

3CENERGY LIMITED

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

CHANGE IN USE OF PROCEEDS FROM RIGHTS ISSUE

The board of directors (the “**Board**”) of 3Cenergy Limited (the “**Company**”) refers to the Company’s announcement dated 2 March 2018 and its offer information statement dated 20 April 2018 in relation to the Rights Issue (“**Offer Information Statement**”), and its announcements dated 11 July 2018, 14 August 2018, 12 November 2018, 1 March 2019, 10 May 2019, 8 August 2019 and 15 November 2019 pertaining to the usage of the proceeds from Rights Issue. Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the meanings ascribed to them in the Offer Information Statement.

After a review of the Group’s cash flows needs for repayment of bank borrowings, the Board had re-allocated S\$42,000 and S\$2.017 million of the unutilised proceeds from the Rights Issue, which was originally allocated for expenses incurred in relation to Rights Issue and general working capital respectively, to be utilised for partial repayment of Term Loans (the “**Re-allocation**”).

Consequent to the Re-allocation, the use of the net proceeds raised from the Rights Issue is as follows:

Intended use of proceeds	Amount allocated S\$’000	Amount re-allocated S\$’000	Revised amount allocated S\$’000
Expenses incurred in relation to Rights Issue	300	(42)	258
Partial repayment of Term Loans	20,718	2,059	22,777
General working capital	10,484	(2,017)	8,467
Total	31,502	-	31,502

After the Re-allocation, the Company has utilised S\$2.18 million of the proceeds for partial repayment of Term Loans. Accordingly, the Board would like to provide an update on the use of the net proceeds from the Rights Issue as follows:

Intended use of proceeds	Revised amount allocated S\$’000	Cumulative amount utilised as per earlier announcement(s) S\$’000	Amount utilised as per this announcement S\$’000	Balance S\$’000
Expenses incurred in relation to Rights Issue ¹	258	(258)	-	-
Partial repayment of Term Loans	22,777	(18,377)	(2,180)	2,220
General working capital ²	8,467	(5,881)	(562)	2,024
Total	31,502	(24,516)	(2,742)	4,244

Notes:

- (1) Expenses incurred in relation to the Rights Issue relate to Professional Fees and Listing Fees.
- (2) General working capital includes directors' fees, salary related expenses, payment to supplier, expenses incurred in connection with the Land Development and other operating costs.

The use of proceeds from the Rights Issue as disclosed above is in accordance with the intended uses as disclosed in the Offer Information Statement and the Re-allocation.

The Board will continue to provide periodic announcements on the utilisation of the balance of the proceeds from the Rights Issue as and when the proceeds are materially disbursed.

By Order of the Board

Tong Kooi Ong
Non-Independent Non-Executive Chairman
20 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 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.