

SMI VANTAGE LIMITED

(Registration No. 200505764Z)

(Incorporated in Singapore)

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

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

Update on financial position

Please refer to the announcement of the audited financial statement of the Group for the reporting year ended 31 March 2024, released via the SGXNet on 15 July 2024, for an update on the Group’s financial performance and financial position.

The Group commenced Digital Mining from April 2022, following the approval of the new business from shareholders during the EGM held on 19 April 2022. Digital mining machines were being installed and mining operations started in Melaka and Brunei in April and May 2022 respectively, however the operations were paused when the value of Bitcoin decreased significantly in September 2022. During the financial year, the Group has announced through a media release on 14 September 2023 that an Offer-to-Rent agreement had been signed with a landlord to develop its Bitcoin mining business in East Malaysia, Sarawak, and through a media release on 9 February 2024 that its Bitcoin mining operations have been resumed. On 12 March 2024, the Group announced the acquisition of 200 Bitmain S19 BTC mining machines, and on 29 April 2024, the Group announced the installation of its 2nd containerised digital mining facility at the East Malaysia location.

The Group has obtained additional shareholder loans of US\$0.25 million on 2 May 2024 and US\$0.15 million on 29 July 2024 from Mark Francis Bedingham. The Group has also obtained undertakings from the shareholders not to recall the shareholders’ loans of US\$9.73 million.

The Group does not have any outstanding external bank borrowings.

Update on Efforts for satisfying Financial Exit Criteria

The Yangon International Airport (“YIA”) reopened on 17 April 2022, and passenger traffic has been recovering gradually. As of April 2024, the number of daily flights operating out of YIA is 65% of pre-pandemic levels, and this is expected to gradually increase throughout FY2025. The Group continues to monitor its operating costs and has obtained extensive rent reductions and rent mitigations with its landlords as well as rebalancing organization related costs in the country.

The Group announced through a media release on 14 September 2023 that the Group had signed an Offer-to-Rent agreement with a landlord to develop its BTC mining operations in Sarawak, and had announced through a media release on 9 February 2024 that its Bitcoin mining operations have been resumed. On 12 March 2024, the Group announced the acquisition of 200 Bitmain S19 BTC mining machines, and on 29 April 2024, the Group announced the installation of its 2nd containerised digital mining facility at the East Malaysia location. The Group is looking to further develop its digital mining operations through the acquisition of more high hash rate machines and leasing of additional digital mining locations.

The Group has continued to roll out its unique A.I.-inspired F&B concept, Robochef, in Singapore, with 2 outlets currently in operation. The Group is exploring opportunities for this Robochef concept internationally during 2H FY2025.

On 27 June 2023, the Group announced that it has entered into a sale and purchase agreement to acquire 255,000 ordinary shares representing 51% of the issued and paid share capital of Provino Logistics Pte Ltd (“Provino”) for a total consideration of S\$1.7 million. The acquisition was funded via the allotment and issuance of new shares of the Company and cash payment to the acquiree of S\$1.2 million and S\$0.5 million respectively. On 7 March 2024, the Group announced the completion of the acquisition of Provino. The acquisition of Provino is part of the Group’s corporate strategy to diversify and expand into complementary business areas within the food and beverage industry and the proposed acquisition will provide the group with a new source of revenue and further develop the Group’s business.

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Update on Efforts for satisfying Financial Exit Criteria (continued)

On 2 July 2024, the Group announced the signing of a new Option to Rent agreement, which will create a second digital mining location, and correspondingly increase by over 50% the total power available for digital mining, adding to the first location announced previously in November 2023.

On 2 August 2024, the Group announced that it had signed a Cooperation Agreement with The9 Limited to strengthen the partnership in Bitcoin Mining, including the hosting of up to 100 of The9's bitcoin machines that have processing power above 120 TH/s at the Group's East Malaysia facilities, as well as to identify new opportunities in Artificial Intelligence while building on the existing relationship between the two Companies. The Group will also explore opportunities at new digital mining locations in South East Asia and the Middle East, targeting facilities with 5 MW power supply (capacity for 2000 machines and above).

On 14 August 2024, the Group announced that it has entered into a Sale and Purchase agreement to acquire a controlling interest in Whisky Cask Club Pte Ltd ("WCC") for a total consideration of S\$3.0 million. The acquisition will be funded via the allotment and issuance of new shares of the Company and is subject to shareholders approval at an EGM. Whisky Cask Club is a premier brokerage firm based in Singapore specializing in the investment and trading of casks of rare and ultra-premium whisky. With over 50 years of combined experiences in the Scottish Whisky Industry, the Company partners with exclusive suppliers to provide clients access to some of the most sought-after casks available in the market.

The Group continues to look for further business opportunities in Singapore in accordance with the revised new business goals as set out in the approved Extraordinary General Meeting held on 19 April 2022 and will advise shareholders when such an opportunity is finalized.

The Company would like to remind all shareholders of the Company and potential investors that there is no assurance that the SGX-ST will grant the Revised Application in view of the Delisting Notice that has been received by the Company. As such, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take, should consult their stockbroker, bank manager, solicitor, accountant or other professional advisors.

By Order of the Board

Mark Francis Bedingham

President and Chief Executive Officer

15 August 2024