	S\$	%
Revenue	4	1,292,479	288,525	348.0
Cost of sales		(395,899)	(173,799)	N.M
Gross profit		896,580	114,726	N.M
Other operating income		320,711	33,205	N.M
Selling and distribution expenses		(352,781)	(5,241)	N.M
Administrative expenses		(960,571)	(404,130)	N.M
Other operating expenses		(153,300)	-	N.M
Result from operation		(249,361)	(261,440)	(4.6)
Finance costs	6.2	-	(1,004)	N.M
Loss before taxation	6	(249,361)	(262,444)	(5.0)
Income tax expense	7	-	-	-
Loss for the financial period		(249,361)	(262,444)	(5.0)
Other comprehensive income				
<u>Items that may be reclassified to profit or loss in subsequent periods (net of tax)</u>				
Currency translation differences on consolidation of entities (net)		264	-	N.M
Total other comprehensive loss for the period		(249,097)	(262,444)	(5.1)
(Loss)/ profit attributable to:				
Owners of the Company		(252,900)	(262,588)	(3.7)
Non-Controlling interests ("NCI")		3,539	144	N.M
		(249,361)	(262,444)	(5.0)
Total comprehensive (loss)/ profit attributable to:				
Owners of the Company		(252,636)	(262,588)	(3.8)
Non-Controlling interests ("NCI")		3,539	144	N.M
		(249,097)	(262,444)	(5.1)

N.M denotes not meaningful

OIO HOLDINGS LIMITED

B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31 March 2022 (Unaudited) S\$	31 December 2021 (Audited) S\$	31 March 2022 (Unaudited) S\$	31 December 2021 (Audited) S\$
ASSETS					
Non-current assets					
Investment in subsidiaries	8	-	-	9,325,853	9,325,853
Intangible assets	9	13,564,153	13,550,097	-	-
Property, plant and equipment	10	11,112	7,866	7,867	5,141
Total non-current assets		13,575,265	13,557,963	9,333,720	9,330,994
Current assets					
Trade and other receivables		346,473	353,182	1,015,831	948,075
Cash and bank balances		4,186,040	5,835,041	3,026,234	4,439,145
Total current assets		4,532,513	6,188,223	4,042,065	5,387,220
Total assets		18,107,778	19,746,186	13,375,785	14,718,214
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	14.1	23,830,385	23,830,385	23,830,385	23,830,385
Reserves		(2,556,509)	(2,556,773)	-	-
Accumulated losses		(12,016,102)	(11,763,202)	(16,271,925)	(15,879,228)
Total equity attributable to owners of the Company		9,257,774	9,510,410	7,558,460	7,951,157
Non-controlling interests		(54,249)	(57,788)	-	-
Total equity		9,203,525	9,452,622	7,558,460	7,951,157
LIABILITIES					
Non-current liabilities					
Contract liabilities	11	288,640	370,505	-	-
Provision for contingent liability	12	232,799	250,684	-	-
Loans from shareholder	13	3,108,190	-	3,108,190	-
Total non-current liabilities		3,629,629	621,189	3,108,190	-
Current liabilities					
Trade and other payables		4,539,782	5,332,364	2,709,135	3,363,657
Contract liabilities	11	382,382	550,251	-	-
Loans from shareholder	13	-	3,403,400	-	3,403,400
Current tax liabilities		352,460	386,360	-	-
Total current liabilities		5,274,624	9,672,375	2,709,135	6,767,057
Total liabilities		8,904,253	10,293,564	5,817,325	6,767,057
Total equity and liabilities		18,107,778	19,746,186	13,375,785	14,718,214

OIO HOLDINGS LIMITED

C. Condensed Interim Consolidated Statement of Cash Flows

		Group	
		3 months ended	
		31 March	
		1Q 2022	1Q 2021
		(Unaudited)	(Unaudited)
Note		S\$	S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
	Loss before income tax	(249,361)	(262,444)
	Adjustments for:		
	Amortisation of software development	6.1 70,477	-
	Crypto assets received as revenue	(828,440)	-
	Crypto asset payments for expenses	107,707	-
	Depreciation of property, plant and equipment	6.1 1,257	10,114
	Depreciation of right-of-use assets	6.1 -	3,939
	Gain on liquidation of subsidiary ⁽¹⁾	6.1 (292,784)	-
	Impairment loss on crypto assets	6.1 102,684	-
	Interest on finance lease liabilities	6.1 -	1,004
	Loss on disposal of crypto assets	6.1 50,617	-
	Reversal of impairment loss on property, plant and equipment	-	(1,425)
	Reversal of impairment loss on other receivables	6.1 (20,000)	-
	Operating loss before working capital changes	(1,057,843)	(248,812)
	Change in contract liabilities	(251,102)	-
	Change in trade and other receivables	(31,294)	9,866
	Proceeds from disposal of crypto assets	679,850	-
	Change in trade and other payables	(452,399)	43,025
	Net cash used in operations	(1,112,788)	(195,921)
	Income tax paid	(33,900)	(36,000)
	Net cash used in operating activities	(1,146,688)	(231,921)
CASH FLOWS FROM INVESTING ACTIVITIES			
	Additions of software development costs	(203,010)	-
	Liquidation of subsidiary ⁽¹⁾	(6,272)	-
	Purchase of property, plant and equipment	6.1 (5,314)	(2,526)
	Repayment of loan from non-controlling interest's holding company	20,000	30,000
	Net cash (used in)/ generated from investing activities	(194,596)	27,474
CASH FLOWS FROM FINANCING ACTIVITIES			
	Interest paid on finance lease liabilities	-	(1,004)
	Proceeds from shareholder's loan	-	311,580
	Repayment of lease liabilities	-	(12,010) ⁽²⁾
	Repayment of loan from shareholder	(300,000)	-
	Net cash (used in)/ generated from financing activities	(300,000)	298,566
	Net (decrease)/ increase in cash and cash equivalents	(1,641,284)	94,119
	Cash and cash equivalents at beginning of financial period	5,835,041	338,369
	Effects of exchange rate changes on cash and cash equivalents	(7,717)	-
	Cash and cash equivalents at end of financial period	4,186,040	432,488

⁽¹⁾ On 21 February 2022, the Company applied for creditors' voluntary liquidation for Acmes-Kings Corporation Pte. Ltd. This subsidiary is consolidated until the date they cease to be a subsidiary of the Group. There is a gain of S\$292,784 recorded at Group level.

⁽²⁾ Finance lease liabilities were fully repaid in FY2021.

OIO HOLDINGS LIMITED

D. Condensed Interim Statements of Changes in Equity

Group	Share capital S\$	Other reserves S\$	Foreign currency reserves S\$	Accumulated losses S\$	Equity attributable to owners of the parent S\$	Non-controlling interests S\$	Total equity S\$
1Q 2022 (Unaudited)							
Balance as at 1 January 2022	23,830,385	(2,888,997)	332,224	(11,763,202)	9,510,410	(57,788)	9,452,622
Loss for the period	-	-	-	(252,900)	(252,900)	3,539	(249,361)
Foreign currency translation differences	-	-	264	-	264	-	264
Total comprehensive (loss)/profit for the period	-	-	264	(252,900)	(252,636)	3,539	(249,097)
Balance as at 31 March 2022	23,830,385	(2,888,997)	332,488	(12,016,102)	9,257,774	(54,249)	9,203,525
1Q 2021 (Unaudited)							
Balance as at 1 January 2021	9,499,017	(2,888,997)	267,733	(10,656,842)	(3,779,089)	(44,371)	(3,823,460)
Loss for the period	-	-	-	(262,588)	(262,588)	144	(262,444)
Total comprehensive (loss)/profit for the period	-	-	-	(262,588)	(262,588)	144	(262,444)
Balance as at 31 March 2021	9,499,017	(2,888,997)	267,733	(10,919,430)	(4,041,677)	(44,227)	(4,085,904)
Company							
1Q 2022 (Unaudited)							
Balance as at 1 January 2022	23,830,385	-	-	(15,879,228)	-	-	7,951,157
Loss for the period	-	-	-	(392,697)	-	-	(392,697)
Total comprehensive loss for the period	-	-	-	(392,697)	-	-	(392,697)
Balance as at 31 March 2022	23,830,385	-	-	(16,271,925)	-	-	7,558,460
1Q 2021 (Unaudited)							
Balance as at 1 January 2021	9,499,017	-	-	(13,878,917)	-	-	(4,379,900)
Loss for the period	-	-	-	(218,585)	-	-	(218,585)
Total comprehensive loss for the period	-	-	-	(218,585)	-	-	(218,585)
Balance as at 31 March 2021	9,499,017	-	-	(14,097,502)	-	-	(4,598,485)

E. Notes to The Condensed Interim Consolidated Financial Statements

1. Corporate information

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 SGX-ST. These condensed interim consolidated financial statements as at and for the three months ended 31 March 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group are:-

- (a) Mechanical and electrical engineering services segment relates to provision of solutions and services in fire protection systems, plumbing and sanitary systems, and heating, ventilation and air-conditioning systems;
- (b) Management services segment relates to provision of contract work management and fulfilment services;
- (c) Blockchain agency and consulting services 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 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
- (d) Staking¹ 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 decentralized finance businesses, which are conducted by Moonstake Pte Ltd and Moonstake Limited acquired by the Group on 31 May 2021. Moonstake Pte Ltd and its subsidiary shall collectively be referred to as the “**MS Group**”.

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.

OIO HOLDINGS LIMITED

2. Basis of preparation

The condensed interim financial statements for the financial period ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Singapore Dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

The Group and the Company have adopted the new and revised SFRS(I)s, and Interpretations of SFRS(I) ("**SFRS(I) INTs**") that are effective for the annual period beginning on 1 January 2022. The adoption of these SFRS(I)s and SFRS(I) INTs did not have any significant effect on the financial statements of the Group and the Company.

2.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 4.1 – Determination of operating segments
- Note 7 – Income tax

OIO HOLDINGS LIMITED

2.2 Use of judgement and estimates (Cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Notes 4.2 and 4.3 – Revenue recognition
- Notes 8 – Acquisition of subsidiary: The fair value of the consideration transferred and the fair value of the assets acquired and liabilities assumed
- Notes 8, 9 and 10 – Impairment of non-financial assets (Investment in subsidiaries, Intangible assets, Property, plant and equipment)
- Note 12 – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is organised into the following main business segments in 1Q 2022:-

- Segment 1: Mechanical and electrical engineering services;
- Segment 2: Management services;
- Segment 3: Blockchain technology services; and
- Segment 4: Unallocated.

These operating segments are reported in a manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments.

OIO HOLDINGS LIMITED

4.1 Reportable segments

Group	Mechanical and electrical engineering services	Management services	Blockchain technology services ⁽¹⁾	Unallocated	Total
1Q 2022 (Unaudited)	S\$	S\$	S\$	S\$	S\$
Revenue	24,490	-	1,267,989	-	1,292,479
Segment results	188,965	17,696	(63,325)	(392,697)	(249,361)
Profit/ (Loss) before tax	188,965	17,696	(63,325)	(392,697)	(249,361)
Segment assets	57,050	450	14,986,778	3,063,500	18,107,778
Segment liabilities	522,836	5,509	4,226,328	4,149,580	8,904,253
<i>Other information</i>					
Interest expenses on lease liabilities	-	-	-	-	-
Realised foreign exchange loss, net	-	-	(1,803)	(4,971)	(6,774)
Unrealised foreign exchange gain/ (loss), net	-	-	(6,086)	15,723	9,637
Amortisation of software development	-	-	(70,477)	-	(70,477)
Purchase of property, plant and equipment	-	-	(1,771)	(3,543)	(5,314)
Depreciation of right-of-use assets	-	-	-	-	-
Depreciation of property, plant and equipment	(131)	-	(309)	(817)	(1,257)
Reversal of impairment loss on other receivables	-	20,000	-	-	20,000
Impairment loss on crypto assets	-	-	(102,684)	-	(102,684)
Loss on disposal of crypto assets	-	-	(50,617)	-	(50,617)
Gain on liquidation of subsidiary	292,784	-	-	-	292,784
Government Grant	1,500	-	2,250	1,313	5,063

(1) This segment includes blockchain agency and consulting services and staking services.

OIO HOLDINGS LIMITED

4.1 Reportable segments (Cont'd)

The Group is organised into the following main business segments in 1Q 2021:-

- Segment 1: Mechanical and electrical engineering services;
- Segment 2: Management services;
- Segment 3: Blockchain technology services; and
- Segment 4: Unallocated.

Group	Mechanical and electrical engineering services	Management services	Blockchain technology services ⁽²⁾	Unallocated	Total
1Q 2021 (Unaudited)	S\$	S\$	S\$	S\$	S\$
Revenue	274,544	-	13,981	-	288,525
Segment results	40,420	720	(83,993)	(218,587)	(261,440)
Profit/ (Loss) before tax	39,416	720	(83,993)	(218,587)	(262,444)
Segment assets	281,545	96,489	4,447	296,196	678,677
Segment liabilities	1,369,907	4,000	8,700	3,381,972	4,764,579
<i>Other information</i>					
Interest expenses on lease liabilities	(1,004)	-	-	-	(1,004)
Realised foreign exchange loss, net	-	-	20	-	20
Unrealised foreign exchange gain/ (loss), net	-	-	(160)	3,872	3,712
Amortisation of software development	-	-	-	-	-
Purchase of property, plant and equipment	-	-	(2,526)	-	(2,526)
Depreciation of right-of-use assets	(3,939)	-	-	-	(3,939)
Depreciation of property, plant and equipment	(9,560)	-	(210)	(344)	(10,114)
Reversal of impairment loss on other receivables	-	-	-	-	-
Impairment loss on crypto assets	-	-	-	-	-
Loss on disposal of crypto assets	-	-	-	-	-
Gain on liquidation of subsidiary	-	-	-	-	-
Government Grant	11,230	-	-	16,800	28,030

⁽²⁾ This segment includes blockchain agency and consulting services.

OIO HOLDINGS LIMITED

4.2 Disaggregation of Revenue

The Group	Group	
	3 months ended	
	31 March	
	1Q 2022	1Q 2021
	S\$	S\$
Staking services		
- Digital wallets and staking services	848,118	-
- Research and development services	260,966	-
- Agency service fee	82,472	-
Total staking services	1,191,556	-
Project revenue	24,490	274,544
Blockchain agency and consulting services	76,433	13,981
	1,292,479	288,525
Timing of revenue recognition		
At a point in time		
- Staking services	1,088,749	-
- Blockchain agency and consulting services	67,736	13,981
	1,156,485	13,981
Over time		
- Staking services	102,807	-
- Project revenue	24,490	274,544
- Blockchain agency and consulting services	8,697	-
	135,994	274,544
	1,292,479	288,525
Geographical segments		
Singapore	376,625	274,544
Others	915,854	13,981
	1,292,479	288,525

4.3 Revenue

The accounting policies on revenue recognition for the Group are:-

(i) Mechanical and electrical engineering 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.

OIO HOLDINGS LIMITED

4.3 Revenue (Cont'd)

(ii) Blockchain agency and consulting services⁽¹⁾

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.

(iii) Staking services⁽²⁾

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 and loss over the remaining period of the agency service agreement.

(1) Conducted by OIO Singapore Pte Ltd.

(2) Conducted by Moonstake Pte Ltd and Moonstake Limited.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2022 and 31 December 2021:-

	Group		Company	
	31 March 2022 (Unaudited) S\$	31 December 2021 (Audited) S\$	31 March 2022 (Unaudited) S\$	31 December 2021 (Audited) S\$
Financial assets at amortised costs				
Trade and other receivables*	232,315	233,444	995,952	930,655
Cash and bank balances	4,186,040	5,835,041	3,026,234	4,439,145
	<u>4,418,355</u>	<u>6,068,485</u>	<u>4,022,186</u>	<u>5,369,800</u>
Financial liabilities at amortised costs				
Trade and other payables**	1,881,409	2,582,002	2,709,135	3,363,657
Loan from shareholders	3,108,190	3,403,400	3,108,190	3,403,400
	<u>4,989,599</u>	<u>5,985,402</u>	<u>5,817,325</u>	<u>6,767,057</u>

* Excluded loan in crypto assets to third party, prepayments and goods and services tax receivable.

** Excluded advances from customers in crypto assets, short term advances in crypto assets and goods and services tax payable.

OIO HOLDINGS LIMITED

6. Profit/ (Loss) before taxation

6.1 Significant items

Profit/ (Loss) for the financial period is stated after (charging)/ crediting the following:-

	Note	Group	
		3 months ended 31 March	
		1Q 2022 (Unaudited) S\$	1Q 2021 (Unaudited) S\$
Amortisation of software development	9	(70,477)	-
Depreciation on property, plant and equipment		(1,257)	(10,114)
Depreciation on right-of-use assets		-	(3,939)
Realised foreign exchange (loss)/ gain, net		(6,774)	20
Unrealised foreign exchange (loss)/ gain, net		9,637	3,712
Gain on liquidation of subsidiary ⁽¹⁾		292,784	-
Government grants		5,063	28,030
Impairment loss on crypto assets	9	(102,684)	-
Interest expenses on lease liabilities		-	(1,004)
Loss on disposal of crypto assets		(50,617)	-
Reversal of impairment loss on other receivables		20,000	-
Purchase of property, plant and equipment		(5,314)	(2,526)

⁽¹⁾ On 21 February 2022, the Company applied for creditors' voluntary liquidation for Acmes-Kings Corporation Pte. Ltd. This subsidiary is consolidated until the date they cease to be a subsidiary of the Group. There is a gain of S\$292,784 recorded at Group level.

6.2 Finance costs

No finance costs were incurred in 1Q 2022 (1Q 2021: \$1,004) as the finance lease liabilities were fully repaid in FY 2021.

OIO HOLDINGS LIMITED

6.3 Related party transactions

There were transactions with the following related party during the financial period ended 31 March 2022.

The Group	Group	
	3 months ended	
	31 March	
	1Q 2022	1Q 2021
	(Unaudited)	(Unaudited)
	S\$	S\$
<u>Transactions with related party</u>		
Professional and consulting fee	24,582	-

Related party is the entity which has common controlling shareholder as the Company.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:-

	Group	
	3 months ended	
	31 March	
	1Q 2022	1Q 2021
	(Unaudited)	(Unaudited)
	S\$	S\$
Income tax expense	-	-

Subject to the agreement by the tax authorities, as at 31 December 2021, the group has unused tax losses of \$2,232,269 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.

OIO HOLDINGS LIMITED

8. Investment in subsidiaries

	Company	
	31 March 2022 (Unaudited) S\$	31 December 2021 (Audited) S\$
<u>Unquoted equity investments, at cost</u>		
At 1 January	10,572,766	1,246,914
At 31 March	10,572,766	1,246,914
Acquisition of subsidiaries ⁽¹⁾	-	7,141,652
Additions ⁽²⁾	-	2,184,200
At 31 March and 31 December	10,572,766	10,572,766
Less: Impairment of investment in subsidiaries	(1,246,913)	(1,246,913)
Investment in subsidiaries - Net	9,325,853	9,325,853

⁽¹⁾ 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.

⁽²⁾ In June 2021, the Company increased its investment in Moonstake Pte Ltd by S\$1,984,200 and OIO Singapore Pte Ltd by S\$200,000 respectively.

Creditors' liquidation of subsidiary

On 21 February 2022, the Company applied for creditors' voluntary liquidation for Acmes-Kings Corporation Pte. Ltd. The subsidiary is consolidated until the date they cease to be a subsidiary of the Company. There was a gain of \$292,784 (1Q 2021: Nil) recorded at the Group level.

OIO HOLDINGS LIMITED

9. Intangible assets

Note	Group			
	Goodwill on Acquisition	Crypto Assets	Software Development	Total
	S\$	S\$	S\$	S\$
At 31 March 2022				
Cost				
At 1 January 2022	7,138,481	6,323,284	1,270,082	14,731,847
Additions	-	828,440	203,010	1,031,450
Disposal	-	(825,346)	-	(825,346)
Partial repayment of short-term advances to third party ⁽¹⁾	-	(34,040)	-	(34,040)
Currency translation differences	8,978	8,894	1,597	19,469
At 31 March 2022	<u>7,147,459</u>	<u>6,301,232</u>	<u>1,474,689</u>	<u>14,923,380</u>
Accumulated Amortisation				
At 1 January 2022	-	-	(311,845)	(311,845)
Additions	6.1	-	(70,477)	(70,477)
Currency translation differences	-	-	(266)	(266)
At 31 March 2022	-	-	<u>(382,588)</u>	<u>(382,588)</u>
Accumulated Impairment				
At 1 January 2022	-	(869,905)	-	(869,905)
Additions	6.1	(102,684)	-	(102,684)
Currency translation differences	-	(4,050)	-	(4,050)
At 31 March 2022	-	<u>(976,639)</u>	-	<u>(976,639)</u>
Carrying Amount				
At 31 March 2022	<u>7,147,459</u>	<u>5,324,593</u>	<u>1,092,101</u>	<u>13,564,153</u>
At 31 December 2021	<u>7,138,481</u>	<u>5,453,379</u>	<u>958,237</u>	<u>13,550,097</u>

⁽¹⁾ 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.

9.1 Goodwill on Acquisition

The Group recognised a goodwill of S\$7,147,459⁽¹⁾ following the acquisition of new subsidiaries, Moonstake Pte Ltd and Moonstake Limited, on 31 May 2021. Please refer to Notes to the Financial Statements 7(a) in the Annual Report for FY2021 for further details of the acquisition.

⁽¹⁾ US\$5,281,114 @ USD/SGD closing rate of 1.3534

9.2 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.

OIO HOLDINGS LIMITED

9.3 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.

10. Property, plant and equipment

During the financial period ended 31 March 2022, the Group acquired assets amounting to S\$5,314 (31 March 2021: S\$2,526). There is no asset written off during the financial period (31 March 2021: S\$28,500). There was no impact to the profit and loss for the financial period ended 31 March 2021 arising from the asset written off.

11. Contract liabilities

	Group	
	31 March 2022	31 March 2021
	(Unaudited) S\$	(Unaudited) S\$
At 1 January	699,419	-
Recognise as revenue - non-refundable agency fee	(82,472)	-
Currency translation differences	1,020	-
Deferred Revenue	617,967 ⁽¹⁾	-
Advances from customers	53,055 ⁽²⁾	-
	<u>671,022</u>	<u>-</u>

⁽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.

	Group	
	31 March 2022	31 March 2021
	(Unaudited) S\$	(Unaudited) S\$
Analysed as		
- Current ⁽³⁾	382,382	-
- Non-current	288,640	-
	<u>671,022</u>	<u>-</u>

⁽³⁾ Includes agency service fee collected in advance of \$329,327 to be recognised to profit or loss over the remaining period of the agreement.

OIO HOLDINGS LIMITED

12. Provision for contingent liability

In 2020, a lender (the “**Lender**”) extended loans totalling approximately S\$1.6 million to Moonstake Pte Ltd and Moonstake Limited (the “**Original Loans**”). The provision for contingent liability of approximately S\$0.3 million relates to contingent liability 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 S\$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. The revenue sharing obligations are recognised as the provision for contingent liability.

13. Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 March 2022 (Unaudited)		As at 31 December 2021 (Audited)	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	3,403,400

Amount repayable after one year

As at 31 March 2022 (Unaudited)		As at 31 December 2021 (Audited)	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	3,108,190	-	-

Loans and borrowings

On 31 December 2019, 28 February 2020 and 7 April 2021, the Company entered into interest free loan agreements of S\$200,000, S\$500,000 and US\$2,000,000 (S\$2,708,190⁽¹⁾) respectively with the Company's controlling shareholder, North Ventures Pte Ltd (“**NVPL**”).

On 24 March 2022, the Company entered into an agreement with NVPL to extend the repayment date of the interest free loans of (i) S\$400,000 and (ii) US\$2,000,000 (S\$2,708,190⁽¹⁾) respectively to after 15 April 2023, with a condition that the Company partially repays S\$300,000 loan principal before the end of March 2022.

On 25 March 2022, the Company completed the partial repayment of S\$300,000 loan principal to NVPL.

As at 31 March 2022 and 31 December 2021, there was no borrowing incurred by the Group except for the interest free loans from the Company's controlling shareholder.

⁽¹⁾ US\$2,000,000 @ USD/SGD rate in March 2022 of 1.3541

OIO HOLDINGS LIMITED

14. Share Capital

14.1 Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Group and the Company			
	31 March 2022		31 December 2021	
	(Unaudited)		(Audited)	
	No. of shares	Amount	No. of shares	Amount
		S\$		S\$
<u>Issued and paid-up share capital</u>				
At beginning of financial period	186,849,739	23,830,385	121,108,700	9,499,017
Issuance of new ordinary shares ⁽¹⁾	-	-	40,348,314	7,141,652
Conversion of convertible notes ⁽²⁾	-	-	17,932,584	3,192,000
Issuance of new ordinary shares ⁽³⁾	-	-	894,841	537,800
Issuance of new ordinary shares ⁽⁴⁾	-	-	6,565,300	3,459,916
At end of financial period	<u>186,849,739</u>	<u>23,830,385</u>	<u>186,849,739</u>	<u>23,830,385</u>

(1) On 31 May 2021, the Company issued 40,348,314 ordinary shares ("**Consideration Shares**") at the issue price of S\$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**").

(2) Following the Moonstake Completion on 31 May 2021, the Company converted its convertible notes automatically into 17,932,584 fully paid ordinary shares in the capital of the Company ("**Conversion Shares**") at the conversion price of S\$0.178 per Conversion Share ("**Automatic Conversion**").

(3) On 28 September 2021, the Company issued 894,841 ordinary shares at the issue price of S\$0.601 per share to finance the Group's business expansion, working capital and general corporate purposes.

(4) On 3 November 2021, the Company issued 6,565,300 ordinary shares at the issue price of S\$0.527 per share to finance the Group's business expansion, working capital and general corporate purposes.

The Company did not have any outstanding convertible notes, treasury shares or subsidiary holdings as at 31 March 2022 and 31 December 2021.

OIO HOLDINGS LIMITED

14.1 Share Capital (Cont'd)

Performance Share Plan

On 31 January 2022, 31 March 2022 and 29 April 2022, the Company announced total awards of 313,150 shares to two employees of the Company and Yusaku Mishima, the executive director of the Company under the Performance Share Plan. The shares to be issued pursuant to the awards are subject to the service condition to be satisfied by respective participants. Once the service condition is satisfied, the shares to be issued pursuant to the awards shall be released to the participants after the respective periods.

On 1 April 2022 and 7 April 2022, the Company issued and allotted 186,415 ordinary shares and 186,415 ordinary shares respectively under the Performance Share Plan.

14.2 To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 March 2022 (Unaudited)	As at 31 December 2021 (Audited)
Total number of issued shares	186,849,739	186,849,739

The Company did not have any treasury shares as at 31 March 2022 and 31 December 2021.

14.3 A statement showing all sales, transfers, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

14.4 A statement showing all sales, transfers, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no sales, transfers, cancellation and/or use of subsidiary holdings during and as at the end of the current financial period reported on.

OIO HOLDINGS LIMITED

15. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	3 months ended	
	31 March	
	1Q 2022	1Q 2021
	(Unaudited)	(Unaudited)
Loss attributable to the owners of the Group (S\$)	(252,900)	(262,588)
Weighted average number of ordinary shares in issue	172,942,807	121,108,700
Basic loss per share (cents)	(0.15)	(0.22)

The basic and diluted gain/(loss) per share were the same as the Company did not have any dilutive potential ordinary shares for both financial periods.

16. Net Asset Value

Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) Current period reported on; and
- (b) Immediately preceding financial year.

	Group		Company	
	31 Mar 2022	31 Dec 2021	31 Mar 2022	31 Dec 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset/(liability) value (S\$)	9,203,525	9,452,622	7,558,460	7,951,157
Number of ordinary shares in issue	186,849,739	186,849,739	186,849,739	186,849,739
Net asset/(liability) value per ordinary share (cents)	4.93	5.06	4.05	4.26

17. Subsequent Events

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.

OIO HOLDINGS LIMITED

F. Other Information required by Appendix 7C of the Catalist Rules

18. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

19. **Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

- 19A. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

20. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review for the performance of the Group for the financial period ended 31 March 2022 ("1Q 2022") and 31 March 2021 ("1Q 2021")

CONSOLIDATED INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

Financial Performance – 1Q 2022 vs 1Q 2021

Revenue

The overall revenue increased by approximately S\$1.0 million or 348.0% to approximately S\$1.3 million in 1Q 2022, from approximately S\$0.3 million in 1Q 2021. The higher revenue was primarily attributable to the revenue derived from the newly acquired subsidiaries that provide staking services of approximately S\$1.2 million. The revenue from Moonstake Pte Ltd and Moonstake Limited only commenced from the month of June 2021 since the acquisition was completed on 31 May 2021.

In addition, revenue from blockchain agency, and consulting services increased by approximately S\$0.06 million as compared to 1Q 2021. The higher revenue was partly offset by lower revenue from mechanical and electrical services ("M&E") by approximately S\$0.25 million as compared to 1Q 2021, primarily attributable to a shift in business growth towards blockchain agency, consulting and staking services by the Group.

OIO HOLDINGS LIMITED

Financial Performance – 1Q 2022 vs 1Q 2021 (Cont'd)

Gross profit and gross profit margin (GPM)

The overall gross profit was approximately S\$0.9 million in 1Q 2022, which increased by S\$0.8 million from approximately S\$0.1 million in 1Q 2021. The overall GPM increased from 39.8% in 1Q 2021 to 69.4% in 1Q 2022.

The overall gross profit generated in 1Q 2022 was mainly contributed by the blockchain technology services, of which the GPM was approximately 69.4% in 1Q 2022 due to increase in revenue generated from staking services. The cost of sales incurred by this business segment was mainly the cost of outsourcing consulting services and commission expenses.

The M&E business generated a gross loss of approximately S\$0.1 million in 1Q 2022 mainly due to a delay in an on-going project, as compared to a gross profit of approximately S\$0.1 million in 1Q 2021.

Other operating income

Other operating income increased by approximately S\$0.3 million, from approximately S\$0.03 million in 1Q 2021 to approximately S\$0.32 million in 1Q 2022. This was primarily due to a gain on liquidation of subsidiary of approximately S\$0.3 million relating to the subsidiary, Acmes-Kings Corporation Pte Ltd, which is currently under creditors' voluntary liquidation (1Q 2021: Nil).

Operating Expenses

Selling and distribution expenses were approximately S\$0.35 million in 1Q 2022 and increased by approximately S\$0.35 million as compared to 1Q 2021. The selling and distribution expenses mainly comprised (i) marketing consultancy and advertising services of approximately S\$0.17 million, and (ii) salaries for sales and marketing staff of approximately S\$0.18 million. The increase in selling and distribution expenses was mainly due to increase in headcount and expenses incurred to promote the blockchain business.

Administrative expenses were approximately S\$0.96 million in 1Q 2022, which increased by approximately S\$0.56 million from approximately S\$0.4 million in 1Q 2021. The increase in the administrative expenses was mainly attributable to (i) higher staff costs of approximately S\$0.1 million due to an increase in headcount in 1Q 2022, (ii) higher audit and professional fees of approximately S\$0.14 million following the acquisition of the new subsidiaries in May 2021, (iii) amortisation of software development costs of approximately S\$0.07 million (1Q 2021: Nil), (iv) outsourcing fees incurred for product development of approximately S\$0.18 million (1Q 2021: Nil), and (v) higher software maintenance fees of approximately S\$0.05 million.

Other operating expenses were approximately S\$0.15 million in 1Q 2022 (1Q 2021: Nil). The other operating expenses mainly consist of (i) impairment loss on crypto assets of approximately S\$0.1 million (1Q 2021: Nil), and (ii) loss on disposal of crypto assets of approximately S\$0.05 million (1Q 2021: Nil).

Finance costs

No finance costs were incurred in 1Q 2022 (1Q 2021: \$1,004) as the finance lease liabilities were fully repaid in FY2021.

Income tax expenses

No income tax expenses were incurred in both 1Q 2022 as well as 1Q 2021.

OIO HOLDINGS LIMITED

Financial Performance – 1Q 2022 vs 1Q 2021 (Cont'd)

Total comprehensive loss for the period

The resulting comprehensive loss for the three months under review decreased by approximately S\$0.01 million to approximately S\$0.25 million in 1Q 2022 from a loss of approximately S\$0.26 million in 1Q 2021.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Non-current assets increased by approximately S\$0.02 million to approximately S\$13.58 million as at 31 March 2022 from approximately S\$13.56 million as at 31 December 2021. The increase was mainly due to intangible assets of S\$0.014 million and property, plant and equipment of S\$0.003 million. The increase in intangible assets is mainly due to currency difference incurred for translating goodwill arising from acquisition of approximately S\$9k and software development costs of approximately S\$0.134 million, offset by a decrease in crypto assets of approximately S\$0.129 million.

Current assets decreased by approximately S\$1.7 million to approximately S\$4.5 million as at 31 March 2022 from approximately S\$6.2 million as at 31 December 2021. The decrease was mainly due to a reduction in cash and bank balances of approximately S\$1.7 million, following the partial repayment of loan to shareholder and payment to trade creditors.

Non-current liabilities increased by approximately S\$3.0 million to approximately S\$3.6 million as at 31 March 2022 from approximately S\$0.6 million as at 31 December 2021. The increase was mainly due to the reclassification of loans from shareholder from current liabilities of approximately S\$3.1 million, following the Company's entry into an agreement with the shareholder (North Ventures Pte Ltd) to extend the repayment date of the shareholder loans to after 15 April 2023. The increase in non-current liabilities is partially offset by (i) lower contract liabilities by approximately S\$0.08 million following the fulfilment of contract obligations, and (ii) a reduction in the provision of contingent liabilities by approximately S\$0.02 million.

Current liabilities decreased by approximately S\$4.4 million to approximately S\$5.3 million as at 31 March 2022 from approximately S\$9.7 million as at 31 December 2021. The decrease was primarily due to (i) reclassification of loans from shareholder to non-current liabilities by approximately S\$3.1 million, (ii) reduction in trade and other payables of approximately S\$0.8 million following the repayment of trade payables, (iii) partial repayment of shareholder's loans of approximately S\$0.3 million, and (iv) decrease in contract liability of approximately S\$0.2 million following the fulfilment of contract obligation.

As a result, the Group recorded a negative working capital of approximately S\$0.7 million as at 31 March 2022 as compared to a negative working capital of approximately S\$3.5 million as at 31 December 2021.

Notwithstanding the negative net working capital position, the Board is of the view that the Group will be able to operate as a going concern based on the factors set out below:

- (a) The current liabilities include items which won't lead to the actual cash payment by the company including advance payment from customers of \$667,866 (included in the trade and other payables), liabilities related to the non-cash share-based compensation of \$72,702 (included in the trade and other payables) and contract liabilities of \$329,327 (which relate to agency service fee collected in advance to be recognised to profit and loss over the remaining period of the agreement);
- (b) The crypto-currencies of \$5,324,593 which can be converted to fiat currencies easily are included in the intangible assets in the non-current assets; and

OIO HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

- (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.

The shareholder equity decreased by approximately S\$0.25 million from approximately S\$9.45 million as at 31 December 2021 to approximately S\$9.2 million as at 31 March 2022. This was primarily attributable to the total comprehensive loss incurred for the current financial period of approximately S\$0.25 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

1Q 2022 vs 1Q 2021

The Group's net cash outflow in operating activities was approximately S\$1.1 million in 1Q 2022. This consisted of cash used in operating activities before changes in working capital of approximately S\$1.06 million, net working capital outflow of approximately S\$0.05 million and income tax paid of approximately S\$0.03 million. The discrepancy between loss before income tax and operating cash flows was mainly attributable to Moonstake Group that received a part of its revenue in crypto of approximately S\$0.8 million which was accounted under intangible assets but not treated as cash and cash equivalents for accounting purposes.

A net cash outflow of approximately S\$0.2 million was recorded in investing activities in 1Q 2022, primarily due to the payment of software development costs of approximately S\$0.2 million.

A net cash outflow of approximately S\$0.3 million was recorded in financing activities in 1Q 2022. This was mainly due to partial repayment of loans from shareholder of S\$0.3 million.

- 21. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

- 22. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Following the completion of the acquisition of Moonstake Group on 31 May 2021, the staking business generated S\$4.4 million revenue for the Group for FY 2021 and S\$1.2 million revenue for 1Q 2022. The management is confident that business synergies between blockchain business and staking solutions will continue to strengthen the performance of the Group for the remaining period of 2022 and beyond.

In FY2021, the Group raised US\$5,342,000 from the series of placement of ordinary shares as well as US\$2,000,000 long-term loan from the controlling shareholder, North Ventures Pte Ltd. Utilising a part of the proceeds from these exercises, the Group continues to work on various initiatives in the fast-moving blockchain and digital asset sectors for our long-term growth. The Group will also explore various additional funding options depending on the conditions of the market as well as the nature of the growth investment in the blockchain technology business segment.

OIO HOLDINGS LIMITED

- 22. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (Cont'd)**

In view of the improving Covid-19 situations, the foreseeable disruptions to the operations of the M&E engineering business segment such as quarantine of the Group's construction workers and slowdown of the construction projects in Singapore will be limited. Therefore, Covid-19 is not expected to materially affect the Group's operations or financial situations.

- 23. If a decision regarding dividend has been made:**

- (a) Whether an interim/ final ordinary dividend has been declared/ recommended; and**

Nil.

- (b)(i) Amount per share (cents)**

Not applicable.

- (b)(ii) Previous corresponding period**

Not applicable.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).**

Not applicable.

- (d) The date the dividend is payable.**

Not applicable.

- (e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

- 24. If no dividend has been declared/ recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the financial period ended 31 March 2022 in view of the loss incurred during the financial period and to conserve cash for the Group's business operations and growth.

- 25. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from shareholders for IPT pursuant to Rule 920(1)(a)(ii) of the Catalist Rules. There were no IPT entered into by the Group for 1Q 2022 as required to be disclosed pursuant to Rule 1204(17) of the Catalist Rules.

OIO HOLDINGS LIMITED

26. Disclosures on Incorporation of Entities, Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A.

As announced by the Company on 10 February 2022, the Company's indirectly wholly owned subsidiary, being ACMES-Kings Corporation Pte Ltd, will be placed into creditors' voluntary liquidation ("CVL"). On 21 February 2022, the Company announced that Acmes-Kings has been placed under creditors' voluntary liquidation pursuant to the resolutions deemed passed at the extraordinary general meetings of the Subsidiary. This subsidiary is consolidated until the date they cease to be a subsidiary of the Group. The CVL is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company and the Group.

27. Negative Confirmation by the Board Pursuant to Rule 705(5)

To the best of the Board of Directors' knowledge, nothing has come to their attention which may render the unaudited condensed interim financial results for first quarter ended 31 March 2022 to be false or misleading in any material aspect.

28. Use of Proceeds

a) 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**") for the issuance by the Company to the Subscribers of 8.00% convertible 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. 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. Refer to Note 16.1 for further information on the increase in share capital.

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)	-

OIO HOLDINGS LIMITED

28. Use of Proceeds (Cont'd)

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

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	569,805
Payment of monthly personnel costs and professional fees	299,195
Total	869,000

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.

b) 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:-

OIO HOLDINGS LIMITED

28. Use of Proceeds (Cont'd)

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	(107,046)	1,418,154
Working capital and general corporate purposes (including the repayment of the Group's liabilities)	1,016,800	(1,016,800)	-
Total	2,542,000	(1,123,846)	1,418,154

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.

29. Confirmation that the issue has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual.

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Listing Manual.

OIO HOLDINGS LIMITED

BY ORDER OF THE BOARD

Manfred Fan Chee Seng
Executive Chairman

11 May 2022

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr Shervyn Essex, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.