

## 3CENERGY LIMITED

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

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### PROPOSED CHANGE OF AUDITORS FROM DELOITTE & TOUCHE LLP TO MAZARS LLP

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The Board of Directors (the “**Board**”) of 3Cnergy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the Company’s intention to change its auditors from Deloitte & Touche LLP (“**Deloitte**”) to Mazars LLP (“**Mazars**”) (the “**Proposed Change of Auditors**”).

The Company’s current auditors, Deloitte, were re-appointed as auditors of the Company at the last annual general meeting (“**AGM**”) of the Company held on 25 April 2019, to hold office until the conclusion of the next AGM of the Company. Deloitte has served as the auditors of the Company since 26 June 2015. As part of ongoing good corporate governance initiatives as well as to manage the Group’s overall business costs and expenses amidst an environment of rising costs and increasing uncertainty in the economy, the audit committee of the Company (the “**Audit Committee**”) and the Board reviewed the business of the Group and considered that it would be an opportune time for the Company to change the auditors of the Group. A change of Auditors will enable the Company to benefit from fresh perspectives and views of another professional audit firm and is also indicative of the Company’s efforts to ensure that there would be no actual or perceived issues of independence of auditors for good corporate governance.

The Audit Committee and the Board are of the view that the Proposed Change of Auditors is in the interests of the Company and the shareholders because the quantum of professional fees for the audit services proposed by Mazars is more reasonable, competitive and cost effective in comparison to that charged by Deloitte.

The Audit Committee and the Board, taking into consideration various factors, including the requirements of Rules 712 and 715 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”), are of the view that Mazars will be able to meet the audit requirements of the Group.

Deloitte had informed the Company that it had applied to the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”) to seek its consent to resign as auditors. On 14 November 2019, Deloitte received a letter from ACRA consenting to the resignation of Deloitte as auditors of the Company. On 15 November 2019, Deloitte provided the Company with its notice of resignation dated 14 November 2019 as auditors.

In accordance with Section 205AB(5) of the Companies Act (Cap. 50) of Singapore (the “**Companies Act**”) and the written consent from ACRA, the resignation of Deloitte as auditors took effect on 14 November 2019. In the meantime, the Company had identified Mazars to be proposed as the new auditors of the Company.

Mazars had on 18 November 2019 given its written consent to act as new auditors, subject to shareholders’ approval being obtained for the Proposed Change of Auditors at the extraordinary general meeting (“**EGM**”) to be convened in due course.

Pursuant to Rule 712(3) of the Catalist Rules and Section 205AF of the Companies Act, the appointment of Mazars as new auditors in place of Deloitte must be specifically approved by shareholders at a general meeting. The appointment of Mazars would therefore take effect upon

approval of the same by shareholders at the EGM and, if appointed, Mazars will hold office until the conclusion of the next AGM of the Company.

The Board wishes to express its appreciation for the past services rendered by Deloitte.

In accordance with the requirements of Rule 712(3) of the Catalist Rules:

- (a) Deloitte has confirmed by way of a letter dated 15 November 2019 that it is not aware of any professional reasons why Mazars should not accept the appointment as auditors of the Company;
- (b) the Company confirms that there were no disagreements with Deloitte on accounting treatments within the last 12 months from the date of this announcement;
- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of shareholders which has not been disclosed in this announcement;
- (d) the specific reasons for the Proposed Change of Auditors are disclosed above. The Proposed Change of Auditors is neither due to the dismissal of Deloitte nor Deloitte declining to continue to serve as auditors of the Company; and
- (e) the Company confirms that it is in compliance with Rule 712 and Rule 715 of the Catalist Rules in relation to the proposed appointment of Mazars as its new auditors.

A circular to shareholders setting out further details on the Proposed Change of Auditors, together with the notice of EGM, will be despatched to shareholders in due course.

#### **By Order of the Board**

Tong Kooi Ong  
Non-Independent Non-Executive Chairman  
2 December 2019

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*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.*