

**OIO HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201726076W)

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**PROPOSED SUBSCRIPTION FOR 894,841 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY**

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**1. INTRODUCTION**

The board of directors ("**Board**" or the "**Directors**") of OIO Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has today entered into a subscription agreement (the "**Subscription Agreement**") with a Subscriber (as defined below), 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 shares (each a "**Subscription Shares**") in the capital of the Company at an issue price of S\$0.601 for each Subscription Shares (the "**Issue Price**"), amounting to an aggregate gross consideration of US\$400,000 (amounting to S\$537,800<sup>1</sup>) (the "**Proposed Subscription**").

As at the date of this Announcement, the Company has an issued share capital of S\$19,873,017 comprising 179,389,598 ordinary shares ("**Shares**"). Immediately following the completion of the Proposed Subscription, the Company will have an enlarged issued and paid-up capital of S\$20,410,817 comprising 180,284,439 Shares of the Company. The Subscription Shares would represent approximately 0.50% of the issued Shares of the Company as at the date of this Announcement and approximately 0.50% of the issued Shares comprised in the enlarged share capital of the Company immediately after completion of the Proposed Subscription.

**2. DETAILS OF THE PROPOSED SUBSCRIPTION**

**2.1. Subscriber and Subscription Shares**

Pursuant to the Subscription Agreement, the following person (the "**Subscriber**") will subscribe for, and the Company will allot and issue to them, the Subscription Shares at the Issue Price in the numbers and for the consideration set out below:

Name of Subscriber	Number of Subscription Shares	Consideration (US\$)	Existing interest in Shares (Direct or Deemed)]	Interest in Shares after Proposed Subscription (Direct or Deemed)	Percentage shareholding (Direct or Deemed) of the enlarged issued share capital of the Company
Makoto Matsumura	894,841	400,000	Nil	894,841	0.50%

The Subscriber was approached by the Company through introduction made by Mr. Mitsuru Tezuka ("**Mr. Tezuka**"), who is the substantial shareholder of the Company, as part of the Company's continual engagement with potential capital providers. Further details of the Subscriber and rationale of investing in the Company are set out below:

- Makoto Matsuoka is an acquaintance of Mr. Tezuka and is in the business of the construction and real estate industries in Japan.

The Subscriber was looking for investment opportunities in the blockchain industry and is interested in investing in the growth of the Group's blockchain business via the Proposed Subscription.

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<sup>1</sup> Based on the rate of S\$1.3445 per unit of US\$ for the month of August 2021 published on <https://eservices.mas.gov.sg/Statistics/msb/ExchangeRates.aspx>

The Company did not appoint any placement agent for purposes of the Proposed Subscription, and no commission or introduction fees is payable by the Company in relation to the introduction of the Subscriber to the Company or in connection with the issuance and allotment of the Subscription Shares.

As at the date of this announcement, the Subscriber:

- (i) has no shareholding interests in the Company;
- (ii) is not related to any of the Directors, substantial shareholders of the Company or their respective associates;
- (iii) is not a restricted person under Rule 812(1) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**");
- (iv) is not co-operating, pursuant to an agreement or undertaking (whether formal or informal), with any existing shareholders of the Company, to obtain or consolidate effective control of the Company through the acquisition of shares in the Company under the respective Subscription Agreement;
- (v) is not acting in accordance with any instruction or influence of any party in relation to the issuance and allotment of the Subscription Shares; and
- (vi) is not acquiring the Subscription Shares for and/or on behalf of any other persons (whether as a nominee or agent or otherwise) besides itself, with a view to the resale or distribution of any part thereof and/or with an intention of selling, granting any participation in, or otherwise distributing the same in violation of law.

Save as set out above and in respect of the Proposed Subscription, there is no past and/or current relationship (including but not limited to business relationships) between the Subscriber and the Directors, substantial shareholders of the Company or their respective associates.

The allotment and issuance of the Subscription Shares to the Subscriber will not result in a transfer of controlling interest in the Company.

The Subscription Shares, when allotted and issued, shall rank *pari passu* with, and shall carry all rights similar to, the then existing issued ordinary shares of the Company, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Proposed Subscription.

## **2.2. Issue Price**

The Issue Price represents a discount of approximately 9.9% to the volume weighted average price of S\$0.6672 for trades done on the SGX-ST for the full market day on 9 September 2021, being the last market day for which the shares of the Company were traded on the SGX-ST prior to the execution of the Subscription Agreement.

The Issue Price was arrived at following arm's length negotiations between the Company and the Subscriber, taking into account the prevailing Share price and the financial position and prospects of the Company.

## **2.3. Conditions Precedent**

Completion of the Proposed Subscription ("**Completion**") is conditional upon:

- (a) the approval in-principle for the listing of and quotation for the Subscription Shares on the Catalist of the SGX-ST having been obtained and not having been revoked, and where such approval is subject to conditions, (i) such conditions being reasonably

acceptable to the Company and the Subscriber and (ii) if such conditions are required to be fulfilled on or before Completion, such conditions are so fulfilled;

- (b) the allotment, issue and subscription of the Subscription Shares and all the transactions contemplated in the Subscription Agreement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority (including, without limitation, the Monetary Authority of Singapore (“MAS”) and the SGX-ST) in Singapore or elsewhere, which is applicable to either the Company or any of the Subscriber, including the provisions of the Catalist Rules or the Securities and Futures Act, Chapter 289 of Singapore (“SFA”);
- (c) if required under the applicable laws, rules and regulations, the Company obtaining the approval of its shareholders in relation to the allotment, issue and subscription of the Subscription Shares at an extraordinary general meeting to be convened by the Company; and
- (d) the representations, warranties and undertakings by the Company and the Subscriber remaining true and correct in all material respects as if made on the date of Completion, with reference to the then existing facts and circumstances, and each of them having performed all of its/his obligations under the Subscription Agreement to be performed on or before Completion.

If any of the conditions is not satisfied or waived on or before six (6) months from the date of the Subscription Agreement or such later date as the Company and the Subscriber may agree in writing, the Proposed Subscription will not proceed and the Subscription Agreement will lapse and cease and no parties will have any claims against any other party, save for any antecedent breach of the Subscription Agreement.

#### **2.4. Moratorium on Subscription Shares**

Under the terms of the Subscription Agreement, the Subscriber will undertake, upon Completion and for a period of three (3) months from the date of Completion, not to:

- (a) reduce his/her effective shareholding interest in the Subscription Shares;
- (b) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option or right to purchase, sell any option or contract to purchase, purchase any option or contract to sell, grant any security over, encumber (such as by way of mortgage, assignment of rights, charge, pre-emption rights, rights of first refusal or otherwise) or otherwise transfer or dispose of any or all of the Subscription Shares whether such transaction is settled by delivery of such Subscription Shares, in cash or otherwise;
- (c) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a disposal of or transfer (in whole or in part) of any or all of the Subscription Shares, whether such transaction is settled by delivery of such Subscription Shares, in cash or otherwise;
- (d) deposit any or all of the Subscription Shares in any depository receipt facilities, whether any such transaction described above is to be settled by the delivery of Subscription Shares, in cash or otherwise;
- (e) enter into any transaction which is designed or which may reasonably be expected to result in or have the same effect (economic or otherwise) as (in whole or in part) any of the above; or
- (f) offer or agree to make any announcement with respect to any of the foregoing transactions or publicly disclose any intention to do any of the above.

### 3. RATIONALE AND USE OF PROCEEDS

The estimated net proceeds (the “**Net Proceeds**”) from the Proposed Subscription, after deducting estimated expenses, will amount to approximately S\$532,800.

The Board believes that the Proposed Subscription will strengthen the Group’s balance sheet and financial position and provide flexibility to capitalise on growth opportunities and to expand and grow its blockchain business via an injection of funds into the Company for potential business investments and/or acquisitions as and when they arise.

The Company intends to utilise 100% of the Net Proceeds for the following purposes:

<b>Proposed use of Net Proceeds<sup>(1)</sup></b>	<b>% of Net Proceeds</b>
Financing the Group’s business expansion (including organic expansion and mergers and acquisitions)	60%
Working capital and general corporate purposes (including the repayment of the Group’s liabilities) <sup>(2)</sup>	40%

*Note:*

- (1) *The Company shall update shareholders re-allocation of the proceeds, if any, as and when appropriate on the SGXNet.*
- (2) *For the avoidance of doubt, this allocation of the Net Proceeds is for purposes of the Group’s working capital and general corporate purposes other than the Moonstake Working Capital (as defined below).*

Pending the utilisation of the Net Proceeds for such purposes, such proceeds may be placed in deposits with banks or financial institutions or invested in short-term money markets or debt instruments or for any other purpose on a short-term basis as the directors may, in their absolute discretion, deem fit from time to time.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Subscription as and when such proceeds are materially disbursed and provide a status report of the use of proceeds from the Proposed Subscription in the Company’s annual report. Where there is any material deviation from the stated use of proceeds, the Company shall announce the reasons for such deviation when such funds are materially disbursed.

For completeness, reference is made to the Company’s announcements dated 29 March 2021, 31 March 2021, 9 April 2021, 23 April 2021 and 31 May 2021 in relation to the (a) Company’s issuance of 8.00% convertible notes (“**Notes**”) for an aggregate principal amount of US\$2,400,000 (“**Notes Issuance**”); and (b) the completion of the Company’s acquisition of Moonstake Pte. Ltd. and Moonstake Limited (“**Moonstake Completion**”) and the automatic conversion of the Notes to 17,932,584 new Shares in the Company on 31 May 2021. As announced by the Company on 29 March 2021, the net proceeds from the Notes Issuance amounted to USD2,369,000 (“**Notes Proceeds**”).

As announced by the Company on 29 March 2021, (a) US\$869,000 of the Notes Proceeds are intended to be used as working capital (including the working capital required by the Group’s subsidiary, OIO Singapore Pte. Ltd) and general corporate purposes of the Company (including the repayment of the Company’s liabilities including recurring professional fees) (“**OIO Working Capital**”); and (b) US\$1,500,000 of the Notes Proceeds are intended to be used as the working capital (including sales and marketing expenses and software development/maintenance expenses) of Moonstake Pte. Ltd. and Moonstake Limited following the Moonstake Completion (“**Moonstake Working Capital**”).

As at the date of this Announcement, US\$869,000 of the Notes Proceeds have been fully utilized for the OIO Working Capital and US\$349,258 of the Notes Proceeds have been used

for the Moonstake Working Capital, leaving a balance of US\$1,150,742 of the Notes Proceeds not yet utilised for the Moonstake Working Capital, as set out in the table below:-

Purposes	Allocation of Net Proceeds Received (US\$)	Amount Utilized (US\$)	Balance (US\$)
Working capital for Moonstake Pte Ltd and Moonstake Limited (in the event of an entry of a definitive agreement and upon completion of the Acquisition) including sales and marketing expenses and software development/ maintenance expenses	1,500,000	(349,258)	1,150,742
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)	-
<b>Total</b>	<b>2,369,000</b>	<b>(1,218,258)</b>	<b>1,150,742</b>

The above utilisation of the Notes Proceeds is in accordance with the intended use of the Notes Proceeds as stated in the Company's announcement dated 29 March 2021.

#### 4. FINANCIAL EFFECTS

The financial effects of Proposed Subscription on the Company are prepared based on the latest available financial statements of the Company for a full financial year (i.e the audited financial statements for the full financial year ended 31 December 2020 as announced on 14 April 2021).

The financial effects below are purely **for illustrative purposes only** and do not reflect the actual financial performance or position of the Company and the Group after the Proposed Subscription.

##### 4.1. Share Capital

	Before the Proposed Subscription	After the Proposed Subscription
<b>Number of Shares</b>	179,389,598	180,284,439

**Note:**

(1) Based on the number of Shares outstanding as at the date of this Announcement.

As at the date of this Announcement, the existing share capital of the Company is approximately \$19,873,017 comprising 179,389,598 Shares. On Completion, the Company will have an enlarged issued share capital of approximately S\$20,410,817 comprising 180,284,439 Shares.

##### 4.2. Earnings per ordinary share ("EPS")

Assuming that the Proposed Subscription was completed on 1 January 2020, the effect on the Company's EPS for the financial year ended 31 December 2020 would be as follows:

	Before the Proposed Subscription	After the Proposed Subscription
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Loss attributable to shareholders of the Company (S\$'000)	(838,918)	(843,918)
Number of ordinary shares in issue	121,108,700	122,003,541
EPS (SGD cents)	(0.69)	(0.69)

#### 4.3. Net Tangible Assets (“NTA”) per Share

Assuming that the Proposed Subscription was completed on 31 December 2020, the effect on the Company's NTA per Share as at 31 December 2020 would have been as follows:

	<b>Before the Proposed Subscription</b>	<b>After the Proposed Subscription</b>
NTA	(3,823,460)	(3,290,660)
Number of ordinary shares in issue	121,108,700	122,003,541
NTA per Share (SGD cents)	(3.16)	(2.70)

#### 5. **DIRECTORS' OPINION**

The Directors are of the opinion that (i) assuming the Proposed Subscription is not undertaken, the working capital available to the Group is sufficient to meet its present requirements with financial support by the Company's controlling shareholder, North Venture Pte. Ltd. and the balance Notes Proceeds of US\$1,150,742 and that (ii) after taking into consideration the Net Proceeds from the issue and subscription of the Subscription Shares, the working capital available to the Group is sufficient to meet its present requirements.

As at the date of this announcement, the Group does not have any present bank facilities.

#### 6. **APPROVALS**

The Company, through its sponsor, PrimePartners Corporate Finance Pte. Ltd, will be making an application to the SGX-ST for the listing and quotation of the Subscription Shares on Catalyst. The Company will make the necessary announcements once the listing approval in respect of the Subscription Shares has been obtained.

#### 7. **AUTHORITY FOR ISSUE OF SUBSCRIPTION SHARES**

The Subscription Shares will be issued pursuant to the general mandate approved by the Company's shareholders at the annual general meeting of the Company held on 27 August 2021 ("**2021 Share Issue Mandate**").

The 2021 Share Issue Mandate authorises the Directors to allot and issue new Shares and/or convertible securities of not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the 2021 Share Issue Mandate (being 179,389,598 Shares), of which the aggregate number of Shares to be issued other than on a pro rata basis to existing shareholders shall not be more than 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the 2021 Share Issue Mandate (being approximately 89,694,799 Shares).

No Share were previously issued under the 2021 Share Issue Mandate prior to the date of the Subscription Agreement and as such, the total number of Shares that may be issued pursuant to the 2021 Share Issue Mandate is 179,389,598 Shares, of which the number of Shares to be issued other than on a pro rata basis is 89,694,799 Shares.

Accordingly, the proposed issuance and allotment of the 894,841 Subscription Shares will be within the limits of the 2021 Share Issue Mandate and specific shareholder approval from Shareholders for the issuance and allotment of the Subscription Shares is not required.

#### **8. NO PROSPECTUS OR OFFER INFORMATION STATEMENT**

The Proposed Subscription will be undertaken by way of offers made in accordance with and in reliance on Section 275(1A) of the SFA. As such, no prospectus or offer information statement will be lodged with the SGX-ST acting as agent on behalf of the MAS in connection with the issuance of the Subscription Shares.

For purposes of Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018, the Subscription Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

#### **9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors and their respective associates, and (to the best of knowledge of the Directors, none of the substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Subscription Agreement and transactions contemplated therein, other than through their respective directorships and/or shareholding interests, if any, in the Company.

#### **10. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Subscription, Subscription Agreement and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

#### **11. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Subscription Agreement is available for inspection during normal business hours at the registered office of the Company at 140 Paya Lebar Road, #08-07, AZ @ Paya Lebar, Singapore 409015 for a period of three (3) months from the date of this announcement.

Shareholders who wish to inspect the document at the registered office of the Company are required to send an email request to [investor.relations@oio.sg](mailto:investor.relations@oio.sg) to make an appointment in advance. The Company will arrange a date when each shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

#### **12. TRADING CAUTION**

Shareholders and potential investors of the Company are advised to read this Announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which

may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

**BY ORDER OF THE BOARD**

Fan Chee Seng  
Executive Chairman  
9 September 2021

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*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. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.*