

MIRACH ENERGY LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200305397E)

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON MIRACH ENERGY LIMITED'S ANNUAL REPORT FOR ITS AUDITED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

The Board of Directors (the “**Directors**”) of Mirach Energy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s annual report for its financial year ended 31 December 2018 released on the SGXNET 12 April 2019 (the “**AR2018**”). The Board wishes to announce that the Company has received queries from the Singapore Exchange Trading Limited (the “**SGX-ST**”) on 22 April 2019 in relation to its financial statements set out in the AR2018 and wishes to provide its responses as set out below.

Query:

We refer to Note (1) to the Financial Statements, which states the assumptions for the accounts of the Group to be prepared on a going concern basis, including the assumption of a memorandum of understanding with a third party company who has agreed to provide up to US\$3,000,000 to the Group for the diversification of its business, including its agriculture business in Malaysia. Please provide more information on the memorandum of understanding, including:

- a. Name of the third party company;
- b. Whether the memorandum of understanding is binding or non-binding;
- c. Conditions for the provision of the monies; and
- d. Status of the memorandum of understanding.

Response:

Background information

On 22 March 2019, the Company entered into a non-binding memorandum of understanding (“**MOU**”) with 浙江浪创集团有限公司 (“**浙江浪创**”). The MOU provides, *inter alia*, the following terms:

- (1) in respect of the Company’s diversification of business, 浙江浪创 proposes to provide support which will include financial support and introduction of projects;
- (2) subject to finalisation of terms between the Company and 浙江浪创, 浙江浪创 shall purchase up to US\$3,000,000 in value of Company’s convertible securities and/or new shares;
- (3) the details will be set out in a formal agreement to be finalized between the parties.

浙江浪创 is a company incorporated in the People’s Republic of China. 浙江浪创’s business activities include investments in management of medical supply chain, tourism and international trade activities.

The Company’s responses to SGX-ST specific questions are set out below:

- a. **Name of the third party company;**

浙江浪创集团有限公司

b. **Whether the memorandum of understanding is binding or non-binding;**

The MOU is non-binding.

c. **Conditions for the provision of the monies; and**

The conditions of the MOU are set out above.

d. **Status of the memorandum of understanding.**

The Company is still in further discussions with 浙江浪创.

Query:

For the Exchange's consideration under Rule 1303(3)(c) and noting the Independent Auditor's findings on "*Going concern*", please provide the Board's confirmation that all material disclosures have been provided for trading of the Company's shares to continue.

Response:

To the best knowledge of the Board, all material disclosures have been provided in the AR2018 and the Board confirms that sufficient information has been disclosed to the market to enable trading of the Company's shares to continue.

Shareholders can refer to page 26 of the AR2018 for the Independent Auditor's findings on "*Going concern*" for more information.

By Order of the Board

Mr Chan Shut Li, William
Executive Chairman and Chief Executive Officer

24 April 2019