MIRACH ENERGY LIMITED
(COMPANY NO.200305397E)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE SGX-ST LISTING MANUAL

1. BACKGROUND

Mirach Energy Limited (the "Company", and together with its subsidiaries, the "Group") was placed on the Watch-List pursuant to Rule 1311 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 3 December 2015.

In accordance to Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors of the Company would like to provide the following updates on the financial situation, its future direction as well as other material developments that may impact the Group's position.

2. UPDATE ON FINANCIAL SITUATION

Total revenue for the Group reported was US$0.052 million for the financial period ended 31 March 2018. The revenue are generated from property construction and development business in the Malaysia State of Perak.

Cost of sales was solely derived from property construction and development business. .

Staff costs were further reduced to US$0.258 million for 1Q2018 as compared to US$0.426 million for 1Q2017. Depreciation and amortization also declined by 88% for 1Q2018 as compared to 1Q2017.

Total comprehensive income for 1Q2018 was US$0.166 million.

The current assets of the Group as at 31 March 2018 increased by US$0.186 million as compared to 31 December 2017. This was mainly due to the advanced cash paid for the property construction and development projects in 1Q2018.

Trade and other payables decreased by US$0.268 million as of 31 March 2018 compared with 31 December 2017. This was mainly due to the waiver of an amount due to a third party at US$0.56 million. The short-term loans for the period of six months were arranged as operating funds.

Cash used in operating activities was US$0.852 million for 1Q2018.

For more details on the results and financial position of the Group, please refer to the Company's results announcement for the period ended 31 March 2018.

3. UPDATE ON FUTURE DIRECTION

Oil and Gas Business

Due to the weak economic climate in the Indonesian Oil Exploration sector, the Group ceased operations and surrendered the Kampung Minyak Oil Field in 2017. The Group is still retains minority ownership of the Gunung Kampung Minyak Ltd Oil Field in Indonesia. The Group will still seek attractive new business opportunities in the Energy sector.

Property and Construction Business

In 2017, the group set up a joint venture company, Premier Mirach Sdn Bhd 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. The purpose is to undertake property construction projects in Malaysia and other parts of Asia. As of 31 March 2018, the first housing project situated in the Malaysia State of Perak has generated US$0.052 million revenue to the Group.

Agriculture Land (The "Proposed Investment")

In 1Q2018, The Group entered into a memorandum of understanding with RCL Kelstar Sdn. Bhd. ("RCL") to acquire 70% equity interest in RCL and participate in a project in Malaysia with the Kelantan State Economic Development Corporation. The proposed investment provides the Company with the potential opportunity to participate in the proposed new business.

The Group will update more on the above new project as it materializes.

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

15 May 2018