

CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199706776D)

APPLICATION FOR FURTHER EXTENSION OF TIME TO SUBMIT A PROPOSAL FOR THE RESUMPTION OF TRADING

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 announcements by Charisma Energy Services Limited (the “Company”) dated 13 March 2020, 18 May 2020 and 17 June 2020 in relation to the updates on the going concern assessment and the monthly update, financial statements and related announcements dated 2 October 2020, 4 November 2020, 3 December 2020, 5 January 2021, 3 March 2021, 16 April 2021, 27 May 2021, 9 July 2021, 22 October 2021, 13 November 2021, 30 December 2021, the announcement for the first extension application in relation to the submission proposal dated 14 June 2021 (the “First Extension Application Announcement”) and the announcement for the no objection received from SGX RegCo (as defined below) dated 29 June 2021 (the “No Objection Announcement”) (collectively the “Previous Announcements”).

1. BACKGROUND

The Board of Directors (the “Directors” or the “Board”) of the Company and together with its subsidiaries (the “Group”), refers to its Previous Announcements, specifically in relation to the First Extension Application Announcement and the No Objection Announcement and would like to inform its shareholders that on 30 December 2021, it had submitted, through its sponsor to the Singapore Exchange Regulation Pte Ltd (the “SGX RegCo”), an application for the further extension of time of approximately six (6) months (from 31 December 2021 to 30 June 2022) (the “Further Extension Application”) to submit its proposal with a view to resuming trading in its securities (the “Resumption Proposal”).

2. EXTENSION APPLICATION

The Company refers to the monthly update announcements dated 9 July 2021, 16 September 2021, 22 October 2021 and 30 December 2021 and the financial statements announcements dated 14 August 2021 and 13 November 2021 whereby the Company has provided all the updates in its business, operations and financial condition to the Shareholders.

In relation thereto, the Company wishes to update its Shareholders that it is in the final stages of discussions with the Potential Investor (as defined in the First Extension Application Announcement) and is pending the execution of definitive agreements for the New Investment (as defined in the First Extension Application Announcement). On the basis of a general restructuring framework based on the proposed terms by the Potential Investor, the Company had also started preliminary discussions with key creditors for the Proposed Debt Restructuring Exercise (as defined in the First Extension Application Announcement).

Notwithstanding the above, the Group is still waiting for feedback on the framework of the Proposed Debt Restructuring Exercise from its creditors (specifically its lenders). Therefore, the Company expects that further time is required to be able to come up with a viable Resumption Proposal to be submitted to the SGX RegCo, due to the following:

- (a) given that the discussions with the Potential Investor is in its final stages and is still pending entry into the definitive agreements, the Group had only recently commenced informal discussions with the key creditors for their feedback specifically on framework of the New Investment and the Proposed Debt Restructuring Exercise, with a view to formally negotiate and finalise the main terms for the Proposed Debt Restructuring Exercise subsequently. The Group is of the view that additional time will be required for this process as there are multiple key creditors involved and due to the complexity in managing the requirements of all parties;
- (b) time will be required to prepare, review, negotiate, finalise and execute the documentation required for all of the transactions contemplated, to reflect the requirements of all parties involved; and

- (c) the Company will only be able to prepare and submit the Resumption Proposal after executing the definitive documentation so that the terms on which the Resumption Proposal are based on will be finalised.

3. INDICATIVE TIMELINE

Pursuant to the above reasons and in line with the Further Extension Application, a revised indicative timetable for both the New Investment and the Proposed Debt Restructuring Exercise is set out below for reference:

S/No.	Milestones	Indicative Timeline
1.	Finalisation of and entry into definitive agreements with the Potential Investor and announcement on the New Investment	January 2022
2.	Engage in informal discussions of the debt restructuring plan with the creditors for the Proposed Debt Restructuring Exercise.	January 2022 to February 2022
3.	(a) Engage in formal negotiation and finalisation of Proposed Debt Restructuring Exercise with the creditors (b) Preparation and entry into transaction documents for the Proposed Debt Restructuring Exercise (c) Announcement of the entry into transaction documents for the Proposed Debt Restructuring Exercise.	January 2022 to March 2022 April 2022 to May 2022 May 2022
4.	Preparation and submission of Resumption Proposal based on the executed definitive documentation of the New Investment and the Proposed Debt Restructuring Exercise.	June 2022
5.	Preparation of shareholders' circular, independent financial advisors' report, and whitewash waiver application	May to June 2022
6.	Obtain the necessary regulatory and shareholders' approvals on the contemplated transactions (including clearance from the relevant authorities)	July 2022 to August 2022
7.	Completion of contemplated transactions and resumption of trading	By September 2022

4. FURTHER ANNOUNCEMENTS

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

5. TRADING CAUTION

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 Wee Sin
Company Secretary
30 December 2021

*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.*

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