



Financial Year 2020 Overview

February 2021





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About TrickleStar

- Founded in 2007, TrickleStar is a “green- tech” company, with a mission to be the world leader in the design & supply of best in class, easy to use, electric load control products that improve lives by reducing power consumption & help electric utilities manage their grids more efficiently
▶ hence the tagline “**Optimizing Energy**”
- A portfolio of energy-optimizing solutions including:
 - Advanced PowerStrips + Surge Protectors
 - Wi-Fi Smart Thermostat
 - Water Heater Controller
 - DryerSaver
 - Energy Monitors
- Headquartered in Kuala Lumpur, Malaysia and listed in Singapore on the SGX-Catalist market; primary sales are focused in the USA and Canada, with plans to expand sales internationally
- TrickleStar products are included on the list of approved products for energy efficiency programs in more than 20 states in the USA and Canada, including Massachusetts, California and South Carolina



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About TrickleStar

- Lean ▶ 20 staff. 5 Key Management Personnel.



Bernard Emby
CEO



Andrew Ang
CFO



Jon Lanning
VP Sales



Krishnan Sinnappan
CTO



Alyssia Yu
Logistics & Systems
Manager

- Manufacturing is contracted out
- **Best in class** systems
 - ERP ▶ SAP B1. CRM ▶ Microsoft Dynamics
- **WFH** ▶ Work From Home implemented successfully since August 2020
- **Diversified**
 - Contract manufacturing diversified from China to Malaysia in May 2020
 - 2 additional Contract Manufacturers in Malaysia in 2021
 - 5 new products, mobile app and portal launching in 2021

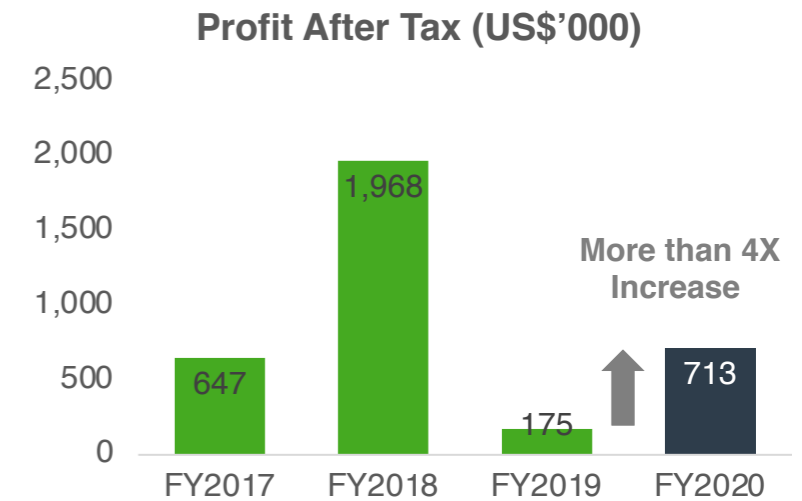
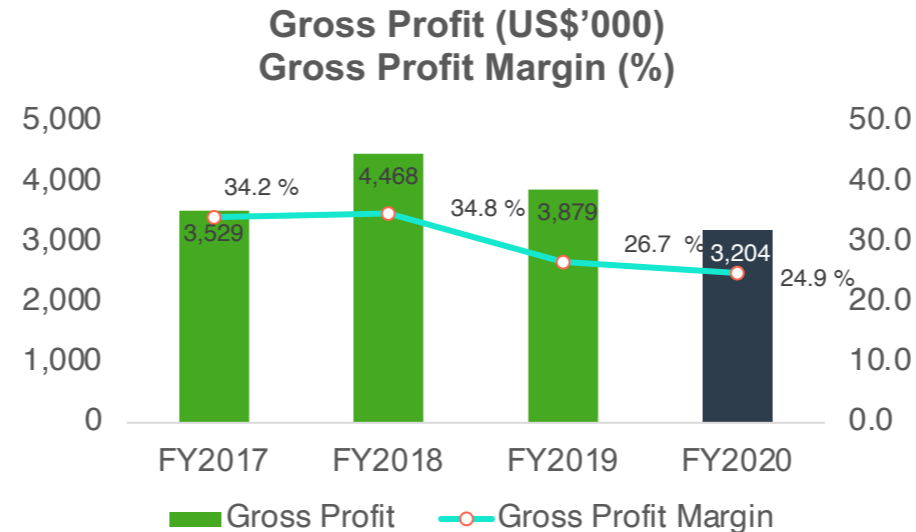
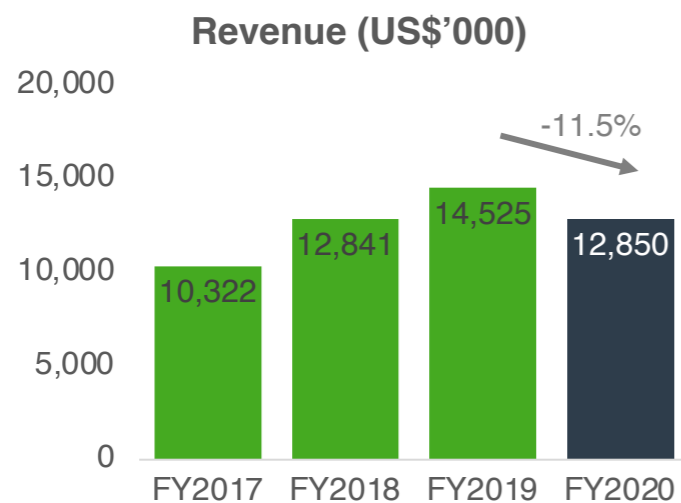
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Financial Highlights

US\$'000 Year Ended 31 December	2020	2019	2018	2017
Revenue	12,850	14,525	12,841	10,322
Gross Profit	3,204	3,879	4,468	3,529
Profit Before Tax	669	251	2,313	476
Profit After Tax	713	175	1,968	647
Net Profit Attributable to Shareholders	713	175	1,968	647
Earnings per Share (US cents)	0.87	0.23	2.95	0.97
Gross Profit Margin	24.9%	26.7%	34.8%	34.2%
Net Profit Margin	5.5%	1.2%	15.3%	6.3%

Operating Performance – Revenue and Profits



Revenue dipped by 11.5% year-on-year to US\$12.9 million, impacted by the COVID-19 pandemic. A common channel of sales is through home energy assessments: safety concerns in TrickleStar's core North American market restricted home visits by assessors to install TrickleStar Energy Optimization products, directly affecting demand.

- Gross profit margin for FY2020 was at 24.9% mainly due to:
 - average selling prices maintained despite the additional US tariffs imposed on the Group's products early in the year; and
 - slightly higher manufacturing costs when the manufacturing of advanced power strips was transferred from China to Malaysia
- Consequently, gross profit margin decreased from 26.7% for FY2019 to 24.9% for FY2020

- Profit after tax jumped about four times on absence of listing expenses incurred in FY2019, lower selling and distribution expenses, and tax efficiencies arising from our corporate reorganization exercise in FY2020.

FY2020 net profit jumps about 4 times to US\$0.7 million despite sales dipping to US\$12.9 million on the impact of COVID-19 in the USA, and logistics and commerce worldwide; mainly due to absence of listing expenses and tax efficiencies arising from our corporate reorganization



Balance Sheet Summary

US\$'000	As at 31 Dec 2020	As at 31 Dec 2019
Non-current assets	1,087	528
Current assets	10,361	9,894
Cash and cash equivalents	3,672	2,600
Total Assets	11,448	10,422
Current liabilities	3,449	3,255
Non-current liabilities	110	126
Total Liabilities	3,559	3,381
Total Equity	7,889	7,042
Net Asset Value (“NAV”)	7,889	7,042
NAV per share (US cents)	9.59¹	8.61²

Note 1 – based on 81,791,925 shares

Note 2 – based on 82,248,254 shares

Planning forward, TrickleStar is in process of securing a bank loan to increase financing sources for growth, although no immediate requirements for debt with over US\$3.6m cash available



Liquidity And Capital Resources

US\$'000 Year Ended 31 December	2020	2019
Net cash generated from operating activities	1,712	853
Net cash used in investing activities	(585)	(365)
Net cash from/(used in) financing activities	(56)	557
Net change in cash and cash equivalents	1,071	1,045
Cash and cash equivalents at beginning of financial year	2,593	1,546
Cash and cash equivalents at end of financial year	3,664	2,593

For FY2020, TrickleStar's business generated strong cash flow with US\$1.7m from operations, easily covering US\$0.5m used in product development and US\$0.37m proposed for dividend.

Dividend Payout And Dividend Policy

Dividend Pay-out – FY2020

- The Directors have recommended a **first and final dividend of 0.45 US cents** subject to shareholders' approval at the forthcoming AGM
- This represents a **dividend pay-out** of 51.9% of the profit after tax

Note: There was no dividend paid for FY2019 due to negative reserves in the holding company – a profit in the holding company in FY2020 allowed for the proposed dividend payout

High Dividend Policy

- Committed to a dividend pay-out of **not less than 50.0%** of our Group's **consolidated net profit after tax**, excluding non-controlling interests and non-recurring, one-off and exceptional items, whether as an annual dividend or an interim dividend

The Energy Efficiency Industry

- The world has an almost insatiable need for energy colliding with a pressing need to reduce carbon emissions
- “This may sound too good to be true, but the world has a renewable energy resource that is perfectly clean, surprisingly abundant and immediately available. It has astounding potential to reduce the carbon emissions that threaten our plants, the dependence on foreign oil that threatens our security and the energy costs that threaten our wallets. Unlike coal it doesn’t pollute, unlike solar and wind it doesn’t depend on the weather, unlike ethanol it doesn’t accelerate deforestation or inflate food prices, unlike nuclear plants it doesn’t raise uncomfortable questions about meltdowns or terrorist attacks or radioactive waste storage and it doesn’t take a decade to build. It isn’t ‘what if?’ like hydrogen, clean coal and tidal power, it’s already proven to be workable, scalable and cost effective. And we don’t need to import it. This miracle goes by the name **Energy Efficiency**” ¹
- “**Energy Efficiency** is not just the low hanging fruit, it is the fruit that’s lying on the ground” ²
- **Energy Efficiency** is a global opportunity with far reaching implications for energy markets and climate change

Note 1 Source: Steven Chu, former US Energy Secretary, Time Magazine, “America's Untapped Energy Resource: Boosting Efficiency” January 2009

Note 2 Source: Steven Chu, New Scientist, 27 May 2009



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Energy Efficiency & Demand Response

- State governments and public utility commissions in most US states have implemented Energy Efficiency Resource Standards (“EERS”), which establish specific long-term energy efficiency targets that electric utilities must achieve through amongst others, energy efficiency and demand response programs
- As of July 2020, 28 of 52 states in the USA had adopted state-specific EERS¹
- Annual energy efficiency spending in North America is expected to reach nearly US\$11.3 billion in 2028²
- To meet mandatory savings targets, utilities manage a portfolio of energy efficiency measures, subsidising the cost of energy efficient technologies to commercial, industrial and residential markets including LED lighting, Wi-Fi Smart Thermostats, low flow showerheads and Advanced PowerStrips to name a few
- The new administration in the USA indicates a more aggressive environmental protection policy and approach to reducing carbon emissions

Note 1: Source National Conference of State Legislatures website. ncsf.org

Note 2: Source <https://www.tdworld.com/smart-utility/article/20972375/energy-efficiency-spending-in-north-america-expected-to-reach-us113-billion-in-2028>

The background of the slide features a composite image. The upper portion shows several wind turbines against a clear blue sky. The lower portion shows a silhouette of a person wearing a hard hat and holding a tablet, standing in front of a large electrical substation with numerous power lines and towers. A large, stylized green and blue wave graphic curves across the bottom of the image.

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Products

Stand-Alone Products

PowerStrips

- T2 APS
- T1 APS
- Plugload APS **NEW 2021**
- SensorClick
- GSA PowerStrips
- Surge Protectors

USB Motion Sensor

Energy Monitor

Power Switch

DryerSaver **NEW 2021**

Connected Products

Smart Thermostat **NEW 2021**

Electric Water Heater Controller **NEW 2021**

Portal **NEW 2021**

App **NEW 2021**

DR Services **NEW 2021**

- Next Generation Internet of Things (IoT) Energy Optimization Products for Demand Response Programs



New 2021

Wi-Fi Smart Thermostat

- 715 programs in the US use smart thermostats
- > 4 million smart thermostats sold annually in the USA



Occupancy Sensor



C-Wire Kit



Wi-Fi Electric Water Heater Controller

- 39 million stand-alone electric resistance water heaters in the US that can be connected and integrated into utility energy efficiency and demand response programs
- Simple, retrofit solution for all electric resistance water heaters 100-240VAC, also suitable for international markets in Europe and Australasia



TrickleStar® Portal™



TrickleStar® App™

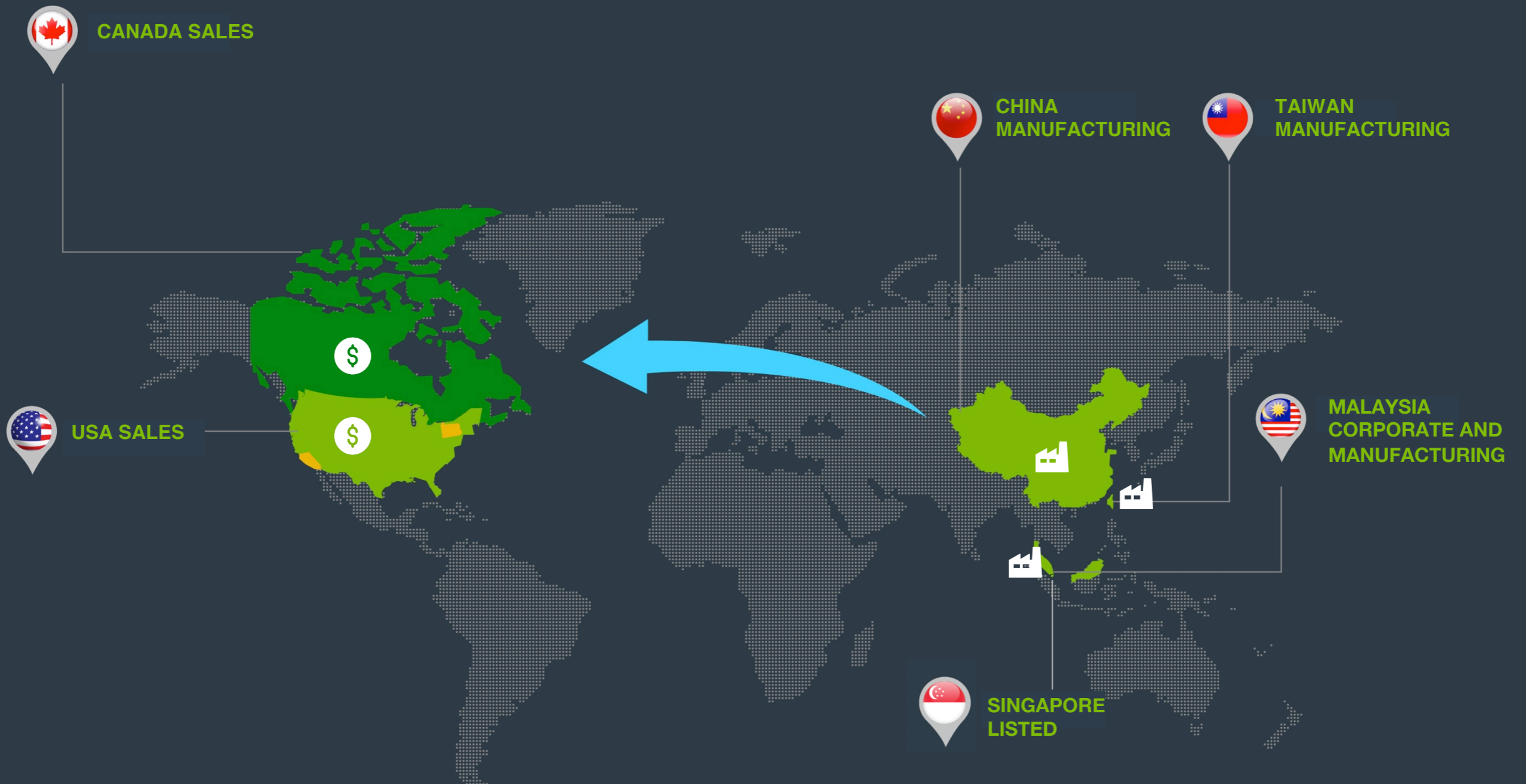


TrickleStar® DryerSaver™

- >80 million stand-alone electric clothes dryers in the USA that can be made smart and participate in energy efficiency programs
- Simple, retrofit solution for all electric clothes dryers



Operations





Competitive Advantages

- **Structural** - high barriers to entry due to requirements set by Public Utility Commissions and stringent selection criteria by electric utilities, implementation contractors and energy auditors in the USA for inclusion in approved energy-optimization products list for energy efficiency programs
- **Network** - Strong, well established network of customers in the industry for the provision of energy-optimization products for energy efficiency programs
- **Reputation** – in a risk averse industry, TrickleStar has established an enviable track record in delivering safe, well-built, “Affordable Premium” energy-optimization products
- **Team** - highly experienced, capable team, led by Executive Chairman and Chief Executive Officer, Bernard Emby, with many years of experience in developing and commercialising technology and IoT products
- **Focus** - asset-light business model where TrickleStar develops the brand, intellectual property and manages sales. Sub-contracting with multiple electronic contract manufacturing partners with domain expertise in power electronics, control systems, IoT and battery technologies enables cost effective, high quality products
- **Growth Opportunities** – a solid balance sheet coupled with a new product range is providing a path for international expansion

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Thank you

Investor relations



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A large, faint, light green graphic on the right side of the slide. It consists of several interconnected icons: a power plug at the top, a lightbulb in the middle, a Wi-Fi signal icon on the right, and a smartphone at the bottom. These icons are connected by curved lines, suggesting a flow or integration of energy and technology.