

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, 28 January 2022, 21 February 2022, 25 March 2022, 7 April 2022, 29 April 2022, 3 June 2022, the announcement for entry into conditional subscription agreement dated 10 January 2022, the announcement for the first extension application in relation to the submission proposal dated 14 June 2021 (the “**First Extension Application Announcement**”), the announcement for the no objection received from SGX RegCo (as defined below) dated 29 June 2021 (the “**No Objection Announcement**”), the announcement for the second extension application in relation to the submission proposal dated 30 December 2021 (the “**Second Extension Application Announcement**”) and the announcement for the no objection received from SGX RegCo (as defined below) dated 4 February 2022 (the “**Second 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, the No Objection Announcement, the Second Extension Application Announcement and the Second No Objection Announcement and would like to inform its shareholders that on 28 June 2022, 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 (the “**Third 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, 30 December 2021, 28 January 2022, 21 February 2022, 25 March 2022, 3 June 2022 and the financial statements announcements dated 14 August 2021, 13 November 2021 and 29 April 2022 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 as announced on 10 January 2022, the Company has entered into a conditional subscription agreement (the

“**New Investment**”) with Yin Khing Investments Limited (the “**Investor**”). Under the New Investment, it was contemplated that the Company would undertake the Proposed Debt Restructuring. The New Investment shall also be inter-conditional with the Proposed Debt Restructuring, where it is expected that the Company will meet certain financial conditions (as agreed with the Investor) pursuant to the New Investment and the Proposed Debt Restructuring.

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 Company, the Investor and one of the Continuing Lenders have yet to agree on the terms of the Loan Restructuring, it is anticipated that additional time is required for discussion to finalise the terms of the Loan Restructuring. Depending on the outcome of the discussion, the Company will need to renegotiate with the Investor on the terms of the revised New Investment which may include but is not limited to an extension of long stop date;
- (b) due to the potential revision of the terms of the New Investment, the Company will need to renegotiate and revise the terms with the other lenders / creditors under the Scheme of Arrangement. 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;
- (c) 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
- (d) the Company will only be able to prepare and submit the Resumption Proposal after renegotiating with all parties involved in the Proposed Debt Restructuring 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. | Renegotiation and finalisation of the revised New Investment agreements with the Investor and announcement on the revised New Investment | July 2022 |
| 2. | Renegotiate debt restructuring plan with the creditors for the Proposed Debt Restructuring under the revised New Investment | July 2022 to August 2022 |
| 3. | (a) Finalisation of Proposed Debt Restructuring with the Creditors | July 2022 to September 2022 |

| S/No. | Milestones | Indicative Timeline |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| | (b) Preparation and entry into transaction documents for the Proposed Debt Restructuring | October 2022 to November 2022 |
| | (c) Announcement of the entry into transaction documents for the Proposed Debt Restructuring | November 2022 |
| 4. | Preparation and submission of Resumption Proposal based on the executed definitive documentation of the revised New Investment and the Proposed Debt Restructuring | December 2022 |
| 5. | Preparation of shareholders' circular, independent financial advisors' report, and whitewash waiver application | November 2022 to December 2022 |
| 6. | Obtain the necessary regulatory and shareholders' approvals on the contemplated transactions (including clearance from the SGX-ST and approval from the SIC) | January 2023 to March 2023 |
| 7. | Completion of contemplated transactions and resumption of trading | By March 2023 |

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 Ser Ko
Director
28 June 2022

*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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