

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

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE REGULATION

The Board of Directors (“**Board**”) of 3Cenergy Limited (“**Company**” and together with its subsidiaries, the “**Group**”) refers to the queries raised by the Singapore Exchange Regulation in relation to the Company’s SGXNet announcement dated 6 April 2021 titled “Auditor’s Comments of Accounts” (“**Auditor’s Comments Announcement**”). Unless otherwise defined, all capitalised terms used herein shall have the same meaning as ascribed thereto in the Auditor’s Comments Announcement.

SGX Query 1:

Please provide more details on the Company’s bank loans and financial support received from substantial shareholders, including amounts outstanding, interest rates, repayment dates, and other material information.

Company’s Response:

Please see below the details on the Company’s bank loans and financial support received from substantial shareholders:

| | Term Loan | Revolving Credit | Loan from Substantial Shareholders |
|--|--|--|--|
| Amounts outstanding as at 31 December 2020 | RM88,587,032 (approximately S\$29.18 million) | RM55,000,000 (approximately S\$18.12 million) | S\$2,200,000 |
| Interest rates per annum | Currently 3.84% | Currently 3.84% - 3.94% | Interest free |
| Repayment dates | Public Bank Berhad (the “ Bank ”) had on 30 September 2020 approved and 3C Marina Park Sdn Bhd, a wholly owned subsidiary of the Company (“ 3CMP ”) had on 1 October 2020 accepted the revised repayment terms of the term loans. The revised repayment terms are as follows: a) Interest servicing payments only: October 2020 to September 2022; b) 59 monthly principal repayments: RM1,445,000 from October 2022 to August 2027; and c) 1 final repayment: RM3,332,032.27 for the month of September 2027 | Repayable on demand The drawdown amounts have been rolled over since they were drawdown in 2014, 2015, 2016 and 2017. | a) The principal sum of loan from Puteri Harbour Pte Ltd (“ Lender ”) owned by substantial shareholders (“ Shareholders Loan ”) as announced on 19 March 2020 and 19 March 2021 is up to S\$16.8 million b) The current utilisation / drawdown of Shareholders Loan is S\$2.2 million c) The Shareholders Loan shall be repayable in full upon written demand by the Lender provided that the Lender agrees not to demand repayment of the Shareholders Loan before the maturity date unless the Shareholders Loan becomes repayable upon occurrence of event of default. The maturity date is earlier of: (i) 31 March 2022; and (ii) such time the Group raises the necessary funds for 3CMP to meet its financial |

| | Term Loan | Revolving Credit | Loan from Substantial Shareholders |
|--|-----------|------------------|--|
| | | | <p>obligations when they fall due so 3CMP can continue to operate as a going concern for the period up to 31 March 2022</p> <p>d) The Shareholders Loan shall be disbursed by the Lender to 3CMP from time to time in one or more advances, each of which shall be for such amount as 3CMP may require to meet its repayment obligations under its existing banking facilities, day-to-day operational expenses and working capital needs.</p> |

SGX Query 2:

What is the Board's opinion as to whether trading of the Company's shares should be suspended pursuant to Listing Rule 1303(3)? Please provide the Board's basis for such opinion.

Company's Response:

The Board is of the opinion that the Company will be able to operate as a going concern on the basis as set out in the Auditor's Comments Announcement, Note 1 to the Audited Financial Statements. Further, as at the date of this announcement:

- (i) no application has been filed with a court to place the Company or any of its subsidiaries under judicial management;
- (ii) no application has been filed with a court for the liquidation of the Company or any of its subsidiaries; and
- (iii) the Company is able to reasonably assess its financial position and inform the market accordingly

In view of the above, the Board is of the opinion that the Company's securities should not be suspended pursuant to Listing Rule 1303(3).

SGX Query 3:

Please provide the Board's confirmation as to whether sufficient information has been disclosed to enable trading of the Company's shares to continue in an orderly manner.

Company's Response:

The Board is continuously monitoring the Company's operations and receives reports from management in relation to the Company's performance and financial status, and nothing material has come to the Board's attention that warrants further disclosure to shareholders. In this regard, the Board confirms that to its best knowledge, sufficient information has been disclosed to shareholders to enable trading of the Company's shares to continue in an orderly manner.

SGX Query 4:

Did the auditors review the Company's cash flow forecast and assumptions adopted? What are the auditor's views and justifications on the reasonableness of the projection and assumptions?

Company's Response:

The Independent Auditor had reviewed the cash flow forecast and assumptions adopted by the Group. There were no disagreements raised by the Independent Auditor over the reasonableness of the assumptions used by the Group in the cash flow forecasts. Notwithstanding that they concurred with the Group's use of the going concern assumption in preparing its financial statements, the Independent Auditor had concluded that a material uncertainty existed related to events and conditions that may cast significant doubt on the Group's ability to continue as a going concern.

The Independent Auditor's Report and the Audited Financial Statements will form part of the Company's Annual Report for FY2020 (the "2020 Annual Report"), which will be released on SGXNET in due course. Shareholders are advised to read the Independent Auditors' Report and the 2020 Annual Report in its entirety.

By Order of the Board

Tong Kooi Ong
Non-Independent Non-Executive Chairman
9 April 2021

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 Catalyst. This announcement has not been examined or approved by the SGX-ST. 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.