

# SMI Vantage Limited and its Subsidiaries

Unaudited Condensed Interim Financial Statements  
For The First Quarter and Three Months Ended 30 June 2022

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**SMI Vantage Limited**  
**(Company Registration No. 200505764Z)**  
**Condensed Interim Financial Statements**  
**For the First Quarter and Three Months Ended 30 June 2022**

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| (In US\$'000)   | Note     | Group          |                |              |
|---|----------|----------------|----------------|--------------|
|   |          | 3 Months Ended |                |              |
|   |          | 30 June 2022   | 30 June 2021   | % Change     |
| <b>Description</b>  |          |                |                |              |
| <b>Revenue</b>  | 2        | 139            | 67             | 107%         |
| Cost of sales   | 2        | (47)           | (35)           | 34%          |
| <b>Gross profit</b>   |          | 92             | 32             | 188%         |
| <b>Other items of income</b>  |          |                |                |              |
| Other income and gains  |          | 173            | 90             | 92%          |
| <b>Other items of expenses</b>  | 2        |                |                |              |
| Distribution costs  |          | (131)          | (152)          | (14%)        |
| Administrative expenses   |          | (862)          | (978)          | (12%)        |
| Finance costs   |          | (132)          | (157)          | (16%)        |
| Share of results of Associates, net of tax  |          | -              | *              | -            |
| Share of results of Jointly-controlled Entities, net of tax   |          | (8)            | (3)            | (167%)       |
| <b>Loss before tax from continuing operations</b>   | 4        | (868)          | (1,168)        | (26%)        |
| Income tax expenses   | 5        | -              | -              | -            |
| Loss from continuing operations, net of tax   | 2        | (868)          | (1,168)        | (26%)        |
| Profit/(Loss) from discontinued operations, net of tax  | 2        | 1              | (60)           | (102%)       |
| <b>Total comprehensive loss for the period</b>  | <b>2</b> | <b>(867)</b>   | <b>(1,228)</b> | <b>(29%)</b> |
| <b>Loss attributable to:</b>  |          |                |                |              |
| - Owners of the Company   |          | (867)          | (1,228)        | (29%)        |
| <b>Loss for the period</b>  |          | <b>(867)</b>   | <b>(1,228)</b> | <b>(29%)</b> |
| <b>Total comprehensive loss attributable to:</b>  |          |                |                |              |
| - Owners of the Company   |          | (867)          | (1,228)        | (29%)        |
| <b>Total comprehensive loss for the period</b>  |          | <b>(867)</b>   | <b>(1,228)</b> | <b>(29%)</b> |
| <b>Loss per share from continuing and discontinued operations attributable to equity holders of the Company</b> |          |                |                |              |
| Basic loss per share (US\$ in cents)  |          | (0.17)         | (0.24)         | (29%)        |
| Diluted loss per share (US\$ in cents)  |          | (0.17)         | (0.24)         | (29%)        |

\* Less than US\$1,000

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**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

| (In US\$'000)   | Note | Group         |               | Company       |               |
|---|------|---------------|---------------|---------------|---------------|
|   |      | 30 June 2022  | 31 Mar 2022   | 30 June 2022  | 31 Mar 2022   |
| <b>Description</b>  |      |               |               |               |               |
| <b>ASSETS</b>   |      |               |               |               |               |
| <b>Non-current assets</b>   |      |               |               |               |               |
| Property, Plant and Equipment   | 9    | 5,472         | 5,571         | 326           | 360           |
| Intangible Assets   | 8    | 50            | 65            | -             | -             |
| Right-of-Use Assets   |      | 115           | 251           | 58            | 77            |
| Investments in Subsidiaries   |      | -             | -             | -             | -             |
| Investments in Jointly-controlled Entities  |      | 590           | 597           | 900           | 900           |
| Trade and Other Receivables, Non-Current  | 10   | 16,757        | 16,757        | 18,062        | 18,062        |
| Other Non-Financial Assets – Deposits and Prepayments                               |      | 37            | 39            | 22            | 23            |
| <b>Total Non-Current Assets</b>   |      | <b>23,021</b> | <b>23,280</b> | <b>19,368</b> | <b>19,422</b> |
| <b>Current Assets</b>   |      |               |               |               |               |
| Inventories   |      | 27            | 28            | -             | -             |
| Trade and Other Receivables   | 10   | 2,335         | 2,999         | 7,425         | 6,685         |
| Other Non-Financial Assets – Deposits and Prepayments                               |      | 606           | 302           | 546           | 522           |
| Cash and Cash Equivalents   | 3    | 2,462         | 2,359         | 224           | 335           |
| <b>Total Current Assets</b>   |      | <b>5,430</b>  | <b>5,688</b>  | <b>8,195</b>  | <b>7,542</b>  |
| <b>Total Assets</b>   |      | <b>28,451</b> | <b>28,968</b> | <b>27,563</b> | <b>26,964</b> |
| <b>EQUITY AND LIABILITIES</b>   |      |               |               |               |               |
| <b>Equity Attributable to Owners of the Company</b>                                 |      |               |               |               |               |
| Share Capital   | 13   | 67,461        | 66,895        | 67,461        | 66,895        |
| Accumulated Losses  |      | (55,888)      | (55,021)      | (47,498)      | (47,086)      |
| Employee Share Option Reserves  |      | 61            | 61            | 61            | 61            |
| <b>Total Equity Attributable to Owners of the Company Representing Total Equity</b> |      | <b>11,634</b> | <b>11,935</b> | <b>20,024</b> | <b>19,870</b> |
| <b>Non-Current Liabilities</b>  |      |               |               |               |               |
| Lease Liabilities   | 11   | 1,018         | 1,234         | -             | -             |
| Other Financial Liabilities   | 11   | 9,136         | 9,086         | 5,890         | 5,590         |
| <b>Total Non-Current Liabilities</b>  |      | <b>10,154</b> | <b>10,320</b> | <b>5,890</b>  | <b>5,590</b>  |
| <b>Current Liabilities</b>  |      |               |               |               |               |
| Trade and Other Payables  | 12   | 3,796         | 3,850         | 1,570         | 1,412         |
| Lease Liabilities   | 11   | 593           | 596           | 70            | 91            |
| Income and Other Tax Payable  |      | 774           | 767           | 1             | 1             |
| Other Financial Liabilities   | 11   | 1,500         | 1,500         | 8             | -             |
| <b>Total Current Liabilities</b>  |      | <b>6,663</b>  | <b>6,713</b>  | <b>1,649</b>  | <b>1,504</b>  |
| <b>Total Liabilities</b>  |      | <b>16,817</b> | <b>17,033</b> | <b>7,539</b>  | <b>7,094</b>  |
| <b>Total Equity and Liabilities</b>   |      | <b>28,451</b> | <b>28,968</b> | <b>27,563</b> | <b>26,964</b> |

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

| Group<br>(In US\$'000)                  | Share capital<br>A | Accumulated<br>losses<br>B | Employee share<br>option reserves<br>C | Total equity<br>D = A + B + C |
|---|--------------------|----------------------------|--|-------------------------------|
| <b>FY2023</b>                           |                    |                            |  |                               |
| <b>Balance at 01 Apr 2022</b>           | 66,895             | (55,021)                   | 61                                     | 11,935                        |
| <b>Movements in Equity:</b>             |                    |                            |  |                               |
| Share-based payments                    | 566                | -                          | -                                      | 566                           |
| Total comprehensive loss for the period | -                  | (867)                      | -                                      | (867)                         |
| <b>Balance at 30 June 2022</b>          | <b>67,461</b>      | <b>(55,888)</b>            | <b>61</b>                              | <b>11,634</b>                 |
| <b>FY2022</b>                           |                    |                            |  |                               |
| <b>Balance at 01 Apr 2021</b>           | 60,067             | (50,896)                   | 523                                    | 9,694                         |
| <b>Movements in Equity:</b>             |                    |                            |  |                               |
| Issue of shares                         | 934                | -                          | 371                                    | 1,305                         |
| Total comprehensive loss for the period | -                  | (1,228)                    | -                                      | (1,228)                       |
| <b>Balance at 30 June 2021</b>          | <b>61,001</b>      | <b>(52,124)</b>            | <b>894</b>                             | <b>9,771</b>                  |

| Company<br>(In US\$'000)                | Share capital<br>A | Accumulated<br>Losses<br>B | Employee share<br>option reserves<br>C | Total equity<br>D = A + B + C |
|---|--------------------|----------------------------|--|-------------------------------|
| <b>FY2023</b>                           |                    |                            |  |                               |
| <b>Balance at 01 Apr 2022</b>           | 66,895             | (47,086)                   | 61                                     | 19,870                        |
| <b>Movements in Equity:</b>             |                    |                            |  |                               |
| Share-based payments                    | 566                | -                          | -                                      | 566                           |
| Total comprehensive loss for the period | -                  | (414)                      | -                                      | (414)                         |
| <b>Balance at 30 June 2022</b>          | <b>67,461</b>      | <b>(47,500)</b>            | <b>61</b>                              | <b>20,022</b>                 |
| <b>FY2022</b>                           |                    |                            |  |                               |
| <b>Balance at 01 Apr 2021</b>           | 60,067             | (45,518)                   | 523                                    | 15,072                        |
| <b>Movements in Equity:</b>             |                    |                            |  |                               |
| Issue of shares                         | 934                | -                          | 371                                    | 1,305                         |
| Total comprehensive loss for the period | -                  | (432)                      | -                                      | (432)                         |
| <b>Balance at 30 June 2021</b>          | <b>61,001</b>      | <b>(45,950)</b>            | <b>894</b>                             | <b>15,945</b>                 |

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

| (In US\$'000)  | Note | Group                          |                                |
|--|------|--------------------------------|--------------------------------|
|  |      | 3 months ended<br>30 June 2022 | 3 months ended<br>30 June 2021 |
| <b>Cash flows from operating activities</b>                                  |      |                                |                                |
| Loss before tax from continuing operations                                   |      | (868)                          | (1,168)                        |
| Profit/(Loss) before tax from discontinued operations                        |      | 1                              | (60)                           |
| <b>Loss before tax</b>   |      | <b>(867)</b>                   | <b>(1,228)</b>                 |
| <b>Adjustments for:</b>  |      |                                |                                |
| Depreciation of property, plant and equipment                                |      | 384                            | 577                            |
| Amortisation of intangible assets  |      | 15                             | 30                             |
| Depreciation of right-of-use assets  |      | 40                             | 96                             |
| Reversal of impairment loss charged on investment in subsidiary              |      | -                              | (50)                           |
| Finance expenses   |      | 132                            | 152                            |
| Impairment losses on plant and equipment                                     |      | -                              | 11                             |
| Loss on disposal of property, plant and equipment                            |      | -                              | 50                             |
| Share of results of Associates, net of tax                                   |      | -                              | *                              |
| Share of results of Jointly controlled Entities - net of tax                 |      | 8                              | 3                              |
| Gain on termination of leases  |      | (66)                           | -                              |
| Share based payments   |      | -                              | 118                            |
| Foreign exchange adjustment - unrealised gains                               |      | (81)                           | (56)                           |
| <b>Operating cash flows before changes in working capital</b>                |      | <b>(435)</b>                   | <b>(297)</b>                   |
| <b>Changes in working capital</b>  |      |                                |                                |
| Inventories  |      | 1                              | 4                              |
| Trade and other receivables  | 10   | 663                            | (849)                          |
| Other non-financial assets   |      | (49)                           | 125                            |
| Trade and other payables   | 12   | 5                              | 22                             |
| <b>Net cash flows generated from/(used in) operations</b>                    |      | <b>185</b>                     | <b>(995)</b>                   |
| Income tax (paid)/refunded   |      | -                              | -                              |
| <b>Net cash generated from/(used in) operating activities</b>                |      | <b>185</b>                     | <b>(995)</b>                   |
| <b>Cash flows from investing activities</b>                                  |      |                                |                                |
| Purchase of plant and equipment  |      | (31)                           | (1)                            |
| Proceeds from disposal of plant and equipment                                |      | -                              | 27                             |
| Interest received  |      | *                              | -                              |
| <b>Net cash (used in)/generated from investing activities</b>                |      | <b>(31)</b>                    | <b>26</b>                      |
| <b>Cash flows from financing activities</b>                                  |      |                                |                                |
| Repayment of lease liabilities   |      | (56)                           | (99)                           |
| Proceeds from issuance of shares   |      | -                              | 1,187                          |
| Proceeds from loans from shareholders  |      | 300                            | 200                            |
| Interest paid  |      | (98)                           | (109)                          |
| <b>Net cash generated from financing activities</b>                          |      | <b>146</b>                     | <b>1,179</b>                   |
| <b>Net increase in cash and cash equivalents</b>                             |      | <b>300</b>                     | <b>210</b>                     |
| Cash and cash equivalents at beginning of the period                         |      | 2,359                          | (386)                          |
| Effects of exchange rate changes on cash balances held in foreign currencies |      | (197)                          | 187                            |
| <b>Cash and cash equivalents at end of the period</b>                        | 3    | <b>2,462</b>                   | <b>11</b>                      |

\* Less than US\$1,000

## **E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Corporate information**

SMI Vantage Limited (the “Company”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The financial statements are presented in United States Dollars (“US\$”) and comprise the Company and its subsidiaries (collectively, the “Group”). The registered office and principal place of business of the Company is: 300 Beach Road #31-03, The Concourse, Singapore 199555.

The Board of Directors approved and authorised these condensed interim consolidated financial statements for issue on the date of this announcement.

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

### **2. Basis of preparation**

These condensed interim consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the 3 months ended 30 June 2022 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting*. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and financial performance of the Group since the last audited annual financial statements for the year ended 31 March 2022.

The condensed interim consolidated financial statements are presented in United States Dollars (“USD” or “US\$”), which is the functional currency of the Company. All values in the tables are rounded to nearest thousand (US\$’000), except when otherwise indicated.

The accounting policies and methods of computation applied in these condensed interim consolidated financial statements are consistent with those of the latest audited annual financial statements for the year ended 31 March 2022, except for the adoption of new and amended standards effective for annual periods beginning on or after 1 April 2022. The adoption of these new and amended standards have no material effect on the condensed interim consolidated financial statements of the Group.

#### **2.1 Critical judgements, assumptions, and estimation uncertainties**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

#### **2.2 Financial information by operating segments**

The business activities of the Group are organised into the following segments:

- (a) Travel and Fashion Retail
- (b) Food & Beverage (F&B)
- (c) Construction Services
- (d) Cryptocurrency Mining

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**2.2 Financial information by operating segments (Cont'd)**

Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment.

The accounting policies of the reportable segments for Travel and Fashion Retail, F&B and Construction Services are the same as the Group's accounting policies applied to the consolidated financial statements as at and for the year ended 31 March 2022.

The Group has commenced operations under its new Cryptocurrency Mining segment in April 2022 pursuant to approval obtained from the shareholders during the Extraordinary General Meeting ("EGM") held on 19 April 2022.

**2.2.1 Reportable segments**

| (In US\$'000)   | Travel and<br>Fashion<br>Retail | Food &<br>Beverage | Construction<br>Services | Cryptocurrency<br>Mining | Unallocated  | Total          |
|---|---------------------------------|--------------------|--------------------------|--------------------------|--------------|----------------|
| <b>Description</b>  |                                 |                    |                          |                          |              |                |
| <b>01 Apr 2022 to 30 June 2022</b>                          |                                 |                    |                          |                          |              |                |
| Segment revenue   |                                 |                    |                          |                          |              |                |
| - (Sales return from)/Sales to external customers           | (24)                            | 145                | -                        | 18                       | -            | 139            |
| Segment result  |                                 |                    |                          |                          |              |                |
| - Recurring EBITDA  | 15                              | 84                 | (2)                      | (34)                     | (381)        | (318)          |
| Miscellaneous income  | -                               | 2                  | -                        | 22                       | 6            | 30             |
| Finance (costs)/income                                      | (99)                            | 7                  | -                        | (1)                      | (39)         | (132)          |
| Depreciation and amortisation                               | (324)                           | (49)               | -                        | (13)                     | (54)         | (440)          |
|   | (408)                           | 44                 | (2)                      | (26)                     | (468)        | (860)          |
| Share of results of Jointly controlled Entities, net of tax | -                               | -                  | -                        | -                        | (8)          | (8)            |
| Loss from continuing operations, net of tax                 | (408)                           | 44                 | (2)                      | (26)                     | (476)        | (868)          |
| Profit from discontinued operations                         | -                               | -                  | -                        | -                        | 1            | 1              |
| <b>Loss for the period</b>                                  | <b>(408)</b>                    | <b>44</b>          | <b>(2)</b>               | <b>(26)</b>              | <b>(475)</b> | <b>(867)</b>   |
| <b>01 Apr 2021 to 30 June 2021</b>                          |                                 |                    |                          |                          |              |                |
| Segment revenue   |                                 |                    |                          |                          |              |                |
| - Sales to external customers                               | -                               | 67                 | -                        | -                        | -            | 67             |
| Segment result  |                                 |                    |                          |                          |              |                |
| - Recurring EBITDA  | 19                              | (14)               | (3)                      | -                        | (354)        | (352)          |
| Finance costs   | (127)                           | 20                 | -                        | -                        | (50)         | (157)          |
| Miscellaneous income  | -                               | -                  | -                        | -                        | 25           | 25             |
| Depreciation and amortisation                               | (511)                           | (117)              | -                        | -                        | (53)         | (681)          |
|   | (619)                           | (111)              | (3)                      | -                        | (432)        | (1,165)        |
| Share of results of Jointly controlled Entities, net of tax | -                               | -                  | -                        | -                        | (3)          | (3)            |
| Share of results of associates, net of tax                  | -                               | -                  | -                        | -                        | *            | *              |
| Loss from continuing operations, net of tax                 | (619)                           | (111)              | (3)                      | -                        | (435)        | (1,168)        |
| Loss from discontinued operations                           | -                               | -                  | -                        | -                        | (60)         | (60)           |
| <b>Loss for the period</b>                                  | <b>(619)</b>                    | <b>(111)</b>       | <b>(3)</b>               | <b>-</b>                 | <b>(495)</b> | <b>(1,228)</b> |

\* Less than US\$1,000



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**2.2.1 Reportable segments (Cont'd)**

| (In US\$'000)       | Travel and Fashion Retail | Food & Beverage | Construction Services | Cryptocurrency Mining | Unallocated | Total  |
|---------------------|---------------------------|-----------------|-----------------------|-----------------------|-------------|--------|
| <b>Description</b>  |                           |                 |                       |                       |             |        |
| <b>30 June 2022</b> |                           |                 |                       |                       |             |        |
| Total assets        | 23,669                    | 1,813           | 651                   | 724                   | 1,594       | 28,451 |
| Total liabilities   | 7,697                     | 545             | 80                    | 62                    | 8,433       | 16,817 |
| <b>30 June 2021</b> |                           |                 |                       |                       |             |        |
| Total assets        | 26,877                    | 3,251           | 949                   | -                     | 3,493       | 34,570 |
| Total liabilities   | 10,976                    | 2,176           | 82                    | -                     | 11,565      | 24,799 |

**2.2.2 Disaggregation of revenue**

| (In US\$'000)                                    | Travel and Fashion Retail | Food & Beverage | Cryptocurrency Mining | Consolidated |
|--|---------------------------|-----------------|-----------------------|--------------|
| <b>Description</b>                               |                           |                 |                       |              |
| <b>01 Apr 2022 to 30 June 2022</b>               |                           |                 |                       |              |
| Recognition of revenue at point of sale of goods | -                         | 145             | 18                    | 163          |
| Less: Sales return from customers                | (24)                      | -               | -                     | (24)         |
|  | (24)                      | 145             | -                     | 139          |
| <u>Geographical information</u>                  |                           |                 |                       |              |
| Myanmar  | (24)                      | 145             | -                     | 139          |
| Total revenue                                    | (24)                      | 145             | -                     | 139          |

| (In US\$'000)                                    | Travel and Fashion Retail | Food & Beverage | Cryptocurrency Mining | Consolidated |
|--|---------------------------|-----------------|-----------------------|--------------|
| <b>Description</b>                               |                           |                 |                       |              |
| <b>01 Apr 2021 to 30 June 2021</b>               |                           |                 |                       |              |
| Recognition of revenue at point of sale of goods | -                         | 67              | -                     | 67           |
| <u>Geographical information</u>                  |                           |                 |                       |              |
| Myanmar  | -                         | 67              | -                     | 67           |
| Total revenue                                    | -                         | 67              | -                     | 67           |

**3. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as of 31 June 2022 and 31 March 2022

| (In US\$'000)                   | Group         |               | Company       |               |
|---------------------------------|---------------|---------------|---------------|---------------|
|                                 | 30 Jun 2022   | 31 Mar 2022   | 30 Jun 2022   | 31 Mar 2022   |
| <b>Financial Assets</b>         |               |               |               |               |
| <b><u>At amortised cost</u></b> |               |               |               |               |
| Cash and bank balances          | 2,462         | 2,359         | 224           | 335           |
| Trade and other receivables     | 19,091        | 19,756        | 25,487        | 24,747        |
|                                 | <b>21,553</b> | <b>22,115</b> | <b>25,711</b> | <b>25,082</b> |
| <b>Financial Liabilities</b>    |               |               |               |               |
| <b><u>At amortised cost</u></b> |               |               |               |               |
| Borrowings                      | 10,644        | 10,586        | 5,898         | 5,590         |
| Lease liabilities               | 1,611         | 1,830         | 70            | 91            |
| Trade and other payables        | 3,787         | 3,850         | 1,570         | 1,412         |
|                                 | <b>16,042</b> | <b>16,266</b> | <b>7,538</b>  | <b>7,093</b>  |

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**4. Profit before taxation**

**4.1 Significant items**

| (In US\$'000)<br>Description   | Group       |             |
|--|-------------|-------------|
|  | 30 Jun 2022 | 30 Jun 2021 |
| Interest on borrowings   | 104         | 132         |
| Depreciation and amortisation of property, plant and equipment and intangible assets | 439         | 681         |
| Foreign exchange gain, net   | (77)        | (58)        |
| Rental of premises   | 38          | 20          |

**4.2 Related party transactions**

There are no material related party transactions in this reporting period, except for the loans from shareholders and the interest paid on the loans as disclosed under Section 7, Interested Person Transactions under Other Information Required by Listing Rule Appendix 7.2.

**5. Taxation**

Since the Group is loss making, there are no income tax expenses in both 1QFY2023 and 1QFY2022.

**6. Dividends**

No dividend has been declared or recommended for the quarter ended 30 June 2022 as the Group is in loss-making position.

**7. Net Asset Value**

| Description  | Group       |             | Company     |             |
|--|-------------|-------------|-------------|-------------|
|  | 30 Jun 2022 | 31 Mar 2022 | 30 Jun 2022 | 31 Mar 2022 |
| No of ordinary shares                              | 522,097,216 | 513,535,187 | 522,097,216 | 513,535,187 |
| Net asset value per ordinary share (US\$ in cents) | 0.02        | 0.02        | 0.04        | 0.04        |

**8. Intangible assets**

| (In US\$'000)<br>Description            | Group          |              |           |
|---|----------------|--------------|-----------|
|   | Franchise fees | License fees | Total     |
| <b>At 31 March 2022</b>                 |                |              |           |
| Cost                                    | 725            | 270          | 995       |
| Accumulated amortisation and impairment | (661)          | (269)        | (930)     |
| <b>Net book amount</b>                  | <b>64</b>      | <b>1</b>     | <b>65</b> |
| <b>As at 30 June 2022</b>               |                |              |           |
| Cost                                    | 725            | 270          | 995       |
| Accumulated amortisation and impairment | (675)          | (270)        | (945)     |
| <b>Net book amount</b>                  | <b>50</b>      | <b>-</b>     | <b>50</b> |

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**9. Plant and equipment**

During the three months ended 30 June 2022, the Group acquired asset of US\$285k (30 June 2021: US\$1k) and there was no disposal of assets. (30 June 2021: US\$27k).

**10. Trade and other receivables**

The Group's trade and other receivable as of 30 June 2022 and 31 March 2022 are set out as below:

| (In US\$'000)<br>Description                         | 30 Jun 2022   | 31 Mar 2022   |
|--|---------------|---------------|
| <b><u>Trade receivables</u></b>                      |               |               |
| Third parties  | 22,775        | 23,167        |
| Associates   | 1,987         | 2,272         |
| Less: Allowance for impairment                       | (5,985)       | (5,985)       |
| Net trade receivables                                | 18,777        | 19,454        |
| <b><u>Non-trade &amp; other receivables</u></b>      |               |               |
| Third parties  | -             | 65            |
| Deferred consideration from disposal of subsidiaries | 295           | 331           |
| Joint ventures                                       | 256           | 256           |
| Associates   | 14            | 13            |
| GST/commercial tax receivable                        | 277           | 164           |
| Less: Allowance for impairment                       | (527)         | (527)         |
| <b>Total trade and other receivables</b>             | <b>19,092</b> | <b>19,756</b> |

**11. Lease liabilities and other financial liabilities**

The Group's lease liabilities and other financial liabilities as of 30 June 2022 and 31 March 2022 are set out as below:

| (In US\$'000)<br>Description                                | Group and Company |               |
|---|-------------------|---------------|
|   | 30 Jun 2022       | 31 Mar 2022   |
| <b><u>Amount repayable within one year or on demand</u></b> |                   |               |
| Secured loans   | 1,500             | 1,500         |
| Lease liabilities   | 593               | 596           |
| <b>Total</b>  | <b>2,101</b>      | <b>2,096</b>  |
| <b><u>Amount repayable after one year</u></b>               |                   |               |
| Secured loans   | 3,246             | 3,496         |
| Unsecured loans   | 5,890             | 5,590         |
| Lease liabilities   | 1,018             | 1,234         |
| <b>Total</b>  | <b>10,154</b>     | <b>10,320</b> |

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**12. Trade and other payables**

The Group's trade and other payables as of 30 June 2022 and 31 March 2022 are set out as below:

| (In US\$'000)<br>Description | 30 Jun 2022  | 31 Mar 2022  |
|------------------------------|--------------|--------------|
| Trade payables               | 2,349        | 2,339        |
| Accrued liabilities          | 1,122        | 1,115        |
| Joint ventures               | 75           | 72           |
| Associates                   | 25           | 102          |
| Deposits from customers      | -            | 5            |
| Others                       | 225          | 217          |
|                              | <b>3,796</b> | <b>3,850</b> |

**13. Share capital**

|   | Group and Company        |                    |                            |                    |
|---|--------------------------|--------------------|----------------------------|--------------------|
|   | 30 Jun 2022              |                    | 31 Mar 2022                |                    |
|   | Number of shares         | Amount<br>US\$'000 | Number of shares           | Amount<br>US\$'000 |
| <b>Beginning of interim period/financial year</b>       | 513,535,187              | 66,895             | 316,996,792                | 60,067             |
| Issue of ordinary shares:                               |                          |                    |                            |                    |
| Share placements  | -                        | -                  | 57,133,333 <sup>(a)</sup>  | 1,614              |
| Conversion of shareholder's loans and accrued interests | -                        | -                  | 132,910,062 <sup>(b)</sup> | 5,050              |
| Share based payments                                    | 8,562,029 <sup>(d)</sup> | 566                | 6,495,000 <sup>(c)</sup>   | 164                |
| <b>End of interim period/financial year</b>             | <b>522,097,216</b>       | <b>67,461</b>      | <b>513,535,187</b>         | <b>66,895</b>      |

<sup>(a)</sup> On 13 June 2019, the Company granted 4,500,000 share awards under Performance Share Plan (PSP) to Mark Francis Bedingham, a director of the Company. The share award has a vesting period of 24 months from 1 April 2019. On 8 April 2021, 4,500,000 shares were issued and allotted to the director.

On 1 September 2021, the Company issued 52,633,333 shares to various parties for a total consideration of US\$1.2 million pursuant to the subscription agreements entered with those parties in June 2021.

<sup>(b)</sup> On 12 October 2021, the Company issued 132,910,062 shares as consideration for the conversion of shareholders' loans and associated accrued interests of US\$5.05 million into equity.

<sup>(c)</sup> On 1 September 2021, 5,245,000 shares were issued as consideration for the settlement of the professional expenses for the subscription of 52,633,333 shares by various parties in (a) above amounting to US\$0.1 million.

On 12 October 2021, 1,250,000 shares were issued as consideration for the settlement of the professional expenses for the issuance of 132,910,062 shares in (b) above amounting to US\$0.06 million.

<sup>(d)</sup> On 22 April 2022, 7,834,757 shares were issued to The9 in connection with the Purchase of Cryptocurrency Mining Machines ("The9 Consideration Shares") amounting to US\$0.51 million. On the same day, the Company issued 727,272 shares to a former director and of its directors pursuant to the Proposed Capitalisation of Directors' Fees (collectively, "Conversion Shares") amounting to US\$0.06 million.

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For the financial year ended 31 March 2022, the Company announced on 6 July 2021 the grant of Employee Share Options of 461,400 shares with exercise price of S\$0.130 per share via SGXNet.

The Company did not hold any treasury shares as of 30 June 2022 and 31 March 2022 and the Company's subsidiaries do not hold any shares in the Company as of 30 June 2022 and 31 March 2022.

#### **14. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of financial statements.

### **F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

#### **1. Review**

The consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended and the accompanying explanatory notes have not been audited or reviewed by the auditors.

#### **2. Review of the Group's financial performance**

The Group's primary business segment, Travel Retail was not able to generate any meaningful revenue as the Yangon International Airport ("YIA") was only reopened from 17 April 2022 and with limited flights schedule due to Covid. The domestic retail stores were also heavily impacted by limited operating hours. The Group incurred sales return in 1Q FY2023.

Due to COVID-19 restriction of dine-in, Food & Beverage ("F&B") operations were similarly impacted but sales improved slightly by US\$96k as compared to that of 1Q FY2022 as longer opening hours was allowed in the current period.

The Group's overall revenue increased by US\$96k, offset by retail sales return of US\$24k in 1Q FY2023.

**Other items of income** are mostly related to foreign exchange gain of US\$77k arise from the revaluation of the Myanmar Kyat denominated loans due to the weakening of the Myanmar Kyat against USD, as well as gain from lease modification of US\$66k due to new rental rates being negotiated with various landlords of F&B outlets.

The Group commenced crypto mining from April 2022, following the approval of the new business from shareholders during the EGM held on 19 April 2022. Cryptocurrency mining machines were being installed and mining operations started in Malacca and Brunei in April and May respectively. The Group generated mining income from conversion of mined bitcoins into cash for US\$22k in 1Q FY2023.

**Selling & distribution costs** decreased by 14%, or US\$21k due mainly to reduced depreciation of F&B right of use assets.

**Administrative expenses** decreased by 12%, or US\$116k as compared to 1Q FY2022 due mainly to less depreciation charges for some furniture and fittings that were fully depreciated in FY2022. The Group implemented various cost control policies since beginning of COVID-19. All costs have been subject to scrutiny with non-critical costs rationalised wherever possible.

**Professional & consultancy fee** under general and administrative expenses, decreased by approximately US\$93k as professional and introducer fees were incurred in relation to the Company June Subscription in FY2022 but no such costs incurred in the current period.

**Depreciation charges** decreased by US\$193k, mainly related to fixed assets at YIA as mentioned above. The depreciation of these fixed assets at YIA amounting to US\$324k (US\$511k in 1Q FY2022), represents the majority of the administrative expenses for both periods. No fixed assets usage fees were charged to the business partner, Royal Golden Sky (RGS) for the use of the stores and restaurants at the airport, as the airport was closed during 1Q FY2022 and there were limited flights with little passenger volume in 1Q FY2023.

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**Finance costs** represents interest cost on shareholders' loans and bank borrowings and notional interest costs imputed on lease liabilities recognised on the leases contracted under its F&B franchise business and the Singapore office. The decrease of 16%, or US\$25k in finance costs was mainly attributable from the decrease in interest expenses for bank borrowings due to favourable exchange rates of US\$ against Myanmar Kyat for bank loans denominated in Myanmar Kyat.

**Discontinued operations** - As previously announced, the Group ceased its operations under the Tower, Car Rental and Mobile segments in FY2021 and further discontinued its Serviced Office business segment in FY2022. The Group's Joint Venture with DKSH for the distribution of Levi's products ceased on 31 March 2022 as a result of DKSH informing the Group that DKSH's commercial arrangements with Levi's had ended.

The results of the discontinued operations for the Group are as follows:

| (In US\$'000)<br>Description                                  | The Group   |             |
|---|-------------|-------------|
|   | 30 Jun 2022 | 30 Jun 2021 |
| <b>Revenue</b>  | -           | 22          |
| <b>Cost of Sales</b>  | -           | (15)        |
| <b>Gross Profit</b>   | -           | 7           |
| <b>Other Items of Income</b>                                  |             |             |
| Other Income  | -           | 5           |
| Other Gains   | 4           | 1           |
| <b>Other Items of Expenses</b>                                |             |             |
| Selling & Distribution Costs                                  | -           | (5)         |
| Administrative Expenses                                       | (2)         | (18)        |
| Finance Costs   | -           | 5           |
| Other Charges   | -           | (55)        |
| Profit/(Loss) Before Income Tax from Discontinued Operations  | 2           | (60)        |
| Income Tax Expense  | (1)         | -           |
| <b>Profit/(Loss) from Discontinued Operations, Net of Tax</b> | <b>1</b>    | <b>(60)</b> |

### 3. Review of the Group's financial position

**Cash and cash equivalents** included in the consolidated statement of cash flows comprise the following amounts:

| (In US\$'000)<br>Description | The Group    |              |
|------------------------------|--------------|--------------|
|                              | 30 Jun 2022  | 31 Mar 2022  |
| Cash and bank balances       | 2,462        | 2,359        |
|                              | <b>2,462</b> | <b>2,359</b> |

As at the end of the reporting period, the Group's cash and cash equivalents improved slightly by US\$0.10 million from US\$2.36 million as of 31 March 2022 to US\$2.46 million as of 30 June 2022. The improvement is mainly due to proceeds from financing activities of USD\$0.71 million, partially offset by investing activities of USD\$0.28 million and operating activities of USD\$0.13 million and effect of exchange rate changes on cash balances held in foreign currencies of USD\$0.20 million.

**Trade and other receivables** decreased by US\$0.66 million mainly attributable from collections of part of the outstanding balances with the Group's local business partners and associates.

Minimal movement in trade receivables is in line with the understanding on repayment schedules with the Group's business partner at YIA and similar agreements with partners in the domestic market in Myanmar. The YIA has been closed since end-March 2020 and the local business partner operating at YIA has not been in a position to make any payments in FY2022. These payments have resumed upon YIA reopening on 17 April 2022 as have repayments from local business partners in the domestic market for Retail, F&B and other local businesses.

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**Trade and other payables** decreased by US\$63k as the Group made some payments to suppliers. The Group has negotiated for longer payment terms with suppliers in FY2022 and has been on schedule for repayments.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**5. 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 operating period and the next 12 months**

The YIA reopened on 17 April 2022, however, with a limited flight schedule reflecting the expectation that destinations and passenger traffic will only build slowly over the next several months. Travel retail has been the Group's major business in Myanmar and so the opening of the airport is welcomed even if initial revenue expectations are conservative. The Group continues to monitor its operating costs and has obtained extensive rent reductions and rent mitigations with its landlords as well as rebalancing organization related costs in the country.

The Group announced on 24 November 2021 the acquisition of 3,000 crypto mining machines from The9 Limited, a NASDAQ listed company. An Extraordinary General Meeting was held on 19th April 2022 which confirmed the Shareholders' approval to the new business direction of SMI including crypto mining.

Following on from the successful test installation of 50 crypto mining machines in Melaka in April 2022, a further 50 crypto mining machines was installed and started mining in Brunei in May 2022. Company has also acquired an additional 3,000 crypto machines from The9, with 1,500 machines be delivered to Brunei with an estimated installation to be completed in 2Q FY2023. The remaining 1,500 crypto mining machines are expected to be shipped from Shanghai, China and fully installed also within 2Q FY2023. The Group has also announced the acquisition of 6 high hash rate machines, which are currently being installed in Malacca and has announced the intention to acquire more such machines taking advantage of lower machine prices.

The Group has raised US\$0.50 million subsequent to the current period and is also looking to raise additional funding in conformity with the mandate received at the Group's Annual General Meeting held on 15 December 2021.

**6. Dividend**

- a. Current Financial Period Reported on  
Any dividend recommended for the current financial period reported on?  
No
- b. Corresponding Period of the Immediate Preceding Financial Year  
Any dividend recommended for the corresponding period of the immediately preceding financial year?  
No
- c. Date Payable  
Not applicable
- d. Books Closure Date  
Not applicable

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**7. Interested person transactions**

During the current quarter, on 06 May 2022, the Group obtained a further US\$0.3 million of shareholder's loan from Mark Francis Bedingham. Interest is accrued on indebtedness at the rate of 2.34% per annum which represents less than 3% of the last audited consolidated net tangible assets of the Company of approximately US\$11,870,000 as of 31 March 2022. The loans provided have been used for working capital as well as bank loan and interest repayments.

The total loan and interest accrued to the Group's shareholders are set as below:

| (In US\$'000)          | Loan amount  | Interest accrued | Total        |
|------------------------|--------------|------------------|--------------|
| Ho Kwok Wai            | 1,940        | 175              | 2,115        |
| Mark Francis Bedingham | 3,950        | 78               | 4,028        |
| <b>Total</b>           | <b>5,890</b> | <b>253</b>       | <b>6,143</b> |

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

**8. Use of proceeds**

Pursuant to the June Subscription in FY2022, the Company received gross proceeds from the placement of approximately US\$1.3 million. The utilisation of the gross proceeds from the placement as of 30 June 2022 is set out as below:

|   | Amount utilised<br>US\$'000 |
|---|-----------------------------|
| Placement proceeds  | 1,305                       |
| Investment in crypto mining (including machines)  | (310)                       |
| Payment for professional services in relation to the share placement and share conversion | (463)                       |
| Payment for operating expenses:   |                             |
| - Staff costs   | (298)                       |
| - Office rental expenses  | (83)                        |
| - Marketing expenses  | (20)                        |
| - Other administrative expenses   | (10)                        |
| <b>Balance</b>  | <b>121</b>                  |

**9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 30 June 2022 to be false or misleading in any material aspect.



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On behalf of the Board of Directors

**Ho Kwok Wai**  
Chairman

**Mark Francis Bedingham**  
Executive Director

BY ORDER OF THE BOARD

**Mark Francis Bedingham**  
Executive Director  
12 August 2022