smi VANTAGE

ANNUAL REPORT 2024

CORPORATE PROFILE

SMI Vantage Limited ("SMI") is an investment and management company listed on the main board of the Singapore Stock Exchange. SMI adopts a diversified business model, across the 4 strategic pillars of Travel Retail, Food & Beverage, Logistics and Digital Mining, to enhance its long-term growth prospects.

SMI has a highly capable and experienced management team with a proven track record in building strong business partnerships and alliances internationally. SMI has appointed a five-member Advisory Board with extensive experience in Food & Beverage, the Digital Economy and Logistics to guide the future development of the Company and its businesses.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Ho Kwok Wai
Non-Executive Chairman and Non-Executive Director

Mark Francis Bedingham
Executive Director, President and Chief Executive Officer

Sam Chong Keen
Lead Independent Director

Willem Mark Nabarro
Independent and Non-Executive Director

Edna Claudine Leong Lai Yee
Independent and Non-Executive Director

Tan Chade Phang
Independent and Non-Executive Director

AUDIT COMMITTEE

Sam Chong Keen
Chairman
Willem Mark Nabarro
Edna Claudine Leong Lai Yee
Tan Chade Phang

NOMINATING COMMITTEE

Edna Claudine Leong Lai Yee
Chairman
Willem Mark Nabarro
Sam Chong Keen
Tan Chade Phang

REMUNERATION COMMITTEE

Willem Mark Nabarro
Chairman
Sam Chong Keen
Edna Claudine Leong Lai Yee
Tan Chade Phang

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Edna Claudine Leong Lai Yee
Chairman
Willem Mark Nabarro
Sam Chong Keen
Tan Chade Phang
Mark Francis Bedingham

COMPANY SECRETARIES

Peck Jen Jen

COMPANY REGISTRATION NUMBER

200505764Z

REGISTERED OFFICE AND BUSINESS ADDRESS

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#31-03 The Concourse
Singapore 199555
Tel: (65) 6718 6678
Fax: (65) 6391 9636
Website: www.sin-mi.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
9 Raffles Place,
#26-01 Republic Plaza,
Singapore 048619

AUDITORS

PKF-CAP LLP
Public Accountants and Chartered Accountants
(a member of PKF International)
6 Shenton Way
OUE Downtown 1, #38-01
Singapore 068809
Partner In-Charge: **Ms Tang Hui Lin**
(Effective from financial year ended 31 March 2023)

OUR BUSINESS AND STRATEGIES

TRAVEL AND DOMESTIC RETAIL

SMI's travel retail business at the Yangon International Airport, Myanmar continued its gradual recovery throughout 2023. In view of the current uncertain economic environment, SMI will continue to take a cautious approach to the business and believes that the utilisation of investments already made will be sufficient to support the future growth of the business.

FOOD & BEVERAGE

SMI's F&B business in Myanmar has also seen a steady recovery in FY24, highlighting the resilience of The Coffee Bean & Tea Leaf and Ippudo franchises.

As of 31 March 2024, SMI Vantage has successfully opened 2 Robochef outlets in Singapore. This innovative F&B concept utilises AI-driven machines to prepare and cook fresh meals on the spot, delivering fast, consistent, and delicious food. A Robochef outlet can be operated with limited staff, a big advantage in Singapore where labour is expensive and in short supply.

On 31 October 2023, SMI Vantage entered into a multi-year franchise agreement with Dutch Oriental Restaurant LLC to open Robochef F&B outlets in Singapore. The Company plans to launch more locations in the future in Singapore and to look for opportunities internationally.

DIGITAL-MINING

Over the past 12 months, SMI Vantage Limited has made significant progress in its digital-mining business in terms of scaling up the operations. The Company commenced digital-mining operations for BTC soon after signing an Offer-to-Rent agreement for a new Bitcoin (BTC) mining location in Sarawak, East Malaysia in September 2023. The Company installed modern containerised mining facilities with a full utilisation of the power capacity at this location. The Company will continue to look and identify more locations as it looks to expand its total digital-mining capacity.

The locations in Sarawak are able to benefit from cost-effective abundant hydropower electricity, a renewable energy source. The acquisition of new BTC mining machines will allow the Company to mine efficiently after the post-halving event that took place in April 2024. The Company has a positive outlook on the future pricing of Bitcoin which has increased since the launch of new ETFs as well as the wider adoption of BTC as a mainstream financial asset.

LOGISTICS

The Company's acquisition of a 51% stake in Provino Logistics Pte. Ltd. ("Provino"), a Singapore firm providing specialised logistics services to brand owners and distributors of wines, spirits and alcoholic beverages was announced in July 2023 and completed in March 2024. We are looking for expansion opportunities to develop the Provino business further in FY25. We expect to see Provino's positive full-year contribution to the Company coming on stream in FY25. Wine, spirit and alcoholic beverages logistics is a high-value and highly specialised operation where speed and efficiency, and compliance to customs regulations are of paramount importance. We are pleased that we have retained the services of the current team and the business will continue to be managed by its highly experience founder, Michael Hadley.

Dear Shareholders,

I am pleased to present SMI Vantage's annual report for the financial year 2024.

The past year has seen many positive developments for our company as we made steady progress in the strategic pivot of the Group's business towards the New Economy sectors of Software as a Service (SaaS)), technology-enabled food and beverage (F&B) and digital-mining. Our acquisition of 300 modern cryptocurrency mining machines, some from The9 Limited in Mar 2024, marks a significant milestone in our digital-mining business. The9 Limited is a highly diversified Nasdaq-listed (ticker: NCTY) technology company whose business interests include several crypto-mining operations in China, East Europe and North America. This transaction not only strengthens our digital-mining capabilities but also solidifies our strategic partnership with a reputable player in the crypto-mining industry.

Additionally, a new F&B concept with AI-inspired machines was launched in Singapore, using a technology that is both labour saving as well as enhancing the casual dining experience for our customers.

The investment in Provino Logistics in July 2023 has also provided the Group with a new source of revenue and improved our overall profitability. Finally, our Travel Retail business in Myanmar is also steadily recovering even as the economy restarts, although the political situation there remains volatile at this time.

As we navigate the ever-evolving landscape of the New Economy, our dedicated team, led by CEO Mark Bedingham, continues to look out for opportunities that align with the Group's business strategy that can increase our overall profitability, viability and business value.

Looking ahead, we are optimistic on the prospects of our diversified business model. The New Economy sectors present significant growth potential, and we are well-positioned to capitalise on it. Our strategic partnerships, robust infrastructure, and talented team will be instrumental in driving our success.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders, customers and staff for their continued support and trust in SMI Vantage. We remain steadfast in our pursuit of creating long-term value for our shareholders and we are confident in our ability to navigate the challenges and seize the opportunities that lie ahead.

HO KWOK WAI
Non-Executive Chairman

CEO'S MESSAGE

Dear Shareholders,

It is my pleasure to present the Annual Report of SMI Vantage Limited ("SMI Vantage", "the Company" or with its subsidiaries "the Group") for the financial year ended 31 March 2024 ("FY2024").

SMI Vantage has been working hard in FY2024 to make headway against the goals we set to diversify away from frontier markets into the new business sectors that we have previously outlined. I would like to share with you the progress made in the following areas:

1. **Pivot to New Economy Sectors**
   SMI Vantage announced in June 2021 its intention to pivot the Company towards the New Economy sectors, including Software-as-a-Service (SaaS), innovative F&B concepts and digital-mining.

2. **F&B and F&B-related businesses**
   The company launched an innovative F&B concept – Robochef during FY24 – establishing outlets at two locations in Singapore as well as signing a non-binding MOU to launch the Robochef concept in London. The company also completed the acquisition of a majority shareholding in Provino, a successful logistics business in Singapore focussed on providing logistics services to a variety of beverage companies.

3. **Acquisition of new Digital-Mining Machines**
   SMI Vantage acquired 200 modern digital-mining machines from The9 Limited, a diversified Nasdaq-listed Company. This acquisition has strengthened SMI Vantage's capabilities in the digital-mining business boosting its hashrate and mining output. We are committed to continually upgrade our mining rigs to optimise production efficiency. Our mining operations have been running smoothly, and we have maintained an impressive operational uptime of over 98% across all our facilities. Looking ahead, we will continue to explore opportunities to expand our mining footprint through strategic acquisitions and partnerships. This has been exemplified by the partnerships that we have created in East Malaysia leading to the installation of containerised Bitcoin-mining facilities in East Malaysia, taking advantage of the cost efficiencies, sustainability and connecting to hydropower energy. We believe that the outlook for BTC is positive as BTC has moved into more mainstream finance adoption, including the launch of BTC ETFs in the USA which is being followed in other countries.

Looking Ahead with Confidence

SMI Vantage will exploit the opportunities for growth for the new businesses that it launched and acquired in FY24. It will further look to develop other new businesses in line with its previously announced new business focus. This will be either mainly through partnerships or acquisitions. We will also continue with our legacy business related to Myanmar.

I am delighted that we have been able to strengthen the SMI team with the promotion of two colleagues to General Manager positions, both of whom are well experienced and have been instrumental in the progress that is being made. It should also be noted that SMI's board members have been closely involved with the company's development; a new ESG committee was established to ensure that the company is cognitive of the framework within which its strategies should be formed.

As we look ahead to the coming year, we remain focused on executing our strategy, driving growth and delivering sustainable value to our shareholders. We are excited about the opportunities that lie ahead and look forward to sharing our success with you. Thank you for your continued support and trust in SMI Vantage.

MR. MARK BEDINGHAM
President and Chief Executive Officer

BOARD OF DIRECTORS

HO KWOK WAI

Mr. Ho was re-designated from Chairman of the Board and Executive Director of the Company to Non-Executive Chairman of the Board and Non-Executive Director on 23 January 2015. Mr. Ho is primarily responsible for spearheading the Group's corporate directions and strategies. Mr. Ho has more than 25 years of experience in the investment banking industry with a focus on mergers, acquisitions and capital raisings. Mr. Ho graduated from the Hong Kong Polytechnic University with a major in Management Accountancy.

MARK FRANCIS BEDINGHAM

Mr. Bedingham was appointed as the President and Chief Executive Officer of the Company on 23 January 2015. He graduated from Oxford University and began his career with Jardine Matheson in 1977 and was appointed as a Director of Jardine Pacific in 1995. He joined Moët Hennessy (LVMH Group) in the mid-1990s as the Regional Managing Director of APAC. Today, he also serves on the Board of The Artisanal Spirits Company (ASC), a company that owns the Scotch Malt Whisky Society (SMWS) a specialist bottler of cask strength single malt whisky and a membership-based e-commerce business. He is also the Vice-Chairman of Aspirational Consumer Lifestyle Corp, a NYSE listed SPAC that successfully achieved business combination with the world's largest private aviation company in 2021. He has also served as an Executive Chairman in two hospitality companies.

SAM CHONG KEEN

Mr. Sam is the Lead Independent Director of our Group and chairs our Audit Committee. Mr. Sam has over 40 years of management experience with notable roles in the NTUC, Ministry of Education (Political Secretary to the Minister of Education, 1988 to 1991), Comfort Group and The Lion Group. Mr. Sam was also a member of the CPF Board (1985), Resource Panel, Government Parliamentary Committee on Communications and Information (1987), Chairman of Executive Council, Singapore National Cooperation Federation (1987), and Chairman of NTUC Denticare Cooperative Ltd (1991 2002). Today, Mr. Sam holds Directorship of 5 Public Listed Companies. Mr. Sam graduated with a Bachelor of Arts (Honours) in Engineering Sciences and Economics and has a Master of Arts degree from the University of Oxford.

BOARD OF DIRECTORS

WILLEM NABARRO

Mr. Nabarro was appointed as an Independent Director and Non-Executive Director of our Group on 01 August 2022. Mr. Nabarro is an Independent and Non-Executive Director and chairs our Remuneration Committee. Mr. Nabarro is a French / Dutch National, and holds a Bachelor's degree in Management, Marketing, Finance, from Webster University Missouri as well as a degree in Chinese Studies from Harvard University Massachusetts. He joined BNP Paribas in 2000 as a M.D., member of the Exco Committee, to set up their European Equity business in Asia. He left BNP Paribas after 20 years to set up his own company, Win Management & Advisory. He has helped several European companies to start their business in Asia and has advised Asian investors with their investments in Europe.. Mr Nabarro sat on the board of NoElse, a start-up virtual bank (2016 - 2022), he was the treasurer of the French Catholic Church in Singapore (2019 -2023) and is a committee member of Mousquetaires de l'Armagnac. He has been a regular speaker at universities around the region, including NUS, SME as well as TV stations like CNBC, Bloomberg, CNN and French radio stations.

EDNA CLAUDINE LEONG

Ms. Leong was appointed as an Independent Director and Non-Executive Director of our Group on 01 January 2023. Ms. Leong is an Independent and Non-executive Director and chairs our Nominating Committee, as well as our ESG Committee. With proven entrepreneurial talent and track record bodes well for SMI Vantage's business, projects, and investments, Ms. Leong brings with her extensive experience in corporate social responsibility (CSR) corporate governance, ESG and organisational development. Ms. Leong is the Executive Director of RSVP Singapore The Organisation of Senior Volunteers. Ms. Leong's extensive experience in marketing, investment, banking & consulting includes stints in some of the world's largest financial institutions. Following her passion for a more equitable and caring society, she has in recent years, been more involved in heading non-profit organisations and social enterprises.

ROGER TAN CHADE PHANG

Mr Roger Tan Chade Phang is an Independent and Non-Executive Director. An experienced Independent Director of several listed companies in Singapore, Mr Tan was also the President of the Small and Middle Capitalisation Companies Association, as well as the CEO of Voyage Research Pte Ltd (previously known as SIAS Research). Prior to that, Mr Tan worked as an Investment Analyst in Standard Chartered Bank. Mr Tan graduated with a Master of Finance from RMIT University in 2002. He also holds a Bachelor of Business in Accountancy from the same university.

KEY OPERATIONAL MANAGERS

SATHEEISHWARAN SUBRAMANIAM

General Manager

Satheeish is responsible for the Company's digital-mining business and oversees the functions of Operations, Corporate Finance and Human Resources. He has an MBA from Nanyang Business School, Singapore (NTU) and a BSc. In Computing and Information Systems from University of London (UoL)-Singapore Institute of Management (SMI).

DR. KHINE THINZAR HTUN

General Manager, Myanmar

Dr Khine is in-charge of the Company's Myanmar businesses, which includes Travel Retail, F&B Franchisees and Food Distribution, Logistics and Warehousing. Dr Khine is also overseeing the launch of the Company's Robochef F&B operations in Singapore. She has as an MBA from UBIS University, Switzerland and a MBBS from the University of Medicine, Yangon, Myanmar.

JENNIFER TAN

Group Financial Controller

Jennifer oversees the Group's Accounting, Finance, Tax and Compliance. She has 11 years of experience with PwC Malaysia and Singapore and was the Regional Finance Controller for Sunrise & Co Group prior to joining SMI. She is a fellow of the Association of Chartered Certified Accountants (ACCA) and has a Bachelor of Accounting (First Class Honours) from Multimedia University, Malaysia

ADVISORY BOARD

DR. ROLAND ONG

Dr. Roland Ong is the founder of Infocomm Asia Holdings, a leading publisher, operator and distributor of interactive entertainment in Southeast Asia. Dr. Ong was also co-founder of China The9 Interactive Ltd, and Chairman of Asia Blockchain Games Alliance.

DR. CLEMEN CHIANG

Dr. Clemen Chiang is the CEO and founder of Spiking, an AI and data-powered insights and education platform. Dr. Chiang is also the founder of Bitcoin Institute, a non-profit platform for cryptocurrency discussion and education. He is also the author of the Amazon best seller, Spiking to the Moon – A Beginner's Guide to Understanding Whales in the Cryptocurrency Market.

JI WEI

Ji Wei is currently the Special Assistant to the Chairman as well as the Compliance Officer, Legal Counsel, Board Secretary, Senior Director of Business Development and Chief of the President's office of The9 Limited, a diversified Nasdaq-listed company.

MICHAEL HADLEY

Michael Hadley is the Managing Director and Founder of Provino Logistics Pte Ltd, a Singapore Customs Type III Licenced (temperature-controlled) warehouse specialising in the storage of fine wines and spirits. Michael is also the Managing Director and Founder of Original Sin Mediterranean restaurant and The Michaelangelo's restaurant group in Singapore, as well as the Managing Director of Vinifera Pte Ltd, a company managing the importation, marketing, representation, and distribution of boutique wines into Singapore.

FINANCIAL CONTENTS

The Board of Directors (the "**Board**") of SMI Vantage Limited ("**SMI**" or the "**Company**", together with its subsidiaries, the "**Group**") is committed to comply with the principles and provisions of the Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 (the "**Code**"). SMI believes that good corporate governance is essential in building a sound corporation with an ethical environment, thereby protecting the interests of all shareholders. This Corporate Governance Report sets out SMI's corporate governance practices.

The Board confirms that, for the financial year ended 31 March 2024 ("**FY2024**"), SMI has generally adhered to the principles and provisions set out in the Code, except where otherwise stated. Where there have been deviations from the Code, SMI has sought to provide an appropriate explanation for each deviation in this Corporate Governance Report. SMI will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Code and Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

A. BOARD MATTERS

Board's Conduct of Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Board's Leadership and Control

The primary function of the Board is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. The Board assumes responsibility for the Group's overall strategic plans and performance objectives, key operational initiatives, major funding and investment proposals, financial performance reviews, compliance and accountability systems and corporate governance practices. Directors are fiduciaries who act objectively in the best interests of the Group. The Board puts in place a code of conduct and ethics which sets appropriate tone-from-the-top for the Group in respect of ethics, values and desired organisational culture, and ensures proper accountability within the Group. Any Director who faces a conflict of interest or a possible conflict of interest, in relation to a matter, must promptly declare his interest at a meeting of Directors or send a written notice to the Company containing details of his interest and the conflict and recuses himself from discussions and decisions on the matter.

The Board oversees the business performance and affairs of the Group and holds Management accountable for the performance of the Group. The Board leads, directs and works closely with Management, to ensure alignment of interests of the Board and Management with that of the shareholders, so as to achieve the long-term sustainable success of the various businesses of the Group.

The Board has established a framework on authorisation and approval limits for capital and operating expenditure, as well as specified transactions including acquisitions and disposals of investments, procurement of goods and services, bank facilities and cheque signatories. Within this framework, the Board has set relevant authority and approval sub-limits for delegation to various Management levels to optimise operational efficiency.

Material items that require Board's decision or approval include:

- corporate strategy and business plans;
- investment and divestment proposals;
- capital structure and funding decisions of the Group;
- nominations of Directors for appointment to the Board and appointment of the Group Chief Executive Officer ("**CEO**");
- announcement of interim and full-year financial reports and the annual report;
- share issuances, dividends release or changes in capital;
- material acquisitions and disposals of assets;
- all matters of strategic importance;
- corporate governance; and
- interested person transactions.

Board Committees

The Board has constituted the following Board Committees to assist the Board in discharging of its functions:

- the Audit Committee ("**AC**");
- the Nominating Committee ("**NC**");
- the Remuneration Committee ("**RC**"); and
- the Environmental, Social and Governance Committee ("**ESGC**")

The composition of the Board Committees and their specific responsibilities and authority are set out in the relevant sections of this Corporate Governance Report. These Committees play an important role in ensuring good corporate governance in SMI and within the Group. The Board also delegates certain of its functions to these Committees, which would make recommendations to the Board. Each Board Committee is required to operate and make decisions on matters within its Terms of Reference which are reviewed on a regular basis to ensure their continued relevance. Any changes to the terms of reference for any Board Committee require Board's approval. The Board accepts that while these various Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

Environmental, Social and Governance Committee

The ESGC was established on 7 March 2024 to provide oversight and guidance on matters related to the Company's environmental, social and governance ("**ESG**") responsibilities. The Committee is tasked with helping the Company to align its practices with ESG principles and expectations, and to foster sustainable and responsible business operations.

The ESGC comprises the following five members:

1. Ms Edna Claudine Leong Lai Yee (ESGC Chairman)
2. Mr Sam Chong Keen
3. Mr Willem Mark Nabarro
4. Mr Tan Chade Phang
5. Mr Mark Francis Bedingham

The functions of the ESGC include:

- review and approve the Company's ESG strategy and goals, ensuring alignment with the Company's mission, values and long-term sustainability, based on proposals by the Chief Executive Officer;

- review the Company's progress towards ESG goals and targets, evaluating performance metrics and recommending necessary adjustments;

- review and approve the publication of the Company's ESG reports, ensuring they meet industry standards and regulatory requirements;

- consider the various ESG requirements for the Company, particularly those required by regulatory bodies such as the Singapore Exchange Securities Trading Ltd and to ensure that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties; and

- retain such professional consultancy firm as the Committee may deem necessary to enable it to discharge its duties hereunder satisfactorily.

Board Meetings

The Board meets on a regular basis and ad-hoc Board meetings are convened when they are deemed necessary to review the financial performance and to update the Board on significant business activities and overall business environment. Throughout the financial year, as and when deemed necessary by the Board, additional Board meetings may be convened to consider urgent proposals or matters that require the Board's review and approval.

The Constitution of SMI (the "**Constitution**") allows Board meetings to be conducted by means of telephone conference or other methods of simultaneous communication by electronic or other communication facilities. When a physical Board meeting is not possible, the Board can communicate through electronic means or via circulation of written resolutions for approval. The Directors attend and actively participate in Board and Board Committee meetings. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

A summary of the number of Board and Board Committee meetings held in FY2024 and the attendance of each Director at these meetings are set out in the table below:

The number of Board and Board Committee meetings held in FY2024 and each Director's attendances at such meetings are set out below:

Directors	Board Meetings	Board Committee Meetings			General Meeting
		AC	NC	RC	
Number of Meetings held	6	4	1	2	1
Ho Kwok Wai[1]	3	n.a.	n.a.	n.a.	1
Mark Francis Bedingham	6	n.a.	n.a.	n.a.	1
Sam Chong Keen	6	4	1	2	1
Willem Mark Nabarro	6	4	1	2	1
Edna Claudine Leong Lai Yee	6	4	1	2	1
Tan Chade Phang[2]	2	2	0	0	0

Notes:

1. Mr Ho Kwok Wai was unable to attend the meetings due to prior commitment or other unavoidable circumstances. However, he ensured that his comments, feedback and/or decisions were delivered and communicated before the meetings.
2. Mr Tan Chade Phang was appointed as Independent Director on 1 September 2023.

n.a. – not applicable

Induction and training of Directors

The Directors understand the Company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors).

Briefings are conducted by Management for newly-appointed Directors to familiarise with the Group's business activities, strategic directions, financials, policies, governance practices, corporate culture as well as key regulatory, legal and industry developments which affect the Group. There are also orientation programmes tailored to familiarise newly appointed Directors with the role and responsibilities of a Director of a public company in Singapore.

Upon the appointment of a new Director, SMI would issue a formal letter of appointment setting out the statutory and other duties and obligations of the Director.

All Directors are encouraged to keep themselves updated on changes to the financial, legal and regulatory as well as corporate governance requirements, framework and the business environment through reading relevant literature and attending appropriate seminars and courses conducted by bodies such as SGX-ST and Singapore Institute of Directors ("**SID**").

As at the date of this report, all Directors have attended the prescribed sustainability training course authorised by the Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**") to equip themselves with basic knowledge on sustainability matters.

In addition, the Company Secretary and members of Senior Management also provide regular updates to the Directors during Board meetings and through emails on key legal, regulatory, industry and accounting changes which affect the Group. Such new releases issued which are relevant to the Directors are circulated to the Board.

The Board is provided with complete, adequate and timely information and analysis by the Management pertaining to matters to be brought before the Board for discussion and decision, so that the Board is able to make informed decisions and discharge their duties and responsibilities. Management also provides regular reports on the Group's financial performance and operations to the Board. Board papers are sent to all directors at least two days before the Board meetings. Senior managers who have prepared the papers, or who can provide additional insight on the matters to be discussed, are normally invited to present the paper or attend the Board meeting.

As a general rule, notices are sent to the Board at least two days in advance of Board meetings, followed by the Board papers, in order for the Board to be adequately prepared for the Board meetings.

The Directors have separate and independent access to the Management and Company Secretary at all times. In addition, the Directors are free to conduct independent or collective discussions with Management and the Company Secretaries. Where necessary, the Company will, upon the request of directors (whether as a group or individually), provide them with independent professional advice, at the Company's expense, to enable them to discharge their duties effectively. The appointment and removal of the Company Secretary are deliberated on by the Board as a whole. The Company Secretaries attend Board meetings and are responsible for, amongst other things, ensuring that Board procedures are observed, and that applicable rules and regulations are complied with. Where the Company Secretaries are unable to attend any Board meeting, they ensure that a suitable replacement is in attendance and that proper minutes of the same are taken and kept.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Board size and board composition

The Board comprises six Directors, four of whom are Independent Directors. The Directors at the date of this report are as follows:-

Name of Directors	Board of Directors	Date of Appointment	Date of last re-election	AC	NC	RC	ESGC	Present Directorship in other Listed Companies	Principal Commitments
Ho Kwok Wai	Non-Executive Chairman	6 November 2013	15 December 2021	–	–	–	-	Nil	Nil
Mark Francis Bedingham	Executive Director, President and Chief Executive Officer	23 January 2015	31 July 2023	–	–	–	Member	Artisanal Spirits Company plc	Nil

CORPORATE GOVERNANCE REPORT

Name of Directors	Board of Directors	Date of Appointment	Date of last re-election	AC	NC	RC	ESGC	Present Directorship in other Listed Companies	Principal Commitments
Sam Chong Keen	Lead Independent Director	31 January 2022	28 July 2022	Chairman	Member	Member	Member	Lion Asiapac Limited Stamford Tyres Corporation Limited A-Smart Holdings Ltd. Parkson Retail Asia Limited	Nil
Willem Mark Nabarro	Independent Director	1 August 2022	31 July 2023	Member	Member	Chairman	Member	Nil	Win Management & Advisory Gaia Founders Pte. Ltd. Gaia Global Services Pte. Ltd. French Roman Catholic Church of Singapore (FCCS)
Edna Claudine Leong Lai Yee	Independent Director	1 January 2023	31 July 2023	Member	Chairman	Member	Chairman	Nil	RSVP Singapore The Organisation of Senior Volunteers
Tan Chade Phang	Independent Director	1 September 2023	N/A	Member	Member	Member	Member	Y Ventures Group Ltd. OUE Healthcare Limited Luminor Financial Holdings Limited Tritech Group Limited	Y Ventures Group Ltd. OUE Healthcare Limited Luminor Financial Holdings Limited Tritech Group Limited

The Board recognises the benefits of diversity of experience, age, skill sets and gender as a key element to support the attainment of objective and development of the Group. The Board conducts annual reviews to assess if the existing attributes and core competencies of the Board are complementary and contributes to the efficacy of the Board, of which enables the Board to maintain and/or enhance balance and diversity. These competencies include banking, accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, customer-based knowledge, familiarity with regulatory requirements and knowledge of risk management. In consideration for the need for diversity, there is an appropriate mix of expertise and experience and other aspects of diversity such as gender and age to enable Management to benefit from a diverse perspective of issues that are brought before the Board; and no individual or small group of individuals dominates the Board's decision-making process.

The Board considers that its Directors possess the necessary competencies and knowledge to lead and govern the Group effectively. The Board also comprises directors from different nationalities. In addition, the Company strives to maintain a diversity of experience across international finance, corporate management and governance and knowledge of the requirements for a SGX listed company. It also seeks to strengthen its awareness of all matters related to corporate ESG obligations and its social responsibility as a Singapore based company. It will at all times seek to have at least one female as one of its four independent directors. The Company has in place a Board Diversity Policy which endorses the principle that its Board should have a balance of skills, knowledge, experience and diversity of perspectives appropriate to its business so as to mitigate groupthink and foster constructive debate.

The Company has already embarked on major changes to its Board structure and making progress in compliance with Rule 710A of the Listing Manual. For instance, the Board embraces gender diversity and currently has a female Director and the Board members have a range of core competencies that would provide effective directive for the Group. Mr Sam Chong Keen has had extensive experience of both running major Singapore businesses, including leading a major IPO as well as familiarity with the rules and regulations in Singapore. Mr Willem Mark Nabarro brings an international perspective to the Company and extensive international banking experience for enhancement. Ms Edna Claudine Leong Lai Yee has had experiences in banking and management of some of the leading charities in Singapore. Her appointment improved gender diversity on the Board and added knowledge and capabilities to the Company's ESG development programs particular in the context of the Company's announced intention to grow its business further in Singapore and nearby markets. Mr Tan Chade Phang has deep knowledge and understanding of SGX regulations and requirements and broad business experiences.

The Board has reviewed and believes that its composition satisfies a diversity of skills, knowledge, experience and gender, as further described:

	Number of Directors	**Proportion of Board**
Core Competencies		
Accounting/Finance/Legal/Corporate governance	6	100%
Industry/Customer based-knowledge or experience	5	83%
Strategic planning experience	5	83%
Gender		
Male	5	83%
Female	1	17%
Age		
>60	3	50%
51 - 60	2	33%
41 - 50	1	17%
Nationality		
Local	4	67%
Foreigner	2	33%

Although the Chairman is not independent, the Independent Directors of the Company make up majority of the Board; there are four independent directors making up more than half of the Board, providing an independent element on the Board capable of exercising objective judgment; no individual or group is able to dominate the Board's decision-making process. It is also noteworthy that given the scope and nature of the Group's operations, the Board is of the view that its current size of 6 is appropriate and conducive to facilitate effective decision-making. In this regard, the Board has also taken into account the complexity and requirement of the Group's businesses. The Directors' academic and professional qualifications are presented in pages [5] to [6] of the Annual Report.

Directors' independence review

The Board, taking into account the views of the NC, assesses the independence of each Director annually and as and when the circumstances require whether or not a director is independent, in accordance with the guidance in the Code. A Director who is independent in conduct, character and judgement, and has no relationship with the Group, its related corporations, officers or its shareholders with shareholdings of 5% or more in the voting shares of SMI that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Group, is considered to be independent.

After taking into account the views of the NC, all the Directors on the Board are considered by the NC and the Board to be Independent Directors except the following:

Name of Directors	Reasons for non-independence
Ho Kwok Wai	Mr Ho Kwok Wai is deemed not independent as he holds more than 10% of SMI's voting shares.
Mark Francis Bedingham	As President and CEO of the Group, Mr Mark Francis Bedingham is employed by the Group and he holds more than 10% of SMI's voting shares.

The Board also recognises that independent directors may over time develop significant insights in the Group's businesses and operations and can continue to provide significant and valuable contribution objectively to the Board as a whole. When there are such directors, the Board will do a rigorous review of their continuing contribution and independence and may exercise its discretion to extend the tenures of these directors.

Role of the Non-Executive Director

Non-executive directors ("**NEDs**") make up a majority of the Board. The Board and Management fully appreciate that an effective and robust Board whose members engage in open and constructive debate, and challenge Management on its assumptions and proposals is fundamental to good corporate governance. The Board should also aid in the development of strategic proposals and oversee effective implementation by Management to achieve set objectives.

The Board, in particular the NEDs, must be kept well informed of the Group's businesses and be knowledgeable about the industry the Group operates in.

To ensure that NEDs are well supported by accurate, complete and timely information, NEDs have unrestricted access to Management. In addition, the NEDs meet as necessary to review and discuss matters such as board processes, corporate governance initiatives, succession planning, leadership development and other issues of concern. Where necessary or appropriate, the NEDs will meet without the presence of Management. FY2024, the NEDs have met in the absence of the Management to discuss concerns or matters. The chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of the Chairman and the CEO of the Company are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Mr Ho Kwok Wai, who is the Chairman and the Non-Executive Director, is unrelated to the CEO. He:

- ensures board meetings are held when necessary;
- sets the board meeting agenda with the assistance of the Company Secretary and in consultation with the CEO;
- ensures board members are provided with complete, adequate and timely information in compliance with the Code; and
- ensures effective communication within the Board and within the shareholders.

The Chairman will also ensure that his comments, feedback and/or decisions are delivered and communicated before the board meetings(s) in the event of his absence.

The Board has delegated the daily operations of the Group to the CEO who is Mr Mark Francis Bedingham. He:

- leads the Management team;
- formulates the Group's strategic directions and expansion plans;
- executes the strategic plan;
- reviews the performance of its existing businesses;
- manages the Group's overall business development to achieve the goal set out by the Board; and
- ensures the Directors are kept updated and informed of the Group's businesses.

The Board has a Lead Independent Director to provide leadership *in situ*ations where the Non-Executive Chairman is conflicted. The Lead Independent Director also provides feedback to the Non-Executive Chairman after meetings of independent Directors. Mr Sam Chong Keen is the Lead Independent Director. He is available to the shareholders where they have concerns and for which contact through the normal channels of communication with the Non-Executive Chairman or the Management is inappropriate or inadequate.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises the following four members, all of whom are Independent Non-Executive Directors:

1. Ms Edna Claudine Leong Lai Yee (NC Chairman)
2. Mr Sam Choong Keen
3. Mr Willem Mark Nabarro
4. Mr Tan Chade Phang

The Board established the NC to lead and facilitate the selection, appointment and re-appointment of Directors to the Board with written terms of reference that clearly set out its authority and duties.

Key responsibilities include:

- review and recommend the nominations for the appointment or re-appointment of Directors (including alternate director, if any) having regard to the composition and progressive renewal of the Board, each Director's qualifications, competencies, commitment, contribution and performance, the number of other listed company board representations;

- review the Board structure, size and composition having regards to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of SMI, the core competencies of the Directors as a group and make recommendations to the Board with regard to any adjustments that may be deemed necessary;

- review board succession plan for Directors, in particular the appointment and/or replacement of the Chairman of the Board, the CEO and key management personnel;

- determine on an annual basis for the Directors' independence;

- assess and evaluate the performance of the Board and contribution of each Director to the effectiveness of the Board as a whole; and

- recommend to the Board comprehensive induction training programmes for new directors and reviews training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risks.

Directors' independence review

The task of assessing the independence of Directors is delegated to the NC. The NC reviews the independence of each Director annually and as and when circumstances require. The NC has used its best efforts to ensure that Directors appointed to the Board possess the experience and knowledge, business, finance and management skills necessary to our businesses and each Director, through his contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

Each Independent Director is required to complete a Director's Independence Checklist ("**Checklist**") to confirm his independence annually. The Checklist is drawn up based on the guidelines provided in the Code.

Each Independent Director must also confirm in the Checklist whether he considers himself independent despite not having any relationships identified in the Code. Thereafter, the NC reviews the Checklist completed by each Independent Director, assess the independence of the Directors and recommends its assessment to the Board.

The Board, after taking into account the views of the NC, determined that with the exception of Mr Mark Francis Bedingham and Mr Ho Kwok Wai, all the other four NEDs are independent.

Directors' time commitments and multiple directorships

The NC has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards. The Board does not prescribe a maximum number of listed company board representatives which any director with multiple board representations may hold and in lieu wishes to review the matter on a case-by-case basis taking into account the ability and performance of each director in his performance and discharge of duties and responsibilities.

The NC determines annually whether a Director with multiple board representations and/or other principal commitments is able to and has been adequately carrying out his duties as a Director of SMI. Such other listed company directorships and principal commitments of each Director are disclosed in the table under "Principle 2" on page [13].

The NC takes into account the results of the assessment of the effectiveness of the individual Director and the respective Directors' actual conduct on the Board, in making this determination.

The NC has reviewed the individual performance of each Director and is satisfied that all Directors have dedicated adequate time to the affairs of SMI and have properly discharged their duties for FY2024 and will continue to do so in FY2025. The NC is of the view that the duties of all Directors have been fully discharged based on the time and attention devoted by each Director, their individual abilities and their respective individual contribution of skills, knowledge and experience and their commitment to the affairs of SMI.

Process for selection and appointment of new Directors

The NC has put in place a formal process for the selection of new Directors to increase transparency of the nomination process in identifying and evaluating nominees for Directors of SMI. The NC leads the process as follows:

- NC evaluates the balance, skills, knowledge and experience of the existing Board and the requirements of the Group. In light of such evaluation, the NC determines the role and the key attributes that an incoming Director should have.

- After endorsement by the Board of the key attributes, the NC taps on the resources of Directors' personal contacts and recommendations of the potential candidates and goes through a short-listing process. If candidates identified from this process are not suitable, executive recruitment agencies are appointed in the search process.

- NC meets with the shortlisted candidate to assess suitability and to ensure that the candidate is aware of the expectations and the level of commitment required.

- NC recommends the most suitable candidate to the Board for appointment as Director. They are appointed by way of Board resolutions of SMI.

Process for re-appointment of Directors

The NC is responsible for re-appointment of Directors. In its deliberations on the re-appointment of existing Directors, the NC takes into consideration the Director's contribution and performance (including his contribution and performance as an Independent Director, if applicable).

All Directors submit themselves for re-nomination and re-appointment as regular intervals of at least once every three years pursuant to Rule 720(5) of the Listing Manual of SGX-ST. Article 91 of SMI's Constitution provides that one third of the Directors shall retire from office by rotation and be subject to re-appointment at SMI's annual general meeting ("**AGM**").

In addition, Article 97 of SMI's Constitution provides that a newly appointed Director during the financial year must retire and submit himself/herself for re-appointment at the next AGM following his/her appointment but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. Thereafter, he/she is subject to be re-appointed at least once every three years.

New Directors of the Company and the Group are appointed by way of Board resolutions of the respective companies, after the NC makes necessary recommendations to the Board. According to the Constitution, such new Directors of the Company shall submit themselves for re-election at the AGM of the Company.

The NC has reviewed and recommended the re-election of the following Directors who will be retiring pursuant to the provisions of Rule 720(5) of the Listing Manual of SGX-ST and SMI's Constitution at the forthcoming AGM scheduled to be held on 30 July 2024:

- Mr Ho Kwok Wai (retiring pursuant to Article 91)
- Mr Sam Chong Keen (retiring pursuant to Article 91)
- Mr Tan Chade Phang (retiring pursuant to Article 97)

The Board has accepted the recommendations and the retiring Directors will be offering themselves for re-election at the forthcoming AGM.

The NC also assessed and reviewed the independence of the Independent Directors, namely Mr Sam Chong Keen and Mr Tan Chade Phang based on the provisions set out in the Code. The Board, with the concurrence of the NC, concludes that Mr Sam Chong Keen and Mr Tan Chade Phang remain independent.

The information relating to the date of last election of the Directors are set out in the table under "Principle 2" on page [13].

Key information regarding the Directors is set out under the section of "Board of Directors" on pages [5] to [6] of this Annual Report.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that each of its board committees and individual directors.

The Board has implemented a process carried out by the NC for assessing the performance and effectiveness of the Board as a whole, its board committees and the contribution of each Director to the effectiveness of the Board on an annual basis.

During FY2024, the Board engaged the Company Secretary to facilitate the evaluation of the Board and Board Committees, as well as the contributions by each Director.

The Board believes that such arrangement not only encourages Directors to be more candid in their evaluation of the Board performance but also enhances the objectivity and transparency of the evaluation process.

Board evaluation process

The NC Chairman, in conjunction with the Chairman of the Board, conducts an annual assessment of the effectiveness of the Board as a whole, effectiveness of its Board Committees and the contribution by each individual Director. There are two components to this assessment:

a. Self-assessment; and
b. Board assessment.

The key objective of the board evaluation is to obtain constructive feedback on the various aspects of the Board's performance. The performance evaluation process begins with an annual meeting between the NC Chairman and SMI's Company Secretary on the evaluation framework to ensure that areas of particular interest and key issues are focused on.

The Company Secretary sends out a customised Board Evaluation Questionnaire ("**Questionnaire**") to each Director for completion. Each Director is required to complete the Questionnaire and send it directly to the Company Secretary. Based on the returns from each of the Directors, the Company Secretary prepares a consolidated report and briefs the NC Chairman and the Chairman of the Board on the report. Thereafter, the Company Secretary presents the report for discussion at a meeting with all the Directors, chaired by the NC Chairman. The NC Chairman then holds a discussion with all Directors to agree on future action plans.

All NC members have abstained from the voting or review process of any matters in connection with the assessment of his/her performance. The Board has not engaged any external facilitator in conducting the assessment of the Board's performance.

Individual Director Evaluation

The performance of individual Directors is taken into account in their re-appointment. Specific needs which arise from time to time are taken into account in any appointment of new Directors and review of the Board's performance is carried out collectively by the Board on an annual basis. For Board assessment, it is based on factors such as the Board's structure, size, conduct of meetings, corporate strategy and planning, risk management and internal controls, measuring and monitoring performance and financial reporting. In the case of individual assessments, each Director is evaluated based on factors which include the Director's attendance, adequacy of preparation for meetings, participation in discussions as well as industry and business knowledge.

B. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises the following four members, all of whom are Independent Non-Executive Directors:

1. Mr Willem Mark Nabarro (RC Chairman)
2. Mr Sam Chong Keen
3. Ms Edna Claudine Leong Lai Yee
4. Mr Tan Chade Phang

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and senior management. The RC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive and thereby maximise shareholder value.

The functions of the RC include:

- review and recommend to the Board a framework of remuneration for the Directors and key management personnel.

- review and recommend to the Board the specific remuneration packages for the Executive Director(s) of SMI, of which a significant portion of the Executive Director's remuneration is structured to link rewards to corporate and individual performance.

- review all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits in kind.

- review the level and mix of remuneration and benefits policies and practices of SMI, including the long-term incentive schemes on an annual basis. The performance of SMI and that of the Executive Director(s) would be considered by the RC in undertaking such reviews.

- implement and administer the share and other incentive scheme(s) adopted by the Group.

- review the Group's obligations arising in the event of termination of the Executive Director's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

None of the members of the RC or any Director is involved in deliberations in respect of any remuneration, compensation, share-based incentives or any form of benefits to be granted to them.

The RC has the authority to seek any external professional advice on matters relating to remuneration of Directors as and when the need arises. The Company appointed a remuneration consultant in FY2024 on matters relating to employee share option scheme awards.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

In recommending the level and mix of remuneration, the RC seeks to establish a framework for attracting, retaining and motivating the Directors to provide good stewardship of the Group and key management personnel to successfully manage the Group for the long term. The Group's compensation framework comprises of fixed pay, short term and long term incentives. The Group subscribes to linking Executive Directors' and key management personnel's remuneration to corporate and individual performance, based on an annual appraisal. The level and structure of remuneration of Executive Directors and key management personnel are aligned with the long term interest and risk policies of SMI.

NEDs receive director fees for their effort and time spent, responsibilities and contributions to the Board, subject to shareholders' approval at annual general meetings. Given the size and operations of the Group, the RC considers the current fees adequately compensate the NEDs, without over-compensating them as to compromise their independence.

The details are set out under Principle 8 below.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level of mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The RC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long term compensation and between cash versus equity incentive compensation.

Directors' Remuneration

For the period under review, the Executive Director's remuneration package includes:

- fixed remuneration
- other benefits
- share-based incentives

The service agreement entered into between SMI and the Executive Director is for a period of three (3) to five (5) years, with automatic renewal for successive three (3)-year periods unless terminated earlier. Executive Director does not receive Director's Fees.

At the moment, SMI does not use any contractual provisions to reclaim incentive components of the remuneration from the Executive Director in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to the Group. The Executive Director owes a fiduciary duty to SMI and SMI should be able to avail itself to remedy against the Executive Director in the event of such breach of fiduciary duties. The RC will consider, if required, whether there is a requirement to institute such a contractual provision.

NEDs, including the Chairman, are paid Directors' fees, subject to the approval of shareholders at the AGM. The Directors' Fees, determined by the Board, are appropriate to the level of contribution, taking into account factors such as effort and time spent and responsibilities of the Directors such that the independence of the NEDs is not compromised by their compensation.

Each member of the RC shall abstain from voting on any resolutions in respect of his remuneration package.

For the financial year under review, the RC had recommended to the Board, total Directors' Fees of S$217,278 for the NEDs, which will be tabled by the Board at the forthcoming AGM for shareholders' approval. Out of S$217,278, S$33,944 will be distributed to the chairpersons of the AC, NC, RC, and ESGC for their contributions as chairs of the board committees. Part of the fees were pro-rated based on the appointment of Mr Tan Chade Phang as the Independent and Non-Executive Director on 1 September 2023 and the appointment of Ms Edna Claudine Leong Lai Yee as the chairperson of the Nominating Committee and Environmental, Social and Governance Committee on 1 July 2023 and 8 November 2023 respectively.

A breakdown, showing the level and mix of each individual Director's remuneration payable for FY2024 is as follows:

Name of Director	Fixed Salary	Fees[1]	Bonus	Benefits in kind	Share-based incentives	Total
S$250,000 to S$1,000,000						
Mark Francis Bedingham	97%	–	–	3%	–	100%
Below S$250,000						
Ho Kwok Wai	–	100%	–	–	–	100%
Sam Chong Keen	–	100%	–	–	–	100%
Willem Mark Nabarro	–	100%	–	–	–	100%
Edna Claudine Leong Lai Yee	–	100%	–	–	–	100%
Tan Chade Phang[2]	–	100%	–	–	–	100%

Notes:

1. Subject to approval by shareholders as a lump sum at the AGM for the financial year ended 31 March 2024.
2. Mr Tan Chade Phang was appointed as Independent Director on 1 September 2023.

Remuneration of Key Management Personnel

SMI adopts a remuneration policy for staff comprising a fixed component, a variable component and benefits in kind. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is aligned to SMI's and individual performance. The other benefits include housing.

The remuneration paid to or accrued to the top three key management personnel (who are not Directors or the CEO) for FY2024 is as follows:

Name of Key Executives	Fixed Salary	Bonus	Benefits in kind	Share-based incentives	Total
Below S$250,000					
Satheeishwaran Subramaniam	100%	–	–	–	100%
Khine Thinzar Htun	73%	–	27%	–	100%
Jennifer Tan Pao Lu	100%	–	–	–	100%

Notes:

1. Ms Jennifer Tan Pao Lu was appointed as the Group Financial Controller on 28 April 2023.

The annual aggregate remuneration paid to the top three key management personnel of SMI (excluding the CEO) for FY2024 is S$346,015. The RC approves the bonus for distribution to staff based on individual contributions as well as the financial performance and commercial needs of the Group and has ensured they are adequately but not excessively remunerated.

The exact remuneration of each individual Director and key management personnel is not fully disclosed as the Company believes that disclosure may be prejudicial to its business interests given the highly competitive environment it is operating in. The RC has reviewed the practice of the industry in this regard, weighing the advantages and disadvantages of such disclosure. The Company believes that disclosing individual Director's and key management personnel's remuneration in bands and breakdown in percentage terms strikes a good balance between detailed disclosure and confidentiality.

The Board is of the view that the Company's practices are consistent with the intent of Principle 8 of the Code in relation to the Company's transparency on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation. Nevertheless, the Board notes the announcement by the Singapore Exchange Regulation on 11 January 2023 which, *inter alia*, requires issuers to disclose the exact amount and breakdown of remuneration paid to directors and CEO in their annual reports for the financial years ending on or after 31 December 2024, and the Company will disclose the specific remuneration of each individual director and key management personnel from Annual Report 2025 onwards.

No employee of the Group was a substantial shareholder of the Company, or an immediate family member of any Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S$100,000 per annum during this financial year.

Share-based Incentive Plan

There are no termination, retirement or any post-employment benefits to Directors and key management personnel.

The SMI Performance Share Plan ("**PSP**") was adopted at an Extraordinary General Meeting on 30 July 2014. The SMI PSP will expire on 30 July 2024.

In addition, the SMI Share Option Scheme ("**SMI ESOS**") was approved and adopted at the EGM of SMI held on 25 July 2017, and had expired on 25 July 2022.

Further details on these incentives can be found in the Notes to the Financial Statements.

Remuneration for the Executive Director and key management personnel in the form of salaries and bonuses are based on corporate and individual performance with emphasis on long term profitability, revenue growth and sustainability of the Company.

C. ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board is responsible in overseeing the risk governance in the Group to ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets. It also determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives and value creation. The Board has delegated such tasks to the AC.

The Board and the AC are responsible for the governance of risk management matters including (a) monitoring the Company's risk of becoming, subject to, or violating, any sanctions-related law or regulation; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities.

The Company has appointed Singapore Consultancy Pte Ltd to develop an Enterprise Risk Management Framework to strengthen its Enterprise Risk Management Policy in FY2024 to establish a consistent framework, standardize approaches, and define responsibilities. This policy integrates risk identification and management under the purview of the AC. The risk management framework consists of five key steps: identifying risks, analysing their impact, evaluating mitigation strategies, implementing controls, and continuously monitoring their effectiveness. The risk assessment process encompasses the evaluation of available data and application of judgement to determine the significance of future events and the likelihood of their occurrence. Thereafter, risk responses are formulated to mitigate any identified risks.

The Group, led by the Chief Executive Officer, meets periodically to identify, analyse, evaluate, implement controls, and monitor the effectiveness of controls of the identified risks. In assessing emerging risks over a horizon of two years, which the Board considers as an appropriate period to assess considering the Group is developing its new business activities, the Risk Executive Committee have identified the following key risks and the mitigating actions:

- Financial Recovery: The Company has continued on a reduced scale with some of its businesses related to frontier markets, in particular Myanmar. The Company has continued to mitigate its risk by working closely with its local business partners, to ensure compliance with local regulations and controlling credit extended to those partners. Going forward, the Company will take a cautious view on its exposure to these markets and is not planning on any new investments. The Company has recognised that the profitability of its digital mining business is connected to the future price of Bitcoin and has reserved the right to cease digital mining, at its current locations, if Bitcoin pricing would lead to unprofitable production.

- Geopolitical Risk: The Company has decided to reduce its reliance on frontier markets, and particularly Myanmar, as a proportion of its overall business and keeps a close watch on political developments to ensure that it is compliant with any international sanctions as may apply.

- Regulatory Risk: The Company continuously monitors regulatory change as may affect its Food and Beverage and Logistics businesses to ensure that it is able to quickly implement any necessary changes to its operating procedures, should such changes be required.

- Compliances Risk: As noted above, the Company maintains strong oversight on both international and domestic regulations that may affect its business.

- IT Security Risk: The Company recognises the need for strong controls related to the production of, and transfer of, mining rewards. It uses an internationally recognised Mining Pool and maintains appropriate Internal Controls for transfer and conversion.

Based on the audit reports and management controls in place, the Board and AC is satisfied that the internal control systems provide reasonable assurance that assets are safeguarded, that proper accounting records are maintained and financial statements are reliable. In the course of the statutory audit, the external auditors will highlight any material internal control weaknesses which have come to their attention in carrying out their normal audit, which is designed primarily to enable them to express their opinion on the financial statements. Such material internal control weaknesses noted during their audit, and recommendations, if any, by the external auditors are reported to the AC.

The Board has received assurance from:

(i) the CEO and Group Financial Controller that the financial records have been properly maintained and the financial statements for the financial year ended 31 March 2024 give a true and fair view of SMI's operations and finances; and

(ii) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of SMI's risk management and internal control systems.

SMI appointed Cypress Singapore PAC as the internal auditors to provide internal audit services in accordance with the International Standards for the Professional Practice of Internal Audit for the financial years 2023 to 2025. Based on the internal controls established and maintained by SMI, as well as statutory audit by the external auditors and regular reviews performed by Management, and the written assurance from management, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management and internal control systems were adequate and effective as at 31 March 2024 to address financial, operational, compliance and information technology risks, as well as sanctions related risks which SMI considers relevant and material within the current scope of the Group's business operations.

The Board and AC notes that the risk management and internal control systems of the Group provide reasonableness, but not absolute assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that there is no risk management system and internal controls that can provide absolute assurance in this regard or against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC comprises the following four members, all of whom are Independent Non-Executive Directors:

1. Mr Sam Chong Keen (AC Chairman)
2. Mr Willem Mark Nabarro
3. Ms Edna Claudine Leong Lai Yee
4. Mr Tan Chade Phang

The AC members are appropriately qualified to discharge their responsibilities and collectively have strong accounting and related financial and legal management expertise and experience. None of the AC members is a former partner or director of the Group's existing auditing firm or auditing corporation (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC performs the functions as set out in the Code including the following:

- review with the external auditors the audit plan, their evaluation of the system of internal accounting controls, their letter to Management and Management's response;
- review the financial statements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;
- review the internal control and procedures and ensure co-ordination between the internal auditors and external auditors and Management, reviewing the assistance given by Management to the auditors to discuss problems and concerns, if any, arising from the interim and final audits and any matters which the auditors may wish to discuss (in the absence of Management where necessary);
- review the adequacy and effectiveness of SMI's risk management and internal control systems (including financial, operations, compliance and information technology controls) and to report to the Board annually;
- review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have material impact on SMI's operating results or financial position and Management's response;
- consider and recommend the appointment or re-appointment of the external auditors, matters relating to the resignation or dismissal of the auditors and the remuneration and terms of engagement of the external auditors;
- review the hiring, removal, evaluation and compensation of the accounting/auditing firm or corporation if the internal audit function is outsourced;
- review the scope and results of the internal audit procedures, including interaction with management and other matters related to the conduct of the internal audits;
- review significant findings and recommendations of the internal auditors and management's responses;
- ensure where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by management;
- review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual of the SGX-ST;
- review potential conflicts of interest, if any;
- undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring attention of AC;

- generally undertake such other functions and duties as may be required by statute or the Listing Manual of the SGX-ST, or by such amendments as may be made thereto from time to time;

- review the assurance from the CEO and the Group Financial Controller on the financial records and financial statements; and

- review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on and to ensure that the Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

The AC has explicit authority to investigate any matter within its terms of reference, with full access to and co-operation from Management. The AC also has full discretion to invite any Director or executive officer to attend its meetings and to require Management to provide it with reasonable resources to enable it to discharge its functions properly.

In FY2024, the AC has met with the internal auditors and external auditors respectively, at least once a year, without the presence of Management. The audit partner of the external auditors is rotated every five years, in accordance with the requirements of the Listing Manual of the SGX-ST.

Half-yearly financial statements and the accompanying announcements are reviewed by the AC before presentation to the Board for approval, to ensure the integrity of information to be released.

During the financial year, the AC reviewed the half-yearly and full year financial statements prior to approving or recommending their release to the Board, as applicable; the auditors' evaluation of the system of internal accounting controls; the adequacy and effectiveness of SMI's internal controls; the annual audit plan of the external auditors and the results of the audits performed by them and potential interested person transactions. It also reviewed the scope, results and effectiveness of the external and internal audit functions; the independence and objectivity of the external auditors and the non-audit services rendered by them (if any) and the re-appointment of the external and internal auditors and their remuneration. Management's assessment of fraud risks, adequacy of the whistleblowing arrangements and whistleblowing complains are monitored and reviewed by the AC.

Significant matters that were discussed with Management and the external auditors have been included as key audit matters ("**KAMs**") in the independent auditors' report for the financial year ended 31 March 2024, as set out on pages [43] to [48] of this Annual Report.

The AC, considering the report from the external auditors, including their findings and views on the key areas of audit focus, concluded that SMI's accounting treatment and estimates in each of the KAMs was appropriate.

External Auditors

The AC has conducted an annual review of the performance of the external auditor and the volume of non-audit services to satisfy itself that the nature and extent of such services will not prejudice the independency and objectivity of the external auditors, before confirming their re-nomination.

The aggregate amount of fees paid or payable to the external auditors of the Group, broken down into audit and non-audit services for the financial year ended 31 March 2024 are as follows:

- Audit fees: US$140,600
- Non-audit fees: US$0

There were no non-audit services provided by the external auditors during the year under review.

The Company's external auditors, PKF-CAP LLP was re-appointed as external auditors of the Company at the Company's AGM held on 31 July 2023 and will hold office until the conclusions of the Company's forthcoming AGM to be held on 30 July 2024. PKF-CAP LLP will be seeking re-appointment at the Company's forthcoming AGM to be held on 30 July 2024 as external auditors of the Company.

SMI engages suitable independent auditors to audit its foreign incorporated subsidiaries and joint ventures, as disclosed in Notes [16] and [18] to the financial statements in this annual report which have been cleared by SMI's external auditors. The Board and AC have reviewed and are satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of SMI.

SMI confirms that the appointment of the external auditors is in accordance with Rules 712 and 715 of the Listing Manual of the SGX-ST.

Internal Audit

The primary role of internal auditor ("**IA**") is to assist the Board to evaluate the reliability, adequacy and effectiveness of the internal controls and risk management processes of the Company, reviewing the internal controls of SMI to ensure prompt and accurate recording of transactions and proper safeguarding of assets and reviewing that the Company complies with the relevant laws, regulations and policies established by the SMI. The IA will have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC. The primary reporting line of internal audit function is to the AC and the internal audit function has appropriate standing within the Company.

The AC reviewed the adequacy of the internal audit function carried out by the IA on a regular basis. The AC is of the opinion that the internal audit function for the year under review was adequately resourced and had appropriate independent standing within the Company.

Whistleblowing Policy

The Group also has a Whistleblowing Policy to allow staff to raise concerns or observations in confidence to SMI about possible irregularities for independent investigation and appropriate follow up action to be taken. Such concerns include dishonesty, fraudulent acts, corruption, legal breaches and other serious improper conduct; unsafe work practices and any other conduct that may cause financial or non-financial loss to the Group or damage to the Group's reputation. The Whistleblowing Policy encourages staff to identify themselves whenever possible to facilitate investigations but will also consider anonymous complaints, in certain circumstances. Moreover, the Company is committed to ensuring protection of whistleblowers who have acted in good faith against reprisal and detrimental or unfair treatment. The AC is responsible for oversight and monitoring the whistleblowing. There were no reports of fraudulent or inappropriate activities or malpractice received during the year under review.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholders Rights and Responsibilities

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

SMI respects shareholders' rights and promotes the fair and equitable treatment of all shareholders. SMI keeps all of its shareholders sufficiently informed of its corporate affairs and activities, including any changes to SMI or its business which may materially affect the price or value of SMI shares on a timely basis.

All new material price-sensitive information is disclosed on an adequate, accurate and timely basis via SGXNET, which are also posted on the SMI Investor Relation ("**IR**") website. SMI recognises that the release of timely and relevant information is central to good corporate governance and assists shareholders to make informed investment decisions.

Any notice of a general meeting of shareholders is issued at least 14 days before the scheduled date of such meeting for ordinary resolution(s). These notices are published in the local newspaper and posted onto SGXNET and SMI IR website. These notices are also contained in annual reports or circulars which are sent to all shareholders.

All shareholders are entitled to attend and vote at general meetings, afforded the opportunity to participate effectively in the general meetings and informed of the rules governing general meetings of shareholders. The Constitution of the Company allows each shareholder to appoint up to two proxies to attend, speak and vote in their place at general meetings. SMI does not provide for absentia voting methods such as by mail, email or fax due to concerns as to the integrity of such information and authentication of the identity of shareholders voting by such means.

Pursuant to the Companies (Amendment) Act 2014, a shareholder who is a "relevant intermediary", is entitled to appoint more than two proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

At general meetings of shareholders, each distinct issue is proposed as a separate resolution. Such resolutions include matters of significance to shareholders such as, where applicable, adoption of Audited Financial Statements together with Directors' Statements and Independent Auditors' Report, remuneration of directors, re-election of directors, change of auditors and assignment of authority to the directors to fix their remuneration and authorisation to issue additional shares. Votes cast for and against and the respective percentages on each resolution will be displayed to shareholders/proxies immediately after each poll conducted. The total number of votes cast for or against the resolutions and the respective percentages are also announced in a timely manner after the general meeting via SGXNET. Each share is entitled to one vote. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

All Directors, including the Chairmen of the AC, NC, RC and ESGC and senior Management, are in attendance at the general meetings of shareholders to allow shareholders the opportunity to air their views and ask Directors or Management questions regarding the Group. The external auditors also attend the AGMs to assist the Directors in answering any queries relating to the conduct of the audit and the preparation and content of the auditors' report. The AGM is held within four months after the close of the financial year.

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

SMI does not have a fixed dividend policy at present. Key considerations that affect dividend decisions and the level of payouts include the Group's profit growth, level of cash available, projected levels of capital expenditure and investment plans and any other factors as the Board may deem appropriate.

No dividend was paid for FY2024 as the Group reported a net operating loss for the year.

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meeting and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

SMI protects and facilitates the exercise of shareholders' rights and regular, effective and non-discriminatory communications between shareholders and Management who will receive and attend to their queries and concerns.

SMI provides regular and timely information to the investment community regarding the Group's performance, progress and prospects as well as major industry and corporate developments and other relevant information. In addition to shareholders' meetings, the CEO meet with investors, analysts and the media, as well as participate in industry conferences to solicit and understand the views of the investment community. The CEO also travelled widely for non-deal roadshows to meet investors across countries. Such meetings provide useful platforms for the CEO to engage with investors and analysts.

SMI has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. The policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

Apart from SGXNET, announcements and the annual report, the SMI IR website at sin-mi.listedcompany.com, which is regularly updated, is the main source of information for shareholders. It houses all media releases, financial results, annual reports, SGXNET announcements, presentation materials as well as other corporate information relating to the Group. However, new material price-sensitive information such as financial results are released via SGXNET before being posted on the SMI IR website or before any media or analyst conferences are conducted. This ensures fair and non-selective disclosure of information to all shareholders.

Shareholders may direct their queries and concerns to SMI at the contact particulars given at the SMI IR website.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company has put in place practices (including the maintenance of a current corporate website) that enable regular communication and engagement with stakeholders, so as to understand and address their needs and interests.

Formal materiality assessment exercises with internal and external stakeholders are conducted annually to identify environment, social and governance (ESG) topics that matter to them. The results from the materiality assessments and ongoing engagements continue to influence sustainability efforts in the Company. The results, the basis for and methods of engagement with the stakeholders, along with the key areas of focus for each stakeholder group, can be found in the Sustainability Report of the Company which will be announced to SGX-ST separately.

DEALINGS IN SECURITIES

In line with the SGX listing rules, SMI has in place a policy and guidelines on dealings in the Company's securities, which have been disseminated to employees of the Group and Directors of the companies within the Group.

Directors and officers of the Group should not deal in the Company's securities during the periods commencing two weeks before the announcement of the Group's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Group's full year financial statements (if the Company announces its quarterly financial statements, whether required by the Exchange or otherwise), or one month before the announcement of the Group's half year and full year financial statements (if the Company does not announce its quarterly financial statements), or if they are in possession of unpublished price-sensitive information on the Group. The Company refrains from purchasing its shares during these periods and at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. Directors and officers are also required to comply with insider trading laws at all times even when dealing in the Company's securities outside the prohibited trading period. They are also discouraged trading on short-term considerations.

The Company issues periodic reminders to its Directors, relevant officers and employees on the restrictions in dealings in the Company's securities.

MATERIAL CONTRACTS AND LOANS

Pursuant to Rule 1207(8) of the Listing Manual of the SGX-ST, SMI confirms that except as disclosed below in the Interested Person Transactions Section, and in the Directors' Statement and Financial Statements, there were no other material contracts and loans of SMI and the Group involving the interests of the CEO or any Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

SMI has adopted an internal policy in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

All interested person transactions will be documented and submitted to the AC for their review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of SMI and its minority shareholders.

SMI has not obtained a general mandate from shareholders for interested person transactions ("**IPTs**").

The aggregate value of IPTs during the reporting year was as follows:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions conducted during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)	
		FY2024	**FY2023**	**FY2024**	**FY2023**
Ho Kwok Wai	Director:				
	Loan from Director and interest accrued thereon	US$2,195,637.54	US$2,149,610.93	–	–
Mark Francis Bedingham	Director:				
	Loan from Director and interest accrued thereon	US$7,826,497.62	US$4,299,666.92	–	–

Mr Ho Kwok Wai is the Non-Executive Chairman and controlling shareholder of SMI who holds 27.34% of the total issued and paid-up shares (inclusive of both direct and deemed interests) as at the date of this report. During the reporting year, Mr Ho Kwok Wai has granted the following loan to SMI:

Date of Loan Agreement	Loan Amount (US$)	Interest Rate	Tenure
8 January 2018	2,000,000[1]	2.34% per annum	Repayable twenty-four months from the date of first disbursement upon giving seven days' notice by Mr Ho Kwok Wai to SMI

Note:

[1] US$1,940,000 has been disbursed with remaining US$60,000 available for disbursement as and when needed by SMI.

Mr Mark Francis Bedingham is the Executive Director, President and CEO and controlling shareholder of SMI who holds 29.19% of the total issued and paid-up shares (inclusive of both direct and deemed interests) as at the date of this report. During the reporting period, Mr Mark Francis Bedingham has granted the following loans to SMI, all of which have been fully disbursed and remain outstanding.

Date of Loan Agreement	Loan Amount (US$)	Interest Rate	Tenure
10 September 2018	150,000	2.34% per annum	Repayable three months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
11 October 2018	300,000		Repayable three months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
1 April 2021	100,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
14 May 2021	100,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
21 December 2021	2,500,000		Repayable two years from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
15 March 2022	500,000		Repayable two years from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
26 April 2022	300,000		Repayable two years from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
19 December 2022	200,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
16 June 2023	1,500,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
10 August 2023	150,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
10 August 2023	200,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
19 October 2023	120,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
31 October 2023	120,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
13 November 2023	100,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI

Date of Loan Agreement	Loan Amount (US$)	Interest Rate	Tenure
13 November 2023	250,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
14 December 2023	200,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
16 January 2024	100,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
2 February 2024	150,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
7 March 2024	350,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI
21 March 2024	150,000		Repayable two months from the date of disbursement, upon giving seven days' notice by Mr Mark Francis Bedingham to SMI

The interest rate for the loan was agreed between the parties, having regard to be lower than the applicable interest rate of 8.02% charged by Oversea-Chinese Banking Corporation Limited, being one of SMI's banking partners, for a two-year working capital loan. The loan is unsecured.

Use of proceeds

The Company has received gross proceeds from the placement of approximately US$0.7 million on 16 December 2022. The utilisation of the gross proceeds from the placement is set out as below:

	Amount utilised US$'000
Placement proceeds	698
Investment in Digital Mining business (including machines)	(72)
Investment in F&B Robochef business (including renovation, fitting & machine)	(130)
Payment for professional services in relation to the share placement and share conversion	(37)
Professional advisory for F&B Robochef business	(65)
Payment for operating expenses:	
- Staff costs	(185)
- Business travelling expenses	(5)
- Office rental expenses	(114)
- Payment for professional fees for corporate actions	(1)
- Directors fees	(41)
- Audit fees	(35)
- Corporate Secretarial fees	(7)
- Other administrative expenses	(6)
Balance	–

SUSTAINABILITY REPORT 2024

Sustainable growth is an important consideration for SMI's business. The Board of Directors of SMI (the "Board") has considered the material sustainability factors as part of our business strategy. The Board oversees the monitoring and management of the material Sustainability Factors.

In prior years, we have established some sustainability targets in our inaugural sustainability report. This year, we need to advise that only limited progress could be made as most of the operations in Myanmar, particularly our largest operation Travel Retail, has been gradually recovering since reopening in April 2022.

Measures have been taken to reduce plastic usage in our Food & Beverage (F&B) and Travel & Domestic Retail operations, reducing plastic bag usage as well as the usage of plastic cups in our restaurants. In the upcoming years, we will look into implementing more initiatives to further reduce plastic waste in our operations.

We greatly value our people and seek to continue to grow our talent pool through our investments in training and development of our employees which we plan to renew after recovery of the local economy and opening up to international travel.

SMI will issue the full Sustainability Report on 31 July 2024.

STATEMENT BY DIRECTORS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

The directors hereby present their statement to the members together with the audited consolidated financial statements of SMI Vantage Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2024.

1. Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year then ended in accordance with the provisions of the Companies Act 1967 (the "Act") and the Singapore Financial Reporting Standards (International) ("SFRS(I)s"); and

(b) at the date of this statement, after considering the measures taken by the Group and the Company with respect to the Group's and Company's ability to continue as going concerns as described in Note 1 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Ho Kwok Wai	-	Non-Executive Chairman and Non Executive Director
Mark Francis Bedingham	-	Executive Director, President and Chief Executive Officer
Sam Chong Keen	-	Lead Independent and Non-Executive Director
Willem Mark Nabarro	-	Independent and Non-Executive Director
Edna Claudine Leong Lai Yee	-	Independent and Non-Executive Director
Tan Chade Phang	-	Independent and Non-Executive Director

3. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Employee share option scheme and performance share plan" in this statement.

4. Directors' interests in shares and debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Name of directors and company in which interests are held	At beginning of the financial year	At end of the financial year	At 21 April 2024
The Company	Number of shares of no par value		
Ho Kwok Wai	164,749,871	164,749,871	164,749,871
Mark Francis Bedingham	175,918,383	175,918,383	175,918,383

By virtue of Section 7 of the Act, Ho Kwok Wai and Mark Francis Bedingham are deemed to have an interest in the related corporations of the Company.

5. Employee share option scheme and performance share plan

SMI Vantage Limited Employee Share Option Scheme ("SMI ESOS")

The Company has an employee share option scheme known as the "SMI Vantage Limited Employee Share Option Scheme" ("SMI ESOS").

The SMI ESOS was approved and adopted at the Extraordinary General Meeting ("EGM") of the Company held on 25 July 2017.

The SMI ESOS is administered by the Remuneration Committee ("RC") of the Company. The RC shall periodically make recommendations to the Board of Directors of the Company as to the grant of options under the SMI ESOS.

Under the SMI ESOS, options to subscribe for the ordinary shares of the Company are granted to key management personnel of the Group. The exercise price of the options is determined at the average of the last dealt prices of the Company's ordinary shares as quoted on the Singapore Exchange over the five consecutive days immediately preceding the date of the grant. No options are granted at a discount to the prevailing market price of the shares. The vesting of the options is fixed at two years from the date of grant. Once the options are vested, they are exercisable for a period of three years.

The members of the RC at the date of this statement are as follows:

Willem Mark Nabarro (Chairman)
Sam Chong Keen
Edna Claudine Leong Lai Yee
Tan Chade Phang (Appointed on 1 September 2023)

5. Employee share option scheme and performance share plan (continued)

SMI Vantage Limited Employee Share Option Scheme ("SMI ESOS") (cont'd)

The SMI ESOS is established for the benefit of all personnel in the key management team and its objectives are as follows:

(a) to incentivize all participants;

(b) to motivate participants to optimise performance, efficiency and productivity;

(c) to reward and retain key participants whose contributions are important to the long-term prospect and profitability of the Group;

(d) to promote a sense of loyalty amongst the participants to further the growth of the Group; and

(e) to align the interests of the participants with the interests of the shareholders.

Subject to the absolute discretion of the Remuneration Committee ("RC"), key employees shall be eligible to participate in the SMI ESOS, provided that as of the offer date such key employees:

(a) have attained the age of 21 years;

(b) are not undischarged bankrupts;

(c) in the opinion of the committee, have contributed or will contribute to the success and development of the Group;

(d) must hold such position as may be designated by the Company from time to time; and

(e) must have their eligibility confirmed by the Company as at each proposed date of grant as determined by the committee.

Key employees who are controlling shareholders or their associates shall not participate in the SMI ESOS, unless:

(a) such participation is approved by independent shareholders and that a separate resolution is and will be passed to approve the participation of each such person and further that the resolution will approve the actual number and terms of options to be granted to that participant;

(b) the actual number and terms of any option to be granted to them have been specifically approved by shareholders who are not beneficiaries of the SMI ESOS in a general meeting in separate resolutions for each such controlling shareholder or his associates; and

(c) all conditions for their participation in the SMI ESOS as may be required by the regulations of the SGX-ST from time to time are satisfied. In this regards, pursuant to Rule 845 of the Listing Manual, (1) the aggregate number of the Company's shares available to controlling shareholders and their associates must not exceed 25% of the Company's shares available under the SMI ESOS; and (2) the number of the Company's shares available to each controlling shareholder or his associates must not exceed 10% of the Company's shares available under the SMI ESOS.

5. Employee share option scheme and performance share plan (continued)

SMI Vantage Limited Employee Share Option Scheme ("SMI ESOS") (continued)

The outstanding number of options ('000) at the end of the financial year were as follows:

Date of grant	Balance as at 1 April 2024	Granted	Forfeited	Outstanding as at 31 March 2024	Exercise price	Exercisable period
8 June 2018	245	–	(245)	–	S$0.29	7 June 2020 to 7 June 2023
6 July 2021	308	–	–	308	S$0.13	6 July 2022 to 5 July 2025
17 November 2023	–	2,100	–	2,100	S$0.06	17 November 2025 to 16 November 2028
Total	553	2,100	(245)	2,408		

SMI Vantage Limited Performance Share Plan ("PSP")

The SMI Vantage Limited Performance Share Plan ("PSP") was adopted at an Extraordinary General Meeting on 30 June 2014. The PSP is administrated by the RC and contemplates the award of fully paid shares, free of charge, when or after prescribed performance targets are achieved by directors.

On 13 June 2019, the Company granted 4,500,000 share award under the 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, the 4,500,000 shares were issued to Mark Francis Bedingham.

On 27 March 2020, the Company granted a further 14,000,000 share award under the PSP to Mark Francis Bedingham. The share award has no vesting period. The 14,000,000 shares were issued pursuant to the PSP in prior year.

Other than Mark Francis Bedingham, no employee or employee of related corporations has received 5% or more of the total options. No options have been granted at a discount.

No incentive share award under the PSP have been granted during financial year ended 31 March 2024.

6. Audit Committee

The members of the Audit Committee at the date of this statement are as follows:

Sam Chong Keen (Chairman)
Willem Mark Nabarro
Edna Claudine Leong Lai Yee
Tan Chade Phang (Appointed on 1 September 2023)

6. Audit Committee (continued)

The Audit Committee ("AC") carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967 and the Code of Corporate Governance 2018, which include *inter alia* the following:

(i) reviewed the audit plan of the Company's independent auditors and, if any, their report on any recommendations on internal accounting controls arising from the statutory audit;

(ii) reviewed the assistance given by the Company's management to the independent auditors;

(iii) reviewed the quarterly and annual statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2024 before their submission to the Board of Directors, as well as the independent auditor's report on the statement of financial position of the Company and the consolidated financial statements of the Group;

(iv) reviewed the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's performance;

(v) reviewed the effectiveness of the Group's material internal control systems, including financial, operational, compliance and information technology controls and risk management;

(vi) met with the independent auditors, other committees, and/or the management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

(vii) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(viii) reviewed the scope and results of the external audit, cost effectiveness and independence and objectivity of the independent auditors;

(ix) reviewed the nature and extent of non-audit services provided by the independent auditors;

(x) recommended to the Board of Directors the independent auditors to be nominated, approved the compensation and terms of engagement of the auditors;

(xi) reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate; and

(xii) reviewed interested person transactions, if any, in accordance with the requirements of the SGX-ST's Listing Manual.

6. Audit Committee (continued)

The AC convened six meetings during the year. In performing its function, the AC met with the Company's independent external auditors to discuss the scope of their work, and the results of their examination and evaluation of the Company's internal accounting control system without the presence of the management of the Company.

The Company confirms that Rules 712 and 715 of the SGX-ST's Listing Manual have been complied with.

Further details regarding the AC are disclosed in the Corporate Governance Report in the Company's Annual Report**.**

7. Directors' opinion on the adequacy of internal controls

It is the opinion of the Board of Directors with the concurrence of the AC that the system of internal controls, which addresses the Group's financial, operational, compliance and information technology risks, maintained by the Group is in place and adequate throughout the financial year and up to the date of this report.

8. Auditor

The auditor, PKF-CAP LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

………………………………………………	………………………………………………
Ho Kwok Wai	Mark Francis Bedingham
Director	Director

12 July 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SMI VANTAGE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SMI Vantage Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2024, 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 notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters (Cont'd)

Assessment of impairment of trade receivables

As at 31 March 2024, the Group had trade receivables of US$18.5 million (2023: US$18.6 million) as disclosed in Note 19 to the financial statements which accounts for 70% (2023: 74%) of the total assets of the Group. Approximately 98% (2023: 99%) of the net trade receivables are due from the Group's major distributors and an associate in Myanmar. Management has performed an impairment review based on the expected credit loss ("ECL") model and based on the review, ECL allowance of US$6.0 million (2023: US$6.0 million) was provided for by management.

The estimated credit loss allowance is based on the historical and forward-looking trends of the receivables from these distributors and associate, which includes analysis of the age of these receivables, credit worthiness of the distributors and associate and future collectability.

We identified this as a key audit matter as the assessment of the determination of ECL requires management to exercise significant judgement and estimation. In determining the credit quality and whether any significant increase in credit risk occurs, the standard requires both forward-looking and historical information to be considered.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We performed an evaluation of the Group's policies and procedures in assessing impairment of financial assets.

- We evaluated the impairment assessment performed by management through the following:

  (a) We discussed with management on the basis adopted by management in assessing the recoverability of the outstanding trade receivables from the Group's major distributors and an associate in Myanmar. During the discussion, we also enquired management on the respective distributors and associate's business models and business environment in which these distributors and associate operate in Myanmar and obtained confirmation from the distributors and associate on the outstanding trade receivable balances at the end of the financial year.

  (b) We evaluated the Group's parameters and assumptions used in the impairment model, and compared them with observable economic data, market information and industry trends.

  (c) We assessed the credit risks of the debtors by analysing the payment history and receipts subsequent to year end of selected debtors and considered events or indicators which resulted in increase in credit risk of those debtors.

  (d) We discussed with management and scrutinised the appropriateness of those key assumptions applied in management's impairment assessment, and compared them with available external evidence where appropriate. We also applied sensitivity testing of the underlying key assumptions.

  (e) We engaged our internal valuation specialists to assess whether the assumptions, factors and input used for the projections were appropriate.

  (f) We assessed the adequacy of disclosure in the financial statements.

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

<u>Assessment of impairment of plant and equipment</u>

The Group and Company have plant and equipment with carrying values of US$3.6 million (2023: US$4.2 million) and US$0.2 million (2023: US$0.3 million) respectively as disclosed in Note 14 to the financial statements.

Included in the Group's plant and equipment are leasehold improvements and furniture and fittings with carrying values of US$2.8 million (2023: US$3.7 million) which are leased out to the Group's major distributor and associate to be utilised in the retail outlets operated by the distributor and associate.

An impairment review is performed when there are indications of impairment. Management had carried out impairment assessment to determine whether the recoverable amounts of the plant and equipment are less than the respective carrying amounts using the value in use method. The value in use calculation requires management to estimate the future cash flows that the Group expect to derive from the assets. In estimating the future cash flows, management forecasted the future cash flows based on historical information and latest approved budgets and forecasts as well as using suitable discount rates in order to calculate present value of the future cash flows in deriving the value in use.

We identified this as a key audit matter as the estimation of the value in use involved significant management judgement and estimation.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We performed evaluation of the Group's policies and procedures to identify indicators for potential impairment of the plant and equipment.
- We reviewed the discounted future cash flows used to assess the value in use of the cash generating unit ("CGU") to which the plant and equipment is allocated for impairment testing, including reperforming the calculations to verify the accuracy.
- We assessed that the discounted future cash flows are based on the budgets approved by the Board of Directors.
- We assessed the appropriateness of the key assumptions used such as revenue growth rates, Earnings Before Interest and Tax ("EBIT") margins, discount rates and long-term economic growth rates when performing the assessment together with our internal valuation specialists.
- We assessed and tested the key assumptions which the outcome of the impairment is most sensitive to.
- We assessed the adequacy of the disclosure in the financial statements.

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Going concern assessment

As disclosed in Note 1 to the financial statements, the Group incurred loss from continuing operations, net of tax and net operating cash outflows of US$3.7 million (2023: US$3.3 million) and US$2.3 million (2023: US$0.7 million) respectively for the financial year ended 31 March 2024. As at 31 March 2024, the Group's current liabilities exceeded its current assets by US$0.844 million.

Management is of the opinion that the use of the going concern basis in the preparation of these financial statements is appropriate based on the following considerations:

- Subsequent to the financial year end, on 26 April 2024, the Group received additional funding support from one of its shareholders in the form of shareholder's loans of US$0.25 million.

- On 7 March 2024, the Group had announced the completion of the acquisition of 51% of Provino Logistics Pte. Ltd. ("Provino"). This is part of the Group's corporate strategy to diversify and expand into complementary business areas within the food and beverage industry. This new business acquisition has provided the Group with a new source of revenue and further develop the Group's business.

- On 30 June 2023, the Group had fully repaid its external borrowing amounting to US$1.5 million. Following this repayment, the Group does not have any outstanding external bank borrowings.

- The Group received undertakings from one of its shareholders to provide financial support of US$1.65 million, which is expected to be disbursed over the next 12 months from the date of the financial statements.

- The Group has also obtained undertakings from the shareholders not to recall the shareholders' loans of US$9.5 million (2023: US$6.1 million), and to provide financial support for at least next 12 months from the date of the financial statements. Accordingly, the shareholders' loans are presented as non-current liabilities as at 31 March 2024 and 31 March 2023 respectively.

We identified this as a key audit matter as the going concern assessment including the preparation of the cash flow forecasts for the next 12 months from the date of the financial statements involved significant management judgement and estimation.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We evaluated management's going concern assessments for the Group.

- We reviewed the latest available cash flow forecasts for the next 12 months from the date of the financial statements.

- Assessed the inputs and assumptions within the cash flow forecast by comparing them to historical trends and against our understanding and knowledge of the Group's operations.

- We assessed that the latest cash flow projections are based on the budgets approved by the Board of Directors.

- We assessed and evaluated the financial ability and intent of the shareholder to provide the financial support.

- We assessed the adequacy of the disclosure in the financial statements.

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Purchase price allocation of acquisition of a subsidiary

On 1 March 2024, the Group acquired 51% equity interest in Provino Logistics Pte. Ltd. ("Provino"). Under SFRS(I) 3 Business Combinations, the Group is required to allocate the purchase price between the acquired assets and liabilities, which could give rise to the recognition of tangible and intangible assets and goodwill or recognition of a gain on bargain purchase. This process of Purchase Price Allocation ("PPA") requires the exercise of significant judgement and estimates to determine the fair value of the assets and liabilities acquired and to identify any intangible assets acquired in the acquisition.

The Group's disclosure of the business combination accounting applied to the acquisition is set out in Notes 2 and 29 to the financial statements.

The Group's disclosure of the goodwill arising from the acquisition is set out in Notes 2 and 15 to the financial statements.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- Assessing the independence and competency of the external independent valuers and evaluating the bases and assumptions of the valuation methodology used.
- We have discussed with management and their independent valuer and obtained an understanding on the processes undertaken to perform the PPA exercise.
- Reviewed relevant documents supporting the acquisition and the PPA and evaluating the appropriateness of the accounting for the acquisition and classification of the assets acquired and liabilities assumed in accordance with SFRS(I) 3.
- Assessed the fair values of the acquired assets and assumed liabilities.
- Using our valuation specialists to review key assumptions used in the valuation models.
- We assessed the adequacy of the disclosure in the financial statements.

Assessment of impairment of goodwill

Refer to Note 2(i) for the relevant accounting policy, Note 2A on critical judgements, assumptions and estimation uncertainties and Note 15 on goodwill.

On 1 March 2024, the Group acquired 51% equity interest in Provino Logistics Pte. Ltd. ("Provino") for a total purchase consideration of US$0.945 million at fair value on acquisition date. As at 31 March 2024, the carrying amount of the goodwill is US$0.608 million which is included in the statement of financial position. The Group is required to, at least annually, perform impairment assessment of goodwill. For the purpose of performing impairment assessment, the goodwill has been allocated to its cash generating unit ("CGU"). The recoverable amount of the underlying CGU is supported by value-in-use calculations which are based on future discounted cash flows. Management concluded that the recoverable amount of the CGU is higher than its carrying value and hence no impairment loss was charged to the current year profit or loss.

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Assessment of impairment of goodwill (Cont'd)

We focused on this area as the assessment made by management involved significant estimates and judgements, including sales growth rates, gross profit margin and terminal growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows of the underlying CGU. These estimates and judgements may be affected by unexpected changes in future market or economic conditions or discount rates applied. Accordingly, we have assessed the impairment assessment of goodwill as a key audit matter.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We reviewed the discounted future cash flows used to assess the value in use of the cash generating unit ("CGU") to which the goodwill is allocated for impairment testing, including reperforming the calculations to verify the accuracy.
- We assessed that the discounted future cash flows are based on the budgets approved by the Board of Directors.
- We assessed the appropriateness of the key assumptions used such as revenue growth rates, gross profit margin, discount rates and long-term economic growth rates when performing the assessment.
- We engaged our internal valuation specialists to assist us in assessing the reasonableness of the discount rates used by management and tested the key assumptions applied by management in determining the recoverable amount.
- We assessed the adequacy of the disclosures made in the financial statements.

Other information

Management is responsible for other information. The other information comprises the information included in the 2024 Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on the Audit of the Financial Statements (Cont'd)

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Report on the Audit of the Financial Statements (Cont'd)

Auditor's responsibilities for the audit of the financial statements (Cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tang Hui Lin.

PKF-CAP LLP
Public Accountants and
Chartered Accountants

Singapore

12 July 2024

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group 2024	Group 2023
		US$'000	US$'000
Revenue	5	**2,594**	1,799
Cost of sales		**(1,938)**	(1,931)
Gross profit/(loss)		**656**	(132)
Other income and gains	6	**154**	665
Distribution costs		**(773)**	(570)
Administrative expenses	7	**(3,011)**	(2,065)
Finance costs	8	**(429)**	(331)
Other losses	6	**(148)**	(808)
Share of profit/(loss) from equity-accounted joint ventures	18	**13**	(51)
Loss before tax from continuing operations		**(3,538)**	(3,292)
Income tax (expense)/credit	11	**(125)**	4
Loss from continuing operations, net of tax		**(3,663)**	(3,288)
(Loss)/Profit from discontinued operations, net of tax	12	**(6)**	2
Loss for the year representing total comprehensive loss for the year		**(3,669)**	(3,286)
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation		**(1)**	–
Other comprehensive loss, net of tax		**(1)**	–
Total comprehensive loss for the year		**(3,670)**	(3,286)
Loss attributable to:			
- Owners of the Company		**(3,659)**	(3,286)
- Non-controlling interests		**(10)**	–
Loss for the year		**(3,669)**	(3,286)
Total comprehensive loss attributable to:			
- Owners of the Company		**(3,660)**	(3,286)
- Non-controlling interests		**(10)**	–
Total comprehensive loss for the year		**(3,670)**	(3,286)
Loss per share from continuing and discontinued operations attributable to equity holders of the Company		**Cents**	Cents
Basic loss per share	13		
From Continuing Operations		**(0.62)**	(0.62)
From Discontinued Operations		*	*
		(0.62)	(0.62)
Diluted loss per share	13		
From Continuing Operations		**(0.62)**	(0.62)
From Discontinued Operations		*	*
		(0.62)	(0.62)

*Amount is less than US$0.01.

The accompanying notes form an integral part of these financial statements.

	Note	Group 2024	Group 2023	Company 2024	Company 2023
		US$'000	US$'000	**US$'000**	US$'000
ASSETS					
Non-current assets					
Plant and equipment	14	**3,640**	4,157	**188**	255
Intangible assets	15	**952**	5	**–**	–
Right-of-use assets	14A	**1,656**	635	**197**	295
Investments in subsidiaries	16	**–**	–	**1,019**	74
Investments in associates	17	**–**	–	**–**	–
Investments in joint ventures	18	**439**	426	**405**	405
Trade and other receivables	19	**15,132**	13,919	**20,467**	17,918
Other assets	20	**422**	75	**33**	35
Total non-current assets		**22,241**	19,217	**22,309**	18,982
Current assets					
Inventories	21	**102**	125	**–**	–
Trade and other receivables	19	**3,482**	4,778	**3,442**	3,337
Other assets	20	**314**	273	**19**	24
Cash and cash equivalents	22	**172**	750	**35**	542
Total current assets		**4,070**	5,926	**3,496**	3,903
Total assets		**26,311**	25,143	**25,805**	22,885
EQUITY AND LIABILITIES					
Equity					
Share capital	23	**69,634**	68,602	**69,634**	68,602
Accumulated losses		**(61,966)**	(58,307)	**(57,801)**	(55,072)
Other reserve	10B	**(326)**	–	**(326)**	–
Employee share option reserves	10A	**21**	25	**21**	25
Currency translation reserve		**(1)**	–	–	–
Equity attributable to owners of the Company		**7,362**	10,320	**11,528**	13,555
Non-controlling Interests		**314**	–	**–**	–
Total equity		**7,676**	10,320	**11,528**	13,555
Non-current liabilities					
Trade and other payables	24	**1,152**	1,513	**1,057**	548
Provision for other liabilities	27	**112**	40	**21**	21
Deferred tax liabilities	28	**59**	–	**–**	–
Lease liabilities	25	**1,135**	388	**96**	180
Other financial liabilities	26	**11,263**	7,569	**11,263**	7,569
Total non-current liabilities		**13,721**	9,510	**12,437**	8,318
Current liabilities					
Income tax payable		**659**	502	**5**	–
Trade and other payables	24	**3,260**	3,087	**1,263**	904
Provision for other liabilities	27	**42**	14	**40**	14
Lease liabilities	25	**512**	210	**91**	94
Other financial liabilities	26	**441**	1,500	**441**	–
Total current liabilities		**4,914**	5,313	**1,840**	1,012
Total liabilities		**18,635**	14,823	**14,277**	9,330
Total equity and liabilities		**26,311**	25,143	**25,805**	22,885

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Group	Note	Share capital	Accumulated losses	Other reserve	Employee share option reserves	Currency translation reserve	Total equity	Non-controlling interest	Total equity
		Equity attributable to owners of the Company							
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Current year:									
Opening balance at 1 April 2023		68,602	(58,307)	–	25	–	10,320	–	10,320
Changes in equity:									
Total comprehensive loss for the year									
Loss for the year		–	(3,659)	–	–	–	(3,659)	(10)	(3,669)
Other comprehensive loss for the year		–	–	–	–	(1)	(1)	–	(1)
Total		–	(3,659)	–	–	(1)	(3,660)	(10)	(3,670)
Transactions with owners recognised directly in equity									
Capitalisation of directors' fees	23	54	–	–	–	–	54	–	54
Payment of professional fees	23	88	–	–	–	–	88	–	88
Share-based payments	10	–	–	–	(4)	–	(4)	–	(4)
Issue of ordinary shares related to business combination	23	890	–	–	–	–	890	–	890
Adjustment of purchase consideration related to business combination	10B	–	–	(326)	–	–	(326)	–	(326)
Non-controlling interest arising from acquisition of a subsidiary	29	–	–	–	–	–	–	324	324
Total		1,032	–	(326)	(4)	–	702	324	1,026
Closing balance at 31 March 2024		69,634	(61,966)	(326)	21	(1)	7,362	314	7,676

The accompanying notes form an integral part of these financial statements.

Group	Note	Share capital	Accumulated losses	Other reserve	Employee share option reserves	Currency translation reserve	Total equity	Non-controlling interest	Total equity
		Equity attributable to owners of the Company							
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Previous year:									
Opening balance at 1 April 2022		66,895	(55,021)	–	61	–	11,935	–	11,935
Changes in equity:									
Loss for the year, representing total comprehensive loss for the year		–	(3,286)	–	–	–	(3,286)	–	(3,286)
Transactions with owners recognised directly in equity									
Issue of shares	23	1,143	–	–	–	–	1,143	–	1,143
Capitalisation of directors' fees	23	57	–	–	–	–	57	–	57
Share-based payments	10	507	–	–	(36)	–	471	–	471
Total		1,707	–	–	(36)	–	1,671	–	1,671
Closing balance at 31 March 2023		68,602	(58,307)	–	25	–	10,320	–	10,320

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Company	Note	Share capital	Accumulated losses	Other reserve	Employee share option reserves	Total equity
		US$'000	US$'000	US$'000	US$'000	US$'000
Current year:						
Opening balance at 1 April 2023		68,602	(55,072)	–	25	13,555
Changes in equity:						
Loss of the year, representing total comprehensive loss for the year		–	(2,729)	–	–	(2,729)
Transactions with owners recognised directly in equity						
Capitalisation of directors' fees	23	54	–	–	–	54
Payment of professional fees	23	88	–	–	–	88
Issue of ordinary shares related to business combination	23	890	–	–	–	890
Adjustment of purchase consideration related to business combination	10B	–	–	(326)	–	(326)
Share-based payments	10	–	–	–	(4)	(4)
		1,032	–	(326)	(4)	702
Closing balance at 31 March 2024		69,634	(57,801)	(326)	21	11,528
Previous year:						
Opening balance at 1 April 2022		66,895	(47,086)	–	61	19,870
Changes in equity:						
Loss of the year, representing total comprehensive loss for the year		–	(7,986)	–	–	(7,986)
Transactions with owners recognised directly in equity:						
Issue of shares	23	1,143	–	–	–	1,143
Capitalisation of directors' fees	23	57	–	–	–	57
Share-based payments	10	507	–	–	(36)	471
		1,707	–	–	(36)	1,671
Closing balance at 31 March 2023		68,602	(55,072)	–	25	13,555

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group 2024 US$'000	Group 2023 US$'000
Cash flows from operating activities			
Loss before tax from continuing operations		(3,538)	(3,292)
(Loss)/Profit before tax from discontinued operations		(6)	2
Loss before tax, total		(3,544)	(3,290)
Adjustments for:			
Depreciation of plant and equipment		1,120	1,531
Amortisation of intangible assets		10	60
Depreciation of right-of-use assets		285	123
Reversal of allowance for impairment on trade and other receivables		–	(25)
Bad debt written off		56	–
Interest expense		429	331
Impairment losses on plant and equipment		–	600
Impairment of investment in joint venture		–	120
Loss on termination of leases		–	79
Gain on disposal of plant and equipment		(2)	–
Gain on lease modification		–	(55)
Share of (profit)/loss of joint venture, net of tax		(13)	51
Gain on waiver of donation		–	(188)
Fair value changes in deferred consideration		5	–
Share based payments		(4)	(36)
Unrealised foreign exchange losses/(gains)		14	(229)
Operating cash flows before changes in working capital		(1,644)	(928)
Inventories		17	(97)
Trade and other receivables		309	931
Other assets		(385)	(7)
Trade and other payables		(577)	(465)
Provision for other liabilities		26	17
Cash flows used in operations		(2,254)	(549)
Income tax paid		(26)	(112)
Income tax refunded		–	3
Net cash used in operating activities		(2,280)	(658)
Cash flows from investing activities			
Purchase of plant and equipment		(272)	(210)
Acquisition of a subsidiary, net of cash acquired	29(b)	(154)	–
Proceeds from disposal of plant and equipment		2	–
Net cash used in investing activities		(424)	(210)
Cash flows from financing activities			
Proceeds from issuance of shares	23	–	1,143
Interest paid		(246)	(328)
Payment of principal portion of lease liabilities	22A	(256)	(269)
Repayment of borrowings	22A	(1,500)	(3,496)
Proceeds from loans from shareholders	22A	4,141	1,979
Net cash generate from/(used in) financing activities		2,139	(971)
Net decrease in cash and cash equivalents		(565)	(1,839)
Cash and cash equivalents at beginning of the year		750	2,359
Effects of exchange rate changes on cash balances held in foreign currencies		(13)	230
Cash and cash equivalents at end of the year	22	172	750

The accompanying notes form an integral part of these financial statements.

1. General

SMI Vantage Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST).

The Board of Directors approved and authorised these financial statements for issue on the date of the Statement by Directors.

The principal activity of the Company is that of investment holding. The Company registered a branch in Myanmar so as to have a stronger business presence to support its Myanmar business operations. The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements. The address of the Company's registered office and principal place of business is at 300 Beach Road, #31-03, The Concourse, Singapore 199555.

Going concern

The Group incurred loss from continuing operations, net of tax and net operating cash outflows of US$3.7 million (2023: US$3.3 million) and US$2.3 million (2023: US$0.7 million) respectively for the financial year ended 31 March 2024. As at 31 March 2024, the Group's current liabilities exceeded its current assets by US$0.844 million.

Management is of the opinion that the use of the going concern basis in the preparation of these financial statements is appropriate based on the following considerations:

- Subsequent to the financial year end, on 26 April 2024, the Group received additional funding support from one of its shareholders in the form of shareholder's loans of US$0.25 million.
- On 7 March 2024, the Group had announced the completion of the acquisition of 51% of Provino Logistics Pte. Ltd. ("Provino"). This is part of the Group's corporate strategy to diversify and expand into complementary business areas within the food and beverage industry. This new business acquisition has provided the Group with a new source of revenue and further develop the Group's business.
- On 30 June 2023, the Group had fully repaid its external borrowing amounting to US$1.5 million. Following this repayment, the Group does not have any outstanding external bank borrowings.
- The Group received undertakings from one of its shareholders to provide financial support of US$1.65 million, which is expected to be disbursed over the next 12 months from the date of the financial statements.
- The Group has also obtained undertakings from the shareholders not to recall the shareholders' loans of US$9.5 million (2023: US$6.1 million), and to provide financial support for at least next 12 months from the date of the financial statements. Accordingly, the shareholders' loans are presented as non-current liabilities as at 31 March 2024 and 31 March 2023 respectively.

If the Group or the Company is unable to continue in operational existence for the foreseeable future, the Group or the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group or the Company may need to reclassify non-current assets and may have to provide for further liabilities that may arise. No such adjustments have been made to these financial statements.

2. Material accounting policy information

Basis of accounting

These financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ('SFRS(I)s').

The financial statements are presented in United States Dollar ("US$"), which is the Company's functional currency and all values in the tables are rounded to the nearest thousand, unless otherwise stated.

Basis of consolidation

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

2. Material accounting policy information (continued)

Basis of consolidation (continued)

(ii) Acquisitions (continued)

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associates and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

a) Revenue recognition

SFRS(I) 15 *"Revenue from Contracts with Customers"* establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the goods or services will be within one year.

For distinct goods or services in a series such as routine or recurring service contracts where the promise under the contract is for a specified quantity of goods or services that meets the over time criteria or is a stand-ready or single continuous service and if the nature of each good or service is distinct, substantially the same and has the same pattern of transfer or each time increment is distinct, then revenue is recognised at the amount that the entity has the right to bill a fixed amount for each unit of goods or services provided.

2. Material accounting policy information (continued)

a) Revenue recognition (continued)

Sale of goods

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Rental income

Rental income is recognised either a straight-line basis or another systematic basis over the term of the lease.

Digital mining income

The Group has entered into a contract with a mining pool and has undertaken the performance obligation of providing computing power to the mining pool in exchange for non-cash consideration in the form of digital currency (Bitcoin).

Revenue is recognised upon receipt of Bitcoin in exchange for its mining activities at the fair value of the Bitcoin received. The fair value is determined using the Bitcoin prices quoted on publicy available sources at the point of conversion.

Management considers the prices quoted to be a level 2 input under SFRS(I)13 Fair Value Measurement. Any difference between the fair value of the Bitcoin recorded upon receipt from mining activities and the actual realised price upon conversion to fiat currency is recorded as a fair value gain or loss.

Commission and consultancy income

Commission and consultancy income is recognised when the Group’s right to the entitlement of the income is established.

b) Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Short-term compensated absences

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

2. Material accounting policy information (continued)

b) Employee benefits (continued)

Provision for bonus

A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

c) Share-based payments

Equity-settled share based payments with employees

For the equity-settled share-based compensation transactions, the fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed on a straight-line basis over the vesting period is measured by reference to the fair value of the options granted ignoring the effect of non-market conditions such as profitability and sales growth targets. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The fair value is measured using a relevant option pricing model. The expected lives used in the model are adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. At each end of the reporting year, a revision is made of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

Benefits to employees are also provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (''equity-settled transactions''). The fair value of the employee services rendered is measured by reference to the fair value of the shares awarded or rights granted, excluding the impact of any non-market vesting conditions. These are fair valued based on the market price of the entity's shares (or an estimated market price, if the entity's shares are not publicly traded). This fair value amount is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in profit or loss over the remainder of the vesting period to reflect expected and actual quantities vesting, with the corresponding adjustment made in equity. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

Equity-settled share-based payments with parties other than employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

2. Material accounting policy information (continued)

d) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

e) Currency translation

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollar ("US$"), which is the functional currency of the Company.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other losses".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2. Material accounting policy information (continued)

e) Currency translation (continued)

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

(iv) Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

f) Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss.

For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised.

2. Material accounting policy information (continued)

f) Income tax (continued)

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax arising from business combination is adjusted against goodwill on acquisition. A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries and branches except where the Group is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

g) Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets.

The estimated useful lives are as follows:

Digital mining machines	– 2 years
Leasehold improvements	– 3 to 10 years
Furniture and fittings	– 2 to 10 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

2. Material accounting policy information (continued)

h) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Rights-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2(n).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. Material accounting policy information (continued)

h) Leases (continued)

As lessee (continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As lessor

As a lessor, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease, the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis over the term of the lease.

i) Intangible assets

Intangible assets acquired separately

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

2. Material accounting policy information (continued)

i) Intangible assets (continued)

Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associates include the carrying amount of goodwill relating to the entity sold.

The useful lives are as follows:

Franchises	–	5 to 10 years
Licenses	–	5 to 10 years
Customer relationship	–	8 years
Software	–	5 years

j) Subsidiaries

A subsidiary is an entity that is controlled by the Group and the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the Group has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the Group controls another entity.

In the Company's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

2. Material accounting policy information (continued)

k) Associates and Joint ventures

An associate or a joint venture is an entity in which the Group has a significant influence and that is neither a subsidiary nor a joint arrangement of the Group. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement (that is, either a joint operation or a joint venture, depending on the rights and obligations of the jointly controlling parties to the arrangement), is one in which the Group is a party to an arrangement of which two or more parties have joint control, which is the contractually agreed sharing of control of the arrangement; it exists only when decisions about the relevant activities (that is, activities that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. In a joint venture, the parties with joint control have rights to the net assets of the arrangement. The reporting interests in joint ventures are recognised using the equity method in accordance with the financial reporting standard on investments in joint ventures.

In the consolidated financial statements, the accounting for investments in an associate or a joint venture are on the equity method. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of the investment in the associate or joint venture are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

Losses of an associate or a joint venture in excess of the Group's interest in the relevant associate or joint venture are not recognised except to the extent that the Group has an obligation. Profits and losses resulting from transactions between the Group and an associate or a joint venture are recognised in the financial statements only to the extent of unrelated Group's interests in the associate or joint venture.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. Accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the policies adopted by the Group. The Group discontinues the use of the equity method from the date that when its investment ceases to be an associate or a joint venture and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate or joint venture is measured at fair value at the date that it ceases to be an associate or a joint venture.

2. Material accounting policy information (continued)

k) Associates and Joint ventures (continued)

If there is objective evidence that the Group's net investment in an associate or joint venture is impaired, the requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

In the Company's separate financial statements, an investment in an associate or a joint venture is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate or a joint venture is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of an investment in the associate or joint venture are not necessarily indicative of the amounts that would be realised in a current market exchange.

l) Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the Group as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note of this financial statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2. Material accounting policy information (continued)

m) Inventories

Inventories are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Bitcoin

Bitcoin held are accounted for as inventories as the Group holds them for sale in the ordinary course of its business. The Bitcoin are mined and awarded to the Group through its mining activities via the arrangement entered with a digital mining pool to provide computing power to the mining pool.

The Bitcoin mined and awarded to the Company will be accounted for at the quoted price of Bitcoin on the time of receipt of the Bitcoin which is the deemed costs of the digital currencies accounted for using the first in first out method. Subsequently, the Bitcoin are measured at the lower of cost and net realisable value. Impairment exists when the carrying amount exceeds the net realisable value of the Bitcoin, which is measured using the quoted price of the Bitcoin at the time of measurement less the estimated costs necessary to convert the Bitcoin to fiat currency. Impairment losses are recognised in profit or loss.

n) Impairment of non-financial assets

Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

2. Material accounting policy information (continued)

n) Impairment of non-financial assets (continued)

Intangible assets excluding goodwill, plant and equipment, right-of-use assets and investment in subsidiaries, associates and joint venture

Intangible assets excluding goodwill, plant and equipment, right-of-use assets and investments in subsidiaries, associates and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2. Material accounting policy information (continued)

o) Financial instruments

Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is derecognised from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (“FVTPL”), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (“FVTOCI”): There were no financial assets classified in this category at reporting year end date.

3. Financial asset that is an equity investment measured at fair value through other comprehensive income (“FVTOCI”): There were no financial assets classified in this category at reporting year end date.

4. Financial asset classified as measured at fair value through profit or loss (“FVTPL”): All other financial assets are classified as measured at FVTPL. There were no financial assets classified in this category at reporting year end date.

2. Material accounting policy information (continued)

o) Financial instruments (continued)

Classification and measurement of financial liabilities

Financial liabilities are classified as at fair value through profit or loss ("FVTPL") in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

p) Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Definition of default

The Group considers the followings as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the company, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when there is evidence that a financial asset is credit impaired unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. Material accounting policy information (continued)

q) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include cash and bank balances which are subject to insignificant risk of changes in value.

r) Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

s) Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2. Material accounting policy information (continued)

t) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

u) Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(ii) The amount of the obligation cannot be measured with sufficient reliability.

v) Segment reporting

The Group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

2. Material accounting policy information (continued)

w) Related parties

A related party is defined as follows:

(a) A person or close member of the person's family is related to the Group and Company if that person:

(i) Has control or joint control over the Company;
(ii) Has significant influence over the Company; or
(iii) Is a member of the key management personnel of the Group and Company or of a parent of the Company.

(b) An entity is related to the Group and Company if any of the following conditions apply:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
(vi) The entity is controlled or jointly controlled by a person identified in (a).
(vii) A person identified in (a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2A. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

2. Material accounting policy information (continued)

2A. Critical judgements, assumptions and estimation uncertainties (continued)

Expected credit loss for trade and other receivables

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The allowance for expected credit loss is based on the lifetime expected credit loss. The estimate is based on the historical and forward-looking trends of the receivables. The loss allowance was determined accordingly. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount and key assumptions are disclosed in Note 19 on Trade and Other Receivables.

Impairment assessment of plant and equipment

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting year affected by the assumption, and the key assumptions applied in the value-in-use calculation is disclosed in Note 14 on Plant and Equipment.

Estimation of useful lives of plant and equipment

<u>Leasehold improvements and furniture and fittings</u>
Included in plant and equipment of the Group are leasehold improvements and furniture and fittings with a carrying amount of US$3.3 million (2023: US$4.1 million) as at end of the financial year. Management has depreciated the leasehold improvements on a straight-line basis over their estimated useful lives of 2 to 10 years (2023: 2 to 10 years). The terms of the lease for these premises however are less than the estimated useful lives. Management has assumed the Group will be able to renew the terms of its lease on its expiry and hence the estimated useful lives for leasehold improvements of 2 to 10 years (2023: 2 to 10 years) is appropriate. In the event the Group is not able to renew the terms of its lease and the Group vacates the relevant premise, the carrying value of leasehold improvements related to the vacated premise would have to be fully impaired.

<u>Digital mining machines</u>
Included in plant and equipment of the Group are digital mining machines with a carrying amount of US$0.357 million (2023: US$0.008 million) as at end of the financial year. Management has depreciated the digital mining machines on a straight-line basis over their estimated useful lives of 2 years based on the industry benchmark of the estimated useful life of these machines.

2. Material accounting policy information (continued)

2A. Critical judgements, assumptions and estimation uncertainties (continued)

Determination of lease term

In determining the lease term of certain lease arrangement for buildings with extension option, management considers all facts and circumstances that create an economic incentive to exercise the extension option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. If a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee, the above assessment will be reviewed further.

The Company included the extension option in the lease term for leases of warehouse for Provino Logistics Pte Ltd because of the leasehold improvements made and the significant costs that would arise to replace the assets.

In the current financial year, the effect of exercising extension option was an increase in recognised lease liabilities and right-of-use assets of U$0.46 million.

Impairment assessment of goodwill

The amount of goodwill is tested annually for impairment. This annual impairment test is significant and the process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted revenue growth and profit margins. The disclosures about goodwill are included in Note 15. Actual outcomes could vary from these estimates.

Accounting for business combination

The accounting for a business combination requires an estimation of the fair value of identifiable assets acquired and liabilities assumed as at the date of acquisition. The purchase price allocation process, requires significant judgement and estimation on key assumptions, such as future market conditions, growth rates and discount rates. The fair values determined for the identifiable assets and liabilities are disclosed in Note 29.

3. Related party transactions

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances. There were no significant related party transactions entered between the Group and related parties (excluding entities within the Group) that took place during the financial years ended 31 March 2024 and 31 March 2023.

Key management personnel compensation

Key management personnel include the directors and those persons having authority and responsibilities for planning, directing and controlling the activities of the Group, directly or indirectly. The remuneration paid to directors and other members of key management for the financial year is as shown below.

	Group	
	2024	2023
	US$'000	US$'000
Salaries and other short-term employee benefits	**646**	450
Contributions to defined contribution plans	**23**	21

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2024	2023
	US$'000	US$'000
Directors' fees	**161**	117

Further information about the remuneration of individual directors is provided in the report on corporate governance. The above amounts for key management compensation are for all the directors and other key management personnel.

4. Segment information

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 *Operating Segments*. This disclosure has no impact on the reported financial performance or financial position of the Group and Company.

The Chief Executive Officer ("CEO") is the Group's chief operating decision maker. For management purposes, the Group's principal operating businesses are organised according to their nature of activities as follows:

(a) Travel and domestic retail;
(b) Digital mining;
(c) Food and beverages;
(d) Specialised logistics

Inter-segment sales are measured on the basis that the entity actually used to price the transfers are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in Section 2(v) "Material accounting policy information".

The discontinued operations relate to the disposal and discontinuation of the operating segments pertaining to the provision of telecommunication towers and related service, serviced office business, vehicles rental business and construction services (see Note 12).

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators as follows:

a) Earnings from operations before depreciation and amortisation, interests and income taxes (called "Recurring EBITDA"); and
b) Operating result before interests and income taxes and other unallocated items (called "ORBIT").

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

4. Segment information (continued)

4B. Loss from continuing operations

	Travel and domestic retail	Digital mining	Food and beverages	Specialised logistics	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2024						
Revenue by segment						
Total revenue by segment	**1,306**	**9**	**1,189**	**90**	**–**	**2,594**
Recurring EBITDA	**552**	**(81)**	**(379)**	**(7)**	**(1,946)**	**(1,861)**
Miscellaneous income	**17**	**18**	**39**	**13**	**67**	**154**
Interest income	**–**	**–**	**–**	*****	*****	**–**
Finance costs	**(30)**	**(4)**	**(14)**	**(2)**	**(379)**	**(429)**
Depreciation, amortisation and impairment	**(893)**	**(71)**	**(250)**	**(23)**	**(178)**	**(1,415)**
ORBIT	**(354)**	**(138)**	**(604)**	**(19)**	**(2,436)**	**(3,551)**
Loss before tax from continuing operations	**(354)**	**(138)**	**(604)**	**(19)**	**(2,436)**	**(3,551)**
Income tax expense	**(125)**	**–**	**–**	**–**	**–**	**(125)**
Share of results of joint ventures – net of tax						**13**
Loss after tax from continuing operations						**(3,663)**
Loss after tax from discontinued operations						**(6)**
Loss for the year						**(3,669)**

* Amounts less than US$1,000.

4. Segment information (continued)

4B. Loss from continuing operations (continued)

	Travel and domestic retail	Digital mining	Food and beverages	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
2023					
Revenue by segment					
Total revenue by segment	1,005	17	785	–	1,807
Less: Consideration payable to customers for sales return	(29)	–	–	–	(29)
	976	17	785	–	1,778
Recurring EBITDA	467	(44)	7	(1,559)	(1,129)
Miscellaneous income	249	44	98	274	665
Interest income	–	–	–	*	*
Finance costs	(143)	(2)	(1)	(185)	(331)
Depreciation, amortisation and impairment	(1,239)	(705)	(159)	(343)	(2,446)
ORBIT	(666)	(707)	(55)	(1,813)	(3,241)
Loss before tax from continuing operations	(666)	(707)	(55)	(1,813)	(3,241)
Income tax credit	–	–	4	–	4
Share of results of joint ventures – net of tax					(51)
Loss after tax from continuing operations					(3,288)
Profit after tax from discontinued operations					2
Loss for the year					(3,286)

* Amounts less than US$1,000.

4. Segment information (continued)

4C. Assets

	Travel and domestic retail	Digital mining	Food and beverages	Specialised logistics	Discontinued operations	Unallocated*	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2024							
Total Group assets#	**18,685**	**1,508**	**2,224**	**2,427**	**249**	**1,218**	**26,311**
2023							
Total Group assets#	20,150	679	2,531	–	262	1,521	25,143

* Unallocated items comprise cash and cash equivalents, other receivables and prepayments and other investments. Certain assets are not allocated to business segments because they are of general use and they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

For segmental reporting purpose, this includes assets of discontinued operations.

4. Segment information (continued)

4D. Liabilities

	Travel and domestic retail	**Digital mining**	**Food and beverages**	**Specialised logistics**	**Discontinued operations**	**Unallocated***	**Total**
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2024							
Total Group liabilities#	**1,017**	**519**	**665**	**1,183**	**1,247**	**14,004**	**18,635**
2023							
Total Group liabilities#	2,978	48	1,078	–	1,388	9,331	14,823

* Unallocated items comprise trade payables and accrued liabilities, other payables, income tax payable, long-term borrowings and leases liabilities. Certain liabilities are not allocated to business segments because they are of general use and they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

For segmental reporting purpose, this includes liabilities of discontinued operations.

4. Segment information (continued)

4E. Other material items and reconciliations

Total capital expenditure for non-current assets:

	Travel and domestic retail	Digital mining	Food and beverages	Specialised logistics	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2024	**–**	**386**	**78**	**–**	**8**	**472**
2023	32	283	105	–	17	437

4F. Geographical information

	Revenue		Non-current assets	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Singapore	**192**	–	**3,885**	1,103
Malaysia	**9**	38	**578**	–
Myanmar	**2,393**	1,762	**17,778**	18,114
	2,594	1,800	**22,241**	19,217

4G. Information about major customers

Revenue from major customers during the reporting year are as follows:

	Group	
	2024	2023
	US$'000	US$'000
Top 1 customer	**950**	676
Top 2 customer	**372**	384

5. Revenue

5A. Revenue classified by type of goods or service:

	Group	
	2024	2023
	US$'000	US$'000
<u>Main revenue streams:</u>		
Sale of goods	**1,833**	1,102
Less: Consideration payable to customers for sales return	**–**	(29)
	1,833	1,073
Rental income from lease of retail fit-outs	**752**	688
Digital mining	**9**	38
	2,594	1,799

5. Revenue (continued)

5B. Revenue classified by timing of revenue recognition:

	Group	
	2024	2023
	US$'000	US$'000
Timing transfer of goods or services:		
At a point in time	**1,842**	1,111
Over time	**752**	688
	2,594	1,799

5C. Revenue classified by duration of contract:

	Group	
	2024	2023
	US$'000	US$'000
Short-term contracts	**1,842**	1,111
Long-term contracts	**752**	688
	2,594	1,799

6. Other income and gains and (other losses)

	Group	
	2024	2023
	US$'000	US$'000
Reversal of impairment on trade and other receivables – net of reversal	**–**	25
Consultancy income	**22**	22
Waiver of donation	**–**	188
Facility fee	**2**	–
Foreign exchange transaction (losses)/gains	**(86)**	349
Gain on disposal of plant and equipment	**2**	–
Gain on modification of leases	**–**	55
Bad debt written off	**(56)**	–
Gain on liquidated subsidiaries	**38**	–
Loss on termination of leases	**–**	(79)
Fair value gain/(loss) on conversion of bitcoin to fiat currency (Note 21)	**15**	(4)
Fair value changes in deferred consideration	**(5)**	–
Royalty expenses	**–**	(5)
Impairment loss on investment in joint venture	**–**	(120)
Impairment loss on plant and equipment	**–**	(600)
Others	**74**	26
Net	**6**	(143)

6. Other income and gains and (other losses) (continued)

	Group	
	2024	2023
	US$'000	US$'000
Presented in consolidated statement of profit or loss as:		
Other income and gains	**154**	665
Other losses	**(148)**	(808)
Net	**6**	(143)

Waiver of donation relating to the contractual commitment made by the Group to contribute the funds to a non-profit organisation in prior year. As at 31 March 2023, the Group had obtained waiver of payment for the remaining donation amount of US$188,000 (rounded to the nearest thousand) from the non-profit organisation and accordingly, the accrued donation was derecognised and amount was reversed to profit or loss in prior financial year.

7. Administrative expenses

The major components include the following:

	Group	
	2024	2023
	US$'000	US$'000
Depreciation and amortisation expense (Notes 14, 14A and 15)	**368**	342
Employee benefits expense (Note 9)	**1,487**	931
Audit fees:		
- Auditor of the Company	**134**	102
- Other auditor	**7**	14
Legal and professional fee	**555**	393
Rental of premises – short term lease	**24**	32

8. Finance costs

	Group	
	2024	2023
	US$'000	US$'000
Interest expenses:		
Leases	**33**	3
Bank loans	**50**	189
Shareholders' loans	**346**	139
	429	331

9. Employee benefits expense

	Group	
	2024	2023
	US$'000	US$'000
Short term employee benefits expense	**1,526**	976
Contributions to defined contribution plan	**100**	56
Total employee benefits expense	**1,626**	1,032
The employee benefits expense is charged as follows:		
Cost of sales	**13**	23
Distribution costs	**126**	78
Administrative expenses (Note 7)	**1,487**	931
	1,626	1,032

10. Share-based payments

	Group	
	2024	2023
	US$'000	US$'000
Share-based payments relating to:		
Forfeiture of share options under SMI ESOS (Note 10A)	**(19)**	(44)
Amortisation of share options under SMI ESOS (Note 10A)	**15**	8
Purchase of digital mining machines (Note 14)	**–**	507
	(4)	471

10A. SMI Vantage Limited Employee Share Option Scheme

The key objective of the SMI Vantage Limited Employee Share Option Scheme ("SMI ESOS" or the "Scheme") is to motivate group's key employees to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Group.

The management of the Company has underlined the following primary objectives of the implementation of the SMI ESOS, such as:

(a) To incentivise all participants;
(b) To motivate participants to optimise performance, efficiency and productivity;
(c) To reward key participants whose contributions are important to the long-term prospects and profitability of the Group;
(d) To promote a sense of loyalty amongst the participants to further the growth of the Group; and
(e) To align the interests of the participants with the interests of the shareholders.

10. Share-based payments (continued)

10A. SMI Vantage Limited Employee Share Option Scheme (continued)

On 17 November 2023, the Group granted options to subscribe for 2,100,000 ordinary shares of the Company at exercise price of $0.06 per share ("2024 Options"). The 2024 Options are exercisable from 17 November 2025 and expire on 17 November 2028. The total fair value of the 2024 Options granted was estimated to be US$0.08 million using the Binomial Option Pricing Model.

The outstanding number of options at the end of the financial year were as follows:

Exercise price	Grant date	Exercise period	Number of options at 31 March 2024 '000	Number of options at 31 March 2023 '000
S$0.29	8 June 2018	From 7 June 2020 to 7 June 2023	**–**	245
S$0.13	6 July 2021	From 6 July 2022 to 5 July 2025	**308**	308
S$0.06	17 November 2023	From 17 November 2025 to 17 November 2028	**2,100**	–
Balance at end of the year			**2,408**	553

The table below summarises the number of options that were outstanding, their weighted average exercise price as at the end of the financial year as well as the movements during the financial year.

	2024 '000	2023 '000	Weighted average exercise price 2024 cents	Weighted average exercise price 2023 cents
Balance at beginning of the year	**553**	989	**20**	26
Granted	**2,100**	–	**17**	–
Forfeited	**(245)**	(436)	**(29)**	34
Balance at end of the year	**2,408**	553	**10**	20

The following table summaries information about the share options outstanding at the end of the financial year.

Exercise price	Number outstanding '000	Number exercisable '000	Weighted average remaining life (Years)
2024			
S$0.13	308	308	0.01
S$0.06	2,100	2,100	0.08
	2,408	**2,408**	**0.10**
2023			
S$0.29	245	245	0.19
S$0.13	308	308	2.27
	553	553	1.34

10. Share-based payments (continued)

10A. SMI Vantage Limited Employee Share Option Scheme (continued)

	Group and Company	
	2024	2023
	US$'000	US$'000
At beginning of the year	**25**	61
Forfeiture of share options	**(19)**	(44)
Amortisation	**15**	8
At end of the year	**21**	25

The fair value of the options is obtained using binomial model (level 3) at the grant value date of the options. In order to approximate the expectations that would be reflected in a current market or negotiated exchange price for these options, the calculations take into consideration factors like behavioural considerations and non-transferability of the options granted.

The fair value of the options and the underlying assumptions under the valuation model take into account the following factors:

	2024	2023
Fair value at grant date	S$0.039 – S$0.1041	S$0.0456 – S$0.1294
Historical and expected volatility	12.5% – 112.0%	12.5% – 44.4%
Dividend yield	0.0%	0.0%
Risk-free interest rate	0.4% – 3.4%	0.4% – 2.1%
Forfeiture probability: leaving pre-vesting	10.0% – 30.0%	10.0% – 15.0%

Expected volatility was determined taking into consideration the Company's volatility over a two years (2023: three and half-year) periods prior to each award date. Dividends yield are those last known at the date the plan was approved.

10B. Other reserve

Under the Sales and Purchase Agreement ("SPA") dated 27 June 2023, the Company would acquire 51% of the shares of Provino Logistics Pte Ltd for an aggregate consideration amount of US$1.27 million which is before fair value adjustment. 30% of the consideration amount or US$0.38 million is to be fulfilled by cash ("Cash Consideration") and the remaining 70% or US$0.89 million is to be satisfied via the issuance of new shares in the Company to the sellers ("Consideration Shares").

The Consideration Shares were based on an issue price determined by the volume weighted average price at which the shares of the Company were traded on the Mainboard of SGX-ST in the 5 trading dates immediately preceding and including the date of the SPA agreement signing. On 27 October 2023, the Company has allotted and issued 25,287,500 consideration shares to the vendors at issue price of S$0.048 for each consideration share, representing US$0.89 million of issued share capital during the year. On 1 March 2024, the Group has completed the acquisition and obtained control of Provino Logistics Pte Ltd.

Other reserve arising from the difference between the amount of the ordinary shares issued for business combination of US$0.89 million on 27 October 2023 and the fair value of the Consideration Shares of US$0.564 million determined as of the acquisition date on 1 March 2024.

11. Income tax expense/(credit)

Components of income tax expense/(credit) recognised in profit or loss includes:

	Group	
	2024	2023
	US$'000	US$'000
Current year	**–**	(4)
Under provision in prior years	**125**	–
Income tax expense/(credit)	**125**	(4)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2024	2023
	US$'000	US$'000
Loss before tax from continuing operations	**(3,538)**	(3,292)
(Loss)/Profit before tax from discontinued operations	**(6)**	2
	(3,544)	(3,290)
Tax calculated at tax rate of 17% (2023: 17%)	**(602)**	(559)
Effects of:		
Expenses not deductible for tax purposes	**262**	372
Deferred tax assets not recognised	**361**	229
Effect of tax rates in foreign jurisdictions	**(21)**	(46)
Under provision in prior years, net	**125**	–
Total income tax expense/(credit)	**125**	(4)

	Unutilised tax losses		Unrecognised deferred tax assets	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
As at 31 March	**25,813**	23,687	**4,388**	4,027

No deferred tax asset for the tax losses (including deductible temporary differences, unused tax losses and unused tax credits) has been recognised in respect of the remaining for the above balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised.

For the Singapore companies, the realisation of the future income tax benefits from unutilised tax losses carry forwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

For the Myanmar companies, the realisation of the future tax benefits from tax loss carry forwards is available for a period of 3 years subject to certain conditions imposed by law. During the year, there are no unutilised tax losses (2023: US$4.3 million) for the Myanmar companies that have expired.

12. (Loss)/Profit from discontinued operations, net of tax

Discontinued operations from prior years

During the financial year ended 31 March 2021, management decided to discontinue the business of car rental and limousine services previously undertaken by the Group's wholly-owned subsidiary SMI Auto Services Pte. Ltd.

During the financial year ended 31 March 2023, management decided to discontinue the construction services segment previously undertaken by the Group's wholly-owned subsidiary, SMI CS Pte. Ltd. Following from this discontinuation, SMI CS Pte. Ltd. had been redesignated to undertake the digital mining operations of the Group.

During the financial year ended 31 March 2024, loss from discontinued operation arise from SMI Auto Services Pte Ltd which was discontinued in prior years.

The results are presented separately in the consolidated statement of other comprehensive income for the financial years ended 31 March 2024 and 31 March 2023 as "Discontinued Operations".

	Group	
	2024	2023
	US$'000	US$'000
Other income and gains	**–**	4
Administrative expenses	**(6)**	(1)
(Loss)/Profit before income tax from discontinued operations	**(6)**	3
Income tax expense	**–**	(1)
(Loss)/Profit from discontinued operations, net of tax	**(6)**	2

The cash flow of the discontinued operations which have been included in the consolidated financial statements, were as follows:

	Group	
	2024	2023
	US$'000	US$'000
Net cash flows used in operating activities	*****	(1)
Total net cash outflows	*****	(1)

* Amount less than US$1,000.

13. Loss per share

The following table illustrates the numerators and denominators used to calculate basic and diluted losses per share of no par value:

	Group	
	2024	2023
	US$'000	US$'000
Numerators: Losses attributable to equity owners of the Company:		
Continuing operations	**(3,663)**	(3,288)
Discontinued operations	**(6)**	2
Total basic and diluted losses	**(3,669)**	(3,286)
	No. of shares	
Denominators: Weighted average number of equity shares		
Basic and diluted	**592,047,946**	532,768,708

The weighted average number of ordinary shares refers to shares in circulation during the financial year.

There is no dilutive effect from the share options as they are anti-dilutive because their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations.

14. Plant and equipment

Group	Digital mining machines	Leasehold improvements	Furniture and fittings	Total
	US$'000	US$'000	US$'000	US$'000
Cost				
At 1 April 2022	–	9,963	5,670	15,633
Reclassification	73	–	(73)	–
Additions	545	78	94	717
Write-offs	–	–	(27)	(27)
At 31 March 2023	618	10,041	5,664	16,323
Acquisition of subsidiary	**–**	**–**	**131**	**131**
Additions	**361**	**45**	**66**	**472**
Disposals	**(259)**	**–**	**–**	**(259)**
Currency translation differences	**–**	**–**	*****	*****
At 31 March 2024	**720**	**10,086**	**5,861**	**16,667**
Accumulated depreciation and impairment losses				
At 1 April 2022	–	5,332	4,730	10,062
Depreciation for the year	41	1,037	453	1,531
Write-offs	–	–	(27)	(27)
Impairment loss for the year	569	–	31	600
At 31 March 2023	610	6,369	5,187	12,166
Depreciation for the year	**12**	**879**	**229**	**1,120**
Disposals	**(259)**	**–**	**–**	**(259)**
Currency translation differences	**–**	**–**	*****	*****
At 31 March 2024	**363**	**7,248**	**5,416**	**13,027**
Carrying value				
At 1 April 2022	–	4,631	940	5,571
At 31 March 2023	8	3,672	477	4,157
At 31 March 2024	**357**	**2,838**	**445**	**3,640**

* Amount less than US$1,000.

The cash outflow on acquisition of plant and equipment is US$0.3 million (2023: US$0.2 million).

During the year ended 31 March 2024, the Group acquired 300 units of digital mining machines ("machines") for a total consideration of US$0.36 million. Of this amount, US$0.16 million was paid in cash and US$0.2 million remains unpaid as of 31 March 2024. The unpaid amount is included in accrued liabilities as disclosed in Note 24.

Acquisition of plant and equipment via equity settled share-based payment

During the year ended 31 March 2023, the Group acquired 3,000 units of machines for a total consideration of US$0.5 million via the issuance of 7,834,757 of the Company's shares to the vendor (Note 10). The machines acquired were recognised based on original negotiated purchase price of the machines of US$0.5 million which represented the best estimate of the fair value of the machines on the dates the Group received delivery and obtained control of the machines.

14. Plant and equipment (continued)

Impairment assessment of digital mining operations

During the year ended 31 March 2023, the Group identified indicator of impairment for its digital mining Cash-Generating Unit ("CGU") and tested its digital mining CGU for impairment. Management had determined the recoverable amount as the value in use ("VIU") for the digital mining CGUs based on geographical area. These CGUs include digital mining machines and mining server. The significant assumptions in determining the VIU included the following:

The calculation of the value-in-use is most sensitive to the following key assumption:

(i) Forecasted Bitcoin price

Bitcoin price was forecasted to remain constant at US$30,000 for the remaining estimated economic useful lives of the machines.

(ii) Forecasted number of Bitcoins mined by the machines

Number of Bitcoins forecasted to be mined by the machines was mainly based on the computing power of the machines.

(iii) Remaining economic useful lives

Estimated remaining economic useful lives of the machines were 2 years based on the industry benchmark of the expected useful life of the machines.

(iv) Discount rate

The discount rate applied was 20%. This reflects the current market assessments of the risks specific to the digital mining machines and time value of money.

Impairment was recognised in the profit or loss when the carrying amount of the machines exceeds its recoverable amount. During the year ended 31 March 2023, the total impairment loss amounted to US$0.6 million had been recognised in profit or loss under the line item "other losses".

During the financial year, there has been no impairment indicator being identified for its digital mining operations located in Sarawak, Malaysia.

14. Plant and equipment (continued)

Assets leased out under operating leases are as follows:

Group	Leasehold improvements	Furniture and fittings	Total
	US$'000	US$'000	US$'000
Cost			
At 1 April 2022	9,359	4,546	13,905
Additions	–	32	32
Write-offs	–	(27)	(27)
At 31 March 2023 and 31 March 2024	**9,359**	**4,551**	**13,910**
Accumulated depreciation			
At 1 April 2022	4,929	4,061	8,990
Depreciation for the year	958	292	1,250
Write-offs	–	(27)	(27)
At 31 March 2023	5,887	4,326	10,213
Depreciation for the year	**772**	**121**	**893**
At 31 March 2024	**6,659**	**4,447**	**11,106**
Carrying value			
At 1 April 2022	4,430	485	4,915
At 31 March 2023	3,472	225	3,697
At 31 March 2024	**2,700**	**104**	**2,804**

During the year, the assets leased out under operating leases were subjected to impairment assessment. The impairment assessment was performed using the value in use method by computing the discounted future cash flows expected to be generated from the use of the assets.

The calculation of the value-in-use is most sensitive to the following key assumptions:

(i) Discount rate

The discount rate applied is 17.5% (2023: 17%). This reflects the current market assessments of the risks specific to the plant and equipment and time value of money.

(ii) Remaining economic useful lives

Cash flows projections are made over the expected remaining economic useful lives of the plant and equipment of 7 years (2023: 8 years).

Based on the assessment, the recoverable amount of the assets is higher than the carrying amount, no impairment loss is required to be recognised.

14. Plant and equipment (continued)

Allocation of the depreciation expense:

	Group	
	2024	2023
	US$'000	US$'000
Cost of sales	**908**	1,251
Distribution costs	**124**	82
Administrative expenses	**88**	198
Total	**1,120**	1,531

Company	**Leasehold improvements**	**Plant and equipment**	**Total**
	US$'000	US$'000	US$'000
Cost			
At 1 April 2022	377	770	1,147
Additions	12	4	16
At 31 March 2023	389	774	1,163
Additions	**8**	**–**	**8**
At 31 March 2024	**397**	**774**	**1,171**
Accumulated depreciation			
At 1 April 2022	268	519	787
Depreciation for the year	33	88	121
At 31 March 2023	301	607	908
Depreciation for the year	**37**	**38**	**75**
At 31 March 2024	**338**	**645**	**983**
Carrying value			
At 1 April 2022	109	251	360
At 31 March 2023	88	167	255
At 31 March 2024	**59**	**129**	**188**

14. Plant and equipment (continued)

14A. Right-of-use assets

Group	Office premise	Shop spaces	Warehouse	Total
	US$'000	US$'000	US$'000	US$'000
Cost				
At 1 April 2022	380	421	–	801
Lease modification	252	–	43	295
Additions	–	372	–	372
Disposal	–	(401)	–	(401)
At 31 March 2023	632	392	43	1,067
Acquisition of subsidiary	**–**	**–**	**997**	**997**
Additions	**–**	**87**	**224**	**311**
Currency translation differences	**–**	**–**	**(2)**	**(2)**
At 31 March 2024	**632**	**479**	**1,262**	**2,373**
Accumulated depreciation				
At 1 April 2022	303	247	–	550
Depreciation for the year	50	46	27	123
Disposal	–	(241)	–	(241)
At 31 March 2023	353	52	27	432
Depreciation for the year	**98**	**121**	**66**	**285**
Currency translation differences	**–**	**–**	*****	*****
At 31 March 2024	**451**	**173**	**93**	**717**
Carrying value				
At 1 April 2022	77	174	–	251
At 31 March 2023	279	340	16	635
At 31 March 2024	**181**	**306**	**1,169**	**1,656**

* Amount less than US$1,000.

Allocation of the depreciation expense:

	Group	
	2024	2023
	US$'000	US$'000
Cost of sales	**15**	27
Distribution costs	**–**	13
Administrative expenses	**270**	83
Total	**285**	123

14. Plant and equipment (continued)

14A. Right-of-use assets (continued)

Company	Office premise
	US$'000
Cost	
At 1 April 2022	349
Lease modification	295
At 31 March 2023 and 31 March 2024	**644**
Accumulated depreciation	
At 1 April 2022	272
Depreciation for the year	77
At 31 March 2023	349
Depreciation for the year	**98**
At 31 March 2024	**447**
Carrying value	
At 1 April 2022	77
At 31 March 2023	295
At 31 March 2024	**197**

For leases over properties, the terms under the leases require those properties to be in a good state of repair and return the properties in their original condition at the end of the lease. Insurance and maintenance fees on right-of-use assets are usually required under the lease contracts.

15. Intangible assets

Group	Franchise fee	License fee	Goodwill	Customer relationship	Software	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Cost						
At 1 April 2022, 31 March 2023	725	270	–	–	–	995
Acquisition of subsidiary	**–**	**–**	**608**	**254**	**95**	**957**
Currency translation differences	**–**	**–**	*	*	*	*
At 31 March 2024	**725**	**270**	**608**	**254**	**95**	**1,952**
Accumulated amortisation and impairment losses						
At 1 April 2022	661	269	–	–	–	930
Amortisation for the year	59	1	–	–	–	60
At 31 March 2023	720	270	–	–	–	990
Amortisation for the year	**5**	**–**	**–**	**3**	**2**	**10**
Currency translation differences	**–**	**–**	*	*	*	*
At 31 March 2024	**725**	**270**	**–**	**3**	**2**	**1,000**
Carrying value						
At 1 April 2022	64	1	–	–	–	65
At 31 March 2023	5	–	–	–	–	5
At 31 March 2024	**–**	**–**	**608**	**251**	**93**	**952**

*Amount below US$1,000

15. Intangible assets (continued)

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to business segments. The carrying amount of goodwill has been allocated to the business segment as follows:

	Group	
	2024	2023
	US$'000	US$'000
Specialised logistics	**608**	–

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined from value in use calculations.

The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and returns on earnings before interest, tax, depreciation and amortisation ("EBITDA") during the five-year period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Returns on EBITDA is based on past results and expectations of future changes in the market.

The growth rate used to extrapolate the cash flows of the CGUs beyond the forecast period of 5 years is 2%, which does not exceed the long-term growth rate for the relevant markets. The discount rate of 8.6% applied to the cash flows projections is derived from the weighted average cost of capital plus a reasonable risk premium applicable to the CGUs at the date of assessment of the recoverable amounts. Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of the CGUs are based would not result in the carrying amount to exceed the recoverable amount of the related CGUs.

Management assesses recoverable amount of the goodwill, the carrying amount of the CGU approximately to the recoverable amount, no adjustments are required to be made as at year ended 31 March 2024.

Franchise fee and License fee

Relates to the exclusive rights granted by franchisor or licensor to develop and operate the business of the brands in Myanmar. The franchise fee and license fee are amortised over 5 to 10 years.

Allocation of the amortisation expense:

	Group	
	2024	2023
	US$'000	US$'000
Administrative expenses	**10**	60

16. Investments in subsidiaries

	Company 2024	2023
	US$'000	US$'000
At cost:		
Balance at beginning of the year	**74**	*
Additions	**945**	74
Balance at end of the year	**1,019**	74
Carrying value in the books of the Company comprising:		
Unquoted equity shares at cost	**1,019**	74
Total at cost	**1,019**	74

* Amount less than US$1,000.

The subsidiaries held by the Company and its subsidiaries are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities	**Cost of investment** 2024	2023	**Percentage of equity held** 2024	2023
	US$'000	US$'000	**%**	%
Held by the company:				
SMI CS Pte. Ltd. [(b)] Singapore Digital mining activities	**(a)**	(a)	**100**	100
SMI F&B Pte. Ltd. [(b)] Singapore Distribution of food & beverage items	**74**	74	**100**	100
SMI Auto Services Pte. Ltd. [(b)] Singapore Provision of car rental & limousine services	**(a)**	(a)	**100**	100
SMI Retail Pte. Ltd. [(b)] Singapore Distribution of duty free & retail products	**(a)**	(a)	**100**	100
YGN Kinnaya Co Ltd [(d)] Myanmar Provider of serviced offices	**–**	(a)	**–**	99
Provino Logistics Pte. Ltd. [(b)] [(e)] Singapore Specialised logistics	**945**	–	**51**	–

16. Investments in subsidiaries (continued)

The subsidiaries held by the Company and its subsidiaries are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities	Cost of investment		Percentage of equity held	
	2024	2023	**2024**	2023
	US$'000	US$'000	**%**	%
Held through SMI F&B Pte. Ltd.:				
SMI F&B MM Pte Ltd [(b)] Singapore Distribution of food & beverage items	**434**	434	**100**	100
SMI Food Concepts Ltd [(c)] Myanmar Consultancy for the food and beverage industry	**50**	50	**100**	100
Held through SMI F&B MM Pte. Ltd.:				
SMI FB Ltd [(d)] Myanmar Consultancy and advertising services for the food and beverage industry	**–**	50	**–**	100
Held through SMI Retail Pte. Ltd.:				
SMIRS Myanmar Ltd [(c)] Myanmar Management consultancy services	**2,850**	2,850	**100**	100
Held through SMI Auto Services Pte. Ltd.:				
SMIRental Services MM Ltd [(d)] Myanmar Equipment rental, vehicle repair and fleet management services	**–**	50	**–**	100

(a) Cost of investment is less than US$1,000.
(b) Audited by PKF-CAP LLP.
(c) Audited by Thida & Partners Ltd., PKF International member firm in Myanmar.
(d) Entities were liquidated during the financial year.
(e) On 1 March 2024, the Group acquired a 51% equity interest in Provino Logistics Pte. Ltd. The principal activity of Provino Logistics Pte. Ltd. is to provide logistics services and storage solutions.

16. Investments in subsidiaries (continued)

Below is the summarised financial information for the subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

The carrying amounts of non-controlling interests are as follows:

	Group	
	2024	2023
	US$'000	US$'000
Provino Logistics Pte. Ltd.	**314**	–

Summarised statement of other comprehensive loss:

	Provino Logistics Pte. Ltd.	
	2024	2023
	US$'000	US$'000
Revenue	**90**	–
Loss before income tax	**(19)**	–
Total comprehensive loss	**(19)**	–
Total comprehensive loss allocated to non-controlling interest	**(10)**	–

Summarised statement of financial position:

	Provino Logistics Pte. Ltd.	
	2024	2023
	US$'000	US$'000
Current assets	**396**	–
Non-current assets	**1,450**	–
Current liabilities	**(708)**	–
Non-current liabilities	**(498)**	–

Summarised statement of cash flows:

	Provino Logistics Pte. Ltd.	
	2024	2023
	US$'000	US$'000
Net cash flows from operating activities	**1**	–
Net cash flow used in financing activities	**(18)**	–

17. Investments in associates

	Group	
	2024	2023
	US$'000	US$'000
Movement in carrying value:		
Balance at beginning of the year	**–**	–
Share of loss for the year	*****	*
Balance at end of the year	**–**	–
Carrying value comprising:		
Unquoted equity shares at cost	*****	*
Share of post acquisition losses	**(*)**	(*)
	–	–

*Amount less than USD$1,000.

Share of losses of associates exceeding the amount of the investment are not recognised as losses in the Group's profit or loss. The Group's share of losses of the associates not recognised was US$0.02 million (2023: US$0.6 million).

After the Group's interest is reduced to Nil, additional losses are provided for, and a liability is recognised, only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. The Group has not incurred legal or constructive obligations to account for these losses on behalf of these associates

The listing of and information on the associates is given below:

Name of associates, country of incorporation, place of operations and principal activities	**Percentage of equity held by the group**	
	2024	2023
	%	%
Held by SMI Retail Pte. Ltd.:		
Star Retail Enterprise Limited [(a)] Myanmar Distribution of retail products	**35**	35
Artisan Concepts Limited [(b)] Myanmar Distribution of retail products	**–**	35

(a) Not audited. The contribution to the Group is immaterial.
(b) Entity was liquidated during the financial year.

17. Investments in associates (continued)

The summarised financial information of the non-material associates and the amounts (and not the Group's share of those amounts) based on financial statements of the associates are as follows. These are adjusted to reflect adjustments made by the Group when applying the equity method of accounting.

	Group	
	2024	2023
	US$'000	US$'000
Aggregate for all non-material associates:		
Loss for the year representing total comprehensive loss for the year	**56**	516
Net liabilities of associates	**1,829**	1,773

18. Investments in joint ventures

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Movement in carrying value:				
Balance at beginning of the year	**426**	597	**405**	900
Share of profit/(loss) for the year	**13**	(51)	**–**	–
Impairment losses for the year	**–**	(120)	**–**	(495)
Balance at end of the year	**439**	426	**405**	405
Carrying value comprising:				
Unquoted equity shares at cost	**1,050**	1,050	**900**	900
Share of post-acquisition losses	**(491)**	(504)	**–**	–
Impairment losses for the year	**(120)**	(120)	**(495)**	(495)
Balance at end of the year	**439**	426	**405**	405

18. Investments in joint ventures (continued)

The listing of and information on the joint ventures is given below:

Name of joint ventures, country of incorporation, place of operations and principal activities	Percentage of equity held by the group	
	2024	2023
	%	%
Held by the Company:		
SMI-Senko Logistics Pte. Ltd. [(a)] Singapore Value added logistics providers and general warehousing	**50**	50
Held by SMI-Senko Logistics Pte. Ltd.:		
SenkoSMI Myanmar Company Limited [(b)] Myanmar Logistics and warehousing services	**50**	50
Held by SMI Retail Pte. Ltd.:		
DKSHSMI Pte Ltd [(a)] Singapore Wholesale of adults' clothing Provision of warehousing services	**50**	50
Held by DKSHSMI Pte. Ltd.:		
DKSHSMI MM Limited [(c)] Myanmar Retailer of adults' clothing	**50**	50
MAR Retail MM Limited [(c)] Myanmar Retailer of adults' clothing	**35**	35

(a) Audited by PKF-CAP LLP.
(b) Audited by Thida & Partners Ltd., PKF International member firm in Myanmar.
(c) Not audited. The contribution to the Group is immaterial. The management accounts were used for consolidation.

18. Investments in joint ventures (continued)

The summarised financial information of the material group's joint ventures and the amounts (and not the Group's share of those amounts) based on financial statements of the joint venture are as follows. These are adjusted to reflect adjustments made by the Group when using the equity method.

	Group	
Joint venture with Senko Co., Ltd. (Japan):	**2024**	2023
	US$'000	US$'000
Summarised statement of comprehensive income:		
Revenue	**713**	554
Cost of sales	**(563)**	(539)
Gross profit	**150**	15
Other income	**24**	25
Distribution expenses	**(36)**	(28)
Administrative expenses	**(72)**	(66)
Other losses	**(28)**	(33)
Profit/(Loss) before tax	**38**	(87)
Income tax expense	**(12)**	(16)
Profit/(Loss) for the year representing total comprehensive profit/(loss) for the year	**26**	(103)
Summarised statement of financial position:		
Current assets	**709**	552
Includes:		
- Trade and other receivables	**643**	482
- Cash and cash equivalents	**66**	70
Non-current assets – property, plant and equipment	**779**	893
Current liabilities	**(370)**	(354)
Includes:		
- Trade and other payables	**(370)**	(354)
Reconciliation:		
Net assets of the joint venture	**1,118**	1,091
Proportion of the Group's interest in the joint venture	**50%**	50%
	559	546
Impairment losses	**(120)**	(120)
Carrying amount of the interest in the joint venture	**439**	426

18. Investments in joint ventures (continued)

Impairment assessment of investment in joint venture

In 2023, management performed impairment testing on its investment in joint venture, SMI-Senko Logistics Pte. Ltd. which had indication of impairment by comparing the carrying amount of the Cash Generating Unit ("CGU"), SMI-Senko Logistics Pte. Ltd. with its recoverable amount. The impairment assessment was performed using the value in use method by computing the discounted future cash flows expected to be generated from the joint venture's operations.

The calculation of the value-in-use was most sensitive to the following key assumptions:

(i) Revenue Growth Rates

Forecasted revenue growth rates of 5% to 12% per annum had been used. The forecasted revenue growth rates were based on the average growth rates achieved in prior years, adjusted for future market and economic conditions and management future plans.

(ii) Discount Rate

The discount rate applied to the future cash flow projections was 19.5%. This reflected the current market assessments of the risks specific to the CGU and time value of money.

(iii) Terminal Growth Rate

The terminal growth rate applied to the future cash flow projections was 3%. This steady growth rate beyond the initial 7-year period was estimated based on the long-term economic growth rate of the market in which the CGU operates in.

Impairment was recognised in the profit or loss when the carrying amount of the CGU exceeds its recoverable amount. In 2023, the total impairment loss amounted to US$0.12 million was been recognised in profit or loss under the line item "other losses".

As of 31 March 2024, management assessed the recoverable amount of investment in joint venture. As the carrying amount of the CGU is approximately equal to the recoverable amount, no adjustment is required for the Company and the Group for the financial year ended 31 March 2024.

18. Investments in joint ventures (continued)

Joint venture with DKSH Holding (S) Pte. Ltd. (Singapore):	Group	
	2024	2023
	US$'000	US$'000
Summarised statement of comprehensive income:		
Revenue	**–**	–
Cost of sales	**–**	–
Gross loss	**–**	–
Other income	**76**	2
Distribution expenses	**–**	(4)
Administrative expenses	**(10)**	(26)
Other losses	**(1)**	(30)
Profit/(Loss) before tax	**65**	(58)
Income tax expense	**–**	–
Profit/(Loss) for the year representing total comprehensive profit/(loss) for the year	**65**	(58)
Summarised statement of financial position:		
Current assets	**25**	36
Includes:		
Cash and cash equivalents	**19**	28
Non-current assets – plant and equipment	**6**	8
Current liabilities	**(301)**	(385)
Includes:		
- Trade and other payables	**(301)**	(385)
Non-current liabilities – trade and other payables	**(200)**	(200)
Reconciliation:		
Net liabilities of the joint venture	**(470)**	(541)
Proportion of the Group's interest in the joint venture	**50%**	50%
Carrying amount of the interest in the joint venture	**–***	–*

*Share of losses of the joint venture with DKSH Holding (S) Pte. Ltd. exceeding the amount of the investment are not recognised as losses in the Group's profit or loss. The Group's share of profits of the joint venture not recognised as at 31 March 2024 is US$0.03 million (2023: share of losses of US$0.03 million).

After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. The Group has not incurred legal or constructive obligations to account for these losses on behalf of the joint venture.

18. Investments in joint ventures (continued)

The Group's joint venture with DKSH Holding (S) Pte. Ltd. which was established for the distribution of products under the "Levi's" brand name ceased in prior year on 31 March 2022 following the termination of DKSH Holding (S) Pte. Ltd.'s commercial arrangement with "Levi's".

19. Trade and other receivables

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Non-current:				
Trade receivables:				
Third parties	**18,013**	17,919	**–**	–
Less: Allowance for impairment	**(4,538)**	(4,420)	**–**	–
Associate	**1,657**	420	**–**	–
Net trade receivables – subtotal	**15,132**	13,919	**–**	–
Other receivables:				
Subsidiary	**–**	–	**25,553**	23,004
Less: Allowance for impairment	**–**	–	**(5,086)**	(5,086)
Net other receivables – subtotal	**–**	–	**20,467**	17,918
Sub-total, trade and other receivables, non-current	**15,132**	13,919	**20,467**	17,918
Current:				
Trade receivables:				
Third parties	**4,416**	4,638	**711**	774
Less: Allowance for impairment	**(1,538)**	(1,656)	**(160)**	(160)
Associates	**500**	1,674	**–**	–
Net trade receivables – subtotal	**3,378**	4,656	**551**	614
Other receivables:				
Deferred consideration from disposal of subsidiaries	**310**	302	**310**	302
Less: Allowance for impairment	**(302)**	(302)	**(302)**	(302)
Subsidiaries	**–**	–	**20,539**	22,441
Less: Allowance for impairment	**–**	–	**(17,711)**	(19,807)
Joint ventures	**250**	269	**49**	67
Less: Allowance for impairment	**(200)**	(200)	**–**	–
Associates	**–**	–	**–**	14
GST/commercial tax receivable	**46**	20	**6**	8
Other tax receivable	**–**	26	**–**	–
Others	**–**	7	**–**	–
Net other receivables – subtotal	**104**	122	**2,891**	2,723
Sub-total, trade and other receivables, current	**3,482**	4,778	**3,442**	3,337
Total trade and other receivables	**18,614**	18,697	**23,909**	21,255

19. Trade and other receivables (continued)

The fair value of the Group's non-current trade receivables are computed based on cash flows discounted at effective interest rates of 2.3%. The fair values are within Level 3 of the fair value hierarchy. The carrying amount is a reasonable approximation of fair value.

Except for the repayment term disclosed in the financial statements, the trade and other receivables are unsecured, interest free and repayable on demand. As at reporting date, the fair value of the non-current portion of the other receivables of the Company due from its subsidiaries cannot be estimated reliably. These are classified as non-current as the Company has provided a written undertaking to its subsidiary that it will not demand for repayments for a minimum of the next 12 months after the reporting date or until the operations of its subsidiaries have stabilised post-COVID-19 pandemic. As a result, the timing of any future cash inflows cannot be estimated reliably.

Movements in allowance for impairment on trade receivables:

	Group	
	2024	2023
	US$'000	US$'000
At beginning and at end of the year	**6,076**	6,076

The trade receivables are subject to the expected credit loss allowance model. The allowance for expected credit loss is based on the lifetime expected credit loss. The Group has worked with local distributors and associate to derive the cash flow projections of local distributors and associate to determine the ability of the debtors to settle the trade receivable amounts. The calculations made use of cash flow projections prepared by the distributors and associate, assisted by the group's management, based on budgets and projections, taking into account initiatives currently undertaken to deliver expected future performance upon business resumption against latest market expectations. Key assumptions include the following: number of years of cash flow projections: 5 to 6 years (2023: 5 years); revenue growth rate: 9% to 42% (2023: 22% to 148%) and gross profit margin: 43% to 66% (2023: 41.8% to 50.3%).

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade customers is about 90 days (2023: 90 days), except for distributors and associate to whom extended credit terms are granted as the Group has repayment plans in placed with the distributors and associate with overdue balances. The repayment terms agreed were for 4 to 6 years with the distributors and associate.

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
0 to 60 days	**299**	132	**–**	–
61 to 120 days	**229**	259	**2**	3
121 to 365 days	**749**	508	**4**	8
Over 365 days	**16,878**	17,456	**543**	601
Total	**18,155**	18,355	**549**	612

19. Trade and other receivables (continued)

Concentration of gross trade receivables from the top 3 customers as at 31 March 2024 and 31 March 2023 are as follows:

	Group	
	2024	2023
	US$'000	US$'000
Top 1 customer	**19,008**	17,360
Top 2 customer	**21,169**	19,397
Top 3 customer	**22,920**	21,324

Movements in allowance on other receivables:

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
At beginning of the year	**502**	527	**25,195**	19,302
Written off	**–**	–	**(2,254)**	–
Loss allowance recognised in profit or loss during the year:				
- asset originated	**–**	–	**158**	5,893
- reversal of unutilised amount	**–**	(25)	**–**	–
At end of the year	**502**	502	**23,099**	25,195

The other receivables at amortised cost shown above are subject to the expected credit loss model. The other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. At the end of the reporting year, a loss allowance is recognised at an amount equal to life time expected credit losses because there has been a significant increase in credit risk since initial recognition. A loss allowance balance of the Group amounting to US$502,000 (2023: US$502,000) were recognised.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. As there is a significant increase in credit risk, an additional loss allowance of the Company amounting to US$0.16 million (2023: US$5.9 million) was made on the amounts due from subsidiaries.

20. Other assets

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Deposits	**502**	163	**37**	35
Prepayments	**222**	182	**15**	24
Accrued income	**12**	3	**500**	500
Less: Allowance for impairment	**–**	–	**(500)**	(500)
	736	348	**52**	59
Presented as:				
Other assets, current	**314**	273	**19**	24
Other assets, non-current	**422**	75	**33**	35
	736	348	**52**	59

Included in the deposits is the security deposits paid of US$0.29 million in relation to leases of the digital mining operation warehouse.

21. Inventories

	Group	
	2024	2023
	US$'000	US$'000
Finished goods	**92**	103
Digital assets	**10**	22
	102	125
Included in cost of sales:		
Finished goods	**525**	268
Raw materials and consumables	**459**	177

The Group mined digital assets during the year, which are recorded at fair value on the day of acquisition. Movements in fair value between acquisition (date mined) and disposal (date sold) are recorded in profit or loss. During the financial year, the Group incurred fair value gain of US$0.015 million (2023: fair value loss of US$0.004 million) which is recognised in profit or loss under the line item "Other income and gains" (2023: "Other losses").

	Group	
	2024	2023
	US$'000	US$'000
At 1 April	**22**	–
Digital assets mined	**10**	38
Digital assets sold	**(22)**	(21)
Others	**–**	5
At 31 March	**10**	22

22. Cash and cash equivalents

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Cash and bank	**172**	750	**35**	542

The rate of interest for the cash on interest earning account of US$0.2 million (2023: US$0.8 million) for the Group is approximately 0.05% (2023: 0.05%) per annum.

22A. Reconciliation of liabilities arising from financing activities

	2023	Cash flows	Non-cash changes	**2024**
	US$'000	US$'000	US$'000	**US$'000**
Group				
Shareholders' loans (Note 26)	7,569	4,141	(6)	**11,704**
Borrowings (Note 26)	1,500	(1,500)	–	**–**
Lease liabilities (Note 25)	598	(256)	1,305[(a)]	**1,647**
Total liabilities from financing activities	9,667	2,385	1,299	**13,351**

	2022	Cash flows	Non-cash changes	2023
	US$'000	US$'000	US$'000	US$'000
Group				
Shareholders' loans (Note 26)	5,590	1,979	–	7,569
Borrowings (Note 26)	4,996	(3,496)	–	1,500
Lease liabilities (Note 25)	1,830	(269)	(963) [(b)]	598
Total liabilities from financing activities	12,416	(1,786)	(963)	9,667

(a) Comprise of the followings:

	Group	
	2024	2023
	US$'000	US$'000
Acquisition of subsidiary	**997**	–
Additions of new lease liabilities	**313**	335
Lease modification	**–**	240
Effect of foreign exchange rate	**(5)**	3
Termination of lease	**–**	(81)
Reclassification to other payables (Note 24)	**–**	(1,460)
	1,305	(963)

(b) Termination of lease contracts.

23. Share capital

	Group and Company			
	Number of shares issued	**Share Capital**	**Number of shares issued**	**Share Capital**
	2024	**2024 US$'000**	2023	2023 US$'000
Ordinary shares of no par value:				
At beginning of year	**573,222,910**	**68,602**	513,535,187	66,895
Issue of shares			51,125,694	1,143
Capitalisation of directors' fees	**1,666,664**	**54**	727,272	57
Share based payments (Note 10)	**–**	**–**	7,834,757	507
Payment of professional fees	**2,500,000**	**88**	–	–
Issue of ordinary shares related to business combination	**25,287,500**	**890**	–	–
At end of year	**602,677,074**	**69,634**	573,222,910	68,602

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

In prior year:

On 22 April 2022, 7,834,757 shares were issued to The9 in connection with the Purchase of Digital 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.

On 19 August 2022, 18,698,062 shares were issued to various parties for a total consideration of US$0.4 million pursuant to the subscription agreements entered with the parties on 30 June 2022.

On 13 December 2022, 32,427,632 shares were issued to one of the existing shareholders for a total consideration of US$0.7 million pursuant to the subscription agreement entered with the existing shareholder on 7 October 2022.

In current year:

On 27 October 2023, 25,287,500 shares were issued to the previous shareholders of Provino Logistics Pte. Ltd., in connection with the Proposed Acquisition amounting to US$0.9mil. On the same day, the Company issued 2,500,000 Introducer Shares, as consideration for the professional services in connection with the acquisition amounting to US$0.09mil. Concurrently, the Company issued 1,666,664 shares to a director pursuant to the director's fees amounting to US$0.05 million.

On 17 November 2023, the Company announced the grant of Employee Share Options of 2,100,000 shares with exercise price of S$0.06 per share via SGXNet.

The Company do not hold any treasury shares as of 31 March 2024 and 31 March 2023 and the Company's subsidiaries do not hold any shares in the Company as of 31 March 2024 and 31 March 2023.

23. Share capital (continued)

Capital management

The objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year.

The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital, reserves and accumulated losses).

In order to maintain its listing on the SGX-ST, the Company has to have share capital with a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	Group	
	2024	2023
	US$'000	US$'000
Net debt:		
All current and non-current borrowings including lease liabilities	**13,351**	9,667
Less cash and cash equivalents	**(172)**	(750)
Net debt	**13,179**	8,917
Adjusted capital:		
Total equity	**7,676**	10,320
Debt-to-adjusted capital ratio	**172%**	86%

24. Trade and other payables

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
<u>Trade payables</u>				
Third parties	**977**	1,551	**244**	126
Trade payables – subtotal	**977**	1,551	**244**	126
<u>Other payables</u>				
Subsidiaries	**–**	–	**116**	–
Joint ventures	**95**	85	**3**	3
Associates	**–**	102	**28**	28
Accrued liabilities	**2,062**	1,096	**1,720**	1,019
Deposits from customers	**42**	–	**–**	–
Other payables	**1,236**	1,766	**209**	276
Other payables – subtotal	**3,435**	3,049	**2,076**	1,326
Total trade and other payables	**4,412**	4,600	**2,320**	1,452
Presented as:				
Trade and other payables, current	**3,260**	3,087	**1,263**	904
Trade and other payables, non-current	**1,152**	1,513	**1,057**	548
	4,412	4,600	**2,320**	1,452

The other payables due to joint ventures and associates are unsecured, interest free and repayable on demand. The fair value of the Group's non-current trade and other payables are computed based on cash flows discounted at market borrowing rates of 8.0% (2023: 8%). The fair value of the Group's and Company's non-current trade and other payables is US$1.0 and US$0.9 (2023: US$1.3 million and US$0.5 million) respectively.

Included in the accrued liabilities are the deferred cash payments of US$0.2 million for the acquisition of subsidiary and the purchase of plant and equipment of US$0.2 million which has not been billed by vendor (Note 14) as at 31 March 2024.

In prior year, there was lease liabilities payable to a former lessor of US$1.5 million ("outstanding debt") relating to the early termination of the lease agreement for leases of motor vehicles pertaining to the Group's discontinued auto services operations. Lease liabilities was not derecognised as the Group has obligation to pay the remaining lease liabilities as a penalty for early termination of the lease. In 2023, a settlement agreement was entered between the Group and the former lessor to finalise the penalty of early termination of leases and accordingly, US$1.5 million was reclassified from lease liabilities (Note 22A) to other payables.

Under the terms of the settlement agreement, the Group shall repay agreed instalment payments of US$0.96 million ("aggregate payment amount") over the monthly instalment payments set by former lessor commencing from 1 July 2023 until December 2024. The Group has paid US$0.38 million in the current financial year and the remainder of US$0.58 million will be due in financial year ending 31 March 2025.

The former lessor agrees to waive the repayment of the additional amount of US$0.5 million ("additional amount") arising from the difference between outstanding debt of US$1.5 million and aggregate payment amount of US$0.96 million provided the Group has paid the former lessor all of the agreed installment payments promptly by 31 December 2024. The Group will derecognise the waiver of the additional amount of US$0.5 million in December 2024 should this waiver condition be met. To the extent that the Group is unable to meet the waiver condition, the Group is required to repay the additional amount of US$0.5 million which has been recognised as other payables as at 31 March 2024.

25. Lease liabilities

As lessee

Lease liabilities are presented in the statements of financial position as follows:

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Lease liabilities, current	**512**	210	**91**	94
Lease liabilities, non-current	**1,135**	388	**96**	180
	1,647	598	**187**	274

Other information about the leasing activities relating to the right-of-use assets are summarised as follows:

	Office premise	Shop spaces	Warehouse
Number of right-of-use assets	**1**	**2**	**2**
Remaining term – range	**2 years**	**1 - 3 years**	**2 – 4 years**
Remaining term – average	**2 years**	**2 years**	**3 years**

The leases are for office space, shop spaces to operate restaurants and warehouse spaces to provide logistics services, storage solutions and digital mining.

There are restrictions or covenants imposed by the leases to sublet the asset to another party. The right-of-use asset can only be used by the lessee. Unless permitted by the owner, the lease prohibits from selling or pledging the underlying leased assets as security. The leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. A summary of the maturity analysis of lease liabilities is disclosed in Note 30E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use-assets are disclosed in Note 14A.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Expense relating to short-term leases included in:-				
Cost of sales	**1**	–	**–**	–
Distribution expenses	**248**	203	**–**	–
Administrative expenses	**24**	32	**3**	22

In the current financial year, the effect of exercising extension option was an increase in recognised lease liabilities and right-of-use assets of U$0.46 million.

25. Lease liabilities (continued)

As lessor

The Group has leased out its plant and equipment under operating leases as disclosed in Note 14. The leases are classified as operating leases because the risk and rewards incidental to the ownership of the assets are not substantially transferred. The plant and equipment are leased out to the Group's major distributors ("lessees'") to be utilised in the retail and food and beverage outlets operated by the distributors.

The table below discloses the undiscounted lease payments to be received by the Group for its operating leases after the reporting date as follows:

	Group	
	2024	2023
	US$'000	US$'000
Less than one year	**898**	752
One to five years	**3,854**	4,630
More than five years	**2,036**	2,168
	6,788	7,550

26. Other financial liabilities

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Non-current:				
Financial instruments with fixed interest rates:				
Shareholders' loan (Note 26B)	**11,263**	7,569	**11,263**	7,569
Total, non-current	**11,263**	7,569	**11,263**	7,569
Current:				
Financial instruments with floating interest rates:				
Bank loan (secured) (Note 26A)	**–**	1,500	**–**	–
Shareholders' loan (Note 26B)	**441**	–	**441**	–
Total, current	**441**	1,500	**441**	–
Total	**11,704**	9,069	**11,704**	7,569

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
The non-current portion is repayable as follows:				
Due within 2 to 5 years	**11,263**	7,569	**11,263**	7,569

26. Other financial liabilities (continued)

The range of floating rate interest rates paid were as follows:

Bank loans (secured)	
2024	**Nil**
2023	4.59% to 8.02%

The ranges of fixed rate interest rates paid were as follows:

Shareholders' loan	
2024	**2.34% - 8.00%**
2023	2.34% - 8.00%

26A. Bank loan (secured)

The bank loan amounting to US$1.5 million is subject to floating interest rates. The fair value (Level 2) is a reasonable approximation of the carrying amounts as they are floating rate instruments that are frequently re-priced to market interest rates.In prior year, the Group restructured the facilities to convert part of the bank overdrafts into bank loans.

The bank loan is secured by the following:

(a) Personal guarantees from a director of the Company; and
(b) Floating charge over a subsidiary's bank account.

The secured bank loan of US$1.5 million as at 31 March 2023 was initially repayable within 12 months from the date of drawdown and its maturity was extended on a rolling 12 months basis. On 30 June 2023, the Group has fully repaid this secured bank loan.

26B. Shareholders' loans

The loan amounts of US$9.5 million (2023: US$6.1 million) are due to shareholders, who are also directors of the Company, are denominated in US Dollars and are unsecured, interest is accrued on indebtedness at the rate of 2.34% per annum (2023: 2.34% per annum) and new corporate shareholder's loans amount of US$2.2 million (2023: US$1.5 million) which are denominated in Singapore Dollars and are unsecured, interest is accrued on indebtedness at the rate of 8% per annum (2023: 8.00% per annum).

27. Provision for other liabilities

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Reinstatement cost[(a)]	**112**	40	**21**	21
Provision for unutilised leave and Annual Wage Supplement	**42**	14	**40**	14
	154	54	**61**	35
Presented as:				
Provision for other liabilities, current	**42**	14	**40**	14
Provision for other liabilities, non-current	**112**	40	**21**	21
	154	54	**61**	35

27. Provision for other liabilities (continued)

(a) The provision of reinstatement costs represents the present value of management's best estimate of the future outflow of the economic benefits that will be required to reinstate the lease property to its original state. The estimates have been made on the basis of quotes obtained from external contractors. The unexpired term of the leases is disclosed in Note 25.

Movement in the provision for the reinstatement cost is as follows:

	Group		Company	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Beginning of financial year	**40**	–	**21**	–
Provision made	**–**	40	**–**	21
Acquisition of subsidiary (Note 29)	**72**	–	**–**	–
End of financial year	**112**	40	**21**	21

The fair value of the Group's and Company's non-current provision for other liabilities are immaterial as at 31 March 2024 and 31 March 2023 respectively.

28. Deferred tax liabilities

A deferred tax liability of S$0.06mil is recognised from the Customer relationship and Software, arising from the acquisition of a subsidiary, and is based on the prevailing tax rate of 17% in Singapore.

Following the amendments to SFRS(I) 1-12: Deferred tax related to Assets and Liabilities arising from a Single Transaction, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there is no impact on the statement of financial position because the balance qualifies for offset under paragraph 74 of SFRS(I) 1-12. There was also no impact on the opening retained earnings as at 1 April 2022 as a result of the change. The key impact for the Group relates to disclosures of the deferred tax assets and liabilities recognised as follows:

	At 1 April 2022	At 31 March 2023	**At 31 March 2024**
	US$000	US$000	**US$'000**
Deferred tax (liabilities)/assets			
Set-off tax:			
Right-of-use asset	(43)	(108)	**(281)**
Lease liabilities	311	102	**280**
Others	–	6	**1**
Net deferred tax assets/(liabilities)	268*	–	**–**

*No deferred tax asset for lease liabilities has been recognised in respect of the above balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised.

29. Business combinations

On 1 March 2024, the Group acquired a 51% equity interest in Provino Logistics Pte. Ltd., an entity incorporated in Singapore to diversify and expand into complementary business areas within the food and beverages industry. The principal activity of Provino Logistics Pte. Ltd. is to provide logistics services and storage solutions.

Details of the purchase consideration, the assets acquired, and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(a) Purchase consideration (at fair value on acquisition date)

	US$'000
Cash paid	193
Deferred cash payment	188
Share consideration	564
Consideration transferred for the business (e)	**945**

(b) Effects on cash flows of the Group

	US$'000
Cash paid (as above)	193
Less: Cash and bank balances in subsidiary acquired	(39)
Cash outflow on acquisition	**154**

(c) Identifiable assets acquired and liabilities assumed

	At fair value US$'000
Cash and bank balances	39
Trade and other receivables	325
Plant and equipment	131
Right-of-use assets	997
Intangible assets (Customer relationships and Software)	349
Total assets	1,841
Trade and other payables	(50)
Lease liabilities	(997)
Provision for reinstatement cost	(74)
Deferred tax liabilities	(59)
Total liabilities	(1,180)
Total identifiable net asset	**661**

	US$'000
Goodwill arising on acquisition	
Fair value of purchase consideration	945
Add: Non-controlling interest	324
Less: Fair value of identifiable net asset	(661)
Goodwill arising on acquisition	608

29. Business combinations (continued)

(d) Acquisition-related costs

Acquisition-related costs of US$0.1 million are included in "administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows. The acquisition-related costs included introducer fee, due diligence and professional fee for independent valuation.

(e) Purchase consideration

Under the Sales and Purchase Agreement ("SPA") dated on 27 June 2023, the Company would acquire 51% of the shares of Provino Logistics for an aggregate consideration amount of US$1.27 million which is before fair value adjustment. 30% of the consideration amount or US$0.38 million is to be fulfilled by cash ("Cash Consideration") and the remaining 70% or US$0.89 million is to be satisfied via the issuance of new shares in the Company to the sellers ("Consideration Shares").

50% of the Cash Consideration is to be paid within 14 business days of completion, while the remaining is to be deferred to 6 months after the completion date. As such, the Company have taken into account the expected incremental borrowing rate of 7.0%, being the prime lending rate plus a spread for the Company, in determining the fair value of the deferred payment of the Cash Consideration of US$0.19 million as disclosed in Note 29(a).

The Consideration Shares were based on an issue price determined by the volume weighted average price at which the shares of the Company were traded on the Mainboard of SGX-ST in the 5 trading dates immediately preceding and including the date of the SPA agreement signing. On 27 October 2023, the Company has allotted and issued 25,287,500 consideration shares to the vendors at issue price of S$0.048 for each consideration share, representing US$0.89 million of issued share capital during the year.

The fair value of the Consideration Shares as at the acquisition date on 1 March 2024 based on the prevailing share price is US$0.564 million, the differences between the issued share capital of US$0.89 million on 27 October 2023 and the fair value of the Consideration Shares determined as of the acquisition date on 1 March 2024 is recognised as Other reserve as disclosed in Note 10B.

(f) Acquired receivables

The fair value of trade and other receivables is US$0.33 million and includes trade receivables with a fair value of US$0.26 million, representing the gross contractual amount for trade receivables.

(g) Non-controlling interests

The Group has chosen to recognise the 49% non-controlling interest of US$0.3 million using the proportionate share of identifiable net assets of the business of the acquiree.

29. Business combinations (continued)

(h) Goodwill

Goodwill arose in the acquisition of Provino Logistics Pte. Ltd. because the cost of the combination included a control premium. In addition, the consideration paid or payable for the combination effectively included amounts in relation to the benefit of expected synergies. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

It is not deductible for tax purposes.

(i) Impact of acquisitions on the results of the Group

The acquired business contributed revenue of US$0.09 million and net loss of US$ 0.019 million to the Group from the period from 1 March 2024 to 31 March 2024.

Had Provino Logistics Pte. Ltd. been acquired from 1 April 2023, consolidated revenue and consolidated profit for the year ended 31 March 2024 would have been US$1.26 million and US$0.12 million respectively.

30. Financial instruments: information on financial risks

30A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		**Company**	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Financial assets:				
Financial assets at amortised cost	**19,242**	19,564	**23,975**	21,824
Financial liabilities:				
Financial liabilities at amortised cost	**17,763**	14,267	**14,211**	9,295

30. Financial instruments: information on financial risks (continued)

30B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Group's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the objectives, policies and processes for managing the risk and the methods used to measure the risk during the year.

30C. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

30D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. The Group worked with local distributors to derive the cash flow projections of local distributors to determine the ability of the debtors to settle the trade receivable amounts. The calculations made use of cash flow projections prepared by the debtors (assisted by the Group's management) based on budgets and projections, taking into account initiatives currently undertaken to deliver expected future performance against latest market expectations, and using suitable discount rates for the projections. These estimates require a degree of estimation and judgement. The allowance for expected credit loss is based on the lifetime expected credit loss.

30. Financial instruments: information on financial risks (continued)

30D. Credit risk on financial assets (continued)

Note 22 disclosed the maturity of cash and cash equivalents balances. Cash and cash equivalents are held with reputable financial institutions and there was no identified impairment loss.

Trade receivables

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2024 and 31 March 2023 are set out in the provision matrix as follows:

		Past due				
	Current $'000	0 – 60 days $'000	61 – 120 days $'000	121 – 365 days $'000	More than 1 year $'000	Total $'000
2024						
Group						
Expected loss rate	**–**	**–**	**–**	**–**	**26%**	
Trade receivables	**355**	**299**	**229**	**749**	**22,954**	**24,586**
Loss allowance	**–**	**–**	**–**	**–**	**6,076**	**6,076**
Company						
Expected loss rate	**–**	**–**	**–**	**–**	**23%**	
Trade receivables	**2**	**–**	**2**	**4**	**703**	**711**
Loss allowance	**–**	**–**	**–**	**–**	**160**	**160**
2023						
Group						
Expected loss rate	–	–	–	–	26%	
Trade receivables	220	132	259	508	23,532	24,651
Loss allowance	–	–	–	–	6,076	6,076
Company						
Expected loss rate	–	–	–	–	21%	
Trade receivables	2	–	3	8	761	774
Loss allowance	–	–	–	–	160	160

Maximum exposure and concentration of credit risk

The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the financial year.

Concentration of credit risk exists when changes in economic, industry or geographical factors similarly affect group of counterparties whose aggregate exposure is significant in relation to the Group's total credit exposure. Ongoing credit evaluation is performed on the financial condition of receivables. As at 31 March 2024, approximately 98% (2023: 99%) of the Group's trade receivables were due from 3 (2023: 3) local business partners in Myanmar and 1 (2023: 1) associate. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

30. Financial instruments: information on financial risks (continued)

30D. Credit risk on financial assets (continued)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the the end of the reporting period with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

A financial instrument is determined to have low credit risk; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes. Where information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Financial guarantees

The Company has issued financial guarantees to its subsidiaries' franchisors in relation to the payments and performance obligations of the subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have the financial and operational capacity to meet the performance obligations. Hence, the Company does not expect significant credit losses arising from these guarantees.

30. Financial instruments: information on financial risks (continued)

30E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables varies. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The following table analysis the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Group	**Less than 1 year**	**1 – 5 years**	**Total**
	US$'000	US$'000	US$'000
Non-derivative financial liabilities:			
2024			
Gross borrowings commitments	**493**	**11,778**	**12,271**
Gross lease liabilities	**634**	**1,468**	**2,102**
Trade and other payables	**3,260**	**1,152**	**4,412**
At end of the year	**4,387**	**14,398**	**18,785**
2023			
Gross borrowings commitments	1,620	8,091	9,711
Gross lease liabilities	226	419	645
Trade and other payables	3,087	1,513	4,600
At end of the year	4,933	10,023	14,956

Company	**Less than 1 year**	**1 – 5 years**	**Total**
	US$'000	US$'000	US$'000
Non-derivative financial liabilities:			
2024			
Gross borrowings commitments	**493**	**11,778**	**12,271**
Gross lease liabilities	**98**	**99**	**197**
Trade and other payables	**1,263**	**1,057**	**2,320**
At end of the year	**1,854**	**12,934**	**14,788**
2023			
Gross borrowings commitments	–	8,091	8,091
Gross lease liabilities	99	198	297
Trade and other payables	904	548	1,452
At end of the year	1,003	8,837	9,840

30. Financial instruments: information on financial risks (continued)

30E. Liquidity risk – financial liabilities maturity analysis (continued)

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the year, no claims on the financial guarantees are expected to be payable.

30F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position.

The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group	
	2024	2023
	US$'000	US$'000
Financial assets with interest:		
Floating rate	**–**	750
Financial liabilities with interest:		
Fixed rate	**11,704**	7,569
Floating rate	**–**	1,500
At end of year	**11,704**	9,069

The floating rate debt instruments are with interest rates that are re-set regularly at one-, three- or six-month intervals. The interest rates are disclosed in the respective notes. Sensitivity analysis for interest rate risk is not disclosed as the effect on the profit or loss is considered not significant with all other variables including tax rate being held constant.

30. Financial instruments: information on financial risks (continued)

30G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Analysis of amounts denominated in non-functional currency:

	Singapore Dollars	**Myanmar Kyats**	**Malaysia Ringgit**	**Total**
	US$'000	US$'000	US$'000	US$'000
2024:				
Financial assets:				
Cash and cash equivalents	**112**	**5**	**–**	**117**
Trade and other receivables	**276**	**–**	**24**	**300**
Total financial assets	**388**	**5**	**24**	**417**
Financial liabilities:				
Borrowings	**2,224**	**–**	**–**	**2,224**
Trade and other payables	**1,380**	**339**	**50**	**1,769**
Lease liabilities	**1,647**	**–**	**–**	**1,647**
Total financial liabilities	**5,251**	**339**	**50**	**5,640**
Net financial liabilities at end of year	**(4,863)**	**(334)**	**(26)**	**(5,223)**

	Singapore Dollars	**Myanmar Kyats**	**Total**
	US$'000	US$'000	US$'000
2023:			
Financial assets:			
Cash and cash equivalents	556	81	637
Trade and other receivables	20	–	20
Total financial assets	576	81	657
Financial liabilities:			
Borrowings	1,479	–	1,479
Trade and other payables	813	535	1,348
Lease liabilities	579	–	579
Total financial liabilities	2,871	535	3,406
Net financial liabilities at end of year	(2,295)	(454)	(2,749)

30. Financial instruments: information on financial risks (continued)

30G. Foreign currency risk (continued)

Sensitivity analysis:

	Group	
	2024	2023
	US$'000	US$'000
A 10% strengthening in the exchange rate of the functional currency United States Dollar against Singapore Dollar (SGD) with all other variables held constant would have an adverse effect on pre-tax loss of:	**486**	230
A 10% strengthening in the exchange rate of the functional currency United States Dollar against Myanmar Kyats (MMK) with all other variables held constant would have a favourable effect on pre-tax loss of:	**33**	45
A 10% strengthening in the exchange rate of the functional currency United States Dollar against Malaysia Ringgit (MYR) with all other variables held constant would have a favourable effect on pre-tax loss of:	**3**	–

The above table shows sensitivity to a hypothetical percentage variation in the functional currency against the relevant material non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction on profit or loss.

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out on the basis that there are no hedged transactions.

31. Events after the end of the reporting year

Subsequent to the financial year end, on 26 April 2024, the Group received additional funding support from one of its shareholders in the form of shareholders' loan of US$0.25 million.

On 2 July 2024, the Group's wholly owned subsidiary, SMI CS Pte. Ltd. signed a new Option to Rent Agreement to create a second location for the Group to increase by over 50% the total power available for digital mining.

32. Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 April 2023. The adoption of these standards did not have any material effect on the Group's financial statements, except as disclosed below:

Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group has adopted the amendments to SFRS(I) 1-12 for the first time in the current year. The amendments narrow the scope of the initial recognition exemption, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences (e.g. leases and decommissioning obligations). Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments, the Group is required to recognise separately deferred tax asset and deferred tax liability for the deductible and taxable temporary differences in relation to its lease liabilities and right-of-use assets respectively. As disclosed in Note 28, there was no impact to the opening retained earnings as at 1 April 2022 as a result of the change, and there was also no impact on the statement of financial position as the resulting deferred tax consequences qualify for offsetting under SFRS(I) 1-12.

33. Standards issued but not effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

	Effective for annual periods beginning on or after
• Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current*	1 January 2024
• Amendments to SFRS(I) 16 *Lease Liability in a Sale and Leaseback*	1 January 2024
• Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants*	1 January 2024
• Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*	1 January 2024
• Amendments to SFRS(I) 1-21: *Lack of Exchangeability*	1 January 2025
• Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investment in Associate and Joint Ventures: *Sales or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2024

Issued and fully paid share capital	:	S$101,839,677.05
Total number of shares in issue	:	602,677,074
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

There are no treasury shares held in the issued share capital of the Company.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information provided and to the best knowledge of the Directors, approximately 36.08% of the issued ordinary shares of the Company were held in the hands of the public as at 18 June 2024 and therefore Rule 723 of the Listing Manual is complied with.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	1	0.09	1	0.00
100 – 1,000	66	5.71	49,773	0.01
1,001 – 10,000	328	28.40	2,312,700	0.38
10,001 – 1,000,000	725	62.77	96,585,400	16.03
1,000,001 and above	35	3.03	503,729,200	83.58
TOTAL	1,155	100.00	602,677,074	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	177,390,283	29.43
2	MAYBANK SECURITIES PTE. LTD.	119,799,333	19.88
3	RAFFLES NOMINEES (PTE) LIMITED	54,157,303	8.99
4	OCBC SECURITIES PRIVATE LTD	37,565,490	6.23
5	MICHAEL PATRICK HADLEY	20,230,000	3.36
6	DBS NOMINEES PTE LTD	9,041,083	1.50
7	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	8,483,600	1.41
8	ROMIEN CHANDRASEGARAN	7,213,800	1.20
9	PHILLIP SECURITIES PTE LTD	6,966,300	1.16
10	CGS INTL SECURITIES SINGAPORE PTE. LTD.	6,678,700	1.11
11	TIGER BROKERS (SINGAPORE) PTE. LTD.	4,873,600	0.81
12	UOB KAY HIAN PTE LTD	4,369,008	0.72
13	TAN JIA SHYAN	3,371,000	0.56
14	CHUA LAY HONG	3,000,000	0.50
15	HO CHEE TONG	3,000,000	0.50
16	WONG YONGQIANG JABEZ	2,900,000	0.48
17	TAN KHEE BOON	2,529,000	0.42
18	LING CHEE MAY	2,528,750	0.42
19	LOH ZEN CHIA	2,528,750	0.42
20	LEOW HUN SIN	2,500,000	0.41
		479,126,000	79.51

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%[(1)]
Ho Kwok Wai[(2)]	-	-	164,749,871	27.34
Mark Francis Bedingham[(3)]	-	-	175,918,383	29.19
Jet Palace Holdings Limited[(2)]	-	-	33,400,000	5.54
Taipan Grand Investments Limited[(2)]	-	-	77,933,000	12.93
The9 Singapore Pte. Ltd.[(4)]	44,568,090	7.40	-	-
The9 Limited[(4)]	-	-	44,568,090	7.40

Notes:

(1) Based on the issued shares of the Company comprising 602,677,074 ordinary shares as at 18 June 2024.

(2) Mr Ho Kwok Wai's aggregate deemed interest comprises 33,400,000 shares held by Jet Palace Holdings Limited, 77,933,000 shares held by Taipan Grand Investments Limited and 53,416,871 shares held by EFG Bank AG.

(3) Mr Mark Francis Bedingham is deemed to be interested in 175,918,383 shares held by Bank Julius Baer.

(4) The9 Singapore Pte. Ltd. is a wholly-owned subsidiary of The9 Limited. As such, The9 Limited is deemed to be interested in 44,568,090 shares held by The9 Singapore Pte. Ltd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of SMI VANTAGE LIMITED (the "Company") will be held at Singapore Cricket Club, Connaught Drive, Singapore 179681 on Tuesday, 30 July 2024 at 2.00 p.m., for the following purposes:

AS ORDINARY BUSINESS:

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2024 together with the Directors' Statement and the Independent Auditors' Report thereon. (Resolution 1)

2. To approve the payment of Directors' fees of S$217,278 for the financial year ended 31 March 2024. (2023: S$160,000) (Resolution 2)
   (see explanatory note 1)

3. To re-elect Mr Ho Kwok Wai, a Director who is retiring under Article 91 of the Company's Constitution and who being eligible, offers himself for re-election. (Resolution 3)

4. To re-elect Mr Sam Chong Keen, a Director who is retiring under Article 91 of the Company's Constitution and who being eligible, offers himself for re-election. (Resolution 4)
   (see explanatory note 2)

5. To re-elect Mr Tan Chade Phang, a Director who is retiring under Article 97 of the Company's Constitution and who being eligible, offers himself for re-election. (Resolution 5)
   (see explanatory note 2)

6. To re-appoint Messrs PKF-CAP LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without any modifications:

7. **Authority to Allot and Issue Shares** (Resolution 7)

   "(A) That, pursuant to Section 161 of the Companies Act 1967 and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), approval be and is hereby given to the Directors of the Company to:

   (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

   (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "**Instruments**") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and/or

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues, at any time to such persons and upon such terms and for such purposes as the Directors of the Company may in their absolute discretion deem fit; and

(B) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while the authority was in force,

provided always that

(a) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares (**excluding treasury shares and subsidiary holdings, if any**) of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (**excluding treasury shares and subsidiary holdings, if any**) of the Company (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the total number of issued shares (**excluding treasury shares and subsidiary holdings, if any**) shall be based on the total number of issued shares (**excluding treasury shares and subsidiary holdings, if any**) of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities;

(ii) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of SGX-ST; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares,

Adjustments in accordance with sub-paragraphs (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time this Resolution is passed;

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(see explanatory note 3)

8. To transact any other business that may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Peck Jen Jen
Company Secretary
Singapore

15 July 2024

EXPLANATORY NOTES:

1. Out of S$217,278, S$33,944 will be distributed to the chairpersons of the Audit Committee, Nominating Committee, Remuneration Committee, and Environmental, Social and Governance Committee for their contributions as chairs of the board committees. Part of the fees were pro-rated based on the appointment of Mr Tan Chade Phang as the Independent and Non-Executive Director on 1 September 2023 and the appointment of Ms Edna Claudine Leong Lai Yee as the chairperson of the Nominating Committee and Environmental, Social and Governance Committee on 1 July 2023 and 8 November 2023 respectively.

2. Mr Sam Chong Keen will, upon re-election as a Director of the Company, remain as the Lead Independent Director, the Chairman of the Audit Committee, a member of the Remuneration, Nominating and Environmental, Social and Governance Committees.

   Mr Tan Chade Phang will, upon re-election as a Director of the Company, remain as an Independent Director, a member of the Audit, Remuneration, Nominating and Environmental, Social and Governance Committees.

   The Directors who have offered themselves for re-election have each confirmed that, they do not have any relationships (including immediate family relationships) with other Directors, the Company, its related corporations or its substantial shareholders. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

3. The proposed Ordinary Resolution 7, if passed, will authorise and empower the Directors from the date of this Meeting until the conclusion of the next Annual General Meeting, or the date by which the next Annual General Meeting of the Company is required by law to be held, or when revoked or varied by the Company in general meeting, whichever is earlier, to allot and issue shares in the Company. The maximum number of shares which the Directors may issue under this resolution shall not exceed the quantum as set out in the resolution.

IMPORTANT NOTES:

Format of Meeting

1. The Annual General Meeting ("AGM") will be held, in a wholly physical format, at Singapore Cricket Club, Connaught Drive, Singapore 179681 on Tuesday, 30 July 2024 at 2.00 p.m. Shareholders, including Central Depository Fund Investment Scheme ("CPF") and Supplementary Retirement Scheme ("SRS") investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for shareholders to participate virtually.**

Access to Documents

2. Printed copies of this Notice, the accompanying proxy form and the Annual Report 2024 will be sent by post to members. These documents will also be published on the Company's website at http://sin-mi.listedcompany.com/newsroom.html and the SGX website at https://www.sgx.com/securities/company-announcements.

Submission of Questions

3. **Submission of questions.** Shareholders, including CPF and SRS investors, can submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM, in the following manner:

   (a) **by post** to the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619; or

   (b) **by email** to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com.

   Shareholders are required to provide the Company with the following details when sending in their questions by post or email:

   - their full names;
   - their full address; and
   - the manner in which they hold shares in the Company (e.g. via The Central Depository (Pte) Limited, CPF or SRS).

   For submission of questions in advance by the shareholders, all questions must be received by 5.00 p.m. on 23 July 2024.

Addressing questions. The Company will endeavour to address all substantial and relevant questions which shareholders have submitted in advance by publishing the Company's responses to such questions via the SGX website and the Company's website before trading hours on 26 July 2024. The Company will respond to questions or follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) submitted after the 23 July 2024 deadline either within a reasonable timeframe before the AGM, or at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

Minutes of AGM. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on the SGX website and the Company's website respectively. The minutes of the AGM will include the responses to substantial and relevant questions from shareholders which are addressed during the AGM.

Appointment of Proxy(ies)

4. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

5. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

6. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting for, voting against or abstentions from voting, in respect of a resolution in the form of proxy appointing the Chairman of the Meeting as proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

7. CPF or SRS investors:

   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 18 July 2024, being 7 working days before the date of the AGM.

8. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com.

   in either case not less than forty-eight (48) hours before the time appointed for holding the AGM.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Ho Kwok Wai, Mr Sam Chong Keen and Mr Tan Chade Phang are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 July 2024 (“**AGM**”) (collectively, the “**Retiring Directors**” and each a “**Retiring Director**”).

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Name of Director	**MR HO KWOK WAI**	**MR SAM CHONG KEEN**
Date of Appointment	6 November 2013	31 January 2022
Date of last re-appointment	15 December 2021	28 July 2022
Age	59	71
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the past contribution and suitability of Mr Ho Kwok Wai (“Mr Ho”) for re-appointment as Non-Executive Director and Chairman of the Company. The Board has reviewed and concluded that Mr Ho possesses the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the past contribution and suitability of Mr Sam Chong Keen (“Mr Sam”) for re-appointment as Lead Independent Director of the Company. The Board has reviewed and concluded that Mr Sam possesses the experience, expertise, knowledge, and skills to continue contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Chairman	Lead Independent Director Chairman of the Audit Committee and a member of the Remuneration, Nominating and Environmental, Social and Governance Committee
Professional qualifications	Polytechnic University with a major in Management Accountancy	Bachelor of Arts (Engineering Science and Economics) (Honours) Degree Master of Arts Degree from the University of Oxford Diploma from the Institute of Marketing, United Kingdom

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	MR HO KWOK WAI	MR SAM CHONG KEEN
Working experience and occupation(s) during the past 10 years	2010 – present: Director and Consultant of Conscendo Capital Pte. Ltd.	Non-Executive & Independent Chairman of Stamford Tyres Corporation Limited Independent Director of A-Smart Holdings Ltd. Chairman & Independent Director of Lion Asiapac Limited Independent Director of Parkson Retail Asia Limited
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest in the Company: • 33,400,000 shares held by Jet Palace Holdings Limited; • 77,933,000 shares held by Taipan Grand Investments Limited; and • 53,416,871 shares held by the nominee EFG Bank AG.	NIL
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments including Directorships		
Past (for the last 5 years)	1. Wisdom Union Corporation Limited 2. Tsuta International Limited 3. Tsuta International (TST) Limited 4. Conscendo Captial Management Limited (Cayman Islands)	NIL

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	MR HO KWOK WAI	MR SAM CHONG KEEN
	5. Conscendo Strategic Holdings Limited (BVI) 6. Million Nation Asia Limited 7. PMRK Investments Fund Pte Ltd 8. PMRK Investments Holdings Pte Ltd 9. Conscendo Holdings Pte Ltd	
Present	1. All Sino Limited 2. ARCC Urban Pte. Ltd. 3. Atelier Fashion Limited 4. China Team Properties Limited 5. Conscendo Capital Pte Ltd 6. Ever Force Limited 7. Faster Limited 8. Forever Nice Holdings Limited 9. Genius Time Asia Limited 10. Golden Dream Properties Limited 11. Good One Limited 12. Hanma Biotech Asia Group Limited 13. Jet Palace Holdings Limited 14. Karate Mind Group Limited 15. Mega Power Development Limited 16. One Rock Investment Pte Ltd 17. OneRock International Management Pte Ltd 18. Rich Genius Holdings Limited 19. Sky Alliance Properties Limited 20. SMI Vantage Limited 21. Taipan Grand Investments Limited 22. Wider Ocean Limited 23. Winner Up Limited 24. OneRock Consulting Pte Ltd	1. Lion Asiapac Limited 2. Stamford Tyres Corporation Limited 3. A-Smart Holdings Ltd. 4. Parkson Retail Asia Limited

Name of Director	MR HO KWOK WAI	MR SAM CHONG KEEN
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	MR HO KWOK WAI	MR SAM CHONG KEEN
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Name of Director	MR HO KWOK WAI	MR SAM CHONG KEEN
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

Name of Director	MR HO KWOK WAI	MR SAM CHONG KEEN
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	**MR TAN CHADE PHANG**
Date of Appointment	1 September 2023
Date of last re-appointment	N/A
Age	48
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the past contribution and suitability of Mr Tan Chade Phang ("Mr Tan") for re-appointment as Independent Director of the Company. The Board has reviewed and concluded that Mr Tan possesses the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director Member of the Audit, Remuneration, Nominating and Environmental, Social and Governance Committee
Professional qualifications	Bachelor of Business in Accountancy and Master of Finance from RMIT University
Working experience and occupation(s) during the past 10 years	Nov 2015 to Present: President in Small and Middle Capitalisation Companies Association Aug 2013 to May 2023: Chief Executive Officer in Voyage Research Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	MR TAN CHADE PHANG
Other Principal Commitments including Directorships	
Past (for the last 5 years)	Feb 2021 to Mar 2023: Independent Director in Revez Corporation Ltd. Mar 2021 to Sep 2021: Independent Director in Camsing Healthcare Limited Jun 2018 to Apr 2021: Independent Director in TIH Limited 30 Sep 2019 to Oct 2020: Independent Director in TBK and Sons Holdings Limited
Present	1. Y Ventures Group Ltd. 2. OUE Healthcare Limited 3. Luminor Financial Holdings Limited 4. Tritech Group Limited
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No

Name of Director	MR TAN CHADE PHANG
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

Name of Director	MR TAN CHADE PHANG
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

SMI VANTAGE LIMITED
(Company Registration Number 200505764Z)
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

This proxy form has been made available on SGXNet and the Company's website at http://sin-mi.listedcompany.com/newsroom.html.

IMPORTANT

1. The Annual General Meeting ("AGM") will be held, in a wholly physical format, at Singapore Cricket Club, Connaught Drive, Singapore 179681 on Tuesday, 30 July 2024 at 2.00 p.m. **There will be no option for shareholders to participate virtually.** Arrangements relating to, among others, attendance at the AGM, submission of questions in advance, addressing of substantial and relevant questions in advance of, or at the AGM and voting at the AGM are set out in the Notice of AGM dated 15 July 2024 which are published on the SGX website and the Company's website.
2. This Proxy Form is not valid for use by Central Depository Fund Investment Scheme ("CPF") and Supplementary Retirement Scheme ("SRS") investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/ SRS investors:
   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 18 July 2024, being 7 working days before the date of the AGM.
3. By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 July 2024.
4. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).

I/We, (Name) ______________________ (NRIC/Passport/Co. Reg. No.) ______________________

of (Address) ____

being a member/members of SMI VANTAGE LIMITED (the "**Company**"), hereby appoint:

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

and/or*

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

or failing *him/her, the Chairman of the Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the AGM of the Company to be held at Singapore Cricket Club, Connaught Drive Singapore 179681 on Tuesday, 30 July 2024 at 2.00 p.m. and at any adjournment thereof in the following manner:

No.	**Ordinary Resolutions**	**For**	**Against**	**Abstain**
ORDINARY BUSINESS				
1	Adoption of Audited Financial Statements for the financial year ended 31 March 2024 together with the Directors' Statements and the Independent Auditors' Report thereon.			
2	Approval of Directors' fees amounting to S$217,278 for the financial year ended 31 March 2024.			
3	To re-elect Mr Ho Kwok Wai, a Director who is retiring under Article 91 of the Company's Constitution and who being eligible, offers himself for re-election.			
4	To re-elect Mr Sam Chong Keen, a Director who is retiring under Article 91 of the Company's Constitution and who being eligible, offers himself for re-election.			
5	To re-elect Mr Tan Chade Phang, a Director who is retiring under Article 97 of the Company's Constitution and who being eligible, offers himself for re-election.			
6	To re-appoint Messrs PKF-CAP LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
7	To authorise the Directors to allot and issue new shares in the Company and make/grant/offer Instruments.			

Note: Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of ordinary shares that your proxy/proxies is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. **In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.**

**Delete as appropriate*

Dated this __________ day of __________ 2024

Total No. of Shares in	**No. of Shares**
CDP Register	
Register of Members	

____
Signature of member(s) or
Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the shares held by you.

2. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

4. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

5. The form appointing a proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the form appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where a form appointing a proxy(ies) is signed and authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the form appointing a proxy(ies) is submitted by post, be lodged with the form of proxy or, if the form of proxy is submitted electronically via email, be emailed with the form of proxy, failing which the form may be treated as invalid.

6. A corporation which is a member may also authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Companies Act 1967.

7. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting in person at the Annual General Meeting. If a member attends the Annual General Meeting in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the Annual General Meeting.

8. The form appointing a proxy(ies), duly completed and signed, must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com,

   in either case, by not later than 2.00 p.m. on 28 July 2024, being forty-eight (48) hours before the time appointed for holding the Annual General Meeting.

   Members are strongly encouraged to submit completed proxy forms electronically via email.

9. An investor who holds shares under the Central Depository Fund Investment Scheme ("CPF investor") and/or the Supplementary Retirement Scheme ("SRS") (as may be applicable) may attend and cast his/her vote(s) at the Annual General Meeting in person. CPF and SRS investors who are unable to attend the Annual General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Annual General Meeting to act as their proxy, in which case, the CPF and SRS investors shall be precluded from attending the Annual General Meeting.

10. The Company shall be entitled to reject the form appointing a proxy(ies) if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the form appointing a proxy(ies) (including any related attachment). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any form appointing a proxy(ies) lodged or submitted if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

SMI VANTAGE LIMITED

ANNUAL REPORT 2024

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