

**MIRACH ENERGY LIMITED (the “Company”)  
ANNUAL GENERAL MEETING HELD ON 29 APRIL 2019  
QUESTION-AND-ANSWER SESSION**

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**SUMMARY PERFORMAMNCE FOR FINANCIAL YEAR 2018**

In response to Mr Fong KT’s question on what had been done by Management for the Company for the financial year 2018 and what was the status of the agricultural business in Malaysia, Mr William Chan (“Mr Chan”), the Executive Chairman of the Company shared with the members present on the current business model of the Group and cited revenue for the Group was mainly came from the construction projects in Malaysia and land management and agricultural business under RCL Kelstar Sdn. Bhd. (“RCL”). RCL had entered into a land use contract with Perbadanan Kemajuan Iktisad Negeri Kelantan (“PKINK”) for 5,500 acres of land for 50 years.

Mr Chan also said, the 5,500 acres of land would be sub-divided into smaller plots for ease of management. The sub-divided lands would then be released for letting out over a period of time for planting of agricultural crops such as durian etc. RCL would not be involved directly in the planting of the agricultural crops but would be assisting in facilitating them as a form of service for revenue income. Insofar, necessary environment impact assessment (“EIA”) had been performed and completed for one plot of land, and was in progress for another plot of land. The lands were also pending grant of logging license from the relevant authority in Malaysia.

Mr Chan believed that the performance of the Group would continue to improve and Management may consider venturing into e-commerce for further business synergies for its agricultural business, should there be a need to do so in the future.

**CRITERIA FOR EXIT SGX WATCHLIST**

Mr Chiam HL commended the Board for being able to successfully improve the Company’s performance and return to profitability. With the Company’s current market capitalization currently stands at about S\$25 million, Mr Chiam asked how confident was Management in meeting the SGX Watch-List exit criteria before the end of the extended timeline of 5 June 2020. In response, Mr Chan said in order to meet the requirements of Rule 1314 of the SGX Listing Manual to exit the Watch-List on or prior to 5 June 2020, the Company would need to be profitable for the financial year ending 31 December 2019 and achieved a volume weighted average market capitalization of S\$40 over a period of 6 months. In other words, the Company would have to achieve the S\$40 million criteria before 5 November 2019, else the market capitalization of the Company would have to stay at not less than S\$40 million daily over the six months before 5 June 2019. In this regard, Management was under a lot of pressure as a lot of efforts would be required to achieve this target.

## **POTENTIAL IMPAIRMENT FOR BUSINESSES**

In response to Mr Chiam HL's question on whether there would be any potential impairment for new and existing businesses, Mr Chan said that it was too early for Management to assess if there was any indication for impairment for the existing oil & gas and the new businesses. Management would conduct an overall review and assessment nearing the end of the financial year to ascertain if any impairment is required.

## **INCOME STREAM FROM THE LAND**

In reply to Ms Chor SF's query as to how many plots of lands have beginning to generate income to the Group, Mr Chan said Management was in discussion and negotiation with various investors for letting 3 pieces of lands.

## **AUTHORITY TO ISSUE SHARES**

In response to Mr Chiam TT's query as to whether the Company has any intention to issue additional shares in the near future as it will be interest dilutive to the existing shareholders and it might also impact the share price, hence, the market capitalization of the Company, Mr Chan said he was fully aware of the impact of issuing more shares to the market capitalization of the Company, thus, the general mandate for issue of shares will only be applied after careful consideration and in conjunction with any new business venture in the future.

*PS: The names of shareholders were deliberately abbreviated.*

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