



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

**Unaudited Full Year Financial Statements and Dividend Announcement for the Year Ended 31 December 2019**

**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 2019 (Unaudited) US\$'000	Full Year 31 Dec 2018 (Audited) US\$'000	+ / (-) Change %
Revenue	3,435	3,711	(7)
Subcontractor cost	(156)	(658)	(76)
Consultancy fees	(58)	(89)	(35)
Other income	66	1,306	(95)
Staff cost	(1,206)	(1,056)	14
Depreciation and amortisation	(145)	(30)	383
Other expenses	(1,253)	(1,220)	3
Gain on disposal or liquidation of subsidiaries	-	273	n.m.
Finance costs	(4)	(8)	(50)
Share of (loss) / profit of associates	(22)	8	n.m.
Profit before income tax	657	2,237	(71)
Income tax	(646)	(580)	11
Total profit for the year	11	1,657	(99)
Other comprehensive income: -			
Currency translation arising from presentation currency	82	(70)	n.m.
Currency translation arising from consolidation	13	(150)	n.m.
Other comprehensive income for the year, net of tax	95	(220)	n.m.
Total comprehensive income	106	1,437	(93)
<b>(Loss) / profit for the year attributable to:</b>			
Equity holders of the Company	(379)	383	n.m.
Non-controlling interests	390	1,274	(69)
	11	1,657	(99)
<b>Total comprehensive Income attributable to:</b>			
Equity holders of the Company	(295)	163	n.m.
Non-controlling interests	401	1,274	(69)
	106	1,437	(93)

n.m.: not meaningful



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

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

	Group		
	Full Year 31 Dec 2019 (Unaudited) US\$'000	Full Year 31 Dec 2018 (Audited) US\$'000	+ / (-) Change %
Subcontractor cost	156	658	(76)
Consultancy fees	58	89	(35)
Interest income	-	(1)	n.m.
Interest expense	4	8	(50)
Foreign exchange loss / (gain), net	84	(40)	n.m.
Impairment loss on trade and other receivables	223	-	n.m.
Depreciation of property, plant and equipment and right-of-use assets	145	30	383
Share of loss / (profit) of associates	22	(8)	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 2019 (Unaudited) US\$'000	31 Dec 2018 (Audited) US\$'000	31 Dec 2019 (Unaudited) US\$'000	31 Dec 2018 (Audited) US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	62	88	35	56
Bearer plants	-	6,170	-	-
Right-of-use assets	238	-	238	-
Investment in subsidiaries	-	-	1	1
Investment in associates	1,394	1,371	-	-
Deposits	4,939	4,939	-	-
Trade receivables	-	493	-	-
	6,633	13,061	274	57
<b>Current assets</b>				
Trade and other receivables	5,654	2,759	549	58
Prepayments	2,251	1,615	13	14
Amounts due from subsidiaries	-	-	9,858	7,541
Cash and cash equivalents	1,086	1,575	365	1,314
	8,991	5,949	10,785	8,927
<b>Current liabilities</b>				
Trade and other payables	7,217	11,031	130	2,169
Amounts due to subsidiaries	-	-	-	2,531
Amount due to an associate	43	-	-	-
Contract liabilities	15	23	-	-
Deferred revenue	-	341	-	-
Income tax payable	1,310	730	-	-
Contract deposit	420	820	-	-
Lease liabilities	159	-	159	-
Deferred rent liability	-	3	-	3
Provision for reinstatement cost	22	22	22	22
	9,186	12,970	311	4,725
<b>Net current (liabilities) / assets</b>	(195)	(7,021)	10,474	4,202
<b>Non-current liabilities</b>				
Other payables	2,932	-	1,720	-
Deferred revenue	-	5,829	-	-
Lease liabilities	75	-	75	-
Deferred tax liabilities	11	11	-	-
	3,018	5,840	1,795	-
<b>Net assets</b>	3,420	200	8,953	4,259
<b>Equity attributable to owners of the Company</b>				
Share capital	89,992	86,878	89,992	86,878
Accumulated losses	(87,886)	(87,615)	(81,121)	(82,708)
Other reserves	830	854	82	89
	2,936	117	8,953	4,259
<b>Non-controlling interests</b>	484	83	-	-
<b>Total equity</b>	3,420	200	8,953	4,259



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

**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 2019		As at 31 December 2018	
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 2019		As at 31 December 2018	
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 2019 (Unaudited) US\$'000	Full Year 31 Dec 2018 (Audited) US\$'000
	<b>Cash flows from operating activities</b>	
Profit before income tax	657	2,237
<b>Adjustments for:</b>		
Share-based compensation expenses	-	67
Introducer fee expense	-	316
Finance cost	4	8
Interest income	-	(1)
Depreciation of property, plant and equipment	27	30
Depreciation of right-of-use assets	118	-
Share of loss / (profit) of associates	22	(8)
Gain arising from reversal of liabilities	(10)	(546)
Gain arising from offset of amounts due from associate and contract deposits	-	(160)
Adjustment to payables and provisions in relation to the termination of oil and gas	-	(410)
Unrealised exchange loss / (gain)	131	(68)
Gain on disposal of subsidiary	-	(273)
Utilisation of deferred rent liability	(3)	(4)



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

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

	Group	
	Full Year 31 Dec 2019 (Unaudited)	Full Year 31 Dec 2018 (Audited)
	US\$'000	US\$'000
<b>Operating cash flows before working capital changes</b>	<b>946</b>	<b>1,188</b>
<u>Changes in working capital</u>		
Decrease in inventories	-	192
Increase in trade and other receivables and prepayment	(3,038)	(2,656)
(Decrease) / increase in contract liabilities	(8)	23
Increase / (decrease) in trade and other payables	239	(559)
<b>Cash used in operations</b>	<b>(1,861)</b>	<b>(1,812)</b>
Income tax paid	(78)	(4)
Interest received	-	1
<b>Cash flows used in operating activities</b>	<b>(1,939)</b>	<b>(1,815)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(1)	(2)
Legal expenses in relation to disposal of subsidiary	-	(3)
Payment in relation to an asset acquisition	(1,120)	(2,968)
<b>Cash flows used in investing activities</b>	<b>(1,121)</b>	<b>(2,973)</b>
<b>Financing activities</b>		
Interest paid	(4)	(9)
Repayment of contract deposits	(400)	-
Proceeds from placement of new shares	3,114	4,045
Payment of lease liabilities	(124)	-
<b>Cash flows generated from financing activities</b>	<b>2,586</b>	<b>4,036</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(474)</b>	<b>(752)</b>
Effects of exchange rate changes on balances held in foreign currencies	(15)	(27)
Cash and cash equivalents at beginning of the financial year	1,575	2,354
<b>Cash and cash equivalents at end of the financial year (Note 1)</b>	<b>1,086</b>	<b>1,575</b>

**Note 1:**

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



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

**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
<b>At 1 January 2018 – as previously reported</b>	<b>82,522</b>	<b>763</b>	<b>220</b>	<b>(2,804)</b>	<b>(85,181)</b>	<b>(4,480)</b>	<b>(1,240)</b>	<b>(5,720)</b>
Adjustment from adoption of SFRS(I)	-	-	-	3,019	(3,019)	-	-	-
<b>At 1 January 2018 - as restated</b>	<b>82,522</b>	<b>763</b>	<b>220</b>	<b>215</b>	<b>(88,200)</b>	<b>(4,480)</b>	<b>(1,240)</b>	<b>(5,720)</b>
Profit for the year	-	-	-	-	383	383	1,274	1,657
<u>Other comprehensive income</u>								
- Foreign currency translation	-	-	15	(235)	-	(220)	-	(220)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>(235)</b>	<b>383</b>	<b>163</b>	<b>1,274</b>	<b>1,437</b>
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	-	-	-	-	-	-	49	49
Liquidation or disposal of subsidiaries	-	-	-	-	8	8	-	8
Share-based compensation expenses	-	-	67	3	-	70	-	70
Expiration of share options	-	-	(194)	-	194	-	-	-
<b>At 31 December 2018</b>	<b>86,878</b>	<b>763</b>	<b>108</b>	<b>(17)</b>	<b>(87,615)</b>	<b>117</b>	<b>83</b>	<b>200</b>



**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	Merger reserve	Statutory / equity reserves	Foreign exchange reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling Interests	Total Equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>At 1 January 2019 - as previously reported</b>	<b>86,878</b>	<b>763</b>	<b>108</b>	<b>(17)</b>	<b>(87,615)</b>	<b>117</b>	<b>83</b>	<b>200</b>
(Loss) / profit for the year	-	-	-	-	(379)	(379)	390	11
<u>Other comprehensive income</u>								
- Foreign currency translation	-	-	-	84	-	84	11	95
<b>Total comprehensive income for the year</b>	-	-	-	84	(379)	(295)	401	106
Issuance of shares arising from placement	3,158	-	-	-	-	3,158	-	3,158
Share issue expense	(44)	-	-	-	-	(44)	-	(44)
Increase in non-controlling interests due to acquisition of subsidiary	-	-	-	-	-	-	-	-
Expiration of share options	-	-	(108)	-	108	-	-	-
<b>At 31 December 2019</b>	<b>89,992</b>	<b>763</b>	<b>-</b>	<b>67</b>	<b>(87,886)</b>	<b>2,936</b>	<b>484</b>	<b>3,420</b>



# 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 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
<b>At 1 January 2018 – as previously reported</b>	82,522	220	(4,015)	(78,098)	629
Adjustment from adoption of SFRS(l)	-	-	4,026	(4,026)	-
<b>At 1 January 2018 - as restated</b>	82,522	220	11	(82,124)	629
Loss for the year	-	-	-	(778)	(778)
<u>Other comprehensive income</u>					
- Foreign currency translation	-	15	(33)	-	(18)
<b>Total comprehensive income for the year</b>	-	15	(33)	(778)	(796)
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	-
<b>At 31 December 2018</b>	<b>86,878</b>	<b>108</b>	<b>(19)</b>	<b>(82,708)</b>	<b>4,259</b>

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
<b>At 1 January 2019 – as previously reported</b>	86,878	108	(19)	(82,708)	4,259
Profit for the year	-	-	-	1,476	1,476
<u>Other comprehensive income</u>					
- Foreign currency translation	-	-	101	3	104
<b>Total comprehensive income for the year</b>	-	-	101	1,479	1,580
Issuance of shares arising from placement	3,158	-	-	-	3,158
Share issue expense	(44)	-	-	-	(44)
Expiration of share options	-	(108)	-	108	-
<b>At 31 December 2019</b>	<b>89,992</b>	<b>-</b>	<b>82</b>	<b>(81,121)</b>	<b>8,953</b>





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

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

As at 31 December 2019, there is no change in the issuer's share capital (for the issuer) – since the end of the previous period reported on.

**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 2019, 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 2019	As at 31 Dec 2018
Total number of issued shares excluding treasury shares	231,615,325	203,053,325

**(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 2019	As at 31 Dec 2018
Total number of ordinary shares	203,053,325	142,814,685
Share issuance under the placement	28,562,000	56,000,000
Share issuance as introducer shares	-	4,238,640
Total number of issued shares excluding treasury shares	231,615,325	203,053,325

**(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 2019, the Company does not have treasury shares.

There are no options or shares granted under its share scheme during the year ended 31 December 2019.

**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 2019 have neither been audited nor reviewed by the Company's auditors.



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

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 2019.

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.**

### SFRS(I) 16 Leases

SFRS(I) 16 requires lessees to recognise most leases on balance sheets. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. SFRS(I) 16 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use ("ROU") asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the ROU asset.

The Group adopted SFRS(I) 16 on 1 January 2019, using the modified retrospective approach, without restating prior years' information.

In compliance with SFRS(I) 16, the Group and the Company have applied the practical expedient to recognise the amount of ROU assets equal to the lease liabilities as at 1 January 2019. Subsequent to initial recognition, the Group and the Company depreciate the ROU assets over the shorter of the useful life of the ROU assets and the lease term and recognise interest expenses on the lease liabilities.

The adoption of SFRS(I) 16 resulted in an increase in total assets and total liabilities. The impact on the statement of comprehensive income and balance sheet is as follow:

	Full Year 31 December 2019 US\$'000
<u>Group statement of comprehensive income</u>	
(Decrease) in other expenses – rental and management expenses	(128)
Increase in depreciation and amortization – depreciation of ROU assets	118
Increase in finance expenses on lease liabilities	4
<u>Group balance sheet</u>	
Increase in non-current asset – ROU assets	238
Increase in current liabilities – lease liabilities	159
Increase in non-current liabilities – lease liabilities	75



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

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

	Full Year 31 December 2019	Full Year 31 December 2018
	(Unaudited)	(Audited)
<b>(Loss) / profit per ordinary share of the Group for the financial year based on net profit attributable to equity holders of the Company:</b>		
Basic (US\$ cents)	(0.17)	0.22
Fully diluted (US\$ cents)	(0.17)	0.22
<b>Basic (loss) / profit per share were based on:</b>		
Net (loss) / profit for the year (US\$'000)	(379)	383
	No. of shares	No. of shares
Shares outstanding at the year	203,053,325	142,814,685
Weighted average number of shares issued under share placement	23,632,121	29,181,695
Weighted average number of ordinary shares for fully diluted earnings per share computation	226,685,446	171,996,380

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 2019 (Unaudited)	31 December 2018 (Audited)	31 December 2019 (Unaudited)	31 December 2018 (Audited)
Net assets value per ordinary share (US\$ cents)	1.27	0.06	3.87	2.10
Net assets value (US\$'000)	2,936	117	8,953	4,259
Issued and fully paid ordinary shares	231,615,325	203,053,325	231,615,325	203,053,325



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

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)	FY2019 (Unaudited)	FY2018 (Audited)	Change %
Management services	2,725	2,981	(9)
Timber logging	630	-	n.m.
Property construction and development	80	730	(89)
<b>Total revenue</b>	<b>3,435</b>	<b>3,711</b>	<b>(7)</b>

Total revenue for the Group reported was US\$3.435 million for the financial year ended 31 December 2019.

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

#### Costs and Earnings Analysis

Subcontractor costs are derived from the cost of construction of property in Malaysia and infrastructure cost in relation to the agriculture business in Malaysia. Consultancy fees relate to the agriculture business in Malaysia.

Total profit of US\$0.011 million was earned in 2019 as compared to US\$1.657 million in 2018. It was mainly due to the US\$1.240 million decrease in other income and the US\$0.276 million decrease in revenue from the agriculture business in Malaysia. These were slightly offset by the US\$0.502 million decrease in subcontractor cost. In addition, there was no gain on disposal of subsidiary in 2019, as compared to the US\$0.273 million gain recorded in 2018. There was also a US\$0.223 million impairment loss on trade and other receivables made in 2019, as compared to no provision made in 2018.

Other income in 2019 fell by 95% as compared to 2018 as there were various gains in 2018 that did not occur in 2019. These included a US\$0.410 million downward adjustment to payables and provision in relation to the termination of oil and gas, a US\$0.273 million gain on disposal of subsidiary and a US\$0.160 million gain from offset of amounts due from an associate and contract deposits. Furthermore, there was only a US\$ 0.010 million gain arising from reversal of liabilities in 2019, as compared to the US\$0.546 million gain in 2018. Depreciation and amortization in 2019 also increased by 383% as compared to 2018 due to the adoption of SFRS(I) 16 as discussed in Note 5. In addition, finance costs in 2019 dropped by 50% as compared to 2018 as there was a short-term loan that was fully repaid in 2018.

As a result of the above description, the total comprehensive income of US\$0.106 million was generated in 2019 as compared to US\$1.437 million in the 2018.



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

### (B) BALANCE SHEET / STATEMENT OF FINANCIAL POSITION

#### Assets & Liabilities

The non-current assets of the Group as at 31 December 2019 decreased by US\$6.428 million as compared to 31 December 2018 mainly due to the decrease in bearer plants.

Pursuant to the three cooperation agreements entered in FY2018 relating to the agriculture crops (mainly durian trees) development in Malaysia with three separate parties, RCL Kelstar Sdn. Bhd. ("RCL") will provide services and facilitate these business partners in the operations and development of the agriculture land. The consideration for the services rendered by RCL are in the form of service fees and in the form of durian saplings. As RCL received a number of durian saplings in 2018, the company and the Group recorded US\$6.170 million of bearer plants in the statement of financial position in 2018, as well as a corresponding amount of US\$6.170 million in deferred revenue (US\$0.341 million in the current liabilities and US\$5.829 million in the non-current liabilities) to account for these durian saplings received, as planting of the durian saplings has not yet commenced.

In 2019, the management evaluated various potential factors and issues in managing the bearer plants over the project tenure of 50 years. With the intention to enhance RCL's operational model and benefit from the business partners' expertise in managing the bearer plants, the management held discussions with the business partners and it was mutually agreed that the consideration in the form of durian saplings shall be returned. Going forward, RCL will now partake in a profit-sharing model with the business partners instead. As a result, the bearer plants figures were reversed in FY2019.

The current assets of the Group as at 31 December 2019 increased by US\$3.042 million as compared to 31 December 2018. This was mainly due to the increase in prepaid expenses and trade receivables in relation to the agriculture business.

The current liabilities of the Group as at 31 December 2019 decreased by US\$3.784 million as compared to 31 December 2018. This was mainly due to the decrease in trade and other payables, which was largely due to the payment of RM4.500 million (approximately US\$1.120 million) to the vendors of RCL Kelstar Sdn. Bhd. to further settle the outstanding amount due to them. There was also a US\$0.400 million decrease in contract deposit, due to repayments made in 2019. These were offset by a US\$0.580 million increase in income tax payable. Lastly, there was also a US\$0.341 million decrease in deferred revenue as a result of revised contractual terms in the three cooperation agreements from the agriculture business, as discussed above in the non-current asset section above.

The non-current liabilities of the Group as at 31 December 2019 decreased by US\$2.822 million as compared to 31 December 2018. This was mainly due to a US\$5.829 million decrease in deferred revenue as a result of revised contractual terms in the three cooperation agreements from the agriculture business, as discussed above. This was offset by a US\$2.932 million increase in other payables that have been reclassified to from current to non-current payables due to an extension in payment terms.

As a result of the above description, the net current liabilities of the Group decreased by US\$6.826 million and net assets of the Group increased by US\$3.220 million as at 31 December 2019, as compared to 31 December 2018.



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

**(C) CASHFLOW STATEMENT / STATEMENT OF CASHFLOWS**

**Cash Flow & Working Capital**

	<b>FY2019 (Unaudited) (US\$'000)</b>	<b>FY2018 (Audited) (US\$'000)</b>
Cash flows used in operating activities	(1,939)	(1,815)
Cash flows used in investing activities	(1,121)	(2,973)
Cash generated from financing activities	2,586	4,036
Net increase decrease in cash and cash equivalents	(474)	(752)
Effect of exchange rate changes on cash and cash equivalents	(15)	(27)
Cash and cash equivalents at beginning of year	1,575	2,354
Cash and cash equivalents at end of year	1,086	1,575

Cash and cash equivalent position (inclusive of exchange effects) decreased by US\$0.489 million for FY2019 as compared with FY2018.

Cash used in operating activities was US\$1.939 million for FY2019. This is compared to US\$1.815 million used in operating activities for FY2018. This was mainly contributed by the increase in trade and other receivables, which was slightly offset by the increase in trade and other payables.

Cash used in investing activities was US\$1.121 million for FY2019. This was mainly due to payments made during the year in relation to an asset acquisition.

Cash generated from financing activities was US\$2.586 million in FY2019. This was mainly due to the receipt of the share placement proceeds upon the completion of the placement of shares on 5 March 2019, that was slightly offset by the partial repayment of contract deposits.

**Update on Use of Proceeds from the Placement**

For the placement of shares in 1Q2019, the Company raised US\$3.11 million in total. The amount from the proceeds unutilized as at 31 December 2019 amounted to US\$1.08 million. The list below summarized the usage of the proceeds.

Net proceeds from drawdown of placement	<b>US\$ million 3.11</b>
<u>Less use of proceeds:</u>	
Payment to Vendors	0.27
Provision of working capital within the Group	1.76
<b>Balance as at 31 December 2019</b>	<b><u>1.08</u></b>

**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.



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

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

As the first housing project situated in the state of Perak, Malaysia, was delayed in 2019 for a considerable amount of time due to a restructuring exercise, Premier Mirach Sdn. Bhd. ("PMSB") is currently in the discussion stage with the relevant parties towards a recovery plan. The company anticipates an outcome from the discussion in the second half of 2020.

Due to the unexpected continuous delay of the second construction project, PMSB held discussions with the developer and both parties have mutually agreed to cancel the Partnership Agreement in relation to the development of individual residential unit of townhouses in West Malaysia. No cost was incurred by the Group as a result of this cancellation.

### Agriculture Business

As at 31 December 2019, RCL Kelstar Sdn. Bhd. ("RCL") has successfully entered into five separate cooperation agreements with business partners, for the purpose of developing a multi-storey cropping agriculture project on approximately 2,750 acres or 50% of the concession land. The cooperation allows the business partners to engage in the planting, cultivation and harvesting of durian and other approved plant species.

RCL will provide services and work with the business partners to facilitate the operations and development of the agriculture land and in turn collect management fees from these business partners.

During the financial year, as a result of revised contractual terms in three cooperation agreements, the bearer plants and corresponding deferred revenue figures of the Group have been reversed (as discussed in Note 8(B)).

### Management Services Business

The Group's wholly-owned subsidiary Mirach HP Management Pte. Ltd. ("MHPM") provides business and management consultancy services. MHPM is currently working with partners in Malaysia to provide marketing and sales consultancy for their business development, and hopes to acquire more human resource along the way to further develop its business.

### Oil and Gas Business

Currently, the Group still retains minority ownership (9%) of the Gunung Kampung Minyak Ltd Oil Field in Indonesia.

### A New Subsidiary and Associate

The Group established a wholly-owned subsidiary in Hong Kong on 3 June 2019.

On 11 November 2019, this subsidiary acquired a 30% equity interest in Hu Bei ZeGang Supply-Chain Limited, a company incorporated in The People's Republic of China, which specialising in ecommerce, trading of agriculture products and construction material etc. as well as provision of internet information services.





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

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 2019, as cash flows are being directed to the Group's various projects.

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 Q42019 were mainly used for the following activities:-

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

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 4Q2019.

The usage of funds / cash for exploration activities and others for the next immediate quarter (i.e. Period from 1 January 2020 to 31 March 2020) including are expected to be as follows:-

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





# MIRACH ENERGY LIMITED (COMPANY NO.200305397E)

(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).

**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**15. Segmental revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Segmental analysis

	Revenue			(Loss) / profit before income tax		
	FY2019 (Unaudited) US\$'000	FY2018 (Audited) US\$'000	+ / (-) Change %	FY2019 (Unaudited) US\$'000	FY2018 (Audited) US\$'000	+ / (-) Change %
Oilfield services	-	-	-	(224)	211	n.m.
Oil exploration and oilfield development	-	-	-	(5)	405	n.m.
Property construction and development	80	730	(89)	(393)	(104)	278
Agriculture	3,299	2,877	15	2,275	2,341	(3)
Management services	56	104	(46)	(71)	(26)	173
Others	-	-	-	(925)	(590)	57
	<b>3,435</b>	<b>3,711</b>	<b>(7)</b>	<b>657</b>	<b>2,237</b>	<b>(71)</b>

	Revenue		
	FY2019 (Unaudited) US\$'000	FY2018 (Audited) US\$'000	+ / (-) Change %
Geographical information			
- Malaysia	3,379	3,607	(6)
- Singapore	56	104	(46)
	<b>3,435</b>	<b>3,711</b>	<b>(7)</b>

Oilfield services

There was no revenue generated from the oilfield services segment in FY2019 and FY2018.

There was a loss before income tax of US\$0.224 million in FY2019 compared to a profit before income tax of US\$0.211 million in FY2018. This is mainly due to the one-off gain on disposal of subsidiary of US\$0.273 million and gain arising from offset of amounts due from associate and contract deposits of US\$0.160 million that occurred in FY2018.

Oil exploration and oilfield development

There was no revenue generated from the oil exploration and oilfield development segment in FY2019 and FY2018.

There was a loss before income tax of US\$0.005 million in FY2019 compared to a profit before income tax of US\$0.405 million in FY2018. This is mainly due to the one-off gain in 2018 of US\$0.410 million arising from the adjustment to payables and provisions in relation to the termination of oil and gas operations.



# MIRACH ENERGY LIMITED (COMPANY NO.200305397E)

## Property construction and development

The revenue from the property construction and development segment decreased by US\$0.650 million (or 89%) to US\$0.080 million in FY2019 from US\$0.730 million in FY2018 due to delays in the first housing project that were experienced during the year.

There was a US\$0.289 million (or 278%) increase in loss before income tax from FY2018 to FY2019 as the lower revenue could not offset the relevant operating costs incurred.

## Agriculture

The revenue from the agriculture segment increased by US\$0.422 million (or 15%) in FY2019 to US\$3.299 million from US\$2.877 million in FY2018. This was due to the management services income and timbre logging income from 2019.

Profit before income tax saw a slight decrease of US\$0.066 million (or 3%) from US\$2.341 million in FY2018 to US\$2.275 million in FY2019. This was mainly attributable to an increase in operating costs as the agriculture business moves into further development of the concession land area in the current financial year.

## Management services

The revenue from the management services segment decreased by \$0.048 million (or 46%) in FY2019 to US\$0.056 million from US\$0.104 million in FY2018. The loss before income tax also increased by \$0.045 million to US\$0.071 million in FY2019 from US\$0.026 million in FY2018. These was due to lower sales commission and management service income during the financial year.

## Others

Others segment included mainly investment holding entities. There was no revenue generated from this segment in FY2019 and FY2018.

The loss before income tax increased by US\$0.335 million (or 57%) in FY2019 to US\$0.925 million from US\$0.590 million in FY2018. This was mainly due to a US\$0.095 million consultancy fee expense and US\$0.106 million of unrealized exchange losses incurred in FY2019.

## 16. In the review of performance, the factors leading to any material changes in contributions to revenue and earnings by the business or geographical segments.

None.

## 17. Breakdown of Group's revenue and profit after tax for first half year and second half year.

	FY2019 (Unaudited) US\$'000	FY2018 (Audited) US\$'000	+ / (-) Change %
Revenue			
- First half	1,789	358	400
- Second half	1,646	3,353	(51)
<b>Full year revenue</b>	<b>3,435</b>	<b>3,711</b>	<b>(7)</b>
Profit / (loss) after tax before deducting non-controlling interests ("PAT")			
- First half	129	(197)	n.m.
- Second half	(118)	1,854	n.m.
<b>Full year PAT</b>	<b>11</b>	<b>1,657</b>	<b>(99)</b>



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

18. **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**

**28 February 2020**

**Liu Mei Ling, Rhoda  
Director**

**28 February 2020**