



Press Release

OIO narrows FY2023 net loss by 91.8% year-on-year following cost rationalisation exercise; positive industry outlook remains intact

- FY2023 revenue declined 61.7% due to weakened demand for digital wallets and staking services as well as research and development services
- Cost savings measures and absence of impairment loss on goodwill reduced operating expenses
- Monumental approvals for Bitcoin ETFs breathe fresh hope for the industry

Financial Highlights (Unaudited)	4Q23 (S\$)	4Q22 (S\$)	Change (%)	FY23 (S\$)	FY22 (S\$)	Change (%)
Revenue	205,487	304,157	(32.4)	1,368,249	3,575,507	(61.7)
Gross Profit	140,819	210,748	(33.2)	1,143,485	2,835,456	(59.7)
Gross Profit Margin	68.5%	69.3%	0.8ppts	83.6%	79.3%	4.3ppts
Other Operating Income	850,090	241,384	N.M	1,020,546	833,510	22.4
Selling and Distribution Expenses	(20,274)	(520,327)	(96.1)	(37,706)	(1,861,748)	(98.0)
Administrative Expenses	(800,397)	(1,534,958)	(47.9)	(3,009,852)	(4,557,520)	(34.0)
Other Operating Expenses, net	112,852	(6,426,514)	N.M.	(72,375)	(9,804,508)	(99.3)
Net Loss Attributable to Owners of the Company	261,817	(8,030,792)	N.M.	(1,031,859)	(12,558,963)	(91.8)

*N.M denotes not meaningful
ppts denotes percentage points*

Singapore — 23 February 2024 — OIO Holdings Limited (“OIO” or the “Group”), a blockchain solutions provider listed on the SGX, has today announced its financial results for the fourth quarter (“**4Q23**”) and full year ended 31 December 2023 (“**FY2023**”).

FY2023 revenue dropped 61.7% year-on-year (“yoy”) to S\$1.4 million. Contribution from digital wallets and staking services fell due to lower average market prices for crypto assets for the financial year and lower demand for digital wallets and staking services. Similarly, revenue from research and development services and blockchain agency and consulting services also declined. Project revenue decreased following the disposal and dissolution of the mechanical and electrical services (“**M&E**”) segment during 2022.

In tandem with the top-line trajectory, gross profit for FY2023 fell 59.7% yoy. However, gross profit margin expanded by 4.3 percentage points to 83.6% due to the absence of the M&E segment which reported a gross loss in FY2022.

Other operating income increased by 22.4% yoy for FY2023 which was primarily attributable to a reversal of impairment loss on crypto assets.

OIO continued to benefit from an earlier cost rationalisation exercise as witnessed by the lower selling and distribution expenses and lower administrative expenses for the period under review. Other operating expenses decreased by 99.3% yoy for FY2023 mainly due to absence of impairment loss on goodwill.

The Group does not hold or acquire crypto assets for speculative purposes and adopts a prudent risk management approach to mitigate the market price risk of crypto assets.

Outlook

On 11 January 2024, the Securities and Exchange Commission (“**SEC**”) approved 11 applications for Bitcoin exchange-traded funds (“**ETF**”). The list of ETF issuers includes industry giants such as BlackRock, Fidelity, Invesco, and so on.¹

Commenting on the outlook, Mr. Yusaku Mishima, Executive Director supervising the blockchain business operation of OIO Holdings Limited, said, “**The approval of Bitcoin ETF by the SEC is a monumental moment in the evolution of crypto assets. The move democratizes access to a much larger pool of investors and is a huge step forward to the institutionalization of cryptocurrency.**”

“**On the staking business, we continue to be upbeat about the future following Ethereum’s conversion to proof-of-stake which made possible the liquid staking ecosystem. As holders can now put their staked assets to work, it gives rise to greater efficiency and stronger market demand for staking going forward. This will naturally flow through to our business as well.**”

This media release is to be read in conjunction with the Group’s results announcement for FY2023 posted on SGXNET on 23 February 2024.

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¹ <https://www.reuters.com/technology/bitcoin-etf-hopefuls-still-expect-sec-approval-despite-social-media-hack-2024-01-10/>

About OIO Holdings Limited

OIO Holdings Limited is a Singapore-based company involved in the provision of blockchain technology services. The Group aims to expand blockchain technology and accelerate its integration by offering B2B consulting and software development services to various industries.

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

On 12 August 2022, OIO Holdings Limited completed the disposal of shares in DLF Engineering Pte Ltd. On 27 October 2022, OIO Holdings Limited applied for creditors' voluntary liquidation for its remaining M&E Engineering Services subsidiaries, being DLF Pte. Ltd. and DLF Prosper Venture Pte. Ltd. These are in alignment with the Group's intention to exit from the M&E Engineering Services business segment entirely in order to focus its resources wholly on its growing blockchain technology business moving forward.

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

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This press release 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.

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