

CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199706776D)

MONTHLY UPDATE

*Unless otherwise defined, all capitalised terms used in this announcement which are not defined herein shall have the same meanings ascribed to them in the previous announcement by CharismaEnergy Services Limited (the “**Company**”) dated 23 July 2023 (the “**Previous Announcement**”).*

1. INTRODUCTION

The Board of Directors (the “**Directors**” or the “**Board**”) of the Company and together with its subsidiaries (the “**Group**”), refers to the Previous Announcement and save for the matters already announced, would like to provide the following updates on the matters below as of the date of this announcement:

- (a) In relation to the China photovoltaic power plant (“**PRC Solar**”), the Group had fulfilled the quarterly instalment payment on the loan principal amount and interest to date with partial funding from a loan from the minority shareholder. The Group remains in talks with potential buyers for PRC Solar as part of the Company’s divestment strategy. In relation to the Memorandum of Understanding with a potential buyer for them to commence due diligence work, such due diligence work is expected to commence in September 2023;
- (b) In relation to the Sri Lanka mini hydro power plants operations, the plants continue to operate smoothly and generate a positive operating cashflow. The Group managed to reduce the outstanding receivables from its customer by a further US\$0.5 million to US\$4.2 million through collection efforts made in July 2023. The Group has also continued to receive small tranches of US Dollars repatriated from Sri Lanka to Singapore over the past four months;
- (c) As at the date of this announcement, there is no further update in relation to the Scheme of Arrangement dated 12 April 2023 between the Company and its Scheme Creditors pursuant to Section 210 of the Companies Act 1967 of Singapore. The Company continues to work towards the fulfilment of conditions precedents to effect the Scheme of Arrangement. Please refer to the Scheme Document announced on 12 April 2023 for more details;
- (d) The Company had on 30 June 2023 submitted, through its sponsor to the Singapore Exchange Regulation Pte Ltd (the “**SGX RegCo**”) a further application for the further extension of time till 31 December 2023 to submit its proposal with a view to resume trading in its securities (the “**Resumption Proposal**”). From the previous queries received from the SGX RegCo, it was highlighted to the Company that the Sri Lanka business operations alone may not be sufficient for the purpose to meet the business viability requirement of the Resumption Proposal. Therefore, the Company is in discussions with the Investor to look for new business plans to generate additional revenue stream (which are non-Sri Lanka based) for the Group to ensure viability and sustainability of the Group’s operating business. The Company, with the help of the Investor, is in an advanced stage of discussion on a new renewable energy solutions project outside of Sri Lanka and is in the process of finalising the documentation. The Company is also working with relevant parties towards trading resumption in its securities on the Catalist Board of the Singapore Exchange. As at the date of this announcement, there is no certainty on the

successful completion of the trading resumption. The Company will make further announcements to update shareholders when there are material developments; and

- (e) Due to the non-fulfillment of the timeline in the previous extension of time application, the waiver by the SGX Regco in relation to the extension of time to announce the Group's unaudited results announcement for the full year ended 31 December 2022 ("**FY2022 Results**"), the sustainability report for FY2022 ("**FY2022 SR**"), unaudited results announcement for the first quarter ended 31 March 2022 ("**1Q2023 Results**") and the holding of annual general meeting for FY2022 ("**FY2022 AGM**"), as announced on 3 May 2023, has lapsed. The Company would like to update that the component audit of the Group's significant subsidiary has been substantially completed and the Company expects to release the FY2022 Results and to hold FY2022 AGM by 30 September 2023. With the finalization of the FY2022 Results, the Company is also working to finalise and release the 1Q2023 Results and the unaudited results announcement for the six months and second quarter ended 30 June 2023 ("**2Q2023 Results**") by 30 September 2023.

2. GOING CONCERN

As previously announced by the Company, failing to complete the New CSA with the Investor by the long stop date (which is on 17 October 2023, or such other date as may be mutually agreed between the parties up to a further three (3) months), coupled with the depletion of the unencumbered cash to sustain the Group's operations, the Company may have no means to continue as a going concern.

3. FURTHER ANNOUNCEMENTS

In accordance with Catalist Rule 704(22), the Company will continue to update its shareholders via SGXNet regarding the, *inter alia*, financial situation of the Group. The Company will make further announcements as and when there are material developments.

4. CAUTIONARY STATEMENT

Notwithstanding that the trading of the Company's shares is suspended, shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Shareholders and potential investors who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Tan Ser Ko
Director
30 August 2023

*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 document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Mr Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Center, Singapore 049318, sponsorship@ppcf.com.sg.