



Press Release

OIO posts net loss of S\$1.1 million for 1H2024 but sees bright future ahead as crypto goes mainstream

- 1H2024 revenue declined due to lower staking services by the Group;
- Operating expenses continued to see improvements following cost saving measures;
- Optimistic outlook with the launch of spot Ethereum ETF and the potential inclusion of staking in crypto ETFs, signalling greater market acceptance.

Financial Highlights (Unaudited)	2Q2024 (S\$)	2Q2023 (S\$)	Change (%)	1H2024 (S\$)	1H2023 (S\$)	Change (%)
Revenue	150,246	435,404	(65.5)	335,939	916,870	(63.4)
Gross Profit	97,172	379,065	(74.4)	227,159	805,851	(71.8)
Gross Profit Margin	64.7%	87.1%	(22.4ppts)	67.6%	87.9%	(20.3ppts)
Other Operating Income	18,602	12,559	48.1	475,103	211,103	125.1
Selling and Distribution Expenses	21,779	-	N.M	21,779	(17,432)	N.M.
Administrative Expenses	(696,497)	(753,785)	(7.6)	(1,305,226)	(1,464,198)	(10.9)
Other Operating Expenses	(701,274)	(464,364)	51.0	(486,260)	(82,833)	N.M.
Loss for the financial period	(1,278,688)	(844,752)	51.4	(1,103,836)	(583,899)	89.0

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

Singapore — 8 August 2024 — OIO Holdings Limited (“OIO” or the “Group”), a blockchain solutions provider listed on the SGX, has today announced its financial results for the second quarter (“**2Q2024**”) and six months ended 30 June 2024 (“**1H2024**”).

The Group reported a 63.4% year-on-year (“**yo**y”) decline in 1H2024 revenue to S\$335,939 due to a weaker performance from its staking services. This was attributed to a drop in contribution from digital wallets and staking services and agency service fee, as well as the absence of research and development services.

In tandem with the drop in revenue, gross profit came in 71.8% lower at S\$227,159 for 1H2024. As a result, gross profit margin also fell from 87.9% to 67.6%.

Other operating income increased by 125.1% yoy to S\$475,103 for the period under review. This was primarily driven by the gain on disposal of crypto assets.

Over the same period, operating expenses fell from S\$1.5 million for 1H2023 to S\$1.3 million for 1H2024 due to lower administrative expenses and selling and distribution expenses related to various cost saving measures adopted by the Group and lower marketing activities.

OIO reported a loss attributable to owners of the Company ("**net loss**") of S\$1.1 million for 1H2024 due to the factors mentioned above.

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

Ethereum staking is nearing its all-time high driven by increasing staking reward rates by approximately 5% on a month-on-month basis. As of 18 July 2024, over 33.2 million Ethereum accounting for about 28% of the total supply were staked.¹

Spot ETH exchange-traded funds ("ETF") started trading on 23 July 2024.² The Securities and Exchange Commission ("SEC") is currently reassessing the potential inclusion of features such as staking and in-kind creation/redemption in crypto ETFs. The latter could increase further market participation as it allows ETF managers to exchange ETF shares for the underlying assets without triggering taxable events.³

Commenting on the outlook, Mr. Yusaku Mishima, Executive Chairman of OIO Holdings Limited, said, "**The recent debut of Ethereum ETF as well as the increase in staking rates are strong signals on the increasing acceptance of crypto assets as a mainstream by investors, following the launch of Bitcoin ETF earlier this year.**

There could potentially be more catalysts with the SEC reigniting discussions over the inclusion of staking features into crypto ETF. Given the slew of positive events, we are confident about the fundamentals of the blockchain technology and believes in the long-term growth potential of the Group's staking business."

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This media release is to be read in conjunction with the Group's results announcement for 1H2024 posted on SGXNET on 8 August 2024.

¹ <https://decrypt.co/240334/ethereum-staking-near-all-time-high-etfs-rewards>

² <https://www.barrons.com/articles/ethereum-etfs-which-buy-fba88b5e>

³ <https://cryptoslate.com/staking-and-in-kind-redemptions-for-crypto-etfs-can-be-reconsidered-says-sec-commissioner/>

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.

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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