SINGAPORE MYANMAR INVESTCO LIMITED
(Registration No. 200505764Z)
(Incorporated in Singapore)

RESPONSES TO QUESTIONS FROM SINGAPORE STOCK EXCHANGE RELATED TO THE UNAUDITED RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2020

Singapore Myanmar Investco Limited (the "**Company**" or "**SMI**" and together with its subsidiaries, the "**Group**") refers to the questions raised by Singapore Stock Exchange ("**SGX**") in relation to the Company's unaudited results for the year ended 31 March 2020 and appends the requisite replies as follows:

With reference to the unaudited results for the year ended 31 March 2020, it is stated that, "Other Charges of US$6.8 million relate to impairment losses of US$4.4 million, of which; US$0.5 million on Construction receivables, US$0.4 million on F&B receivables, and US$3.5 million on Retail trade receivables.", please provide explanations for:

(i) The Company's plans to recover the trade receivables;

Answer:

The Group's principal trade receivables are with a local business partner whose main business is travel retail. The Group has a management services agreement covering key operational areas with that local business partner which means as soon as the airport re-opens it will be able to ensure that payments are quickly resumed. These payments will be aided by a favourable new rental agreement between the local business partner and the airport which will improve the local business partner's cash generation and ability to repay the Group.

For Construction receivables; the slowdown in the domestic economy compounded by Covid-19 has led to a slowdown in payments from our local business partner for this sector, however payments are continuing on a regular basis.

For F&B receivables; there has been a slowdown in payment from another local business partner, but payments are continuing on a regular basis.

(ii) What were the actions taken to recover the trade receivables?

Answer:

The specific actions taken to improve the cash flow of the local business partner, to aid improvements in payment to SMI, are: reduction in the cost base of the local business partners (particular labour costs), reduction in purchasing (agreed with suppliers), reduction in the leased area at the airport and more favourable rental terms.

(iii) The Board's opinion on the reasonableness of the methodologies used to determine the value of the impairment of the trade receivables

Answer:

The Board has discussed the impairment assessment with company's auditor, as part of the year end audit process, the Board reviewed and has confirmed its agreement as to the reasonableness of the amount of impairment.

(iv) The Board's assessment of the recoverability of the remaining trade receivables.

The Board reviewed this issue at the Board meeting of 27th August and accepted management's view that the trade receivables are recoverable.

3. Please be reminded to address paragraph 1(d) of Appendix 7.2 in its entirety moving forward, specifically in relation to part (ii) on details of any changes in the company's share capital and part (v) on a statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Answer: Please find the whole section on 1(d) replicated below:

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
Movement in Equity:						
Total comprehensive loss for the year	-	(10,394)	-	(10,394)	(92)	(10,486)
Grant of equity-settled performance share plan	-	-	434	434	-	434
Closing Balance at 31 March 2020	**59,862**	**(45,580)**	**515**	**14,797**	**27**	**14,824**
Opening Balance at 1 April 2018	59,862	(30,445)	29	29,446	300	29,746
Movement in Equity:						
Total comprehensive loss for the year	-	(4,741)	-	(4,741)	(181)	(4,922)
Grant of equity-settled share options to employees	-	-	52	52	-	52
Closing Balance at 31 March 2019	**59,862**	**(35,186)**	**81**	**24,757**	**119**	**24,876**

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
Movement in Equity:				
Total comprehensive loss for the year	-	(3,996)	-	(3,996)
Grant of equity-settled performance share plan	-	-	434	434
Closing Balance at 31 March 2020	**59,862**	**(38,515)**	**515**	**21,862**
Opening Balance at 1 April 2018	59,862	(22,654)	29	37,237
Adjustments to beginning balance		(1,333)		(1,333)
Movement in Equity:				
Total comprehensive income for the year	-	(10,532)	-	(10,532)
Equity share options issued	-	-	52	52
Closing Balance at 31 March 2019	**59,862**	**(34,519)**	**81**	**25,424**

(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 FY2020.

The movement of share options of the Company during the reporting period ended 31 March 2020 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 31 March 2020
Jun'19	1,483,400	1,345,000	-	2,828,400
Jul'19	-	-	(390,000)	(390,000)
Oct'19	-	-	(90,000)	(90,000)
Dec'19	-	-	(488,400)	(488,400)
Jan'20	-	-	(15,000)	(15,000)
Feb'20	-	-	(100,000)	(100,000)
Mar'20	-	-	(353,400)	(353,400)
Total	**1,483,400**	**1,345,000**	**(1,436,800)**	**1,391,600**

(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. No share has been issued pursuant to the 4,500,000 share award.

The Company has on 27 March 2020, granted a total of 14,000,000 share award under the SMI Performance Share Plan to Mark Francis Bedingham, a Director of the Company. The 14,000,000 shares were issued subsequent to year end on 4 June 2020.

The movement of shares under PSP of the Company during the reporting year ended 31 March 2020 is as follows:

Date of grant	Balance outstanding at 1 April 2019	Number of shares granted	Number of shares issued	Number of shares forfeited	Balance outstanding at 31 March 2020
13/06/2019	-	4,500,000	-	-	4,500,000
27/03/2020	-	14,000,000	-	-	14,000,000
Total	**-**	**18,500,000**	**-**	**-**	**18,500,000**

(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable.

(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	31/03/2020	31/03/2019
The total number of issued shares	302,496,792	302,996,792

The Company did not hold any treasury shares as at 31 March 2020 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.

(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.