TRICKLESTAR LIMITED

(Incorporated in the Republic of Singapore on 31 October 2018)
(Company Registration Number: 201837106C)

UNAUDITED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2020

TrickleStar Limited (the "**Company**") was incorporated in Singapore on 31 October 2018 under the Singapore Companies Act (Chapter 50) as a private limited company. The Company and its subsidiaries (the "**Group**") was formed through a restructuring exercise (the "**Restructuring Exercise**") which involved a series of rationalisation of the corporate and shareholding structure as well as business and operations of our Group prior to the Company's listing on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist**"). Please refer to the Company's offer document dated 3 June 2019 (the "**Offer Document**") for further details on the Restructuring Exercise. The Company was admitted to Catalist on 18 June 2019.

For the purpose of this announcement, our Group's results for the six months ended 30 June 2020 ("**HY2020**") and comparative results for the six months ended 30 June 2019 ("**HY2019**") have been prepared using the pooling of interest method, and the financial statements are presented as if the business has always been combined since the beginning of the earliest period presented.

TRICKLESTAR LIMITED
(Company Registration No. 201837106C)

PART I - INFORMATION REQUIRED FOR HALF - YEAR ANNOUNCEMENT

1 (a)(i) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Half-year ended 30 June		Increase/ (Decrease)
	2020	2019	
	US$	US$	%
Revenue	6,504,114	6,587,861	(1.3)
Cost of sales	(4,737,364)	(4,683,189)	1.2
Gross profit	**1,766,750**	**1,904,672**	(7.2)
Other income	9,098	2,578	>100
Selling and distribution expenses	(454,363)	(528,401)	(14.0)
Administrative expenses	(749,550)	(1,677,585)	(55.3)
Finance costs	(2,540)	-	NM
Profit / (Loss) before income tax	**569,395**	**(298,736)**	>100
Income tax expense	(62,684)	(100)	>100
Profit / (Loss) for the financial period attributable to owners of the Company	**506,711**	**(298,836)**	>100
Other comprehensive (loss) / income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax	(9,239)	58	>100
Other comprehensive income for the financial period, net of tax	(9,239)	58	>100
Total comprehensive income for the financial period attributable to owners of the Company	**497,472**	**(298,778)**	>100

NM. : Not meaningful

TRICKLESTAR LIMITED
(Company Registration No. 201837106C)

1 (a)(ii) Notes to the Combined Statements of Comprehensive Income

The Group's profit/(loss) before tax is arrived at after charging / (crediting) the following:

	Group		
	Half-year ended 30 June		
	2020	2019	Increase/
	Unaudited	Unaudited	(Decrease)
	US$	US$	%
Other income			
Foreign exchange gain (Net)	(8,004)	(1,790)	>100
Interest income	(639)	(788)	(19.0)
Selling and distribution expenses			
Employee benefits expense			
- Salaries, bonuses and other staff benefits	178,128	239,512	(25.6)
- Contributions to defined contribution plans	1,208	2,250	>100
	179,337	241,762	
Freight outwards	112,104	72,183	55.3
Sales commission	63,430	57,592	10.1
Inventories processing fees	44,355	26,699	66.1
Storage fees	15,776	34,407	(54.2)
Administrative expenses			
Initial public offering expenses	-	1,194,797	NM
Amortisation of intangible assets	12,142	43,960	(72.4)
Depreciation of plant and equipment	17,826	25,022	(28.8)
Amortisation of right-of-use assets	22,876	-	NM
Performance share plan expenses	116,458	-	NM
Engineering fees	3,100	(3,231)	>100
Employee benefits expense			
- Directors' fees	42,953	-	NM
- Salaries, bonuses and other staff benefits	208,453	177,900	17.2
- Contributions to defined contribution plans	15,170	13,515	12.2
	266,576	191,415	
Operating lease expenses	-	25,821	NM
Interest expense on lease liabilities	2,540	-	NM
Professional fees	85,412	18,411	>100
Research and testing	283	25,908	(98.9)

TRICKLESTAR LIMITED

(Company Registration No. 201837106C)

1 (b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at		As at	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
	US$	US$	US$	US$
ASSETS				
Non-current assets				
Plant and equipment	75,218	67,236	-	-
Right-of-use assets	44,336	68,596	-	-
Investments in subsidiaries	-	-	5,060,911	4,601,706
Intangible assets	609,689	392,585	-	-
	729,243	528,417	5,060,911	4,601,706
Current assets				
Inventories	4,320,473	4,266,414	-	-
Trade and other receivables	1,643,940	2,781,691	647,974	1,162,771
Prepayments	14,895	59,749	-	5,674
Income tax recoverable	6,889	186,609	-	-
Cash and bank balances	4,269,612	2,600,014	1,703,124	996,483
	10,255,809	9,894,477	2,351,098	2,164,928
Total assets	**10,985,052**	**10,422,894**	**7,412,009**	**6,766,634**
EQUITY AND LIABILITIES				
Equity				
Share capital	7,304,838	7,191,788	7,304,838	7,191,788
Merger reserve	(111,376)	(111,376)	-	-
Performance share plan reserve	11,093	7,685	11,093	7,685
Foreign currency translation reserve	9,012	18,251	-	-
Retained earnings/(Accumulated losses)	442,103	(64,608)	(978,762)	(839,499)
Total equity	7,655,670	7,041,740	6,337,169	6,359,974
Non-current liabilities				
Deferred tax liabilities	95,073	95,073	-	-
Lease liabilities	31,298	31,298	-	-
	126,371	126,371	-	-
Current liabilities				
Trade and other payables	3,138,238	3,163,943	1,038,784	370,604
Lease liabilities	18,803	44,870	-	-
Provision for warranty cost	9,914	9,914	-	-
Current income tax payable	36,056	36,056	36,056	36,056
	3,203,011	3,254,783	1,074,840	406,660
Total liabilities	**3,329,382**	**3,381,154**	**1,074,840**	**406,660**
Total equity and liabilities	**10,985,052**	**10,422,894**	**7,412,009**	**6,766,634**

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year: (A) the amount repayable in one year or less, or on demand; (B) the amount repayable after one year; (C) whether the amounts are secured or unsecured; and (D) details of any collaterals.

Not applicable.

There were no Group's borrowings and debt securities as at the end of the current financial period and as at the end of the immediately preceding period.

TRICKLESTAR LIMITED

(Company Registration No. 201837106C)

1 (c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Half-year ended 30 June	
	2020	2019
	US$	US$
Cash flows from operating activities		
Profit / (Loss) before income tax	569,395	(298,736)
Adjustments for:		
Depreciation of plant and equipment	17,826	25,022
Amortisation of intangible assets	12,142	43,960
Amortisation of right-of-use assets	22,876	-
Interest income	(639)	(788)
Performance share plan expenses	116,458	-
Interest expenses	2,540	-
Operating cash flows before working capital changes	**740,598**	**(230,542)**
Working capital changes:		
Inventories	(54,059)	3,117,952
Trade and other receivables	1,137,751	83,322
Prepayments	44,854	397,100
Trade and other payables	(88,505)	(1,867,261)
Cash generated from operations	**1,780,639**	**1,500,571**
Income tax refunded/(paid)	117,036	(285,199)
Net cash from operating activities	**1,897,675**	**1,215,372**
Cash flows from investing activities		
Purchase of plant and equipment	(25,888)	(14,353)
Additions to intangible assets	(229,246)	(189,305)
Interest received	639	788
Net cash used in investing activities	**(254,495)**	**(202,870)**
Cash flows from financing activities		
Gross proceeds from initial public offering	-	2,853,981
Share issue expense	-	(263,900)
Repayment of obligations under leases	(26,067)	-
Proceeds from Paycheck Protection Program ("PPP")	62,800	-
Interest paid	(2,540)	-
Dividends paid	-	(865,821)
Net cash from financing activities	**34,193**	**1,724,260**
Net change in cash and cash equivalents	1,677,373	2,736,762
Cash and cash equivalents at beginning of financial year	2,592,688	1,553,649
Exchange difference on cash and cash equivalents	(7,895)	58
Cash and cash equivalents at end of financial period	**4,262,166**	**4,290,469**

TRICKLESTAR LIMITED
(Company Registration No. 201837106C)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Merger reserve	Performance share plan reserve	Foreign currency translation reserve	Retained earnings / (Accumulated losses)	Total equity
	US$	US$	US$	US$	US$	US$
Group						
Balance at 1 January 2020	7,191,788	(111,376)	7,685	18,251	(64,608)	7,041,740
Profit for the financial period	-	-	-	-	506,711	506,711
Other comprehensive income for the financial period, net of tax						
Exchange differences on translating foreign operations	-	-	-	(9,239)	-	(9,239)
Total comprehensive income for the financial period	-	-	-	(9,239)	506,711	497,472
Contributions by and distributions to owners						
Performance share plan expenses	-	-	116,458	-	-	116,458
Performance shares issued	113,050	-	(113,050)	-	-	-
Total transactions with owners	113,050	-	3,408	-	-	116,458
Balance at 30 June 2020	**7,304,838**	**(111,376)**	**11,093**	**9,012**	**442,103**	**7,655,670**
Balance at 1 January 2019	4,490,330	-	-	16,446	630,623	5,137,399
Loss for the financial period	-	-	-	-	(298,836)	(298,836)
Other comprehensive income for the financial period, net of tax						
Exchange differences on translating foreign operations	-	-	-	58	-	58
Total comprehensive income for the financial period	-	-	-	58	(298,836)	(298,778)
Contributions by and distributions to owners						
Restructuring exercise	111,377	(111,377)	-	-	-	-
Issuance of new shares pursuant to IPO	2,853,981	-	-	-	-	2,853,981
Share issue expense	(263,900)	-	-	-	-	(263,900)
Dividends	-	-	-	-	(865,821)	(865,821)
Total transactions with owners	2,701,458	(111,377)	-	-	(865,821)	1,724,260
Balance at 30 June 2019	**7,191,788**	**(111,377)**	**-**	**16,504**	**(534,034)**	**6,562,881**

TRICKLESTAR LIMITED

(Company Registration No. 201837106C)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Performance share plan reserve	Retained earnings / (Accumulated losses)	Total equity
	US$	US$	US$	US$
Company				
Balance at 1 January 2020	7,191,788	7,685	(839,499)	6,359,974
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(139,263)	(139,263)
Total comprehensive income for the financial period	-	-	(139,263)	(139,263)
Contributions by and distributions to owners				
Performance share plan expenses	-	116,458	-	116,458
Performance shares issued	113,050	(113,050)	-	-
Total transactions with owners	113,050	3,408	-	116,458
Balance at 30 June 2020	**7,304,838**	**11,093**	**(978,762)**	**6,337,169**
Balance at 1 January 2019	1	-	(2,626)	(2,625)
Loss for the financial period, representing total comprehensive income for the financial period	-	-	(1,193,573)	(1,193,573)
Total comprehensive income for the financial period	-	-	(1,193,573)	(1,193,573)
Contributions by and distributions to owners				
Restructuring exercise	4,490,329	-	-	4,490,329
Issuance of new shares pursuant to IPO	2,853,981	-	-	2,853,981
Share issue expense	(263,900)	-	-	(263,900)
Total transactions with owners	7,080,410	-	-	7,080,410
Balance at 30 June 2019	**7,080,411**	**-**	**(1,196,199)**	**5,884,212**

1(d)(ii) 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.

Changes in share capital

	Number of shares			
	As at 30 June 2020		As at 30 June 2019	
	Number of shares	S$	Number of shares	S$
Balance at the beginning of the financial period	81,791,925	10,129,130	81,791,925	10,129,130
Issue of shares pursuant to the Awards vested under the TrickleStar Performance Share Plan [(1)]	456,329	157,591	-	-
Balance at the end of the financial period	82,248,254	10,286,721	81,791,925	10,129,130

Notes:

(1) The number of shares was calculated after taking into consideration of 2,894 shares forfeited as at 30 June 2020.

The Award shares rank pari passu in all respects with the existing shares of the Company. The Award shares have been listed and quoted on the Catalist Board of the Singapore Exchange Securities Trading limited on 08 June 2020.

The Company did not have any treasury shares, subsidiary holdings or convertible instruments at the end of the current financial period and as at the end of the corresponding period of the immediately preceding financial period.

1(d)(iii) 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.

The total number of issued ordinary shares, excluding treasury shares, as at 30 June 2020 was 82,248,254 (31 December 2019: 81,791,925). There were no treasury shares held by the Company as at 30 June 2020 and 31 December 2019.

1(d)(iv) 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 ended 30 June 2020.

1(d)(v) 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. The Company did not have subsidiary holdings as at 30 June 2020.

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

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

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

Not applicable

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer or opinion:-
(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all the outstanding audit issue on the financial statements have been adequately disclosed.

Not applicable. The Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph (5) below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on, which are consistent with the most recently audited financial statements for the year ended 31 December 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)s") pronouncements that are effective for annual periods beginning on or after 1 January 2020 and are relevant to its operations. The adoption of these new/revised SFRS(I)s does not result in any changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current financial period or prior financial years.

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

	Group	
	Half-year ended 30 June	
	2020	2019
Profit/(Loss) attributable to owners of the Company (US$)	506,711	(298,836)
Weighted average number of shares	81,845,163 (1)	81,791,925
Earnings/(Loss) per share - basic and diluted (US cents)	0.62	(0.37)

The basic and diluted EPS for the respective financial periods are computed based on the profit/(loss) attributable to the owners of the Company and the weighted average of the Company's ordinary shares in issue during the respective financial periods.

Notes:
(1) The weighted average number of shares in issue for the six months ended 30 June 2020 was computed based on 82,248,254 ordinary shares adjusted for issuance of 456,329 shares pursuant to the exercise of Performance Share Plan on 8 June 2020.

7. 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 financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Net Asset Value per share (US cents)	9.31	8.61	7.70	7.78
Net Asset Value (US$)	7,655,670	7,041,740	6,337,169	6,359,974
Number of ordinary shares used	82,248,254	81,791,925	82,248,254	81,791,925

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
(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 of the Group's statement of comprehensive income:

Revenue decreased by 1.3% or US$0.08 million to approximately US$6.50 million in HY2020, mainly attributable to the impact of the COVID-19 pandemic, which resulted in reduced demand for the Group's products.

Cost of sales increased by 1.2% or US$0.05 million resulting in a lower gross profit margin of 27.2% for HY2020. It was lower compared to 28.9% in the same period last year mainly due to the increase of US tariff imposed, from 10% to 25%, starting from May 2019 and non-recurring engineering costs incurred in HY2020. The Group continues to exercise cost monitoring and progressively outsourcing the manufacturing of the Group's products to independent contract manufacturer with facilities in Malaysia, a country that is not subject to tariffs on exports to US when compared to high tariffs imposed in the same period last year due to outsourced manufacturing facility in China, a country that is subject to tariffs on exports to US.

Other income increased by US$6,520 to US$9,098 in HY2020. This was primarily due to a net increase in foreign exchange gain, amounting to US$6,214 in HY2020.

Selling and distribution expenses decreased by 14.0% or US$0.07 million, from approximately US$0.52 million in HY2019 to approximately US$0.45 million in HY2020, due mainly to the following:

(i) a decrease of approximately US$0.06 million in salaries and other staff benefits from reduced USA sales staff headcount;
(ii) a decrease of approximately US$0.04 million in product quality inspection expenses;
(iii) a decrease of approximately US$0.02 million in storage fees for third party warehousing;
(iv) a decrease of approximately US$0.01 million in entertainment expense; which were partially offset by the following increases in expenses:
(v) an increase of approximately US$0.04 million in freight outwards expense; and
(vi) an increase of approximately US$0.02 million in inventories processing fees.

Administrative expenses decreased by 55.3% or US$0.93 million from US$1.68 million in HY2019 to US$0.75 million in HY2020, due mainly to the following:

(i) the absence of net listing expenses of approximately US$1.19 million which was incurred for the IPO in HY2019 and a decrease of approximately US$0.03 million in amortisation of intangible assets, which were partially offset by the following increases in expenses:
(ii) an increase in administrative employees' salaries and other staff benefits expense, and professional fees of approximately US$0.07 million and US$0.06 million respectively;

(iii) the additional performance share plan expenses of approximately US$0.12 million; and
(iv) an increase in foreign exchange loss of approximately US$0.04 million.

Finance costs consist of interest on lease liabilities of US$2,540 for the financial period due to the adoption of SFRS(I) 16.

The Group recorded income tax expense of approximately US$0.06 million which was mainly related to the US subsidiary's estimated federal tax for the financial period ended 31 May 2020 and its states' tax paid in HY2020.

The Group reported a net profit attributable to owners of the Company of approximately US$0.51 million for HY2020, as compared to a net loss of approximately US$0.3 million in the same period last year.

Review of the Group's statement of financial position:

Plant and equipment as at 30 June 2020 increased by approximately US$0.01 million due to the additional purchases of approximately US$0.03 million and offset by depreciation charge of approximately US$0.02 million.

Right-of-use assets as at 30 June 2020 decreased by approximately US$0.03 million due to amortisation charges during the financial period.

Intangible assets as at 30 June 2020 increased by approximately by 56.4% or US$0.22 million due to additions of product development costs of approximately US$0.23 million which was partially offset by amortisation charges of approximately US$0.01 million.

Current assets as at 30 June 2020 increased by approximately US$0.36 million or 3.6% mainly due to the increase in cash and bank balances of approximately US$1.67 million (as explained below in the review of the Group's statement of cash flows) and a slight increase in inventories of approximately US$0.05 million, partially offset by a decrease in trade and other receivables of approximately US$1.14 million due to better collections, decrease in income tax recoverable (as tax was refunded) and a decrease in prepayments of approximately US$0.18 million and US$0.04 million respectively.

Non-current liabilities as at 30 June 2020 remained at approximately US$0.13 million.

Current liabilities as at 30 June 2020 decreased by 1.5% or US$0.05 million mainly due to a decrease in trade and other payables, and lease liabilities of approximately US$0.02 million and US$0.03 respectively.

Trade and other payables decreased mainly due to increased trade settlements, whereas lease liabilities decreased due to the lease payments in the financial period.

Review of the Group's statement of cash flows

(i) Net cash generated from operating activities in HY2020 was approximately US$1.90 million, which comprised cash used in operating activities before working capital changes of approximately US$0.74 million, working capital inflow of approximately US$1.04 million and income tax paid of approximately US$0.12 million. Working capital inflow was due to an increase in trade and other receivables of approximately US$1.14 million and an increase in prepayments of approximately US$0.04 million, offset by a decrease in trade and other payables of approximately US$0.09 million and a decrease in inventories of approximately US$0.05 million.

(ii) Cash flow used in investing activities amounted to approximately US$0.25 million which was due to additions of product development costs of approximately US$0.23 million and purchases of equipment of approximately US$0.03 million which was offset by interest received of approximately US$0.01 million.

(iii) The total cash flow from financing activities of approximately US$0.03 million was due to proceeds from a USA government initiative, the Paycheck Protection Program ("PPP"), which aims to help USA businesses keep their workforce employed during COVID-19 of approximately US$0.06 million which was mainly offset by repayment of obligations under leases of approximately US$0.03 million. These resulted in a net increase in cash and cash equivalent amounting to approximately US$1.67 million resulting in a cash and cash equivalent of approximately US$4.27 million as at 30 June 2020.

For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Group	
	Half-year ended 30 June	
	2020	2019
Fixed deposit	7,446	7,255
Cash and bank balances	4,262,166	4,290,469
Cash and cash equivalents at end of financial period	4,269,612	4,297,724
Fixed deposit pledged	(7,446)	(7,255)
Cash and cash equivalents on consolidated statement of cash flows	4,262,166	4,290,469

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

No forecast or prospect statement was previously given to shareholders.

10. 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.

The HY2020 results appear to justify our business model and the strategies that we have adopted in the face of the significant threats facing our industry in the form of tensions and tariffs arising from the USA - China trade war, coupled with the impact of COVID-19 on almost every industry and economy in the world.

After a strong start to 2020, our Group noticed an easing of demand in more recent months, which we believe would have been experienced throughout our industry. Home energy assessments, an important part of our business, inevitably have been disrupted by people's need to socially distance and we must expect this disruption to continue until a true resolution to the COVID-19 virus is found. The Group therefore remains vigilant to this threat, which remains real and will continue to affect TrickleStar in the months ahead.

The Group has immediately complied with all social distancing measures and closed its offices as appropriate, using online conferencing and internet to ensure the continuity of its business. International travel to USA has been prevented but the marketing and sales team in USA has maintained strong contacts with Malaysia via video conferencing to ensure minimal disruption. The Group is not aware of any budgetary support measures that have an impact on the Group's business, noting that many of the programs in USA that relate to energy saving already had pre-approved budgets for expenditure in the current financial year.

11. 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)

Nil.

(b) (ii) Previous corresponding period (cents)

Not applicable as the Company was only listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 18 June 2019.

(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 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.

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

As there are significant uncertainties in assessing the duration of the pandemic and its impact, the Group's current key priority is to preserve cash to support working capital requirements and product development until the COVID-19 situation improves. Furthermore, the Company remains in a retained loss position, therefore, the Board will not be recommending any interim dividend for HY2020.

13. If the group has obtained a general mandate from shareholders for IPTs, 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 has not obtained a general mandate from shareholders for interested person transactions. There were no interested person transactions of S$100,000 and above entered into in HY2020.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

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

15. Use of Proceeds

The Company was listed on Catalist of the SGX-ST on 18 June 2019. The initial offering of the Company raised gross proceeds and net proceeds of S$3.90 million and S$2.40 million respectively. As at the date of this announcement, the net proceeds of S$2.29 million have been utilised as follows:

	Amount allocated as stated in the Offer Document (S$' million)	Amount utilised as at the date of this announcement (S$' million)	Balance of net proceeds as at the date of this announcement (S$' million)
Scaling our presence in markets that we operate in, expansion into new geographical markets and establishing new sales channels	0.40	0.40 [(a)]	0.00
Product development, acquisitions of products, businesses and assets	1.00	0.89 [(b)]	0.11
General working capital purposes	1.00	1.00 [(c)]	-
	2.40	2.29	0.11

Notes:

(a) An amount of S$0.30 million was utilised on 1 July 2020 for the issued and paid up capital of PlugLoad Pte. Ltd., a newly incorporated wholly-owned subsidiary.
(b) Product development expenses incurred as at the date of this announcement.
(c) Approximately S$1.0 million paid on 3 July 2019 for payment of stocks to our supplier.

16. Additional disclosures required pursuant to Rule 706A

The Company has incorporated a new wholly-owned subsidiary in Singapore, namely PlugLoad Pte. Ltd. ("PlugLoad") on 1 July 2020. PlugLoad has an initial issued and paid-up share capital of S$300,000 comprising 30,000 ordinary shares. It is intended that PlugLoad will explore opportunities in the growing energy saving segment, which may include opportunities to export to other countries besides USA. The incorporation of PlugLoad was funded by IPO net proceeds and as such, is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company and Group for the current financial year ending 31 December 2020.

17. Confirmations by the Board pursuant to Rule 705(5).

The Board of Directors of TrickleStar Limited hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements of the Group and the Company for the half year ended 30 June 2020 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Bernard Christopher Emby
Executive Chairman and Chief Executive Officer

5 August 2020

---

*TrickleStar Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 18 June 2019. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the " Sponsor").*

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Joseph Au, Associate Director, Continuing Sponsorship. (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).