

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

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 year ended 31 March 2023, released via the SGXNet on 30 May 2023, for an update on the Group’s financial performance and financial position.

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’s cash position has been improved and strengthened after the completion of a share placement in September 2021 and a conversion of USD5 million shareholder’s loan from Mark Francis Bedingham to equity shares in October 2021. Further shareholders’ loan of USD3.5 million was obtained from Mark Francis Bedingham.

The Group has obtained an additional shareholder loan of S\$2.0 million during end-January 2023 and is also looking to raise additional funding in conformity with the mandate received at the Group’s Annual General Meeting held on 28 July 2022.

Update on Efforts for satisfying Financial Exit Criteria

The Board has welcomed the reopening of the YIA in April 2022 which has allowed for the resumption of the Group’s travel retail business; although the recovery of passenger traffic has been slow as was expected. In addition, the Board has noted some improvement in revenue generated from the Group’s F&B business as well as some recovery in the Group’s local business partner’s retail business in the domestic market. The Board also noted that crypto currency mining has started in April 2022, with a slight delay from the original schedule in February 2022. The Company chose to deactivate many of its machines over the last 6 months as BTC prices have been low. The Company is currently engaged in discussions to open a new location in East Malaysia with advantageous power rates and taking advantage of recovery in BTC prices.

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 business.

The Group has also signed an exclusive Franchise Agreement to roll out a unique A.I.-inspired F&B concept, Robochef, in Singapore and to explore opportunities in Asia Pacific. The Group has opened a Robochef F&B Kiosk at a popular mall in Singapore at the end of March 2023 and has taken management of another location at Changi North. The Group will open further locations in April 2023 and the coming months.

SGX-ST has, on 13 December 2022, granted its approval in-principle for the listing and quotation of 32,427,632 new ordinary shares in the capital of the Company and the said placement shares have been allotted and issued at S\$0.0304 per Placement Share.

The Group has also obtained an additional shareholder loan of S\$2.0 million during end January 2023 and is also looking to raise additional funding in Q1FY2024 in conformity with the mandate received at the Group’s Annual General Meeting held on 28 July 2022.

SMI VANTAGE LIMITED
(Registration No. 200505764Z)
(Incorporated in Singapore)

Update on Efforts for satisfying Financial Exit Criteria (Cont'd)

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
30 May 2023