

CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199706776D)



ENTRY INTO AMENDED AND RESTATED DEED OF SETTLEMENT

1. INTRODUCTION

1.1. The board of directors (the “**Board**”) of Charisma Energy Services Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the:

- (a) scheme of arrangement dated 12 April 2023 with certain of the Company’s unsecured creditors (the “**Scheme Creditors**”) in accordance with Section 210 of the Companies Act 1967 of Singapore (the “**Companies Act**”) to compromise certain of the Company’s debt with such settlement being a combination of cash and issue of new ordinary shares of the Company, which was sanctioned by the Court on 7 July 2023 (the “**April 2023 Scheme**”)¹;
- (b) announcement dated 9 June 2023 for details on the entry by the Company into a deed of settlement dated 6 June 2023² with its wholly-owned subsidiary CES Hydro Power Group Pte. Ltd. (“**CESH**”), and the REPS Holders³ (the “**REPS Settlement Deed**”) (the “**REPS Announcement**”, which has been appended to this announcement for ease of reference);
- (c) circular dated 13 June 2024 (the “**Circular**”) in relation to the disposal of the Company’s 80.0% equity interests in Yichang Smartpower Green Electricity Co., Ltd (“**Yichang**”) (the “**Conditional Yichang Disposal**”) to a third-party purchaser (the “**Purchaser**”); and
- (d) announcement dated 28 July 2024 in relation to the pre-packaged supplementary scheme of arrangement of the Company and CES Yichang Pte Ltd (“**CESY**”) with the Category A Participating Creditors (as defined in the April 2023 Scheme) (the “**Prepacked Scheme Announcement**”).

1.2. The Board would like to inform the shareholders of the Company that it has, on 13 August 2024, entered into an amended and restated deed of settlement with CESH, CESY and the REPS Holders to amend and restate the REPS Settlement Deed to provide for the new distribution arrangements of the Yichang Proceeds (as defined below) (the “**Amended and Restated REPS Settlement Deed**”).

Unless otherwise defined, capitalised terms used but not defined in this announcement shall have the meanings ascribed to them in the REPS Announcement and/or the Prepacked Scheme Announcement, as the case may be.

2. BACKGROUND

2.1. As disclosed under section 3.2 of the Circular, 85.0% of the net proceeds of the Conditional Yichang Disposal is to be distributed to the Category A Participating Creditors and the remaining 15.0% of the net proceeds of the Conditional Yichang Disposal will be distributed to the REPS Holders. These arrangements in relation to the net proceeds from the Conditional Yichang Disposal (the “**Yichang Proceeds**”) were pursuant to the terms of the April 2023 Scheme⁴ and terms of the REPS Settlement Deed.

2.2. As disclosed under section 5 of the Circular, the consideration payable by the Purchaser for the Conditional Yichang Disposal (the “**Purchase Consideration**”) is to be paid in five (5) instalments and any bonus payment arising from the relisting of Yichang as a recipient of the national subsidiary will be paid concurrently with the final instalment of the Purchase Consideration, with the

¹ Please refer to the Company’s announcements dated 12 April 2023, 8 June 2023, 19 June 2023 and 7 July 2023 for further details relating to the April 2023 Scheme.

² Please refer to the Company’s announcement dated 9 June 2023 for details on the REPS Settlement Deed.

³ Being Venstar Investments III Ltd (In Members’ Voluntary Liquidation) and Evia Growth Opportunities III Ltd (In Members’ Voluntary Liquidation).

⁴ Please refer to the Company’s announcement dated 12 April 2023 for the terms of the April 2023 Scheme.

instalments occurring over a period of 20 months from the effective date⁵ of the equity transfer agreement dated 7 April 2024 entered between the Company, the Purchaser and Yichang in relation to the Conditional Yichang Disposal (the “**Agreement**”)⁶.

- 2.3. In light of the (i) Conditional Yichang Disposal, (ii) instalment payments under the Agreement, and its accompanying rationale, and (iii) taking into consideration the plans of the Company to resume trading of its shares through its restructuring plans and capital injection as set out in the Prepacked Scheme Announcement and previous announcements of the Company, a new structure is proposed to be adopted for the distribution of the Yichang Receivables (as defined below):
- (a) the Company will be assigning the Purchase Consideration (and any bonus payment under the Agreement) (collectively, the “**Yichang Receivables**”) to CESY on or prior to the Effective Date of the Agreement, where CESY will have the rights of the Company to the Yichang Receivables under the Agreement, and will handle the distribution of the Yichang Receivables (including in relation to the Yichang Proceeds to the Category A Participating Creditors and the REPS Holders) upon completion of the Conditional Yichang Disposal and fulfilment of the conditions under the April 2023 Scheme and the Supplementary Scheme (as defined below);
 - (b) the Company will be procuring a confirmation from the Yichang Purchaser that the Company has fulfilled all obligations under the Agreement and has no further obligations, upon the completion of the Conditional Yichang Disposal; and
 - (c) upon the fulfilment of the conditions under the April 2023 Scheme and the Supplementary Scheme, the Company will be transferring its 100% interest in CESY to an independent third party appointed by the managers of the April 2023 Scheme and the Supplementary Scheme.

3. **UPDATED TERMS OF THE AMENDED AND RESTATED REPS SETTLEMENT DEED**

- 3.1. It is agreed by the parties to the Amended and Restated REPS Settlement Deed that:
- (a) upon the payment of the Cash Settlement Amount and the allotment and issue of the REPS Settlement Shares (the “**First Settlement**”), each of the REPS Holders will forfeit and/or relinquish its rights under the Outstanding Preference Shares (including any interests, distributions or dividends after the Cut-off Date) to the Company at no further cost;
 - (b) upon completion of the First Settlement, each of the Subscribers shall forfeit and/or relinquish its rights over the Assets and the Security shall be discharged; and
 - (c) subject to the completion of the Conditional Yichang Disposal, 15% of the Yichang Proceeds shall be distributed to the REPS Holders by CESY (the “**Proceeds Settlement**”) in accordance with the terms and conditions to be set out in the trust deed to be executed by CESY in favour of the Category A Participating Creditors and the REPS Holders (the “**Trust Deed**”) where CESY will undertake the obligations in relation to the payment and monitoring arrangements of the Yichang Receivables (specifically, the payment obligations to the Category A Participating Creditors and the REPS Holders for their entitlements to the Yichang Proceeds), upon the completion of the Conditional Yichang Disposal, the Proposed Transactions, the other aspects of the Proposed Debt Restructuring and the Proposed Share Consolidation.
- 3.2. Further, it is also agreed that the rights of the REPS Holders in relation to the Proceeds Settlement shall be as set out under the Trust Deed and the Company shall not be responsible or liable for any claims by the REPS Holders in relation to the Proceeds Settlement.
- 3.3. Save for the above, the terms of the Proposed Settlement as previously announced in the REPS Announcement with the REPS Holders remain unchanged.

⁵ This refers to the date when the transfer of the Equity Interest under the Agreement is approved by the board of directors of the Purchaser, approved at the Company’s shareholders’ general meeting, and agreed to by the creditors of the Company, whichever is the latest.

⁶ Please refer to the Company’s announcement dated 19 April 2024 and the Circular for further details.

4. FURTHER ANNOUNCEMENTS

The Company will keep the shareholders updated on the status of and any material developments regarding the Amended and Restated REPS Settlement Deed in due course.

5. CAUTIONARY STATEMENT

Although the shares of the Company are under suspension, shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the shares and securities of the Company. Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares or securities of the Company.

By Order of the Board

Tan Ser Ko
Chief Executive Officer
13 August 2024

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.*

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