

**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL**

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The Board of Directors (the “Board”) of SMI Vantage Limited (the “Company”, together with its subsidiaries, referred to as the “Group”) refers to the announcement released by the Company on 4 December 2019 that the Singapore Exchange Securities Trading Limited (the “SGX-ST”) had placed the Company on the Watch-list pursuant to the Financial Entry Criteria under Listing Rule 1311(1) with effect from 4 December 2019.

**Update on financial position**

Please refer to the announcement of the unaudited financial statement of the Group for the reporting period ended 31 December 2021, released via the SGXNet on 14 February 2022, for an update on the Group’s financial performance and financial position.

The Yangon International Airport remain closed currently and no official announcement has been made as to the reopening of the airport. The impact the COVID 19 pandemic will continue to have a great impact on the Group’s business in Myanmar. As travel retail sales represents approximately 70% of our revenue, the Company has taken a prudent view as to when the reopening may occur and has put in place strong cost reduction measures including reduced salaries, unpaid leave provisions, and has embarked on extensive rent reduction and rent mitigation with its landlords.

As previously announced, the Group has completed a share placement of SGD1.7 million in September 2021 and a conversion of USD5 million shareholder’s loan from Mark Francis Bedingham to equity shares was completed on 12 October 2021. The Group has obtained a further shareholders’ loan of USD2.5 million from Mark Francis Bedingham. All taken together improved the Group’s cash position and strengthen the balance sheet.

**Update on Efforts for satisfying Financial Exit Criteria**

The Board is monitoring the situation in Myanmar closely and is considering all options available to the Company to meet the exit criteria of the Watch-list.

The Group has announced on 24 November 2021 the acquisition of 3,000 crypto mining machines together with an option to buy a further 2,000 crypto mining machines from The9 Limited, a NASDAQ listed company. The first 1,500 machines are expected to be installed in March 2022. This will follow on from the first 50 machines having been installed in February 2022 initiating SMI’s crypto currency mining business.

An advisory board has been formed and announced in December 2022, consist of three blockchain and crypto experts who will contribute their industry knowledge and domain expertise to SMI.

Promising locations have been identified in Southeast Asia and an agreement has already been reached with a location in Malaysia allowing operations to start in February 2022.

In the meantime, the Company would like to notify all its shareholders and business partners that the Group’s business continues as usual, and trading in its securities will also continue in the ordinary course, unless a trading halt or suspension is effected in accordance with the Listing Rules.

**By Order of the Board**  
**Mark Francis Bedingham**  
**President and Chief Executive Officer**  
14 February 2022