

CHARISMA ENERGY SERVICES LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199706776D)

**APPLICATION FOR 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 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 announcements dated 2 October 2020, 4 November 2020, 3 December 2020, 5 January 2021, 3 March 2021, 16 April 2021 and 27 May 2021 (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 and would like to inform its shareholders that on 14 June 2021, it had submitted, through its sponsor to the Singapore Exchange Regulation Pte Ltd (the “**SGX RegCo**”), an application for the extension of time of approximately 6.5 months (from 17 June 2021 to 31 December 2021) (the “**Extension Application**”) to submit its proposal with a view to resuming trading in its securities (the “**Resumption Proposal**”).

2. EXTENSION APPLICATION

Since 17 June 2020, trading in the Company’s shares has been suspended under Rule 1303(3)(c) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”) in view of the uncertainties for the Company to continue as going concern (the “**Trading Suspension**”). In accordance with Catalist Rule 1304, the Company is to submit the Resumption Proposal within 12 months from the date of the Trading Suspension under Catalist Rule 1303(3)(c).

Currently, the Board and management of the Company is involved and engaged in discussions with an unrelated third party potential investor (the “**Potential Investor**”) in relation to the investment terms and structure of the new equity investment to provide funding for the Group (the “**New Investment**”). The Company had submitted the Extension Application as it expects that further time is required for a viable Resumption Proposal to be submitted to the SGX RegCo, due to the following:

- (a) the due diligence process conducted by the Potential Investor is still ongoing and delays to completing such due diligence is expected due to the COVID-19 situation (resulting in movement restrictions)¹;
- (b) the Company will be looking into restructuring the Group’s remaining debt based on the terms that can be mutually agreed with the Potential Investor when there is certainty on the new cash funding from the New Investment (the “**Proposed Debt Restructuring Exercise**”). The Company will only be able to formulate a preliminary debt restructuring plan after considering the Potential Investor’s terms and conditions of the New Investment following the completion of the due diligence process;
- (c) time will be required to prepare, review, negotiate, finalise and execute the documentation required for both the New Investment and the Proposed Debt Restructuring Exercise, to reflect the requirements of all parties involved; and

¹ In the event that the Potential Investor does not proceed with the New Investment, the Company will continue to follow up with other parties which have expressed interest in the Group, which may result in a delay to the timeline. The Company will make relevant announcements to the shareholders, as and where required.

- (d) the Company will only be able to prepare and submit the Resumption Proposal after executing the definitive documentation required for both the New Investment and the Proposed Debt Restructuring Exercise.

3. INDICATIVE TIMELINE

Pursuant to the above reasons and in line with the Extension Application, an indicative timetable² for both the New Investment and the Proposed Debt Restructuring Exercise is set out below for reference:

Milestones	Indicative Timeline
<ol style="list-style-type: none"> 1. Conduct of due diligence by the Potential Investor 2. Negotiation of terms with the Potential Investor in relation to the New Investment 3. Discussion of preliminary debt restructuring proposal with relevant parties in relation to the Proposed Debt Restructuring Exercise 	May to August 2021
<ol style="list-style-type: none"> 1. Prepare, review, negotiate, finalise and entry into definitive agreements with the Potential Investor 2. Prepare, review, negotiate, finalise and entry into transaction documents for the Proposed Debt Restructuring Exercise 3. Announcement of the New Investment and entry into the transaction documents for the Proposed Debt Restructuring Exercise 	August to November 2021
<ol style="list-style-type: none"> 1. Preparation and submission of Resumption Proposal based on the executed definitive documentation of the New Investment and the Proposed Debt Restructuring Exercise 	November to December 2021
<ol style="list-style-type: none"> 1. Preparation of shareholders' circular, independent financial advisors' report, and whitewash waiver application 	November to December 2021
<ol style="list-style-type: none"> 1. Obtain the necessary regulatory and shareholders' approvals on the contemplated transactions (including clearance from the relevant authorities) 	March to June 2022
<ol style="list-style-type: none"> 1. Completion of contemplated transactions 2. Resumption of trading 	By July 2022

4. 2016 WARRANTS

Separately, in relation to the 2,196,411,885 listed warrants (the "2016 Warrants") of which the number of 2016 Warrants outstanding as at the date of this announcement stands at 2,040,335,705, as the Company is unable to extend the tenure of the 2016 Warrants or restructure the 2016 Warrants, the Company wishes to remind the holders of the 2016 Warrants that the expiry date of the 2016 Warrants is 5:00 p.m. on 28 November 2021, and that they are able to convert to shares in the Company prior to such expiry date. For further information, please refer to the announcement "2016 Warrants Update" dated 19 April 2021 by the Company.

² In the monthly update announcement dated 16 April 2021, it was indicated that the documentation for the Proposed Debt Restructuring Exercise will be executed by June to July 2021. However, as the Group remains in the midst of negotiating and preparing definitive agreements for the New Investment and the proposal for the Proposed Debt Restructuring Exercise is still in the initial stages, the Company will require more time accordingly, as set out in this revised timeline.

5. 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.

6. 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
14 June 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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