

**MIRACH ENERGY LIMITED
(COMPANY NO.200305397E)**

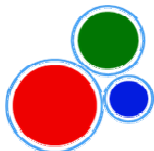
Unaudited Full Year Financial Statements and Dividend Announcement for the Year Ended 31 December 2018

PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a) Income statement and statement of comprehensive income, or a statement of comprehensive income, for the group – corresponding period of the immediately preceding year.

| | Group | | |
|--|--|--|-------------------|
| | Full Year 31 Dec 2018 (Unaudited) | Full Year 31 Dec 2017 (Audited) | + / (-) Change |
| | US\$'000 | US\$'000 | % |
| Revenue | 3,711 | 56 | n.m. |
| Subcontractor cost | (658) | - | n.m. |
| Consultancy fees | (89) | - | n.m. |
| Other income | 1,426 | 1 | n.m. |
| Production expenses | - | (152) | n.m. |
| Staff cost | (1,056) | (1,203) | (12) |
| Depreciation and amortisation | (30) | (125) | (76) |
| Other expenses | (1,176) | (1,155) | 2 |
| Provision for amount due from associate | - | (1,001) | n.m. |
| Impairment loss on oil and gas properties | - | (2,996) | n.m. |
| Impairment loss on property, plant and equipment | - | (184) | n.m. |
| Impairment loss on trade and other receivables | - | (1,697) | n.m. |
| (Loss) / gain on disposal or liquidation of subsidiaries | (86) | 261 | n.m. |
| Loss on disposal of property, plant and equipment | - | (79) | n.m. |
| Impairment loss on investment in associate | - | (1,280) | n.m. |
| Finance costs | (9) | (30) | (70) |
| Share of profit / (loss) of associates | 9 | (21) | n.m. |
| Profit / (loss) before income tax | 2,042 | (9,605) | n.m. |
| Income tax | (625) | - | n.m. |
| Total profit / (loss) for the year | 1,417 | (9,605) | n.m. |
| Other comprehensive income :- | | | |
| Currency translation arising from presentation currency | (73) | 1,462 | n.m. |
| Currency translation arising from consolidation | (148) | (1,258) | n.m. |
| Other comprehensive income for the year, net of tax | (221) | 204 | n.m. |
| Total comprehensive income | 1,196 | (9,401) | n.m. |
| Profit / (loss) for the year attributable to: | | | |
| Equity holders of the Company | 91 | (9,520) | (95) |
| Non-controlling interests | 1,326 | (85) | n.m. |
| | 1,417 | (9,605) | n.m. |
| Total comprehensive income attributable to: | | | |
| Equity holders of the Company | (130) | (9,316) | (93) |
| Non-controlling interests | 1,326 | (85) | n.m. |
| | 1,196 | (9,401) | n.m. |

n.m.: not meaningful



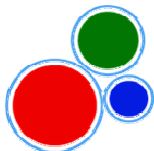
**MIRACH ENERGY LIMITED
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1(a) Income statement and statement of comprehensive income, or a statement of comprehensive income, for the group – corresponding period of the immediately preceding year. (Cont'd)

Profit / (loss) before income tax is arrived at after charging / (crediting) the following:

| | Group | | |
|--|--|--|------------------------|
| | Full Year 31 Dec 2018 (Unaudited) US\$'000 | Full Year 31 Dec 2017 (Audited) US\$'000 | + / (-) Change % |
| Subcontractor cost | 658 | - | n.m. |
| Consultancy fees | 89 | - | n.m. |
| Service income | (120) | - | n.m. |
| Interest income | (1) | (1) | - |
| Interest expense | 9 | 30 | (70) |
| Foreign exchange gain, net | (42) | (218) | (81) |
| Depreciation of property, plant and equipment | 30 | 102 | (71) |
| Share of (profit) / losses of associates | (9) | 21 | n.m. |
| Provision for amount due from associate | - | 1,001 | n.m. |
| Loss on disposal of property, plant and equipment | - | 79 | n.m. |
| Impairment loss on oil and gas properties | - | 2,996 | n.m. |
| Impairment loss on property, plant and equipment | - | 184 | n.m. |
| Impairment loss on investment in associate | - | 1,280 | n.m. |
| Impairment loss on trade and other receivables | - | 1,697 | n.m. |
| Gain arising from reversal of liabilities | (706) | - | n.m. |
| Adjustment to payables arising from termination of oil operations in Indonesia | (570) | - | n.m. |

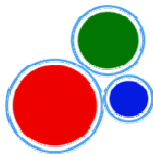
n.m.: not meaningful



MIRACH ENERGY LIMITED
(COMPANY NO.200305397E)

1(b) Statement of financial position (for the issuer and group) as at the end of the immediately preceding year.

| | Group | | Company | |
|---|---|--|---|--|
| | 31 Dec 2018 (Unaudited) US\$'000 | 31 Dec 2017 (Restated) US\$'000 | 31 Dec 2018 (Unaudited) US\$'000 | 31 Dec 2017 (Restated) US\$'000 |
| Non-current assets | | | | |
| Oil and gas properties | - | - | - | - |
| Property, plant and equipment | 88 | 85 | 56 | 85 |
| Bearer plant | 6,170 | - | - | - |
| Deposits | 4,939 | - | - | - |
| Investment in subsidiaries | - | - | 1 | 1 |
| Investment in associates | 1,372 | 1,363 | - | - |
| | 12,569 | 1,448 | 57 | 86 |
| Current assets | | | | |
| Inventories | - | 192 | - | - |
| Trade and other receivables | 3,090 | 659 | 58 | 52 |
| Prepayment | 1,772 | 15 | 14 | 15 |
| Amounts due from subsidiaries | - | - | 7,296 | 4,108 |
| Amount due from associate | - | 1,340 | - | - |
| Income tax receivable | 4 | - | - | - |
| Cash and cash equivalents | 1,575 | 2,354 | 1,314 | 1,461 |
| | 6,441 | 4,560 | 8,682 | 5,636 |
| Current liabilities | | | | |
| Trade and other payables | 9,199 | 7,652 | 2,070 | 2,280 |
| Deferred revenue | 341 | - | - | - |
| Accrued operating expenses | 1,039 | 920 | 99 | 120 |
| Contract liabilities | 23 | - | - | - |
| Amounts due to subsidiaries | - | - | 2,531 | 2,664 |
| Income tax payable | 774 | 163 | - | - |
| Contract deposit | 820 | 2,320 | - | - |
| Provision for decommissioning of wells | 633 | 633 | - | - |
| Deferred rent liability | 3 | 4 | 3 | 4 |
| Provision for reinstatement cost | 22 | 13 | 22 | 13 |
| | 12,854 | 11,705 | 4,725 | 5,081 |
| Net current (liabilities) / assets | (6,413) | (7,145) | 3,957 | 555 |
| Non-current liabilities | | | | |
| Deferred revenue | 5,829 | - | - | - |
| Deferred rent liability | - | 3 | - | 3 |
| Provision for reinstatement cost | - | 9 | - | 9 |
| Deferred tax liabilities | 11 | 11 | - | - |
| | 5,840 | 23 | - | 12 |
| Net assets / (liabilities) | 316 | (5,720) | 4,014 | 629 |
| Equity attributable to owners of the Company | | | | |
| Share capital | 86,878 | 82,522 | 86,878 | 82,522 |
| Accumulated losses | (87,549) | (88,667) | (82,955) | (82,124) |
| Other reserves | 853 | 1,665 | 91 | 231 |
| | 182 | (4,480) | 4,014 | 629 |
| Non-controlling interests | 134 | (1,240) | - | - |
| Total equity | 316 | (5,720) | 4,014 | 629 |



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1(c) Borrowings and debt securities (for the group) – as at the end of the immediately preceding year

Amount repayable in one year or less, or on demand:

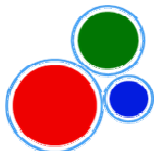
| As at 31 December 2018 | | As at 31 December 2017 | |
|------------------------------------|--------------------------------------|----------------------------------|------------------------------------|
| Secured (Unaudited) US\$'000 | Unsecured (Unaudited) US\$'000 | Secured (Audited) US\$'000 | Unsecured (Audited) US\$'000 |
| Nil | Nil | Nil | Nil |

Amount repayable after one year:

| As at 31 December 2018 | | As at 31 December 2017 | |
|------------------------------------|--------------------------------------|----------------------------------|------------------------------------|
| Secured (Unaudited) US\$'000 | Unsecured (Unaudited) US\$'000 | Secured (Audited) US\$'000 | Unsecured (Audited) US\$'000 |
| Nil | Nil | Nil | Nil |

1(d) Statement of cash flows (for the group) – corresponding period of the immediately preceding year

| | Group | |
|--|--|--|
| | Full Year 31 Dec 2018 (Unaudited) US\$'000 | Full Year 31 Dec 2017 (Audited) US\$'000 |
| | | |
| Cash flows from operating activities | | |
| Profit / (loss) before income tax | 2,042 | (9,605) |
| Adjustments for: | | |
| Share-based compensation expenses | 67 | 145 |
| Introducer fee expense | 316 | - |
| Finance cost | 9 | 30 |
| Interest income | (1) | (1) |
| Depreciation of property, plant and equipment | 30 | 102 |
| Depreciation of oil and gas properties | - | 23 |
| Loss on disposal of fixed assets | - | 79 |
| Share of (profit) / losses of associates | (9) | 21 |
| Provision for amount due from associate | - | 1,001 |
| Impairment loss on trade and other receivables | - | 1,697 |
| Impairment loss on property, plant and equipment | - | 184 |
| Impairment loss on oil and gas properties | - | 2,996 |
| Impairment loss on investment in associate | - | 1,280 |
| Gain arising from reversal of liabilities | (706) | - |
| Adjustment to payables arising from termination of oil operations in Indonesia | (570) | - |
| Unrealised exchange (gain) / loss | (72) | 199 |
| Loss on disposal of subsidiary | 86 | - |
| (Reversal of provision) / provision for deferred rent liability | (4) | 6 |



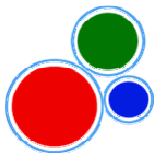
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1(d) Statement of cash flows (for the group) – corresponding period of the immediately preceding year. (Cont'd)

| | Group | |
|--|--|--|
| | Full Year 31 Dec 2018 (Unaudited) | Full Year 31 Dec 2017 (Audited) |
| | US\$'000 | US\$'000 |
| Operating cash flows before working capital changes | 1,188 | (1,843) |
| <u>Changes in working capital</u> | | |
| Decrease / (increase) in inventories | 192 | (3) |
| Increase in trade and other receivables and prepayments | (2,656) | (828) |
| Increase in contract liabilities | 23 | - |
| (Decrease) / increase in trade and other payables | (559) | 292 |
| Cash generated used in operations | (1,812) | (2,382) |
| Income tax paid | (4) | - |
| Interest received | 1 | 1 |
| Cash flows generated used in operating activities | (1,815) | (2,381) |
| Investing activities | | - |
| Purchase of property, plant and equipment | (2) | (80) |
| Proceeds from disposal of plant, property and equipment | - | 85 |
| Legal expenses in relation to disposal of subsidiary | (3) | - |
| Payment of deposit for acquisition of subsidiary | (2,968) | - |
| Proceeds from issue of new shares by subsidiary to non-controlling interests | - | 61 |
| Cash flows (used in) / generated from investing activities | (2,973) | 66 |
| Financing activities | | |
| Interest paid | (9) | - |
| Repayment of contract deposits | - | (680) |
| Increase in amounts due from associate | - | (640) |
| Proceeds from placement of new shares | 4,045 | 1,273 |
| Cash flows generated from / (used in) financing activities | 4,036 | (47) |
| Net decrease in cash and cash equivalents | (752) | (2,362) |
| Effects of exchange rate changes on balances held in foreign currencies | (27) | 20 |
| Cash and cash equivalents at beginning of the financial year | 2,354 | 4,696 |
| Cash and cash equivalents at end of the financial year (Note 1) | 1,575 | 2,354 |

Note 1:

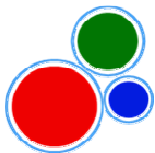
Cash and cash equivalents consist of cash at banks and on hand.



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1(e) Changes in equity (for the issuer and group) – corresponding period of the immediately preceding year.

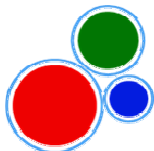
| The Group | Share capital | Merger reserve | Statutory / equity reserves | Foreign exchange reserve | Accumulated losses | Equity attributable to owners of the Company | Non-controlling Interests | Total Equity |
|---|-------------------------|-------------------------|-----------------------------|--------------------------|-------------------------|--|---------------------------|-------------------------|
| | (Unaudited) US\$'000 | (Unaudited) US\$'000 | (Unaudited) US\$'000 | (Unaudited) US\$'000 | (Unaudited) US\$'000 | (Unaudited) US\$'000 | (Unaudited) US\$'000 | (Unaudited) US\$'000 |
| At 1 January 2017 - as previously reported | 81,249 | 763 | 542 | (3,019) | (76,128) | 3,407 | (1,216) | 2,191 |
| Adjustment from adoption of SFRS(I) | - | - | - | 3,019 | (3,019) | - | - | - |
| At 1 January 2017 - as restated | 81,249 | 763 | 542 | - | (79,147) | 3,407 | (1,216) | 2,191 |
| Loss for the year | - | - | - | - | (9,520) | (9,520) | (85) | (9,605) |
| <u>Other comprehensive income</u> | | | | | | | | |
| - Foreign currency translation | - | - | - | 204 | - | 204 | - | 204 |
| Total comprehensive income for the year | - | - | - | 204 | (9,520) | (9,316) | (85) | (9,401) |
| Issuance of shares arising from placement | 1,298 | - | - | - | - | 1,298 | - | 1,298 |
| Share issue expense | (25) | - | - | - | - | (25) | - | (25) |
| Share-based compensation expenses | | | 145 | 11 | - | 156 | - | 156 |
| Proceeds from issue of new shares by subsidiary to noncontrolling interests | - | - | - | - | - | - | 61 | 61 |
| At 31 December 2017 | 82,522 | 763 | 687 | 215 | (88,667) | (4,480) | (1,240) | (5,720) |



**MIRACH ENERGY LIMITED
(COMPANY NO.200305397E)**

1(e) Changes in equity (for the issuer and group) – corresponding period of the immediately preceding year. (Cont'd)

| The Group | Share capital (Unaudited) US\$'000 | Merger reserve (Unaudited) US\$'000 | Statutory / equity reserves (Unaudited) US\$'000 | Foreign exchange reserve (Unaudited) US\$'000 | Accumulated losses (Unaudited) US\$'000 | Equity attributable to owners of the Company (Unaudited) US\$'000 | Non-controlling Interests (Unaudited) US\$'000 | Total Equity (Unaudited) US\$'000 |
|--|--|---|--|---|---|---|--|---|
| At 1 January 2018 – as previously reported | 82,522 | 763 | 220 | (2,804) | (85,181) | (4,480) | (1,240) | (5,720) |
| Adjustment from adoption of SFRS(I) | - | - | - | 3,019 | (3,019) | - | - | - |
| At 1 January 2018 - as restated | 82,522 | 763 | 220 | 215 | (88,200) | (4,480) | (1,240) | (5,720) |
| Profit for the year | - | - | - | - | 91 | 91 | 1,326 | 1,417 |
| <u>Other comprehensive income</u> | | | | | | | | |
| - Foreign currency translation | - | - | 15 | (236) | - | (221) | - | (221) |
| Total comprehensive income for the year | - | - | 15 | (236) | 91 | (130) | 1,326 | 1,196 |
| Issuance of shares arising from placement | 4,421 | - | - | - | - | 4,421 | - | 4,421 |
| Share issue expense | (65) | - | - | - | - | (65) | - | (65) |
| Increase in non-controlling interests due to acquisition of subsidiary | - | - | - | - | - | - | 48 | 48 |
| Liquidation or disposal of subsidiaries | - | - | - | - | 366 | 366 | - | 366 |
| Share-based compensation expenses | - | - | 67 | 3 | - | 70 | - | 70 |
| Expiration of share options | - | - | (183) | - | 194 | - | - | - |
| At 31 December 2018 | 86,878 | 763 | 108 | (18) | (87,549) | 182 | 134 | 316 |

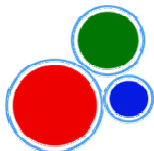


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1(e) Changes in equity (for the issuer and group) – corresponding period of the immediately preceding year. (Cont'd)

| The Company | Share capital (Unaudited) US\$'000 | Statutory / equity reserves (Unaudited) US\$'000 | Foreign exchange reserves (Unaudited) US\$'000 | Accumulated losses (Unaudited) US\$'000 | Total equity (Unaudited) US\$'000 |
|---|---|---|---|--|--|
| At 1 January 2017 – as previously reported | 81,249 | 542 | (4,026) | (77,289) | 476 |
| Adjustment from adoption of SFRS(l) | - | - | 4,026 | (4,026) | - |
| At 1 January 2017 - as restated | 81,249 | 542 | - | (81,315) | 476 |
| Loss for the year | - | - | - | (1,276) | (1,276) |
| Total comprehensive income for the year | - | - | - | (1,276) | (1,276) |
| Issuance of shares arising from placement | 1,298 | - | - | - | 1,298 |
| Share issue expense | (25) | - | - | - | (25) |
| Share-based compensation expenses | - | 145 | 11 | - | 156 |
| Transfer of share option reserve | - | (467) | - | 467 | - |
| At 31 December 2017 | 82,522 | 220 | 11 | (82,124) | 629 |

| The Company | Share capital (Unaudited) US\$'000 | Statutory / equity reserves (Unaudited) US\$'000 | Foreign exchange reserves (Unaudited) US\$'000 | Accumulated losses (Unaudited) US\$'000 | Total equity (Unaudited) US\$'000 |
|---|---|---|---|--|--|
| At 1 January 2018 – as previously reported | 82,522 | 220 | (4,015) | (78,098) | 629 |
| Adjustment from adoption of SFRS(l) | - | - | 4,026 | (4,026) | - |
| At 1 January 2018 - as restated | 82,522 | 220 | 11 | (82,124) | 629 |
| Loss for the year | - | - | - | (1,025) | (1,025) |
| <u>Other comprehensive income</u> | | | | | |
| - Foreign currency translation | - | 15 | (31) | - | (16) |
| Total comprehensive income for the year | - | 15 | (31) | (1,025) | (1,041) |
| Issuance of shares arising from placement | 4,421 | - | - | - | 4,421 |
| Share issue expense | (65) | - | - | - | (65) |
| Share-based compensation expenses | - | 67 | 3 | - | 70 |
| Expiration of share options | - | (194) | - | 194 | - |
| At 31 December 2018 | 86,878 | 108 | (5) | (82,955) | 4,014 |



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1(f) Changes in issuer's share capital (for the issuer) – since the end of the previous period reported on.

During the year, the Company issued 56,000,000 new ordinary shares from placement at an issue price of S\$0.10 per share. The net proceeds from the placement shares amounted to approximately S\$5.512 million, equivalent to US\$4.045 million. During the year, the Company paid an introducer fee of S\$0.424 million pursuant to an introduction deed dated 22 March 2018 by way of issuing 4,238,640 new ordinary shares at an issue price of S\$0.10 per share for introducing the Company to RCL.

1(g) Number of shares that may be issued on conversion of all outstanding convertibles – corresponding period of immediately preceding year.

As at 31 December 2018, the Company has no outstanding convertible loan.

1(h) Number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer – corresponding period of immediately preceding year.

| | As at 31 Dec 2018 | As at 31 Dec 2017 |
|---|-------------------------|-------------------------|
| Total number of issued shares excluding treasury shares | 203,053,325 | 142,814,685 |

(a) 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.

Details are as follows:

| | As at 31 Dec 2018 | As at 31 Dec 2017 |
|---|----------------------|----------------------|
| Total number of ordinary shares | 142,814,685 | 119,012,238 |
| Share issuance under the placement | 56,000,000 | 23,802,447 |
| Share issuance as introducer shares | 4,238,640 | - |
| Total number of issued shares excluding treasury shares | 203,053,325 | 142,814,685 |

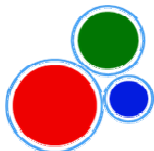
(b) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on. If the issuer has granted options or shares under its share scheme during the year, please confirm that an SGXNET announcement has been made on the date of the offer as well as details of the grant in accordance with Rule 704(29).

As at 31 December 2018, the Company does not have treasury shares.

There are no options or shares granted under its share scheme during the year ended 31 December 2018.

2. Please state whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed.

The figures as at 31 December 2018 have neither been audited nor reviewed by the Company's auditors.



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3. **If the figures have been audited or reviewed, please provide a statement on whether there are any qualifications or emphasis of a matter.**

Not applicable.

4. **Please state whether the same accounting policies and method of computation as the issuer's most recently audited financial statements have been followed.**

Except as disclosed in paragraph 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period, as those used for the audited consolidated financial statements for the financial year ended 31 December 2017.

5. **If there have been any changes in the accounting policies and method of computation from the most recently audited financial statements, please make adequate disclosure and state the reasons for and effect of the change.**

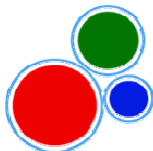
Singapore-incorporated companies listed on the Singapore Exchange are required to apply SFRS(I) for the annual financial period beginning on or after 1 January 2018.

On transition to the new financial reporting framework, the Group elects the option to deem cumulative translation differences for foreign operations to be zero on 1 January 2017, and accordingly, the gain or loss that will be recognised on a subsequent disposal of the foreign operations will exclude cumulative translation differences that arose before 1 January 2017. As at 1 January 2017, the Group and Company reclassified an amount of US\$3,019,000 and US\$4,026,000 of foreign currency translation reserve to the opening retained earnings respectively.

On 1 January 2018, the Group adopted SFRS(I) 9, and there was no material impact on the financial statements of the Group.

6. **Earnings per share: - calculation is based on both a weighted average and fully diluted basis.**

| | Full Year 31 December 2018 | Full Year 31 December 2017 |
|---|----------------------------------|----------------------------------|
| | (Unaudited) | (Audited) |
| Profit / (loss) per ordinary share of the Group for the financial year based on net profit / (loss) attributable to equity holders of the Company: | | |
| Basic (US\$ cents) | 0.05 | (7.87) |
| Fully diluted (US\$ cents) | 0.05 | (7.87) |
| Basic profit / (loss) per share were based on: | | |
| Net profit / (loss) for the year (US\$'000) | 91 | (9,520) |
| | | |
| | No. of shares | No. of shares |
| Shares outstanding at the year | 142,814,685 | 119,012,238 |
| Weighted average number of shares issued under share placement | 29,181,695 | 2,021,578 |
| Weighted average number of ordinary shares for fully diluted earnings per share computation | 171,996,380 | 121,033,816 |



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7. **Net asset value per share: - calculation is based on issued share capital as at the end of the current period and the immediately preceding financial year.**

| | Group | | Company | |
|--|------------------------------------|----------------------------------|------------------------------------|----------------------------------|
| | 31 December 2018 (Unaudited) | 31 December 2017 (Audited) | 31 December 2018 (Unaudited) | 31 December 2017 (Audited) |
| Net assets / (liabilities) value per ordinary share (US\$ cents) | 0.09 | (3.14) | 1.98 | 0.44 |
| Net assets / (liabilities) value (US\$'000) | 182 | (4,480) | 4,015 | 629 |
| Issued and fully paid ordinary shares | 203,053,325 | 142,814,685 | 203,053,325 | 142,814,685 |

8. **A review of the performance for the group, to the extent necessary for a reasonable understanding of the group's business. In particular, please include a discussion of significant factors affecting the turnover, costs and earnings; and material factors affecting the cash flow, working capital, assets or liabilities of the group during the current period reported on.**

(A) INCOME STATEMENT / STATEMENT OF COMPREHENSIVE INCOME

Turnover Analysis

| Revenue (US\$'000) | FY2018 (Unaudited) | FY2017 (Audited) | Change % |
|---------------------------------------|-----------------------|---------------------|-------------|
| Management services | 2,981 | - | <i>n.m.</i> |
| Property construction and development | 730 | - | <i>n.m.</i> |
| Exploration and Production (E&P) | - | 56 | <i>n.m.</i> |
| Total revenue | 3,711 | 56 | |

Total revenue for the Group reported was US\$3.711 million for the financial year ended 31 December 2018.

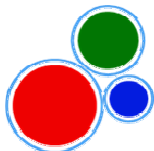
The revenues are generated from the property construction and development business, as well as management services provided to agriculture business partners in Malaysia.

The cessation of production at Kampung Minyak ("KM") Oil Field since February 2017 resulted in nil revenue generated from exploration and production business.

Costs and Earnings Analysis

Subcontractor costs are derived from the cost of construction of property in Malaysia and the consultancy fees relate to the agriculture business in Malaysia. Staff costs in 2018 were lowered by 12% as compared to 2017 mainly due to the cessation of KM Oil Field in 2017.

Total income of US\$1.417 million was earned in 2018 as compared to the total loss of US\$9.605 million incurred in 2017. It was mainly due to the increase in revenue as well as the waiver of an amount due to a third party of US\$0.546 million. Due to the termination of oil operations in Indonesia, there was a US\$0.570 million downward adjustment to payables to a subcontractor for drilling and workover services. This adjustment amount is subject to re-evaluation upon the receipt of a legal opinion. In addition, there was also no impairment loss on oil and gas properties, property, plant and equipment and trade and other receivables made in 2018 compared to the impairment loss of US\$4.941 million made in 2017.



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(B) BALANCE SHEET / STATEMENT OF FINANCIAL POSITION

Assets & Liabilities

The non-current assets of the Group as at 31 December 2018 increased by US\$11.121 million as compared to 31 December 2017 mainly due to the increase in deposits in relation to the acquisition for RCL Kelstar Sdn. Bhd., as well as the increase in bearer plant from the operations of the agriculture business.

The current assets of the Group as at 31 December 2018 increased by US\$1.881 million as compared to 31 December 2017. This was mainly due to the increase in trade and other receivables and prepaid expenses in relation to the agriculture business.

Amounts due from an associate and contract deposit decreased by US\$1.340 million and US\$1.500 million respectively as at 31 December 2018 as compared to 31 December 2017, due to an agreed offsetting of the two amounts.

Trade and other payables increased by US\$1.547 million as at 31 December 2018 compared with 31 December 2017. This was mainly due to increase in payables in relation to the agriculture business operations.

Deferred revenue increased by US\$6.170 million as at 31 December 2018 compared to 31 December 2017 arising from the consideration of trees received as part of three cooperation agreements signed. The revenue has been deferred as the land use rights have yet to be obtained.

As the Group is still working towards an eventual full closure of the KM Oil Field, the contract deposit pertaining to KM Oil Field and provisions for oil well decommission will not be discharged until full closure is achieved.

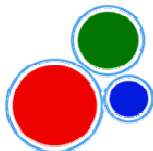
(C) CASHFLOW STATEMENT / STATEMENT OF CASHFLOWS

Cash Flow & Working Capital

| | FY2018 (Unaudited) | FY2017 (Audited) |
|--|-------------------------------|-----------------------------|
| | (US\$'000) | (US\$'000) |
| Cash flows used in operating activities | (1,815) | (2,381) |
| Cash flows (used in) / generated from investing activities | (2,973) | 66 |
| Cash generated from / (used in) financing activities | 4,036 | (47) |
| Net decrease in cash and cash equivalents | (752) | (2,362) |
| Effect of exchange rate changes on cash and cash equivalents | (27) | 20 |
| Cash and cash equivalents at beginning of year | 2,354 | 4,696 |
| Cash and cash equivalents at end of year | 1,575 | 2,354 |

Cash and cash equivalent position (inclusive of exchange effects) decreased by US\$0.779 million for FY2018 as compared with FY2017.

Cash used in operating activities was US\$1.815 million for FY2018 as compared to US\$2.381 million for FY2017. This was mainly contributed by the profit before income tax of US\$2.042 million for FY2018 compared to the loss before income tax of US\$9.605 million for FY2017, which was partially offset by the increase in trade and other receivables and prepayments mainly relating to the agriculture business.



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Cash used in investing activities was US\$2.973 million in FY2018 as compared to cash generated from investing activities of \$0.066 million in FY2017 mainly due to the net cash outflow on acquisition of subsidiary of US\$2.968 million.

Cash generated from financing activities was US\$4.036 million in FY2018 as compared to cash used in financing activities of US\$0.047 million in FY2017 mainly due to the US\$4.036 million proceeds from placement of new shares during the year.

Update on Use of Proceeds from the Placement

For the placement of shares in 2H2017, the Company raised US\$1.27 million in total. The amount from the proceeds have been fully utilized as at 31 December 2018. The list below summarized the usage of the proceeds and they are in accordance with the purpose of share placement.

| | |
|---|------------------------------------|
| Net proceeds from drawdown of placement | US\$ million 1.27 |
| <u>Less use of proceeds:</u> | |
| Investment in 75% stake in Premier Mirach Sdn. Bhd. | 0.18 |
| Property construction and development projects | 0.62 |
| Working capital for the Group | 0.47 |
| Balance as at 31 December 2018 | 0 |

For the placement of shares in 3Q2018, the Company raised US\$4.05 million in total. The amount from the proceeds unutilized as at 31 December 2018 amounted to US\$0.85 million. The list below summarized the usage of the proceeds and they are in accordance with the purpose of share placement.

| | |
|---|------------------------------------|
| Net proceeds from drawdown of placement | US\$ million 4.05 |
| <u>Less use of proceeds:</u> | |
| Investment in RCL Kelstar Sdn. Bhd. | 2.48 |
| Provision of working capital to RCL Kelstar Sdn. Bhd. | 0.72 |
| Balance as at 31 December 2018 | 0.85 |

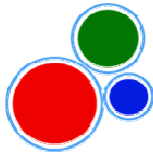
9. Where a forecast, or a prospect statement has been made and disclosed to shareholders, any variance between it and the actual results has been explained.

There was no forecast or prospect statement made or disclosed to shareholders for the period.

10. A commentary of the competitive conditions of the industry in which the group operates and any known factors that might affect the group in the next reporting period and the next 12 months.

Property and Construction Business

In 2017, the Group set up a joint venture company, Premier Mirach Sdn Bhd ("PMSB") in Malaysia. The joint venture company is in partnership with PRG Construction Sdn Bhd, a wholly-owned subsidiary of PRG Holdings Berhad which is a public limited liability company listed on the Main Market of Bursa Malaysia Securities Berhad. As of 31 December 2018, the construction activity for the first housing project situated in the Malaysia State of Perak is at 14.4% completion and has generated US\$0.732 million revenue for the Group. PMSB expects to complete the project in April 2020, with progressive billings to continue in the next twelve months. The second construction project has not commenced due to ongoing discussions with the developer.



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Agriculture Business

On 18 July 2018, the Group signed a Share Sale Agreement to acquire a 70% equity interest in RCL Kelstar Sdn. Bhd (“RCL”) allowing us to participate in an agriculture project in Malaysia.

RCL was set up to manage the development of a multi-storey agricultural project (“Project”) in Malaysia in cooperation with the Kelantan State Economic Development Corporation (“KSEDC”). KSEDC has been granted a fifty-year land concession of approximately 5,500 acres. RCL has in turn secured the rights to jointly undertake the Project together with KSEDC. RCL is in the midst of obtaining the necessary approvals and permits, including logging permits, to commence logging and land clearing activities.

As at 31 December 2018, RCL has entered into cooperation agreements with three separate parties, for the cultivating and selling of durian plants on approximately 30% of the concession land. Pre-development and management fees are levied by RCL for the services rendered to these three parties. As of 31 December 2018, the pre-development and management services obligations provided to the three parties have generated RM11.615 million (approximately US\$2.877 million) of revenue for the Group, and RCL will continue to bill the three parties as RCL fulfils its obligations in the next twelve months. As part of its business development initiatives, RCL will source for other partners to cultivate the land separately in order to diversify its supplier risks and generate more revenue in the next twelve months.

Management Services Business

On 28 March 2018, the Group formed a wholly-owned subsidiary Mirach HP Management Pte. Ltd. (“MHPM”) to provide business and management consultancy services. MHPM has commenced business activity in 2Q2018 and plans to develop further in its business and management consultancy services in the next twelve months.

Oil and Gas Business

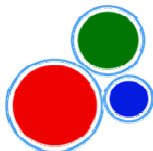
Due to the weak economic climate in the Indonesian Oil Exploration sector, the Group ceased operations and surrendered the KM Oil Field in 2017, following the termination of the KSO agreement. The Group still retains minority ownership of Gunung Kampung Minyak Ltd in Indonesia.

11. If a decision regarding dividend has been made, the required information has been disclosed.

| | (a) Current Financial Period | (b) Corresponding Period of the Immediately Preceding Financial Year |
|---|------------------------------|--|
| Any dividend declared on the financial period reported: | None | None |
| (c) Date Payable | Not applicable | Not applicable |
| (d) Book Closure Date | Not applicable | Not applicable |

12. If no dividend has been declared/recommended, a statement to that effect.

No dividends have been declared or recommended for the year ended 31 December 2018, as cash flows are being directed to the Group’s various projects.



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13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("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.

There was no IPT mandate obtained.

Additional Disclosure Required for Mineral, Oil and Gas Companies admitted for listing pursuant to Rules 210(8) and 210(9):

Rule 705(7) of the Mainboard Listing Rules – if the Issuer has made an announcement on the use of funds/cash for the quarter and a projection on the use of funds/cash for the next immediate quarter, including material assumptions within 45 days after the relevant financial period.

- (a) *Details of exploration (including geophysical surveys), development and/or production activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity recently, that fact must be stated.*

The funds / cash for Q4 2018 were mainly used for the following activities:-

| Purpose | Amount (US\$ million) |
|--|----------------------------------|
| Exploration, drilling and testing activities at Kampung Minyak Oil Field | 0.00 |
| Working capital | 0.00 |
| Total | 0.00 |

There are no funds utilized for the purpose of exploration, drilling and testing activities. Funds were only utilized for working capital purposes and capital expenditure in 4Q2018.

The usage of funds / cash for exploration activities and others for the next immediate quarter (i.e. Period from 1 January 2019 to 31 March 2019) including are expected to be as follows:-

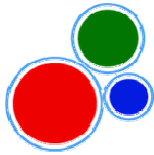
| Purpose | Amount (US\$ million) |
|--|----------------------------------|
| Exploration, drilling and testing activities at Kampung Minyak Oil Field | 0.00 |
| Working capital | 0.00 |
| Total | 0.00 |

- (b) *An update on its reserves and resources, where applicable. In accordance with the requirements as set out in Practice Note 6.3, including a summary of reserves and resources as set out in Appendix 7.5.*

The Board confirms to the best of their knowledge and that nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect pursuant for Rules 705(6) and 705(7).

14. **Please disclose a confirmation that the issuer has provided undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1))**

The Company confirmed 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).



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15. In the case of an announcement of full year financial statement, the issuer must also disclose the person(s) occupying a managerial position in the issuer or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

The Company confirms that there is no person occupying a managerial position in the Company or in any subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

**On behalf of the Board of Directors
Chan Shut Li, William
Chairman of the Board**

25 February 2019

**Liu Mei Ling, Rhoda
Director**

25 February 2019