

3CENERGY LIMITED
(Company Registration No. 197300314D)
(Incorporated in the Republic of Singapore)

PUBLIC TENDER OF PROPERTIES

1. Introduction

- 1.1 The board of directors of 3Cenergy Limited (the “**Company**” and its subsidiaries, collectively the “**Group**”) (the “**Board**”) wishes to announce that its wholly owned subsidiary, 3C Marina Park Sdn Bhd (“**3CMP**”) is launching a public tender for the proposed sale of its properties located at Plot Nos. CN 1, CN 2 and CN 4, Puteri Harbour, 79000 Iskandar Puteri, Johor Darul Takzim (collectively, the “**Properties**”) through Knight Frank Malaysia Sdn Bhd, the exclusive real estate agent for the tender on 23 January 2020 (the “**Public Tender**”). The Public Tender will be opened until 3 p.m. on 12 March 2020.
- 1.2 The particulars of the Properties are as follows:

PARTICULARS OF TENDER			
Description of Property	Lot No.	Land Area	Tenure
Plot No. CN 1, Puteri Harbour, 79000 Iskandar Puteri, Johor Darul Takzim	PTD 201580	62,227 sq.m. or thereabout (as stated in the title)	Freehold
Plot No. CN 4, Puteri Harbour, 79000 Iskandar Puteri, Johor Darul Takzim	PTD 201581	71,636 sq.m. or thereabout (as stated in the title)	Freehold
Plot No. CN 2, Puteri Harbour, 79000 Iskandar Puteri, Johor Darul Takzim	PTD 201582	38,948 sq.m. or thereabout (as stated in the title)	Freehold

2. Rationale

The Group acquired 3CMP in August 2016, with the intention to develop the Properties into a mixed use development consisting of SOHOs, serviced apartments, condominium, office lots, office tower, hotel, street front retail and activity retail, a mixed development with predominantly residential components and complemented with retail and commercial components.

Since the acquisition of 3CMP, the Group had to defer the development of the Properties for a variety of reasons, including but not limited to regulatory changes in Malaysia to proposed integrated developments, government announcement on a freeze on approvals for residential properties above Ringgit Malaysia (“**RM**”) 1.0 million, and a property market that had generally deteriorated.

As at the date of this announcement, the Group has an outstanding bank borrowings of approximately RM148.4 million (S\$49.1 million)⁽¹⁾ on the Properties (“**Loan**”), of which approximately RM36.6 million (S\$12.1 million)⁽¹⁾ is due in 2020 and cash in hand of approximately S\$4.5 million.

The Board is of the view that the regulatory restrictions and adverse market conditions will persist, and that it will not be commercially viable for the Group to proceed with the development of the Properties in the foreseeable future. Nonetheless, the Loan remains outstanding, and the Board has considered the option of raising additional funding to finance the repayment of the Loan, or to dispose the Properties to improve the Group’s financial position. In the event the offers received match or exceed the reserve price and terms required by the Group, it is the intention of the Group to proceed with the disposal.

Note:

(1) Equivalent amounts in Singapore Dollars are translated based on an exchange rate of S\$1.00 = RM3.02

3. **Update**

The disposal of the Properties will be subject to the Board's the assessment and acceptance of the offers received through the Public Tender, as well as requirements under the listing rules of the Singapore Exchange Securities Trading Limited Listing Manual Section B : Rules of Catalist (including the approval of shareholders of the Company ("Shareholders") in general meeting). **Therefore, there is no assurance that the aforesaid disposal of the Properties will be completed successfully in due course. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.**

The Company will update Shareholders on the results of the Public Tender in due course.

By Order of the Board

Tong Kooi Ong
Non-Independent Non-Executive Chairman
22 January 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Eric Wong (Director, Investment Banking), CIMB Bank Berhad, Singapore Branch, 50 Raffles Place #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.