

CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199706776D)

INCORPORATION OF AN INDIRECT WHOLLY-OWNED SUBSIDIARY IN LABUAN

The Board of Directors of Charisma Energy Services Limited (the "Company") wishes to announce that CES Hydro Power Group Pte. Ltd., a wholly-owned subsidiary of the Company has incorporated a wholly-owned subsidiary in Labuan, Malaysia under the name "CES Hydro Power (SL) Limited" ("CES Labuan").

CES Labuan has an initial issued and paid-up capital of USD1.00.

The principal activity of CES Labuan will be those of owning, leasing and operating of hydro-electric power generation equipment and plants.

The abovementioned investment will be funded through internal resources of the Company and is not expected to have any material impact on the earnings per share or net tangible assets per share of the Company for the current financial year ending 31 December 2014.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the abovementioned transaction, save for their shareholdings in the Company.

By Order of the Board

Lim Ka Bee
Company Secretary
1 April 2014

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, CNP Compliance Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

The Sponsor has not verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements or opinions made or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST.

The Sponsor and the SGX-ST assume 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. Lance Tan at 36 Carpenter Street, Singapore 059915, telephone:(65) 6323 8383; email: ltan@cnplaw.com