

CHARISMA ENERGY SERVICES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199706776D)

APPLICATION FOR A FURTHER EXTENSION OF TIME FOR THE FOLLOWING:

- (I) TO ANNOUNCE THE COMPANY'S AND THE GROUP'S UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR
 - a. THE FIRST QUARTER ENDED 31 MARCH 2022 ("1Q2022 RESULTS");
 - b. THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2022 ("2Q2022 RESULTS");
 - c. THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2022 ("3Q2022 RESULTS");
 - d. THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2022 ("FY2022") ("FY2022 RESULTS");
 - e. FOR THE FIRST QUARTER ENDING 31 MARCH 2023 ("1Q2023 RESULTS");
 - (II) TO HOLD THE COMPANY'S ANNUAL GENERAL MEETING ("AGM") FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 ("FY2021") ("FY2021 AGM") AND FY2022 ("FY2022 AGM"); AND
 - (III) TO ISSUE THE COMPANY'S SUSTAINABILITY REPORT FOR FY2021 ("FY2021 SR") AND FY2022 ("FY2022 SR")
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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 announcements dated 28 June 2022 and 29 July 2022 (the "**Previous Announcements**") in relation to the Company's extension of time applications with regard to compliance with Catalist Rules 705(1), 705(2), 707(1) and 711A.

Capitalised terms used but not defined herein shall have the meanings as ascribed to them in the Previous Announcements.

- 1.2. The Company has, on 28 June 2022, through its sponsor, submitted an application to seek approval of the SGX Regco for the extension of time to hold the FY2021 AGM, to issue the FY2021 SR together with the FY2021 AR and to announce the 1Q2022 Results, 2Q2022 Results and 3Q2022 Results.
- 1.3. As announced on 29 July 2022, the Company had received confirmation from the SGX Regco on 27 July 2022 that it had no objection to, among others, the aforementioned extension of time sought, but subject to various conditions, one of the conditions being the Company completing its negotiation with the Investor and entering into a new Investment Agreement by 31 July 2022. As the Company was unable to meet the condition mentioned, the waiver received on 27 July 2022 has lapsed.

1.4. The Board wishes to announce that on 14 March 2023, the Company has, through its sponsor, submitted an application to seek the approval of the SGX Regco for the following extension of time to:

- (a) announce the 1Q2022 Results, 2Q2022 Results and 3Q2022 Results no later than 7 April 2023;
- (b) hold the Company's FY2021 AGM no later than 5 May 2023 (with the FY2021 AR to be announced at least 14 days before the date of the FY2021 AGM, being no later than 20 April 2023); and
- (c) issue the FY2021 SR together with the FY2021 AR, being no later than 20 April 2023.

1.5. Due to the further extension of times sought as set out above, the Company would also like to seek an extension of time to:

- (a) announce the FY2022 Results no later than 3 July 2023;
- (b) hold the Company's FY2022 AGM no later than 31 July 2023 (with the annual report for FY2022 (the "**FY2022 AR**") to be announced at least 14 days before the date of the FY2022 AGM, being no later than 14 July 2023);
- (c) issue the FY2022 SR together with the FY2022 AR, being no later than 14 July 2023; and
- (d) announce the 1Q2023 Results no later than 21 July 2023.

(collectively for paragraph 1.4 and paragraph 1.5, the "**Further SGX-ST Extension Applications**").

1.6. The Company will also apply to the Accounting and Corporate Regulatory Authority ("**ACRA**") for the following:

- (a) a further extension of time under Section 175 of the Companies Act 1967 of Singapore (the "**Companies Act**") to hold the Company's FY2021 AGM by 5 May 2023 (from the extended deadline of 31 October 2022);
- (b) a further extension of time under Section 197 of the Companies Act to file its annual return in respect of FY2021 by 18 May 2023 (from the extended deadline of 14 November 2022);

- (c) an extension of time under Section 175 of the Companies Act to hold the Company's FY2022 AGM by 31 July 2023; and
- (d) an extension of time under Section 197 of the Companies Act to file its annual return in respect of FY2022 by 11 August 2023.

(collectively, the "**Further ACRA Extension Applications**").

The Company will provide necessary updates on the Further ACRA Extension Applications when available.

2. REASONS FOR THE FURTHER SGX-ST EXTENSION APPLICATIONS

2.1 The Company has made the Further SGX-ST Extension Applications, due to the following reasons:

- (a) As announced on 12 July 2022, the Company, the creditors and the Investor, being Yin Khing Investments Limited, have not been able to reach an agreement in relation to the terms and conditions of the Proposed Debt Restructuring. Pursuant to which, the Longstop Date of the Conditional Subscription Agreement entered into on 10 January 2022 had lapsed on 9 July 2022.
- (b) As announced on 18 January 2023, the Company has entered into a new conditional subscription agreement (the "**New CSA**") with the same Investor for subscription of new ordinary shares amounting to S\$13,576,000 and share options amounting to S\$16,291,200.
- (c) Under the New CSA, it is contemplated that the Company will undertake the following:
 - i. divestments of its existing assets and quoted securities such that the Company will retain its ownership in the holding entities of its operations in Sri Lanka and the operating companies in Sri Lanka (the "**Sri Lanka Sub-Group**") (being the owners of the 13 units of mini-hydroelectric power plants in Sri Lanka with a combined capacity of 43.46 megawatt), together with their receivables, cash and inventories;
 - ii. propose a scheme of arrangement which will be a compromise or arrangement between the Company and class(es) of certain of its unsecured creditors, in accordance with Section 210 of the Companies Act 1967 of Singapore or the Insolvency, Restructuring

and Dissolution Act 2018 of Singapore or under any applicable law(s) of Singapore, to compromise certain of the Company's debt with such settlement being a combination of cash and issue of new Shares (the "**Revised Scheme of Arrangement**");

- iii. the creation of a fresh debt obligation to the Investor, in consideration for the Investor procuring (a) full discharge of all liabilities and debts owing by the Sri Lanka Sub-Group to Overseas Chinese Banking Corporation ("**OCBC**"); and (b) OCBC's consent to discharge any and all mortgage, charge, pledge, lien or other security interest securing any obligation of the Sri Lanka Sub-Group for the benefit of OCBC;
- iv. agreement on a settlement with holders of the redeemable exchangeable preference shares, which is envisaged to comprise a combination of cash and issue of new Shares to such creditors, with such new Shares to be issued under the Revised Scheme of Arrangement; and
- v. a share consolidation of all of the issued Shares pursuant to the above transactions.

2.2 In relation to the Revised Scheme of Arrangement as mentioned in paragraph 2.1 (ii) above, as announced on 18 February 2023, the Company had on 18 February 2023 applied to the Singapore High Court (the "**Court**") for:

- (a) leave to be granted, pursuant to Section 210(1) of the Companies Act, for the Company to convene a meeting of the Scheme Creditors for the purpose of considering and, if thought fit, approving, with or without modification, the Scheme (the "**Leave Application**"); and
- (b) any and all further proceedings in any action or proceeding against the Company be restrained except by permission of the Court pursuant to Section 210(10) of the Companies Act, (the "**Moratorium**"), and subject to such terms as the Court imposes, for a period of three (3) months from the date of this order, or until further order of Court.

The Company will make further announcements, in compliance with the requirements of the Catalist Rules, to update shareholders on the outcome of the Leave Application and the Moratorium in due course, and as and when there are material developments in relation to the Scheme.

- 2.3 The exercise of preparing and finalising the FY2021 AR, 1Q2022 Results, 2Q2022 Results, 3Q2022, FY2022 Results and 1Q2023 Results involves the making of (1) appropriateness of going concern assumptions and (2) critical accounting estimates. With the entry into the New CSA as described above, the Company has better clarity to determine the actual impact on the FY2021 AR, 1Q2022 Results, 2Q2022 Results, 3Q2022 Results, FY2022 Results and 1Q2023 Results to ensure that these financial statements present a true and fair view of the financial performance and position of the Group.

3. FURTHER ANNOUNCEMENTS

In addition to the outcome of the Further SGX-ST Extension Applications and the Further ACRA Extension Applications, the Company will make further announcements as and when there are material developments.

4. 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
17 March 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.*

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