



MIRACH ENERGY LIMITED
(COMPANY NO.200305397E)

Unaudited Third Quarter And Nine Months Financial Statements and Dividend Announcement for the Period Ended 30 September 2018

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 – corresponding period of the immediately preceding year.

	Group			Group		
	3Q2018	3Q2017	+ / (-)	9M2018	9M2017	+ / (-)
	30 Sep 2018	30 Sep 2017		30 Sep 2018	30 Sep 2017	
(Unaudited)	(Unaudited)	Change	(Unaudited)	(Unaudited)	Change	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	778	58	n.m.	1,136	303	275
Cost of sales	(292)	-	n.m.	(568)	(194)	193
Other income	(4)	-	n.m.	561	4	n.m.
Production expenses	-	-	n.m.	-	(151)	n.m.
Staff cost	(242)	(207)	17	(770)	(907)	(15)
Depreciation and amortisation	(8)	(6)	33	(22)	(101)	(78)
Other expenses	(496)	(195)	154	(812)	(859)	(5)
Reversal of provision for amount due from subsidiaries	-	232	n.m.	-	411	n.m.
Provision for amount due from associate	-	(6)	n.m.	-	(56)	n.m.
Impairment loss on oil and gas properties	-	(7)	n.m.	-	(2,404)	n.m.
Impairment loss on property, plant and equipment	-	(7)	n.m.	-	(209)	n.m.
Impairment loss / (reversal of impairment loss) on trade and other receivable	-	7	n.m.	-	(1,153)	n.m.
Gain arising from reversal of liabilities	-	7	n.m.	-	4,747	n.m.
Finance costs	-	-	n.m.	(9)	(16)	(44)
Share of profit / (loss) of associates	17	-	n.m.	40	(30)	n.m.
Loss before income tax	(247)	(124)	99	(444)	(615)	(28)
Income tax	(89)	-	n.m.	(89)	-	n.m.
Total loss for the period	(336)	(124)	171	(533)	(615)	(13)
Other comprehensive income:						
Currency translation arising from presentation currency	(26)	(12)	117	67	7	n.m.
Currency translation arising from consolidation	(126)	(2)	n.m.	(187)	45	n.m.
Other comprehensive income for the period, net of tax	(152)	(14)	n.m.	(120)	52	n.m.
Total comprehensive income	(488)	(138)	254	(653)	(563)	16
Loss for the period attributable to:						
Equity holders of the Company	(422)	(124)	240	(1,368)	(629)	117
Non-controlling interests	86	-	n.m.	835	14	n.m.
	(336)	(124)	171	(533)	(615)	(13)
Total comprehensive income attributable to:						
Equity holders of the Company	(573)	(138)	315	(1,488)	(577)	158
Non-controlling interests	85	-	n.m.	835	14	n.m.
	(488)	(138)	254	(653)	(563)	16

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 – corresponding period of the immediately preceding year. (Cont'd)

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

	Group			Group		
	3Q2018	3Q2017	+ / (-)	9M2018	9M2017	+ / (-)
	30 Sep 2018	30 Sep 2017		30 Sep 2018	30 Sep 2017	
(Unaudited)	(Unaudited)	Change	(Unaudited)	(Unaudited)	Change	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Interest income	-	-	n.m.	(1)	-	n.m.
Interest expense	-	-	n.m.	9	16	(44)
Foreign exchange (gain) / loss, net	(22)	9	n.m.	12	20	(40)
Depreciation of property, plant and equipment	8	6	33	22	78	(72)
Depreciation of oil and gas properties	-	-	n.m.	-	23	n.m.
Share of (profit) / loss of associates	(17)	-	n.m.	(40)	30	n.m.
Provision for amount due from associate	-	6	n.m.	-	56	n.m.
Impairment loss on property, plant and equipment	-	7	n.m.	-	209	n.m.
Impairment loss on oil and gas properties	-	7	n.m.	-	2,404	n.m.
(Reversal of impairment loss) / impairment loss on trade and other receivable	-	(7)	n.m.	-	1,153	n.m.
Gain arising from reversal of liabilities	6	(7)	n.m.	(549)	(4,747)	(88)

n.m.: not meaningful



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

	Group		Company	
	30 Sep 2018 (Unaudited) US\$'000	31 Dec 2017 (Audited) US\$'000	30 Sep 2018 (Unaudited) US\$'000	31 Dec 2017 (Audited) US\$'000
Non-current assets				
Oil and gas properties	-	-	-	-
Property, plant and equipment	96	85	63	85
Intangible assets	6,487	-	-	-
Goodwill	384	-	-	-
Investment in subsidiaries	-	-	1	1
Investment in associates	1,403	1,363	-	-
	8,370	1,448	64	86
Current assets				
Inventories	192	192	-	-
Trade and other receivables	1,711	659	53	52
Prepayment	1,426	15	24	15
Amounts due from subsidiaries	-	-	7,119	4,108
Amounts due from associates	1,340	1,340	-	-
Cash and cash equivalents	1,543	2,354	1,428	1,461
	6,212	4,560	8,624	5,636
Current liabilities				
Trade and other payables	10,226	7,652	1,696	2,280
Accrued operating expenses	1,019	920	40	120
Amounts due to subsidiaries	-	-	2,537	2,664
Amount due to contract customer	37	-	-	-
Income tax payable	250	163	-	-
Contract deposit	2,320	2,320	-	-
Provision for decommissioning of wells	633	633	-	-
Deferred rent liability	4	4	4	4
Provision for reinstatement cost	22	13	22	13
	14,511	11,705	4,299	5,081
Net current (liabilities) / assets	(8,299)	(7,145)	4,325	555
Non-current liabilities				
Deferred rent liability	-	3	-	3
Provision for reinstatement cost	-	9	-	9
Deferred tax liabilities	11	11	-	-
	11	23	-	12
Net assets / (liabilities)	60	(5,720)	4,389	629
Equity attributable to owners of the Company				
Share capital	86,878	82,522	86,878	82,522
Accumulated losses	(89,385)	(85,181)	(82,652)	(78,098)
Other reserves	966	(1,821)	163	(3,795)
	(1,541)	(4,480)	4,389	629
Non-controlling interests	1,601	(1,240)	-	-
Total equity	60	(5,720)	4,389	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 30 September 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 30 September 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		Group	
	3Q2018 30 Sep 2018 (Unaudited) US\$'000	3Q2017 30 Sep 2017 (Unaudited) US\$'000	9M2018 30 Sep 2018 (Unaudited) US\$'000	9M2017 30 Sep 2017 (Unaudited) US\$'000
Cash flows from operating activities				
Loss before income tax	(247)	(124)	(444)	(615)
Adjustments for:				
Share-based compensation expenses	(1)	38	70	114
Introducer fee expense	316	-	316	-
Interest expense	-	-	9	16
Interest income	-	-	(1)	-
Depreciation of property, plant and equipment	8	6	22	78
Depreciation of oil and gas properties	-	-	-	23
Share of (profit) / loss of associates	(17)	-	(40)	30
Provision for amount due from associate	-	6	-	56
Reversal of provision for amount due from subsidiaries	-	(232)	-	(411)
(Reversal of impairment loss) / impairment loss on trade and other receivables	-	(7)	-	1,153
Impairment loss on oil and gas properties	-	7	-	2,404
Gain arising from reversal of liabilities	6	(7)	(549)	(4,747)
Impairment loss on property, plant and equipment	-	7	-	209
Provision for deferred rent liability	(1)	-	(3)	-
Unrealised exchange loss	76	147	133	421
Operating cash flows before working capital changes	140	(159)	(487)	(1,269)



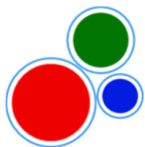
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1(d) Statement of cash flows (for the group) – corresponding period of the immediately preceding year. (Cont'd)

	Group		Group	
	3Q2018	3Q2017	9M2018	9M2017
	30 Sep	30 Sep	30 Sep	30 Sep
	2018	2017	2018	2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Changes in working capital</u>				
Decrease in inventories	-	-	-	189
Increase in trade and other receivables and prepayments	(203)	(29)	(1,119)	(1,889)
Increase in amount due to contract customers	44	-	37	-
Increase / (decrease) in trade and other payables and accrued operating expenses	1,170	(223)	2,056	73
Cash generated from/(used in) operations	1,151	(411)	487	(2,896)
Interest received	-	-	1	-
Cash flows generated from/(used in) operating activities	1,151	(411)	488	(2,896)
Investing activities				
Purchase of property, plant and equipment	-	-	(2)	-
Net cash outflow on acquisition of subsidiary	(5,193)	-	(5,193)	-
Cash flows used in investing activities	(5,193)	-	(5,195)	-
Financing activities				
Decrease in short-term loans	(158)	-	-	-
Interest paid	-	-	(9)	-
Proceeds from placement of new shares	4,045	-	4,045	-
Increase in amounts due from associates	-	(11)	-	(98)
Cash flows generated from / (used in) financing activities	3,887	(11)	4,036	(98)
Net decrease in cash and cash equivalents	(155)	(422)	(671)	(2,994)
Effects of exchange rate changes on balances held in foreign currencies	(116)	-	(140)	91
Cash and cash equivalents at beginning of the period	1,814	2,215	2,354	4,696
Cash and cash equivalents at the end of the period (Note)	1,543	1,793	1,543	1,793

Note :

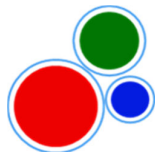
Cash and cash equivalents consist of cash at banks and on hand.



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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 period	-	-	-	-	(629)	(629)	14	(615)
<u>Other comprehensive income</u>								
- Foreign currency translation	-	-	-	52	-	52	-	52
Total comprehensive income for the period	-	-	-	52	(629)	(577)	14	(563)
Share-based compensation expenses	-	-	114	-	-	114	-	114
At 30 September 2017	81,249	763	656	52	(79,776)	2,944	(1,202)	1,742
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 / (loss) for the period	-	-	-	-	(1,368)	(1,368)	835	(533)
<u>Other comprehensive income</u>								
- Foreign currency translation	-	-	-	(120)	-	(120)	-	(120)
Total comprehensive income for the period	-	-	-	(120)	(1,368)	(1,488)	835	(653)
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	-	-	-	-	-	-	2,006	2,006
Share-based compensation expenses	-	-	70	1	-	71	-	71
Expiration of share options	-	-	(183)	-	183	-	-	-
At 30 September 2018	86,878	763	107	96	(89,385)	(1,541)	1,601	60



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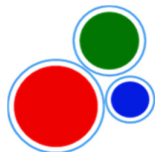
1(e) Changes in equity (for the issuer and group) – corresponding period of the immediately preceding year. (Cont'd)

The Company	Share capital (Unaudited)	Statutory/equity reserves (Unaudited)	Foreign exchange reserves (Unaudited)	Accumulated losses (Unaudited)	Total equity (Unaudited)
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2017 – as previously reported	81,249	542	(4,026)	(77,289)	476
Adjustment from adoption of SFRS(I)	-	-	4,026	(4,026)	-
At 1 January 2017 - as restated	81,249	542	-	(81,315)	476
Loss for the period	-	-	-	(841)	(841)
<u>Other comprehensive income</u>					
- Foreign currency translation	-	-	14	-	14
Total comprehensive income for the period	-	-	14	(841)	(827)
Share-based compensation expenses	-	114	-	-	114
At 30 September 2017	81,249	656	14	(82,156)	(237)

At 1 January 2018 – as previously reported	82,522	220	(4,015)	(78,098)	629
Adjustment from adoption of SFRS(I)	-	-	4,026	(4,026)	-
At 1 January 2018 - as restated	82,522	220	11	(82,124)	629
Loss for the period	-	-	-	(711)	(711)
<u>Other comprehensive income</u>					
- Foreign currency translation	-	-	44	-	44
Total comprehensive income for the period	-	-	44	(711)	(667)
Issuance of shares arising from placement	4,421	-	-	-	4,421
Share issue expense	(65)	-	-	-	(65)
Share-based compensation expenses	-	70	1	-	71
Expiration of share options	-	(183)	-	183	-
At 30 September 2018	86,878	107	56	(82,652)	4,389

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

During the nine months ended 30 September 2018, 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 nine months ended 30 September 2018, 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.



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

As at 30 September 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 30 Sep 2018	As at 30 Sep 2017
Total number of issued shares excluding treasury shares	203,053,325	119,012,238

- (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 30 Sep 2018	As at 30 Sep 2017
Total number of ordinary shares before share placement	142,814,685	119,012,238
Share issuance under the placement	56,000,000	-
Share issuance as introducer shares	4,238,640	-
Total number of issued shares excluding treasury shares	203,053,325	119,012,238

- (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 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).**

As at 30 September 2018, the Company does not have treasury shares.

There are no options or shares granted under its share scheme during the period ended 30 September 2018.

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

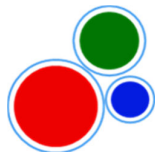
The figures as at 30 September 2018 have neither been audited nor reviewed by the Company's auditors.

- 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.



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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.

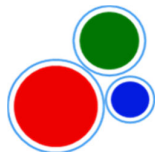
6. **Earnings per share: - calculation is based on both a weighted average and fully diluted basis.**

	3Q2018 30 September 2018 (Unaudited)	3Q2017 30 September 2017 (Unaudited)	9M2018 30 September 2018 (Unaudited)	9M2017 30 September 2017 (Unaudited)
Loss per ordinary share of the Group for the financial period based on net loss attributable to equity holders of the Company:				
Basic (US\$ cents)	(0.26)	(0.10)	(0.85)	(0.53)
Fully diluted (US\$ cents)	(0.26)	(0.10)	(0.85)	(0.53)
Basic loss per share were based on:				
Net loss for the period (US\$'000)	(422)	(124)	(1,368)	(629)
	No. of shares	No. of shares	No. of shares	No. of shares
Shares outstanding at period end	142,814,685	119,012,238	142,814,685	119,012,238
Weighted average number of shares issued under share placement	18,715,619	-	18,715,619	-
Weighted average number of ordinary shares for fully diluted loss per share computation	161,530,304	119,012,238	161,530,304	119,012,238

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	
	30 September 2018 (Unaudited)	31 December 2017 (Audited)	30 September 2018 (Unaudited)	31 December 2017 (Audited)
Net (liabilities)/assets value per ordinary share (US\$ cents)	(0.76)	(3.14)	2.16	0.44
Net (liabilities)/assets value (US\$'000)	(1,541)	(4,480)	4,389	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**



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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)	3Q2018 (Unaudited)	3Q2017 (Unaudited)	Change %	9M2018 (Unaudited)	9M2017 (Unaudited)	Change %
Management services	454	-	n.m.	505	-	n.m.
Property construction and development	324	-	n.m.	631	-	n.m.
Oilfield services	-	58	n.m.	-	247	n.m.
Exploration and Production (E&P)	-	-	n.m.	-	56	n.m.
Total revenue	778	58	1,241	1,136	303	275

Total revenue for the Group reported was US\$1.136 million for the period ended 30 September 2018.

The revenues are mainly generated from the property construction and development business and management services provided in agriculture business 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

Cost of sales are derived from the cost of construction of property in Malaysia and the cost of management services consumed in Singapore. Staff costs were lowered by 15% in 9M2018 as compared to the same period in 2017. The total comprehensive loss for the period ended 30 September 2018 was US\$0.653 million.

Total loss of US\$0.533 million incurred in 9M2018 as compared to US\$0.615 million in the same period of 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\$0.549 million.

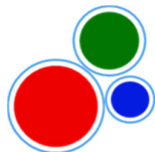
(B) BALANCE SHEET/STATEMENT OF FINANCIAL POSTION

Assets & Liabilities

The non-current assets of the Group as at 30 September 2018 increased by US\$6.922 million as compared to 31 December 2017 mainly due to the increase in intangible assets and goodwill as a result of the acquisition of RCL Kelstar Sdn. Bhd. in 3Q2018. These figures are based on a preliminary purchase price allocation ("PPA") prepared by the management. The management expects to finalise the PPA exercise within one year from 18 July 2018, being the date of acquisition. Accordingly, the fair values of assets and liabilities of the Group on acquisition date will be adjusted upon finalisation of the PPA exercise.

The current assets of the Group as at 30 September 2018 increased by US\$1.652 million as compared to 31 December 2017. This was mainly due to the increased in prepaid expenses in relation to the agriculture business in 3Q2018.

Trade and other payables increased by US\$2.574 million as of 30 September 2018 compared with 31 December 2017. This was mainly due to the increase in other payable to third party in relation to the agriculture business.



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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

	9M2018 (Unaudited) (US\$'000)	9M2017 (Unaudited) (US\$'000)
Cash generated from / (used in) operating activities	488	(2,896)
Cash used in investing activities	(5,195)	-
Cash generated from / (used in) financing activities	4,036	(98)
Net decrease in cash and cash equivalents	(671)	(2,994)
Effect of exchange rate changes on cash and cash equivalents	(140)	91
Cash and cash equivalents at beginning of period	2,354	4,696
Cash and cash equivalents at end of period	1,543	1,793

Cash and cash equivalent position (inclusive of exchange effects) decreased by US\$0.811 million for 9M2018 as compared with 31 December 2017.

Cash generated from operating activities was US\$0.488 million for 9M2018. There was an increase of US\$3.384 million as compared to 9M2017. This was mainly contributed by the increase in trade and other payables.

Cash used in investing activities was US\$5.195 million for 9M2018. This was mainly due to the net cash outflow on acquisition of subsidiary in 3Q2018 of US\$5.193 million.

Cash generated from financing activities was US\$4.036 million in 9M2018. This was mainly due to the proceeds from placement of new shares in 3Q2018 at US\$4.045 million.

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 30 September 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 30 September 2018	<u>0</u>



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For the placement of shares in 3Q2018, the Company raised US\$4.05 million in total. The amount from the proceeds unutilized as at 30 September 2018 amounted to US\$1.57 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	<u>2.48</u>
Balance as at 30 September 2018	<u>1.57</u>

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.

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. The Group still retains minority ownership of the Gunung Kampung Minyak Ltd Oil Field in Indonesia.

Property and Construction Business

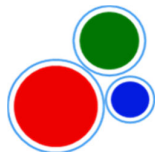
In 2017, the Group set up a joint venture company, Premier Mirach Sdn Bhd (“PMSB”) in Malaysia. The joint venture company is in partnership with PRG Construction Sdn Bhd, a wholly-owned subsidiary of PRG Holdings Berhad which is a public limited liability company listed on the Main Market of Bursa Malaysia Securities Berhad. As of 30 September 2018, the construction activity for the first housing project situated in the Malaysia State of Perak is at 12.3% completion and has generated US\$0.631 million revenue to the Group. The Group expects to complete the project in April 2020, with progressive billings to continue in the next 12 months reporting period. The second construction project has not commenced as discussions are still ongoing with the developer.

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”) and participate in a new project in agriculture Malaysia.

RCL was set up as a special purpose vehicle for a Project (the “Project”) relating to the development of a multi-storey agricultural project in Malaysia with the Kelantan State Economic Development Corporation (“KSEDC”). KSEDC has been granted a concession of a state land of approximately 5,500 acres, in respect of the Project for 50 years. RCL has in turn secured the right to jointly undertake the Project together with KSEDC. This investment in RCL provides the Company with the opportunity to participate in the Project, for which RCL is in the midst of obtaining the necessary approvals and permits to commence activity.

As at 30 September 2018, RCL has entered into a cooperation agreement with a third party, whereby the third party is allowed to cultivate and sell durian trees and fruits on approximately 550 acres or 10% of the concession land. RCL will provide management services to this third party for a contract value of RM6.005 million. As part of the cooperation agreement, RCL has purchased the proprietary and legal rights to 5,000 durian trees for a total of RM5,000, that will be planted on the 550 acres of land. The third party will manage these 5,000 durian trees for free for the first 5 years. As of 30 September 2018, the management services obligations provided to the third party has generated RM1.705 million (approximately US\$0.427 million) of revenue for the Group, and RCL will continue to bill the third party as RCL fulfils its obligations



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in the next 12 months. As part of the risk diversification initiatives, RCL will further look for other third party partners to cultivate the land separately in order to diversify its supplier risks.

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 has generated US\$0.078 million in revenue as of 3Q2018. MHPM plans to develop further in its business and management consultancy services in the next 12 months reporting period.

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 has been declared or recommended for the year ended 30 September 2018.

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 3Q2018 were mainly used for the following activities:-

Purpose	Amount (US\$ million)
Exploration, drilling and testing activities	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 2Q2018.



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The usage of funds / cash for exploration activities and others for the next immediate quarter (i.e. Period from 1 October 2018 to 31 December 2018) including are expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration, drilling and testing activities	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.*

There are no material updates on the reserves and resources as set out in the QPR (Qualified Person's Report) since 31 December 2014 as per the last dated 16 March 2015.

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).

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 third quarter of 2018 and the three months ended 30 September 2018 to be false or misleading in any material respect.

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

14 November 2018

**Liu Mei Ling, Rhoda
Director**

14 November 2018