

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

APPLICATION OF AN EXTENSION OF TIME TO MEET THE REQUIREMENTS UNDER RULE 1314 OF THE LISTING MANUAL TO EXIT FROM THE WATCH-LIST

- SGX-ST CONDITIONAL GRANT OF EXTENSION OF TIME

*Reference is made to the announcement of Mirach Energy Limited relating to the application of an extension of time to meet requirements under Rule 1314 of the Listing Manual dated 28 August 2017 ("**Extension Application Announcement**"). Unless otherwise defined, all terms used herein shall bear the same meaning as in the Extension Application Announcement.*

1. The Board of Directors of Mirach Energy Limited (the "**Company**") is pleased to announce that SGX-ST has granted to the Company an extension of 15 months to 28 February 2019 to meet the requirements for removal from the Watch-List pursuant to Rule 1314 subject to the following:-
 - (a) the Company announcing the waiver granted, the reasons for seeking the waiver (as set out in paragraph 2 below) and the conditions as required under Listing Rule 107 (as set out in this paragraph 1);
 - (b) the Company being awarded the first project which relates to the role of a main contractor in respect of a proposed development of a plot of land in West Malaysia ("**First Project**") within 60 days from the date of signing of the shareholders' agreement (i.e. 24 October 2017) and the second project, prior to 31 December 2017. The shareholders' agreement was executed on 25 August 2017;
 - (c) disclosure via SGXNet of the Company's Undertaking and the Controlling Shareholder Undertaking (the aforesaid undertakings have been announced in the Extension Application Announcement on 28 August 2017); and
 - (d) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company.

Please note that for the purpose of the undertaking provided by the Company, the Extended Date refers to 28 February 2019. Please refer to the Extension Application Announcement for more details.

The Exchange reserves the right to amend and/or vary the above decision and such decision is subject to the continued validity of the Company's justifications and changes in the Exchange's policies.

2. The reasons for seeking the Extension Application are as follows:
 - (a) the Company is exploring various options and alternatives with a view to meet the exit requirements under Listing Rule 1314. As part of the Company's efforts to meet the exit requirements, the Company had on 5 July 2017 announced that it has entered into a memorandum of understanding for a proposed joint venture. The Company had on 28 August 2017 announced

on the SGXNet the entry into of a shareholders' agreement with PRG Construction Sdn Bhd;

- (b) the Company have also taken active steps to streamline the existing group structure and operations to reduce costs with a view of eliminating losses, improving cash flow and financial efficiencies;
 - (c) further in view of the business plan (as described below), it will not be in the interests of the shareholders of the Company ("**Shareholders**") for the Company's shares to be suspended or for the SGX-ST to delist the Company. The business plans relates to (1) the plan to diversify, *inter alia*, into property and construction businesses; (2) restructuring the existing group structure and operations as described in paragraph 2(b) above; and (3) fund raising at the appropriate time;
 - (d) in addition, the uncertainty of its listing status creates impediment and does not enable the Company to undertake the business plan;
 - (e) the First Project and other business plans requires time for implementation as well as for the Company to return to profitability. The Company is confident that the extension period to 28 February 2019 will provide sufficient time for the Company to implement, *inter alia*, the First Project so as to return the Company to profitability;
 - (f) in addition, the Company can only undertake fund raising exercise(s) to improve its market capitalisation sometime in financial year ended 31 December 2018 after the Company has the opportunity to implement the business plan which includes the First Project; and
 - (g) for the reasons stated above, it will be in the interests of the Shareholders and the Company to apply and for SGX-ST to grant the Extension Application.
3. The Company will make further announcement(s) as appropriate when there are material developments.

By Order of the Board

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

31 August 2017