



## Singapore Myanmar Investco Limited

(Company Registration No. 200505764Z)

### Unaudited Financial Statements Announcement For The Second Quarter and Half Year Ended 30 September 2019

1(a) A statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding reporting year.

(In US\$'000)	Note	Group		%	Group		%
		3 months ended 30/09/2019 FY2020	3 months ended 30/09/2018 FY2019	Increase/Decrease	6 months ended 30/09/2019 FY2020	6 months ended 30/09/2018 FY2019	Increase/Decrease
<b>Revenue</b>	1	6,308	7,292	(13.5)	11,432	12,107	(5.6)
Cost of Sales		(4,756)	(5,281)	(9.9)	(8,655)	(8,848)	(2.2)
<b>Gross Profit</b>	2	1,552	2,011	(22.8)	2,777	3,259	(14.8)
Gross Profit Margin		24.6%	27.6%		24.3%	26.9%	
<b>Other Items of Income</b>							
Other Income	3	168	315	(46.7)	283	322	(12.1)
Other Gains	4	21	456	(95.4)	33	698	(95.3)
<b>Other Items of Expenses</b>							
Selling & Distribution Costs	5	(602)	(482)	24.9	(1,155)	(830)	39.2
Administrative Expenses	6	(1,675)	(1,730)	(3.2)	(3,078)	(3,134)	(1.8)
Finance Costs	7	(260)	(392)	(33.7)	(531)	(694)	(23.5)
Other Charges	8	(675)	(69)	N.M	(748)	(132)	N.M
Share of results of Associates, net of tax		*	-	N.M	*	-	N.M
Share of results of jointly-controlled entities, net of tax		(75)	(37)	105.4	(52)	(43)	23.3
<b>(Loss)/profit Before Income Tax from Continuing Operations</b>	9	(1,546)	72	N.M	(2,471)	(554)	N.M
Income Tax Expenses		(39)	(23)	69.6	(65)	(92)	(29.3)
(Loss)/profit from Continuing Operations, Net of Tax		(1,585)	49	N.M	(2,536)	(646)	N.M
Profit/(loss) from Discontinued Operations, Net of Tax	10	182	(629)	N.M	19	(695)	N.M
<b>Loss, Net of Tax and total comprehensive loss</b>		<b>(1,403)</b>	<b>(580)</b>	N.M	<b>(2,517)</b>	<b>(1,341)</b>	87.7
<b>Loss, Net of Tax and total comprehensive loss, Attributable to:-</b>							
Equity holders of the Company		(1,399)	(542)	158.1	(2,480)	(1,288)	92.5
Non-Controlling Interests		(4)	(38)	(89.5)	(37)	(53)	(30.2)
<b>Loss, Net of Tax and total comprehensive loss</b>		<b>(1,403)</b>	<b>(580)</b>	<b>N.M</b>	<b>(2,517)</b>	<b>(1,341)</b>	<b>87.7</b>

\*less than \$1,000

N.M. denotes not meaningful

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(In US\$'000)	Note	Group		%	Group		%
		3 months ended 30/09/2019 FY2020	3 months ended 30/09/2018 FY2019	Increase/ (Decrease)	6 months ended 30/09/2019 FY2020	6 months ended 30/09/2018 FY2019	Increase/ (Decrease)
<b>1(a)(ii) (Loss)/profit included the following:</b>							
Depreciation and amortisation of property, plant and equipment and intangible assets	11	(698)	(759)	(8.0)	(1,379)	(1,389)	(0.6)
Loss on disposal of property, plant and equipment	8	(272)	-	N.M	(261)	-	N.M
Management fees	6	-	(24)	N.M	-	(48)	N.M
Other income	3						
- Interest income		5	2	N.M	9	22	(59.1)
- Others		163	313	(47.9)	274	300	(8.7)
		<b>168</b>	<b>315</b>	(46.7)	<b>283</b>	<b>322</b>	(12.1)
Other Gains	4	21	456	(92.8)	33	698	(95.3)
Other Charges	8	(403)	(69)	N.M	(487)	(132)	N.M
Finance costs							
- Interest expense	7	(260)	(392)	(33.5)	(531)	(694)	(23.5)

## 1(a)(iii) Income tax expenses included the following:

	Group		%	Group		%
	3 months ended 30/09/2019 FY2020	3 months ended 30/09/2018 FY2019	Increase/ (Decrease)	6 months ended 30/09/2019 FY2020	6 months ended 30/09/2018 FY2019	Increase/ (Decrease)
<b>Current taxation</b>						
Provision for current year	-	(23)	N.M	-	(92)	N.M
Underprovision in respect of prior year	(39)	-	N.M	(65)	-	N.M
<b>Total</b>	(39)	(23)	N.M	(65)	(92)	N.M

*N.M. denotes not meaningful*

## **Explanatory notes on performance for 1HFY2020:**

### 1. Revenue

Travel and Fashion retail sales increased by 11.9% compared to 1HFY2019 and now represents 78.4% of the total Group revenue. The other area of focus for the Group - F&B increased by 38.6%.

The decline in Auto services reflected the decision to downsize the fleet and move away from short term leases. Similarly, equipment sales (Construction services) have been significantly reduced in order to control Accounts receivables exposure and also reflecting the poor market environment.

### 2. Gross Profit

Gross profit has decreased by 14.8% (US\$0.4 million) which reflects the decision to reduce the CAPEX usage fee to our local retail distributor by US\$0.8 million, reflecting slower than expected recovery in passenger purchasing at the airport, as well as reduced financing charges. Without this reduction, gross profit margin would have increased to 29.2%, reflecting the higher underlying gross profit of Retail in the business mix.

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3. Other Income

Other income relates to the finance leases offered to customers, commission income, consultancy fees charged to the joint venture and franchise income.

The reduction in other income is mainly attributable to lower franchise fees earned from Construction services' local equipment distributor.

4. Other Gains

This relates mainly to the net exchange gain from the revaluation of the Myanmar Kyat denominated loans due to the strengthening of the US Dollar.

Myanmar Kyat has been relatively stable against the US Dollar in the 1HFY2020; compared to a significant weakening in 1HFY2019.

5. Selling & Distribution Costs

Selling & Distribution costs increased by US\$0.3 million from 1HFY2019; this increase is attributable to new F&B outlets, requiring more staff (US\$0.1 million) and more rental space (US\$0.1 million). In addition, problems with customs entry and related to shipment difficulties into Myanmar, has required, temporarily, additional warehouse space to be taken in Singapore for duty free alcohol and tobacco (US\$0.1 million).

6. Administrative Expenses

Administrative expenses remained stable at US\$3.1 million for 1HFY2020.

7. Finance Costs

Finance costs decreased mainly attributable to lower bank borrowings.

8. Other Charges

A one-time Board approved bonus payment (US\$0.4 million) for business disposal and restructuring.

Other charges also includes donations to Room to Read charity program, SMI's major CSR program, which commenced in January 2018 and a one-off loss on disposal of furniture and fittings of US\$0.3 million related to the office move in Yangon.

9. Loss before income tax from continuing operations

Excluding the one-time bonus and loss on disposal of furniture and fittings totalling US\$0.7 million, the Group loss before tax from continuing operations would have been US\$0.7 million for Q2FY2020 and US\$1.7 million for 1HFY2020.

Elimination of other non-recurring items (logistics costs etc) would have further reduced the loss to US\$1.5 million.

10. Discontinued operations

As at 11 April 2019, the Company, together with its subsidiary, Myanmar Infrastructure Group Pte Ltd. ("MIG") entered into a tower asset sale and transfer agreement with Irrawaddy Green Towers Limited and Irrawaddy Towers Asset Holding Pte. Ltd. ("IGT") for the sale of all TPR's telecommunications towers in Myanmar. TPR's results are presented separately in the consolidated income statement as "Discontinued operation".

Further to the extraordinary general meeting held on 18<sup>th</sup> September 2019 at which shareholders voted in favour of the disposal, all the conditions precedent for the Proposed Disposal have been fulfilled or waived and the tower sale has been completed. As such, the tower assets will cease to be held for sale because the proposed disposal has been completed.

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(In US\$'000)			
Description	Note	6 months ended 30/09/2019 (FY2020)	6 months ended 30/09/2018 (FY2019)
<b>Revenue</b>		600	1,336
Cost of Sales	a	(257)	(1,348)
<b>Gross Profit</b>		343	(12)
<b>Other Items of Income</b>			
Other Gains		8	17
<b>Other Items of Expenses</b>			
Distribution Costs		(1)	(22)
Administrative Expenses		(248)	(273)
Finance Costs		-	(59)
Other Charges	b	(83)	(346)
Loss Before Income Tax from Discontinued Operations		19	(695)
<b>Loss from Discontinued Operations, Net of Tax</b>		19	(695)

- a. Includes a US\$1.1 million penalty cost payable to a Tower supplier in the comparative figures  
b. Includes a \$0.3 million loss on disposal of equipment during Q2FY2019

### 11. Depreciation and Amortisation

Depreciation was in line with previous year.

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1(b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding reporting year.

(In US\$'000) Description	Note	Group		Company	
		30/09/2019	31/03/2019	30/09/2019	31/03/2019
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	12	12,154	12,998	604	957
Intangible Assets	13	591	676	-	-
Right-of-use Assets	14	115	-	115	-
Investments in Subsidiaries		-	-	4,569	4,569
Investments in Jointly-Controlled Entities		453	356	650	650
Investments in Associates		-	-	-	-
Other Assets, Non-Current	16	87	88	32	32
<b>Total Non-Current Assets</b>		<b>13,400</b>	<b>14,118</b>	<b>5,970</b>	<b>6,208</b>
<b>Current Assets</b>					
Inventories	17	645	52	-	-
Trade and Other Receivables	15	30,723	25,472	30,463	28,542
Other Assets, Current	16	1,218	1,514	123	122
Cash and Cash Equivalents		1,947	824	355	180
Assets classified as held for sale	18	-	7,927	-	-
<b>Total Current Assets</b>		<b>34,533</b>	<b>35,789</b>	<b>30,941</b>	<b>28,844</b>
<b>Total Assets</b>		<b>47,933</b>	<b>49,907</b>	<b>36,911</b>	<b>35,052</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity Attributable to equity holders of the company</b>					
Share Capital		59,862	59,862	59,862	59,862
Accumulated Losses		(37,666)	(35,186)	(35,298)	(34,519)
Employee share option reserve		188	81	188	81
<b>Total Equity attributable to Owners of the Parent</b>		<b>22,384</b>	<b>24,757</b>	<b>24,752</b>	<b>25,424</b>
Non-Controlling Interests		82	119	-	-
<b>Total Equity</b>		<b>22,466</b>	<b>24,876</b>	<b>24,752</b>	<b>25,424</b>
<b>Non-Current Liabilities</b>					
Lease Liability		117	-	117	-
Other Financial Liabilities, Non-Current		2,237	2,494	1,550	1,550
<b>Total Non-Current Liabilities</b>		<b>2,354</b>	<b>2,494</b>	<b>1,667</b>	<b>1,550</b>
Trade and Other Payables, Current	19	10,177	8,525	5,238	2,764
Income and Other Tax Payable, Current		988	1,105	104	164
Other Financial Liabilities, Current	20	11,948	12,907	5,150	5,150
Liabilities associated with assets classified as held for sale	21	-	-	-	8,078
<b>Total Current Liabilities</b>		<b>23,113</b>	<b>22,537</b>	<b>10,492</b>	<b>8,078</b>
<b>Total Liabilities</b>		<b>25,467</b>	<b>25,031</b>	<b>12,159</b>	<b>9,628</b>
<b>Total Equity and Liabilities</b>		<b>47,933</b>	<b>49,907</b>	<b>36,911</b>	<b>35,052</b>

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### 1(b)(i) Explanatory notes on financial position for 1HFY2020:

12. Property, Plant and Equipment  
Decrease in PPE in Q2FY2020 is mainly attributable to depreciation partially offset by small additional capital expenditure incurred for new retail shops and F&B outlets in domestic malls.
13. Intangible Assets  
The decrease in intangible assets in 1HFY2020 is mainly attributable to amortisation on license fees and franchise fees.
14. Right-of-use asset / Lease liability  
The Group has adopted SFRS (I) 6 for FY2020 and has recognised a right-of-use asset of US\$0.1 million and lease liability for leases that are longer than 12 months, mainly the Singapore office lease.
15. Trade and Other Receivables  
Receivables increased mainly due to higher sales and slower collections from local retail distributor ("RGS"). The Group had extended more credit to RGS to finance its inventory and distribution channels, whilst taking advantage of the growth in travel retail business.
16. Other Assets  
Other assets relate mainly to advance payments to suppliers.
17. Inventories  
Inventories relate mainly to the temporary build up of stock in Singapore owing to shipment and importation difficulties in Myanmar.
18. Assets classified as held for sale  
Upon completion of the tower sale in September, assets previously classified as held for sale have been sold.
19. Trade and Other Payables  
Trade and other payables increased in tandem with increased purchases to support higher sales.
20. Financial Liabilities  
Decrease in financial liabilities was mainly due to repayment of some of the bank loans.
21. Liabilities associated with assets classified as held for sale  
All intercompany balances associated with TPR previously classified under assets and liabilities held for sale are now reclassified upon completion of sale of tower assets.

### 1(b)(ii) Aggregate amount of group's borrowing and debt securities.

(In US\$'000)	As at 30/09/2019	As at 31/03/2019
	Secured	Secured
Amount repayable in one year or less, or an demand	6,798	7,757
Amount repayable after one year	687	944
<b>Total</b>	<b>7,485</b>	<b>8,701</b>

#### Details of any collateral

The banking facilities of the Group as at 30 September 2019 comprise loans and overdrafts. These facilities are secured by:

- (i) corporate guarantees from the Company
- (ii) charge over its subsidiaries' fixed deposit and trade receivables

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## 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding reporting year.

(In US\$'000)	Group		Group	
	3 months ended 30/09/2019 (FY2020)	3 months ended 30/09/2018 (FY2019)	6 months ended 30/09/2019 (FY2020)	6 months ended 30/09/2018 (FY2019)
<b>Cash Flows from Operating Activities</b>				
(Loss)/profit before tax from Continuing Operations	(1,546)	72	(2,471)	(554)
Profit/(loss) before tax from Discontinued Operations	182	(629)	19	(695)
	(1,364)	(557)	(2,452)	(1,249)
Adjustments for:				
Depreciation of property, plant and equipment	209	1,209	1,225	2,162
Depreciation of right-of-use assets	31	-	62	-
Amortisation of intangible assets	49	47	98	88
Interest income	(5)	(2)	(9)	(22)
Interest expense	260	421	531	753
Loss on disposal of property, plant and equipment	291	267	279	267
Property, plant and equipment written off	48	-	48	-
Share of results of jointly-controlled entity - net of tax	75	37	52	43
Share of results of associates - net of tax	*	-	*	-
Non-cash share based payments	107	-	107	-
Net effect of exchange rate changes	(41)	(517)	(39)	(746)
Operating Cash Flows before Changes in Working Capital	(340)	905	(98)	1,296
<b>Changes in working capital</b>				
Inventories	(567)	118	(593)	399
Trade and Other Receivables	(3,599)	(4,388)	(5,251)	(6,174)
Other Assets	470	1,829	189	582
Trade and Other Payables	78	1,635	1,465	2,783
Net Cash Flows (used in)/generated from Operations	(3,958)	99	(4,288)	(1,114)
Income tax paid	(39)	(11)	(65)	(11)
Net Cash Flows (used in)/generated from Operating Activities	(3,997)	88	(4,353)	(1,125)
<b>Cash Flows from Investing Activities</b>				
Purchase of property, plant and equipment	(459)	(1,272)	(943)	(1,519)
Acquisition of jointly-controlled entity	(150)	-	(150)	-
Purchase of intangible assets	-	(3)	(13)	(305)
Proceeds from disposal of tower stock & plant and equipment	1,386	-	8,257	1,000
Interest received	2	22	9	22
Net Cash Flows generated from/(used in) Investing Activities	779	(1,253)	7,160	(802)
<b>Cash Flows from Financing Activities</b>				
(Increase)/decrease in restricted fixed bank deposits	(19)	(87)	125	(104)
Repayment of finance leases	(329)	(356)	(833)	(792)
(Repayment)/drawdown of borrowings	(188)	579	(353)	551
Loans from shareholders	-	1,200	-	2,400
Interest paid	(246)	(249)	(440)	(485)
Net Cash Flows (used in)/generated from Financing Activities	(782)	1,087	(1,501)	1,570
<b>Net (decrease)/increase in Cash and Cash Equivalents</b>	<b>(3,999)</b>	<b>(78)</b>	<b>1,307</b>	<b>(357)</b>
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	1,972	(3,552)	(3,330)	(3,491)

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Effect of exchange rate changes on cash balances held in foreign currencies	36	477	32	695
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance</b>	<b>(1,991)</b>	<b>(3,153)</b>	<b>(1,991)</b>	<b>(3,153)</b>

\*Denotes lesser than USD \$1,000

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

(In US\$'000)	Group	
	As at 30/09/2019	As at 31/03/2019
Cash and bank balances	1,947	748
Bank overdraft	(3,918)	(4,010)
Restricted fixed bank deposits	(20)	(144)
Discontinued operations	-	76
	(1,991)	(3,330)

Note: Restricted fixed bank deposits refer to monies pledged to bankers to cover short-term and long-term borrowings

### Cash flow statement

As at the end of the reporting period, the Group's cash and cash equivalents improved by US\$1.3 million from a deficit of US\$3.3 million as at 31 March 2019 to a deficit of US\$2.0 million as at 30 September 2019.

Net cash flows used in operating activities for Q2FY2020 amounted to US\$4.0 million is mainly attributable to the net loss of US\$1.3 million from continuing operations and increase in receivables. Net cash flows used in operating activities of US\$4.3 million for 1HFY2020 was mainly due to US\$5.3 million increase in trade and other receivables, partially offset by increase of US\$1.4 million in trade and other payables.

Net cash flows generated from investing activities of US\$7.2 million for 1HFY2020 was mainly from the sales proceeds from disposal of tower stock, partially offset by US\$1.0 million for purchase of property, plant and equipment.

Net cash flows used in financing activities amounted to US\$1.5 million for 1HFY2020. This was mainly due to repayment of US\$0.4 million of finance lease and US\$0.8 million of borrowings.



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- 1(d) (i) A statement (for the issuer and group) showing either  
 (i) all changes in equity or  
 (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding reporting year.

Group (In US\$'000)	Share Capital A	Accumulated Losses B	Employee share option reserve C	Attributable to Parent D = A + B + C	Non- Controlling Interests E	Total Equity F = D + E
Opening Balance at 1 April 2019	59,862	(35,186)	81	24,757	119	24,876
<b>Movement in Equity:</b>						
Total comprehensive loss for the year	-	(2,480)	-	(2,480)	(37)	(2,517)
Grant of equity-settled performance share plan	-	-	107	107	-	107
<b>Closing Balance at 30 September 2019</b>	<b>59,862</b>	<b>(37,666)</b>	<b>188</b>	<b>22,384</b>	<b>82</b>	<b>22,466</b>
Opening Balance at 1 April 2018	59,862	(30,445)	29	29,446	300	29,746
<b>Movement in Equity:</b>						
Total comprehensive loss for the year	-	(1,288)	-	(1,288)	(53)	(1,341)
<b>Closing Balance at 30 September 2018</b>	<b>59,862</b>	<b>(31,733)</b>	<b>29</b>	<b>28,158</b>	<b>247</b>	<b>28,405</b>

Company (In US\$'000)	Share Capital	Accumulated losses	Employee share option reserve	Total Equity
Opening Balance at 1 April 2019	59,862	(34,519)	81	25,424
<b>Movement in Equity:</b>				
Total comprehensive loss for the year	-	(779)	-	(779)
Grant of equity-settled performance share plan	-	-	107	107
<b>Closing Balance at 30 September 2019</b>	<b>59,862</b>	<b>(35,298)</b>	<b>188</b>	<b>24,752</b>
Opening Balance at 1 April 2018	59,862	(22,654)	29	37,237
<b>Movement in Equity:</b>				
Total comprehensive income for the year	-	144	-	144
<b>Closing Balance at 30 September 2018</b>	<b>59,862</b>	<b>(22,510)</b>	<b>29</b>	<b>37,381</b>

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### (A) Employee Share Option Plan

The Group's Employee Share Option Scheme ("SMI ESOS") was approved and adopted at the Extraordinary General Meeting ("EGM") of the Company held on 25 July 2017. Under the SMI ESOS, 1,345,000 share options (31 March 2019: 1,360,000) were granted by the Company during 1HFY2020.

The movement of share options of the Company during the reporting period ended 30 September 2019 is as follows:

Date of grant/(forfeiture)	Balance outstanding at 1 April 2019	Number of share options granted	Number of share options forfeited	Balance outstanding at 30 September 2019
13/06/2019	1,483,400	1,345,000	-	2,828,400
30/07/2019	-	-	(390,000)	(390,000)
<b>Total</b>	<b>1,483,400</b>	<b>1,345,000</b>	<b>(390,000)</b>	<b>2,438,400</b>

### (B) Performance Share Plan

The Group's Performance Share Plan ("PSP") was adopted at an Extraordinary General Meeting on 30 June 2014.

The Company has on 13 June 2019, granted a total of 4,500,000 share award under the SMI Performance Share Plan to Mark Francis Bedingham, a Director of the Company. The share has a vesting period of 24 months from 1 April 2019.

The movement of shares of the Company during the reporting period ended 30 September 2019 is as follows:

Date of grant	Balance outstanding at 1 April 2019	Number of shares granted	Number of shares forfeited	Balance outstanding at 30 September 2019
13/06/2019	-	4,500,000	-	4,500,000
<b>Total</b>	<b>-</b>	<b>4,500,000</b>	<b>-</b>	<b>4,500,000</b>

(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Company	30/09/2019	31/03/2019
The total number of issued shares	302,996,792	302,996,792

The Company did not hold any treasury shares as at 30 September 2019 and 31 March 2019.

(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures are unaudited.

3 Where the figures have been audited and reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

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**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Note 5 below, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current financial period and the most recent audited financial statements for the financial year ended 31 March 2019.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

The application of the new and revised standards and interpretations has no material effect on the financial statements, except for the adoption of SFRS(I) 16 Leases. The Group adopted SFRS(I) 16 - Leases on 1 April 2019. At the date of initial application, the Group recognised the rights to use leased assets as right-of-use assets and their associated obligations as lease liabilities. The Group applied this standard using the modified retrospective approach. Therefore, the 1H2019 comparative figures have not been restated from that which was previously announced in 1H2019 announcement as the Group and the Company have applied the standard retrospectively with the cumulative effect recognised at the date of initial application.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

(In US cents)	Group	
	6 months ended 30/09/2019 (FY2020)	6 months ended 30/09/2018 (FY2019)
Loss per share ("EPS") for the period (Based on the average number of ordinary shares)		
<i>Basic</i>		
Continuing operations	(0.82)	(0.20)
Discontinued operations	0.01	(0.23)
	(0.81)	(0.43)
Weighted average number of shares	302,996,792	302,996,792
<i>On a fully diluted basis</i>		
Continuing operations	(0.82)	(0.20)
Discontinued operations	0.01	(0.23)
	(0.81)	(0.43)
Weighted average number of shares	302,996,792	302,996,792

**7 Net assets value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the: -**

- (a) current reporting period reported on; and
- (b) immediately preceding reporting year.

(In US cents)	Group		Company	
	30/09/2019	31/03/2019	30/09/2019	31/03/2019
Net asset value per ordinary share	7.39	8.16	8.17	8.39

Net asset value per ordinary share was calculated based on the total number of issued shares of 302,996,792 as at 30 September 2019 (31 March 2019: 302,996,792).

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

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- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

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### Review of 1HFY2020 vs 1HFY2019

A breakdown of our revenue and profit before tax derived from our businesses for the 1HFY2020 and 1HFY2019 is as set out below: -

Revenue	6 months ended 30/09/2019 (FY2020)		6 months ended 30/09/2018 (FY2019)		Y-O-Y US\$'000
	US\$'000	%	US\$'000	%	
Travel and fashion retail	8,959	78.4	8,003	66.1	956
Construction services	375	3.3	1,681	13.9	(1,306)
Auto services	803	7.0	1,282	10.6	(479)
Food and beverages	1,117	9.8	806	6.7	311
Others	178	1.5	335	2.7	(157)
<b>Total</b>	<b>11,432</b>	<b>100.0</b>	<b>12,107</b>	<b>100.0</b>	<b>(675)</b>

Loss after income tax	6 months ended 30/09/2019 (FY2020)		6 months ended 30/09/2018 (FY2019)	
	Travel and fashion retail	1,719	2,843	
Construction services	50	221		
Auto services	(12)	(126)		
Food and beverages	(396)	(367)		
Others	(62)	(28)		
	1,299	2,543		
Unallocated expenses:				
Head office expenses	(3,196)	(2,382)		
Finance income	9	22		
Finance charges	(531)	(694)		
Share of results of associates, net of tax	(0)	-		
Share of results of jointly-controlled entities, net of tax	(52)	(43)		
Income tax expenses	(65)	(92)		
Loss from continuing operations	(2,536)	(646)		
Loss from discontinued operations	19	(695)		
<b>Loss after income tax</b>	<b>(2,517)</b>	<b>(1,341)</b>		

Note: Profit/(loss) before tax for each business included revenue and costs that were directly attributable to each business.

#### Revenue

Revenue from **Retail** segment has increased by 11.9% in 1HFY2020, reflecting some recovery in the passenger traffic at the Yangon International Airport ("YIA") and some increase in domestic retail stores.

Revenue from **F&B** segment has increased by 38.6% on the back of new F&B outlets in the domestic market in 1HFY2020.

A decision to reduce the fleet for Auto by moving away from short term leases to improve utilisation rates and to focus on more profitable contracts, has contributed to substantially reduced losses (US\$0.1 million).

A decision has been taken to significantly reduce direct sales reflecting concerns about the creditworthiness of most local operators, uncertainties over government contracts and a decision has been taken to lower stock levels with our local distributor which has contributed to the significantly lower revenue from Construction services.

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## PERFORMANCE HIGHLIGHTS 1HFY2020

### Segmental Performance

1HFY2020 (In US\$'000)	Travel and fashion retail	Construction services	Auto services	Food and beverages	Unallocated	Total
Total revenue by Segment	8,959	375	803	1,117	178	11,432
Recurring EBITDA	2,725	50	51	(256)	(3,088)	(518)
Interest income	-	6	3	-	-	9
Finance costs	(324)	(38)	(76)	-	(93)	(531)
Depreciation and amortisation	(1,006)	-	(63)	(140)	(170)	(1,379)
ORBIT	1,395	18	(85)	(396)	(3,351)	(2,419)
<i>ORBIT Margin</i>	15.6%	4.9%	(10.4%)	(35.4%)	N.M.	(21.1%)
Profit/(loss) before tax from continuing operations	1,395	18	(85)	(396)	(3,351)	(2,419)
Income tax expenses						(65)
Share of results of Associates - net of tax						*
Share of results of JV - net of tax						(52)
Loss after tax from continuing operations						(2,536)
Profit from discontinued operations						19
Loss for the year						(2,517)
<i>*less than \$1,000</i>						
1HFY2019 (In US\$'000)	Travel and fashion retail	Construction services	Auto services	Food and beverages	Unallocated	Total
Total revenue by Segment	8,003	1,681	1,282	806	335	12,107
Recurring EBITDA	3,818	221	100	(341)	(2,248)	1,550
Interest income	-	22	-	-	-	22
Finance costs	(407)	(76)	(140)	-	(71)	(694)
Depreciation and amortisation	(975)	-	(213)	(80)	(121)	(1,389)
ORBIT	2,436	167	(253)	(421)	(2,440)	(511)
<i>ORBIT Margin</i>	30.4%	10.0%	(19.7%)	(52.3%)	N.M.	(4.2%)
Profit/(loss) before tax from continuing operations	2,436	167	(253)	(421)	(2,440)	(511)
Income tax expenses						(92)
Share of results of JV - net of tax						(43)
Loss after tax from continuing operations						(646)
Loss from discontinued operations						(695)
Loss for the year						(1,341)

All business units were profitable at the EBITDA level in 1HFY2020 except F&B, which reduced its losses by US\$90K. EBITDA profitability of retail was negatively impacted by the decision to reduce CAPEX usage fee from local retail distributor (US\$0.8 million) and also impacted by the exceptional increase in warehousing costs (US\$0.1 million).

Unallocated costs were negatively impacted by the one-off bonus, furniture and fittings write-off and higher legal costs (US\$1.0 million).

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

No forecast or prospect statement was disclosed to shareholders previously.

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group has the intention to open its first retail and F&B stores and outlets in Mandalay in the first half of 2020.

- 11 Dividend

- (a) Any dividend recommended for the current financial period reported on?

None.

- (b) Any dividend recommended for the corresponding period of the immediately preceding financial year?

Not applicable.

- (c) Date Payable

Not applicable.

- (d) Books Closure Date

Not applicable.

- 12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared/recommendeded for the financial year ended 30 September 2019 because the Company is loss-making.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

- 14 Negative confirmation pursuant to Rule 705(5).

The Directors of Singapore Myanmar Investco Limited (the "Company"), do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the quarter ended 30 September 2019 to be false or misleading in any material aspect.

- 15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

### BY ORDER OF THE BOARD

**Mark Francis Bedingham**

Executive Director

12 November 2019