



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

Unaudited First Quarter Financial Statement and Dividend Announcement for the Period Ended 31 March 2020

The Company is mandatorily required pursuant to the Singapore Exchange Securities Trading Limited (“SGX-ST”) to continue quarterly reporting (“QR”) of its financial statements with effect from 7 February 2020 in view of the modified opinion issued by the Company’s statutory auditors in its annual report for the financial year ended 31 December 2019. QR announcement is mandatory, made pursuant to the Exchange’s requirements, as required under Listing Rule 705(2C).

PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1 & Q3), HALF-YEAR (Q2) AND FULL-YEAR (Q4) RESULTS

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

	Group		
	1Q2020	1Q2019	
	31 Mar 2020 (Unaudited)	31 Mar 2019 (Unaudited)	+ / (-) Change
	US\$'000	US\$'000	%
Revenue	326	1,074	(70)
Subcontractor cost	(1)	(154)	(99)
Other income	548	23	2,283
Staff cost	(276)	(255)	21
Depreciation	(52)	(28)	86
Expected credit loss of trade receivables	(50)	-	n.m.
Other expenses	(95)	(336)	(72)
Finance costs	(1)	(1)	-
Share of profit of an associate	28	-	n.m.
Profit before income tax	427	323	32
Income tax	(32)	(164)	(80)
Total profit for the period	395	159	148
Other comprehensive (loss)/income:-			
Currency translation arising from presentation currency	(527)	15	n.m.
Currency translation arising from consolidation	(156)	1	n.m.
Other comprehensive (loss)/income for the period, net of tax	(683)	16	n.m.
Total comprehensive (loss)/income	(288)	175	n.m.
Profit for the period attributable to:			
Equity holders of the Company	387	13	2,877
Non-controlling interests	8	146	(95)
	395	159	148
Total comprehensive income attributable to:			
Equity holders of the Company	(233)	22	n.m.
Non-controlling interests	(55)	153	n.m.
	(288)	175	n.m.

n.m.: not meaningful



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1(a) **Income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding year. (Cont'd)**

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

	Group		
	1Q2020 31 Mar 2020 (Unaudited) US\$'000	1Q2019 31 Mar 2019 (Unaudited) US\$'000	+ / (-) Change %
Subcontractor cost	1	154	(99)
Interest expense	1	1	-
Expected credit loss on trade receivables	50	-	n.m.
Foreign exchange (gain)/loss, net	(545)	19	n.m.
Depreciation of property, plant and equipment	4	8	(50)
Depreciation of right-of-use asset	48	20	138
Share of profit of an associate	28	-	n.m.

n.m.: not meaningful



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1(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year .

	Group		Company	
	31 Mar 2020 (Unaudited) US\$'000	31 Dec 2019 (Audited) US\$'000	31 Mar 2020 (Unaudited) US\$'000	31 Dec 2019 (Audited) US\$'000
Non-current assets				
Property, plant and equipment	55	62	31	35
Right-of-use assets	178	238	178	238
Investment in subsidiaries	-	-	1	1
Investment in associates	1,554	1,526	-	-
Deferred tax assets	39	42	-	-
Deposits	4,939	4,939	-	-
Trade receivables	695	733	-	-
	7,460	7,540	210	274
Current assets				
Trade and other receivables	4,042	4,897	58	58
Prepayments	2,118	2,265	8	13
Amounts due from subsidiaries	-	-	8,250	8,713
Cash and cash equivalents	1,281	1,087	174	365
	7,441	8,249	8,490	9,149
Current liabilities				
Trade and other payables	3,847	4,253	103	152
Contract liabilities	13	15	-	-
Income tax payable	1,297	1,346	-	-
Contract deposit	420	420	-	-
Lease liabilities	139	159	139	159
	5,716	6,193	242	311
Net current assets	1,725	2,056	8,248	8,838
Non-current liabilities				
Other payables	1,921	2,014	1,627	1,720
Lease liabilities	45	75	45	75
Deferred tax liabilities	17	17	-	-
	1,983	2,106	1,672	1,795
Net assets	7,202	7,490	6,786	7,317
Equity attributable to owners of the Company				
Share capital	89,992	89,992	89,992	89,992
Accumulated losses	(83,512)	(83,859)	(82,872)	(82,734)
Other reserves	241	861	(334)	59
	6,721	6,994	6,786	7,317
Non-controlling interests	481	496	-	-
Total equity	7,202	7,490	6,786	7,317



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1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

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

As at 31 March 2020		As at 31 December 2019	
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 March 2020		As at 31 December 2019	
Secured (Unaudited) US\$'000	Unsecured (Unaudited) US\$'000	Secured (Audited) US\$'000	Unsecured (Audited) US\$'000
Nil	Nil	Nil	Nil

1(c) Statement of cash flows (for the group) , together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	1Q2020 31 Mar 2020 (Unaudited) US\$'000	1Q2019 31 Mar 2019 (Unaudited) US\$'000
Cash flows from operating activities		
Profit before income tax	427	323
Adjustments for:		
Finance cost	1	1
Depreciation of property, plant and equipment	4	8
Depreciation of right-of-use assets	48	20
Expected credit loss on trade receivables	50	-
Share of profit of an associate	(28)	-
Unrealised exchange loss	(718)	1
Operating cash flows before working capital changes	(216)	353
<u>Changes in working capital</u>		
Decrease/(increase) in trade and other receivables and prepayments	990	(733)
Decrease in amount due to contract customers	(2)	(4)
Decrease in trade and other payables	(499)	(1,420)
Cash flows generated from/(used in) operations	273	(1,804)
Income tax paid	(19)	(2)
Net cash flows generated from/(used in) operating activities	254	(1,806)
Investing activity		
Purchase of property, plant and equipment	-	(1)
Net cash flows used in investing activity	-	(1)



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1(c) Statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Group	
	1Q2020	1Q2019
	31 Mar 2020 (Unaudited)	31 Mar 2019 (Unaudited)
	US\$'000	US\$'000
Financing activities		
Interest paid	(1)	(1)
Payment of lease liabilities	(37)	-
Proceeds from placement of new shares	-	3,144
Net cash flows (used in)/generated from financing activities	(38)	3,143
Net increase in cash and cash equivalents	216	1,336
Effects of exchange rate changes on balances held in foreign currencies	(22)	(27)
Cash and cash equivalents at beginning of the period	1,087	1,575
Cash and cash equivalents at end of the period (Note)	1,281	2,884

Note:

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



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding year.

The Group	Share capital	Merger reserve	Equity and share options reserve	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 2019	86,878	763	108	(17)	(87,615)	117	83	200
Profit for the period	-	-	-	-	13	13	146	159
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	-	9	-	9	7	16
Total comprehensive income for the period	-	-	-	9	13	22	153	175
Issuance of shares arising from placement	3,158	-	-	-	-	3,158	-	3,158
Share issue expense	(44)	-	-	-	-	(44)	-	(44)
At 31 March 2019	89,992	763	108	(8)	(87,602)	3,253	236	3,489
At 1 January 2020	89,992	763	-	98	(83,859)	6,994	496	7,490
Changes to non-controlling interests	-	-	-	-	(40)	(40)	40	-
Profit for the period	-	-	-	-	387	387	8	395
<u>Other comprehensive loss</u>								
Foreign currency translation	-	-	-	(620)	-	(620)	(63)	(683)
Total comprehensive (loss)/income for the period	-	-	-	(620)	387	(233)	(55)	(288)
At 31 March 2020	89,992	763	-	(522)	(83,512)	6,721	481	7,202



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding year. (Cont'd)

The Company	Share capital	Equity and share options reserve	Foreign exchange reserves	Accumulated losses	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2019	86,878	108	(19)	(82,708)	4,259
Loss for the period	-	-	-	(99)	(99)
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(36)	1	(35)
Total comprehensive income for the period	-	-	(36)	(98)	(134)
Issuance of shares arising from placement	3,158	-	-	-	3,158
Share issue expense	(44)	-	-	-	(44)
At 31 March 2019	89,992	108	(55)	(82,806)	7,239

At 1 January 2020	89,992	-	59	(82,734)	7,317
Loss for the period	-	-	-	(137)	(137)
<u>Other comprehensive income</u>					
Foreign currency translation	-	-	(393)	(1)	(394)
Total comprehensive income for the period	-	-	(393)	(138)	(531)
At 31 March 2020	89,992	-	(334)	(82,872)	6,786



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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Changes in Company's share capital:

	Group and Company Issued ordinary shares No. of shares		Group and Company Issued and fully paid-up capital US\$'000	
	2020	2019	2020	2019
	At 1 January	231,615,325	203,053,325	89,992
Share issuance under the placement	-	28,562,000	-	3,114
At 31 March	231,615,325	231,615,325	89,992	89,992

There were no changes in the issued and paid-up share capital of the Company from 31 December 2019 to 31 March 2020.

There were no treasury shares held or issued as at 31 March 2020 and 31 March 2019.

- 1(d)(iii) 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.**

	As at 31 Mar 2020	As at 31 Dec 2019
Total number of issued shares excluding treasury shares	231,615,325	231,615,325

- 1(d)(iv) 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 period, 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).**

Not applicable. The Company does not have any treasury shares.

There are no options or shares granted under its share scheme during the period ended 31 March 2020.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company does not have any subsidiary holdings.

- 2. Whether the figures have been audited or reviewed, and in accordance with which accounting standard or practice.**

The figures as at 31 March 2020 have neither been audited nor reviewed by the Company's auditors.



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- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

(a) Updates on the efforts taken to resolve each outstanding audit issue.

In the Company's latest audited financial statements for the financial year ended 31 December 2019 ("FY2019"), BDO LLP, the Group's auditor, has issued a disclaimer of opinion in respect of the following:

- (i) Revenue recognition for the agricultural project in Malaysia
- (ii) Adequacy of expected credit loss allowance of the trade receivables related to the agriculture project
- (iii) Going concern assumption
- (iv) Adequacy of expected credit loss allowance of amounts due from subsidiaries
- (v) Equity accounting of an associate in China
- (vi) Trade and other payables of a subsidiary in Indonesia
- (vii) Opening balances

Details relating to the Group's comments on the disclaimer points and its efforts taken to resolve the matter may be found in the Company's announcement dated 30 August 2020.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the consolidated financial statements have been adequately disclosed.

The Board confirms that all impact of outstanding audit issues on the financial statements in relation to FY2019 have been adequately disclosed.

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

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.**

The Group has adopted all the applicable Singapore Financial Reporting Standards (International) ("SFRS(I)") and related Interpretations ("INT SFRS(I)") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2020. The adoption of the new accounting standards does not have any material effect on the financial results of the Group and the Company.



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6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	1Q2020 31 March 2020	1Q2019 31 March 2019
	(Unaudited)	(Unaudited)
Earnings per ordinary share of the Group for the financial period based on net earnings attributable to equity holders of the Company:		
Basic (US\$ cents)	0.17	0.01
Fully diluted (US\$ cents)	0.17	0.01
Basic earnings per share were based on:		
Net earnings for the period (US\$'000)	387	13
	No. of shares	No. of shares
Weighted average number of ordinary shares for fully diluted earnings per share computation	231,615,325	211,621,925

7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the Issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31 March 2020 (Unaudited)	31 December 2019 (Audited)	31 March 2020 (Unaudited)	31 December 2019 (Audited)
Net assets value per ordinary share (US\$ cents)	2.90	3.02	2.93	3.16
Net assets value (US\$'000)	6,721	6,994	6,786	7,317
Issued and fully paid ordinary shares	231,615,325	231,615,325	231,615,325	231,615,325



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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(A) INCOME STATEMENT/STATEMENT OF COMPREHENSIVE INCOME

Turnover Analysis

Revenue (US\$'000)	1Q2020 (Unaudited)	1Q2019 (Unaudited)	Change %
Management services	1	997	(100)
Timber logging	324	-	n.m.
Property construction and development	1	77	(99)
Total revenue	326	1,074	(70)

Total revenue for the Group reported was US\$0.326 million for the period ended 31 March 2020.

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\$0.395 million was earned in 1Q2020 as compared to US\$0.159 million in 1Q2019. It was mainly due to the US\$0.153 million decrease in subcontractor cost, US\$0.525 million increase in other income, US\$0.241 million decrease in other expenses and US\$0.132 million decrease in income tax. These were offset mainly by the US\$0.748 million decrease in revenue as well as the US\$0.050 million increase in expected credit loss on trade receivables.

Revenue in 1Q2020 fell by 70% as compared to 1Q2019 mainly due to the drop in revenue from the management services provided in relation to the agriculture business in Malaysia as well as from the property construction and development services. This was offset by the increase in timber logging revenue. There has also been a corresponding drop in the subcontractor cost in 1Q2020 as a result of the drop in revenue from management services and property construction and development services.

Other income in 1Q2020 rose by 2,283% as compared to 1Q2019 mainly due to net foreign exchange gain of US\$0.545 million, as a result of the weakening of the SGD against HKD. Depreciation in 1Q2020 increased by 86% as compared to 1Q2019 due to an addition to rights-of-use assets made in 3Q2019 and its corresponding depreciation being recorded in 1Q2020 but not in 1Q2019. In addition, other expenses in 1Q2020 decreased by 72% as compared to the same period in 2019 mainly due to a drop in consultancy fees paid in relation to the agriculture business in Malaysia. There was also a net foreign exchange gain in 1Q2020 that was recorded in the other income, as compared to the net foreign exchange loss in 1Q2019 that was recorded in the other expenses.

Despite the 32% increase in total profit before income tax in 1Q2020 as compared to 1Q2019, the income tax expense for 1Q2020 has dropped by 80%. This is due to the drop in income tax expense in relation to the agriculture business in Malaysia, as a result of a lower net profit



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before tax generated. Furthermore, the net foreign exchange gain recorded in 1Q2020 is also not taxable.

Due to the weakening of the USD against other currencies for the period ended 31 March 2020, there was a US\$0.683 million loss on currency translation arising from presentation currency and consolidation compared to a gain of US\$0.016 million in 1Q2019.

As a result of the above description, a total comprehensive loss of US\$0.288 million was incurred in 1Q2020 as compared to total comprehensive income of US\$0.175 million that was generated in the 1Q2019.

(B) BALANCE SHEET/STATEMENT OF FINANCIAL POSITION

Assets & Liabilities

The non-current assets of the Group as at 31 March 2020 decreased by US\$0.080 million as compared to 31 December 2019 mainly due to the decrease in property, plant and equipment and right-of-use assets as a result of depreciation recorded in 1Q2020. There was also a decrease in deferred tax assets and trade receivables due to the effects of foreign exchange translations during the quarter.

The current assets of the Group as at 31 March 2020 decreased by US\$0.808 million as compared to 31 December 2019. This was mainly due to the settlements of trade receivables received from customers of the agriculture business in Malaysia. There has also been a drop in prepayments made in relation to the agriculture business. This was slightly offset by the increase in cash and cash equivalents.

The current liabilities of the Group as at 31 March 2020 decreased by US\$0.477 million as compared to 31 December 2019. This was mainly due to lower accruals being made in relation to the agriculture business in Malaysia as there was a reduction in the business operations in 1Q2020 as a result of the COVID-19 outbreak.

The non-current liabilities of the Group as at 31 March 2020 decreased by US\$0.123 million due to the drop in lease liabilities as a result of lease payments made in 1Q2020, as well as a drop in other payables, that was due to the effects of foreign exchange translations during the quarter.

As a result of the above description, the net current assets and net assets of the Group as at 31 March 2020 decreased by US\$0.331 million and decreased by US\$0.288 million respectively, as compared to 31 December 2019.

(C) CASHFLOW STATEMENT/STATEMENT OF CASHFLOWS

Cash Flow & Working Capital

	1Q2020 (Unaudited) (US\$'000)	1Q2019 (Unaudited) (US\$'000)
Net cash flows generated from/(used in) operating activities	254	(1,806)
Net cash flows used in investing activity	-	(1)
Net cash flows (used in)/generated from financing activities	(38)	3,143
Net increase in cash and cash equivalents	216	1,336
Effect of exchange rate changes on cash and cash equivalents	(22)	(27)
Cash and cash equivalents at beginning of period	1,087	1,575
Cash and cash equivalents at end of period	1,281	2,884



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Cash and cash equivalent position (inclusive of exchange effects) increased by US\$0.194 million for 1Q2020 as compared with 31 December 2019.

Net cash flows generated from operating activities was US\$0.254 million for 1Q2020. There was an increase of US\$2.060 million as compared to 1Q2019. This was mainly contributed by the collection of trade receivables from the agriculture business in Malaysia.

Net cash used in financing activities was US\$0.038 million in 1Q2020, as compared to the net cash generated from financing activities of US\$3.143 million in 1Q2019. This was mainly due to the receipt of the share placement proceeds upon the completion of the placement of shares on 5 March 2019. There was no share placement in 1Q2020.

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 March 2020 amounted to US\$0.55 million. The list below summarized the usage of the proceeds.

	US\$ million
Net proceeds from drawdown of placement	3.11
<u>Less use of proceeds:</u>	
Payment to Vendors	0.27
Provision of working capital within the Group	2.29
Balance as at 31 March 2020	0.55

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

Not applicable as there was no forecast or prospect statement made or disclosed to shareholders for the period.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Property and Construction Business

The first construction project in West Malaysia was delayed in 2019 for a considerable amount of time due to a restructuring exercise by the project's developer and PMSB has been in discussion with the relevant parties towards a recovery plan since 2019. The discussions were also delayed due to the Movement Control Order ("MCO") which was imposed by the government of Malaysia on 18 March 2020 as a result of the Coronavirus outbreak. On 25 August 2020, PMSB signed a final settlement agreement with the developer.

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 will be incurred by the Group as a result of this cancellation.

Agriculture Business

As at 31 March 2020, RCL Kelstar Sdn. Bhd. ("RCL") has entered into five separate cooperation agreements with business partners, for the purpose of developing a multi crop agriculture development 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 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.



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The COVID-19 outbreak resulted in certain operational delays in the Agricultural Business in 1Q2020 due to the precautionary and control measures that have been and continue to be implemented in Mainland China and Malaysia, where RCL's customers and operations are located in. However, as Malaysia has entered into the Recovery Movement Control Order ("RMCO") phase since 1 July 2020, RCL is currently fully operational and anticipates business to gradually pick up.

Additionally, RCL has completed the logging activities and successfully obtained the Use Permit on 19 July 2020, for the first block of concession land.

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.

E-commerce Business

As part of the Group's plans to diversity into the online trading business, the Group acquired full equity interest in Smart Life International Investment Group Co., Limited ("Smart Life"), in Hong Kong in 2019.

Smart Life then acquired a 30% equity interest in Hu Bei ZeGang, a company which specialises in e-commerce, trading of agriculture products and construction material etc. as well as provision of internet information services. The Group recorded a US\$38,000 share of profit from Hu Bei ZeGang in 1Q2020.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b) (i) Amount per share

Not applicable.

(b) (ii) Previous corresponding period

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers receive by the Group (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.



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12. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividends have been declared or recommended for the period ended 31 March 2020, 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 1Q2020 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 1Q2020.

The usage of funds / cash for exploration activities and others for the next immediate quarter (i.e. Period from 1 April 2020 to 30 June 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	-

- (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).



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

- 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).

- 15. In the case of an announcement of interim financial statement (quarterly or half-yearly), the issuer's directors must that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false and misleading, in the material aspect.**

We, CHAN Shut Li, William and LIU Mei Ling, Rhoda, being two of the Directors of Mirach Energy Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Company and of the Group for the first quarter of 2020 and the three months ended 31 March 2020 to be false or misleading in any material respect.

On behalf of the Board of Directors

**Chan Shut Li, William
Chairman of the Board**

11 September 2020

**Liu Mei Ling, Rhoda
Director**

11 September 2020